



STAUB ELECTRONICS

STREAMLINING A DISTRIBUTION BUSINESS WITH SAP® BUSINESS ONE

“SAP Business One has without question been an incredible success for Staub and a major competitive advantage for our

Scott Tester, VP Sales and Operations, Staub Electronics Ltd.

QUICK FACTS

Company

- Name: Staub Electronics Ltd.
- Location: Richmond, British Columbia, Canada
- Industry: Wholesale distribution
- Products and services: Electronic devices for car and home
- Employees: 22
- Web site: www.staub.ca
- Implementation partner: Vision33

Challenges and Opportunities

- Implement e-commerce and inventory management capabilities
- Improve business software flexibility and scalability
- Tailor software to the specific needs of business processes
- Support rebates and other special programs
- Incorporate 3rd-party applications without headaches
- Automate business processes
- Improve customer service
- Stay current with software enhancements

Objectives

Implement an enterprise application addressing all the legacy software's deficiencies

SAP Solutions and Services

SAP® Business One application

Implementation Highlights

- Met schedule and budget goals
- Integrated 7 3rd-party applications

Why SAP

- Reputation for business excellence
- Support for e-commerce, inventory management, and efficient business processes throughout the company
- Certification program for 3rd-party applications and integration partners
- Flexibility and affordability

Benefits

- Launched business-to-business e-commerce site that reduced manual order entry by 15%
- Implemented multilocation warehouse management, greatly increasing inventory visibility
- Reduced cross-dock order processing time from 15 hours to 2-3 hours per week
- Automated e-mailing of sales order confirmations, invoices to customers, and electronic data interchange (EDI) advanced shipping notifications, dramatically improving customer service while cutting labor
- Improved visibility of shipment tracking information for customer service reps and customers

Third-Party Integration

- LISA Distribution from N'ware Technologies
- EDI-Integrated Suite from Alligacom Inc.
- ShipLink and Crystal Wave from Third Wave Business Systems
- zedSuite from zedIT Solutions Inc.
- Inventory Planner from Valogix LLC
- B1UP from Boyum IT

Staub Electronics Ltd., one of Canada's premier distributors of consumer electronics, was frustrated by the limitations of its legacy business software. Moving to the SAP® Business One application enabled Staub to automate many manual operations, thereby improving customer service while saving labor, and to implement e-commerce and true warehouse management for the first time. "We are head and shoulders above where we were," says Scott Trotter, Staub's vice president of sales and operations.

Legacy Software Limitations

Established in 1981, Staub has become the trusted distribution partner for home theater and mobile electronic equipment to Canada's major electronics retail chains, specialty retailers, and custom integrators. Known as the "installer's choice," Staub specializes in installer-friendly, solution-oriented electronic products.

The legacy business software that Staub used in the past imposed many limitations on the business. Manual operations prevailed throughout the firm, especially in the warehouses that are so important to a company whose entire business is distribution. The company wanted to provide better service to its customers, but it was difficult with all the labor-intensive steps involved in acknowledging orders, preparing invoices, and issuing advance shipment notifications (ASNs). Electronic data interchange (EDI) is a mandatory element in doing business with large chains that Staub services, but the EDI capability in place was rudimentary and labor intensive.

Staub also wanted to offer its customers the convenience of e-commerce and launched a development effort, but this failed after a year and a half because of legacy software problems.

Likewise Staub attempted to automate its warehouses, but there too it faced software obstacles and eventually gave up on the project. This effort, however, proved to be an important catalyst for improvement. "We desperately needed to manage inventories better, and so we started looking for a third-party warehouse management package we could bolt on to our legacy software," explains Trotter. "When we saw what such an application would cost, however, we took a step back and started the process of evaluating a brand new enterprise resource planning suite."

Affordable, World-Class Business Software

Still, the company thought that SAP software was out of reach financially and instead began looking at alternatives, none of which delivered the

game-changing functionalities it was seeking. Then Staub spoke with Vision33, an SAP channel partner that presented SAP Business One. We always had the impression that SAP software is for Fortune 500-type companies, but Coastal Range showed us how wrong we were," says Trotter. "The purchase price of SAP Business One fit our budget, and the proposed solution addressed the short-comings that existed with our legacy system."

The SAP partner ecosystem was an especially important factor in deciding on SAP Business One, as Trotter explains: "A big reason why we didn't succeed previously on e-commerce or warehouse management was that the software vendors we engaged were too loosely connected to our legacy provider, resulting in incompatibility between applications. With SAP it is totally different because of its certification program. We selected mainly gold-level partners, which gave us confidence the applications were vetted for compatibility with SAP Business One."



“We always had the impression that SAP software is for Fortune 500–type companies, but Vision33 showed us how wrong we were. The purchase price of SAP Business One fit our budget, and the proposed solution addressed the shortcomings that existed with our legacy system.”

Scott Trotter, VP Sales and Operations, Staub Electronics Ltd.

A Wealth of Certified Third-Party Applications

Third-party applications are particularly important to Staub because it needs so many of them. The company chose ideal applications provided by SAP partners and had Vision33 install them as part of its SAP Business One implementation:

“Talk about tight integration. All third-party applications appear totally native in the SAP Business One environment and reside right within the systems main menu.”

Scott Trotter, VP Sales and Operations, Staub Electronics Ltd.

- For its much-needed inventory management solution, Staub chose LISA Distribution from N'ware Technologies, a warehouse wireless management system that provides bin locations and detailed warehouse management functionality using wireless terminals and portable label printers.
- For the e-commerce system that was just as sorely needed, Staub selected the zedSuite from zedIT Solutions Inc., a far better application than the one employed in the previous effort. The very availability of zedSuite in the SAP catalog was a significant driver in choosing SAP Business One.
- For EDI, Staub's choice was Alligacom Inc.'s EDI-Integrated Suite, which greatly streamlined and automated sales order acknowledgement, ASN generation, and label printing. With the combination of e-commerce and EDI, efficiency is vastly improved both for the customer and for Staub, whose order processing time is down 30%.

- To expedite shipping, Staub chose two applications from Third Wave Business Systems. Its ShipLink software interfaces SAP Business One with the UPS WorldShip shipping system, and its Crystal Wave application allows Staub to e-mail invoices and statements that are prepared by the SAP Crystal Reports® software included in SAP Business One.

- Inventory Planner from Valogix LLC supplements LISA Distribution by enhancing the inventory planning and replenishment environment. Whereas Staub's replenishment algorithm in the past was based on simple min-max requirements, it now takes into account histories, trends, seasonality, lead time planning horizons, and other sophisticated criteria.
- Boyum IT's B1UP database add-on allows Staub to create tailoring of screens that is even more advanced than the user-defined field functionality inherent in SAP Business One, which by itself provided much more flexibility than the legacy software ever did. Staub uses both user-defined fields and B1UP tailoring extensively.

Despite the complexity of integrating all these applications into the framework of SAP Business One, Vision33 completed the implementation in just four months, right on schedule and within budget. Just as important, the

applications run in close harmony with SAP Business One – evidence that the SAP certification program works. “Talk about tight integration,” says Trotter. “All third-party applications appear totally native in the SAP Business One environment and reside right within the systems main menu.”

A Bright Future

Successful as it has been, Staub is continuing to pursue further process improvements utilizing the robust functionality of SAP software. Next it will automate SKU setup, a process that oversees the incorporation of new products into its line. This process is currently labor intensive because it requires Staub to follow a complex vetting procedure for every new product that suppliers want to include in its distribution network. Using software underway at Coastal Range, these suppliers will be able to use the Internet to provide all the necessary vetting information – greatly simplifying Staub's task. In another project, the company is planning to extend the reach of SAP Business One to include the remote devices of its many salespeople who cover Canada.

“SAP Business One has without question been an incredible success for Staub and a major competitive advantage for our business,” concludes Trotter. “Sometimes I am concerned that our competition will catch on to our formula for success, but then I realize that it doesn't matter. We have such a head start with SAP Business One, and we are moving so fast to take even further advantage of it, we'll remain a step ahead.”



50 103 318 (11/01)

©2011 SAP AG. All rights reserved.

SAP, R/3, SAP NetWeaver, Duet, PartnerEdge, ByDesign, SAP BusinessObjects Explorer, StreamWork, and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries.

Business Objects and the Business Objects logo, BusinessObjects, Crystal Reports, Crystal Decisions, Web Intelligence, Xcelsius, and other Business Objects products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Business Objects Software Ltd. Business Objects is an SAP company.

Sybase and Adaptive Server, iAnywhere, Sybase 365, SQL Anywhere, and other Sybase products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of Sybase, Inc. Sybase is an SAP company.

All other product and service names mentioned are the trademarks of their respective companies. Data contained in this document serves informational purposes only. National product specifications may vary.

These materials are subject to change without notice. These materials are provided by SAP AG and its affiliated companies ("SAP Group") for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.