

## SAP Customer Success Story Consumer Products



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David Black, President, Emblemtek Solutions Group Inc.

### AT A GLANCE

#### Company

- Name: Emblemtek Solutions Group Inc.
- Location: Vankleek Hill, Ontario, Canada
- Industry: Consumer products
- Products and services: Embroidered patches
- Employees: 45
- Web site: [www.emblemtek.ca](http://www.emblemtek.ca)
- Partner: The Createch Group

#### Challenges and Opportunities

- Supporting rapid growth for many years to come
- Helping personnel achieve higher levels of performance
- Assuring management that business software needs are well covered

#### Objectives

- Replace trio of disconnected legacy systems with single comprehensive business application
- Eliminate duplication of data and manual errors
- Engage highly effective implementation partner

#### SAP® Solutions and Services

- SAP® Business One application
- SAP Business One E-Commerce application

#### Implementation Highlights

- After initial implementation failed, new partner brought in by SAP
- Excellent partner performance, taking the application live within 1 month
- Partner able to fit application to existing business processes, not the other way around

#### Why SAP

- Willingness to be second line of defense on support issues, backing up partner
- Ability to satisfy all immediate requirements with existing functionality
- Ease of customization to satisfy new requirements as they arise
- Policy of providing all functionality for a single price

#### Benefits

- All legacy systems retired, eliminating duplication of effort and manual errors
- Personnel headcount constant while sales grew 30%, customer base grew 40%, and stock-keeping units (SKUs) in inventory grew almost 100%
- Time to perform financial reporting and other management operations cut by half
- Requests for customization satisfied within 1 day
- Customer satisfaction and retention at all-time highs

#### Existing Environment

Legacy enterprise resource planning system and 2 legacy custom databases

#### Third-Party Integration

- Database: Microsoft SQL Server
- Hardware: HP servers
- Operating system: Microsoft Windows

## EMBLEMTEK

### Personal Relationships with SAP Help Emblem Manufacturer Succeed with SAP® Business One

Established in 1980 and based in Vankleek Hill, Ontario, Emblemtek Solutions Group Inc. has grown to become one of the largest suppliers of embroidered patches for clothing in Canada. In the last three years the company’s revenue increased 30% while its customer base rose by 40% and the number of stock-keeping units (SKUs) – unique items maintained in inventory – nearly doubled. Yet Emblemtek accomplished all this growth with absolutely no increase in headcount, in large part because of the SAP® Business One application that it uses to run its operations.

### SAP Business One Removes Impediments to Growth

In the past Emblemtek employed a legacy business software system in conjunction with a pair of customized databases, none of which were interconnected. Data often had to be entered redundantly, and manual errors occurred too frequently. Emblemtek’s executives recognized that in order to continue on its growth path, the company needed to retire these systems in favor of a single application that embraced all the functionality required to run the business. So in 2004 they began searching for the right solution.

Emblemtek seriously considered two contenders, SAP Business One and an application from another major software company, and presented both vendors with a 35-page needs analysis document. “The experts from SAP came in, took care to understand our requirements in detail, and explained how SAP Business One satisfied every one of them,” reports David Black, Emblemtek president. “Furthermore, they told us that we’d be entitled to use all the functionality of SAP Business One, including functions we hadn’t yet identified a need for, because SAP provides it as a single unified package. The other vendor sold its application as a confusing collection of separately priced modules. They described this as a ‘granular’ approach, like it was a good thing, but that surely wasn’t the way we saw it. It took us two hours just to figure out which options we’d need.”

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David Black, President, Emblemtek Solutions Group Inc.

“The other factor that made us choose SAP was its pledge to be there for us on an ongoing basis as a second line of defense on support issues, standing right behind our implementation partner,” Black continues. “For a small company like ours to have an organization of SAP’s esteem just a phone call away was a huge consideration.”

### **SAP Brings In Createch to Turn Around Flawed Implementation**

Emblemtek had occasion to take advantage of its direct relationship with SAP sooner than it thought. The original implementation partner started well but soon veered off course, falling behind schedule and going over budget. In addition, this partner attempted to force users to alter their business procedures to fit the new software instead of taking advantage of the customizability of SAP Business One software to fit the ways the firm does business. Emblemtek responded by calling in its friends from SAP, who took a close look at the situation and agreed that the partner was missing the mark. Then SAP asked the partner to leave the project and brought in another partner, the Createch Group, to take over. “The personal attention we received from SAP in evaluating the first partner’s performance and making the switch was very impressive,” says Black. “If we’d chosen the other application, I’m sure we’d never once have seen anybody from the supplier.”

Createch proved to be an excellent implementation partner, and within a month Emblemtek went live with SAP Business One. “Createch’s people did a phenomenal job,” says Black. “Not only are they well versed in the software, but they’re also good listeners. The sun came out when they took over the project.”

### **Instant Availability of Data Revolutionizes Customer Relations**

SAP Business One immediately became the basis for running Emblemtek’s business, and it fit the needs so well that the company was able to quickly retire the legacy system and databases. Since then the firm has grown sharply – revenue up 30%, customer base up 40%, and number of SKUs in inventory up from 22,000 to 42,000 – all without hiring additional staff. “I’m not saying that SAP Business One is solely responsible for our growth and efficiency improvements, but it’s certainly a major

enabler in our success,” says Black. “We wanted a platform that would support our growth, and we’ve proven that with SAP Business One, we’re set for many years to come. As we grow we continually come up with new needs, but in every case we’ve been able to find ways to satisfy them with SAP Business One. It’s so easy to customize! In fact, we have days when someone suggests an improvement of some kind in a morning meeting, and by afternoon it’s there.”

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Emblemtek uses virtually all the features of SAP Business One, but Black singles out the customer relationship management functionality for special mention. “SAP Business One has simply revolutionized our customer relations,” he says. “Every bit of important customer data is at our salespeople’s fingertips at all times. When customers ask questions, we have answers within seconds. They’re astonished at what we can do. SAP Business One has been our key to better customer service, which in turn has led to better customer retention and additional sales.”

“Having all the key data at our fingertips is just as important to management as it is to the sales staff,” Black continues. “By doing more with the data than ever before, we’re accomplishing our jobs much more quickly and efficiently. It’s taking only half as long as before to perform processes like financial reporting.”

### **SAP Remains Close at Hand**

With Createch as its partner, Emblemtek is continually evolving its SAP Business One application. Next on the agenda is e-commerce capability for customers, for which the team is deploying the SAP Business One E-Commerce application. Createch is performing most of the implementation steps, but Emblemtek is contributing as well by performing various customizations.

Throughout these projects, SAP is still available to provide assistance, standing right behind Createch. “I maintain contact with six or seven people from SAP on an ongoing basis,” Black says. “They’re always interested in what we’re doing and available if we need help. The first people I met were from SAP itself, not a partner, and they made some promises that have all come true. I’m still in touch with the same people, and I can’t overstate the value of having those personal commitments. In all my other experiences with IT vendors, I’ve never once had a chance to interface directly with anyone from the ultimate supplier, but with SAP it’s routine. It continues to amaze me and everyone I tell about it when I recommend SAP – which I’ve done many times.”

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