Sage 500 ERP | Customer Success

Teva "In Its Element" With Sage 500 ERP

In 1982, Mark Thatcher created the first sports sandal out of inspiration and a little ingenuity. Thatcher combined the spirit of a sandal and the soul of a shoe and came up with the hybrid Teva and a new way to generate millions of dollars in sales.

That's been the recipe for success at Teva Sport Sandals, the company that created its own niche in open footwear for the active-lifestyle market. Around the world, the name "Teva" has become virtually synonymous with Velcro-strapped sandals. Teva continues to evolve its product line to cover the footwear territory of the outdoor athlete. More than 100 different shoe models are now offered through licensees, catalog sales, and the Internet.

Entering New Territory

Exponential growth in direct marketing distribution channels forced Teva to rethink its business management strategies. Since 1993, catalog sales had been tracked effectively by Sage 100 ERP. But with the potential of e-commerce on the horizon, Teva's needs changed. A super-powered database with customizable applications became an absolute necessity.

Teva decided to grow with a winner and upgraded to Sage 500 ERP.* But not without making certain that this was the wisest move. John Kalinich, COO, led a thorough investigation of competitive options. Sage 500 ERP was his choice based on both price and performance.

Outfitted for All Sales Terrain

Sage 500 ERP now handles all of Teva's catalog and Internet transactions. It manages online, telephone, and mail purchases, keeps updated information on inventory, and also compiles data on licensee business, which represents the bulk of Teva's revenue.

When a customer places an order, the system immediately delivers data to Sage 500 ERP, avoiding any hand-keying or possibility of error. The customer knows right away whether items are in stock. Credit cards are approved online for instant input into the Sage 500 ERP system.

*Sage 500 ERP was named Sage ERP MAS 500 when Teva Sport Sandals initially implemented this solution. The product names have been updated in this case study to reflect current naming.

Customer
Teva Sport Sandals

Industry
Sports sandals

Location
Flagstaff, Arizona

Number of Locations
One

Number of Employees
25

System
Sage 500 ERP
- Accounts Payable
- Accounts Receivable
- Cash Management
- Customizer
- General Ledger
- Inventory Management
- Inventory Replenishment
- Purchase Order
- Sales Order

Challenge
Upgrade to a more powerful system that covers e-commerce terrain and can easily manage exponential growth.

Solution
Sage 500 ERP financial and distribution solutions.

Results
Doubled business and reduced labor costs; streamlined online, phone, and mail sales; automatic ordering and returns; precise inventory counts; improved data accuracy, access, and analysis; five-minute reconciliation reports.

Shipping and inventory management is handled through Sage 500 ERP as well. Kalinich's team wrote a program in SAP® Crystal Reports for Sage 500 ERP to create customized pick lists for the warehouse. When orders go out, Sage 500 ERP charges the credit card, does cash receipt posting, and generates an invoice for insertion with the customer order.

"The main thing I like about Sage 500 ERP is the ability to go into the database, grab information, and then manipulate it however we want," says Kalinich. "Because the system is based on an SQL engine, we can store vast amounts of data and generate any type of report imaginable."

A custom reconciliation report compares funds transferred to the bank from credit cards against amounts reported in Sage 500 ERP. "Sometimes banks lose transactions or double process a credit card transaction," he explains. "Sage 500 ERP does the reconciliation in about five minutes and has greatly improved our accuracy."

He also likes the returns function in Sage 500 ERP. Returns are high in catalog and Internet sales, often posing problems in accounting. But the Sage 500 ERP Sales Order module automatically opens whenever a return comes in, for immediate modification, depending on whether the customer wants a refund or exchange. "This has saved us a tremendous amount of time," says Kalinich.

Did the new system fulfill Kalinich's expectations? "Absolutely. It did exactly what was promised. As proof, we've doubled our business in the past eight months and yet lowered our labor costs, thanks to Sage 500 ERP. We believe the Internet distribution channel will continue to deliver large growth rates, and Sage 500 ERP will help us capture our share."

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>
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About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, manufacturing, nonprofit, and real estate industries. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 12,300 people and supports more than 6 million customers worldwide. For more information, please visit the website at www.SageNorthAmerica.com or call 866-996-7243. Follow Sage North America on Facebook at: http://www.facebook.com/SageNorthAmerica and Twitter at: http://twitter.com/#!/sagenamerica.

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