

Multi-Division Company
Enhances Operations With
SAP Business One[®]



ABOUT



Company

Name:
Trade Union International Inc.

Industry:
Retail

Products:
Automotive supplies and parts,
and licensed sports merchandise

Visit them at
www.tradeunion.com

Challenges

- Difficulty sharing business data across departments
- Legacy software was outdated, inefficient, and unreliable
- Poor inventory control limited profitability

Why SAP Business One

- Standardizes processes and consolidates information
- Scalable and flexible to support international business and expansion
- Simplifies daily task management

Benefits

- High cycle-count accuracy (over 95%), saving thousands of dollars per year on physical inventory
- Access to accurate, up-to-date information for informed decision-making
- Higher customer satisfaction from accurate, on-time order fulfillment



SAP Business One has made us a better company. We're excited by how well we're positioned to operate more efficiently and grow our business internationally."

Mei Lein Chang, VP and cofounder of Trade Union International

Operating a fast-growing business is challenging—especially when there's a second division with a different product line. That's what Trade Union International Inc. does: One business sells aftermarket auto and truck wheels, and another (Duck House Products) distributes licensed sports merchandise.

The company's legacy enterprise resource planning (ERP) solution wasn't keeping up as both divisions grew. "We had stretched our 20-year-old ERP software to its limits," explains Mei Lein Chang, VP and cofounder of Trade Union International.

To ensure customer satisfaction and fuel business, Trade Union International and Duck House Products needed to fulfill orders quickly and accurately. Both divisions needed to optimize sales, procurement, financials, and warehouse management processes.

The answer was replacing their outdated ERP software with SAP Business One® and Accellos One Warehouse, a multimodule warehouse management solution that integrates with SAP Business One.

Founded in 1981, Trade Union International made US \$100M in annual revenue in 2008. The company has a manufacturing facility near Shanghai, China, and a 100,000 square foot warehouse in California.

Trade Union International distributes both divisions' products domestically and internationally and employs over 500 people.



*We either couldn't fulfill orders
or were spending too much on
inventory."*

*Bill Boiler,
warehouse manager at Trade Union*

A lack of integration stymies growth

Although Trade Union International and Duck House Products had run on ERP software for years, operations were less than ideal. Disconnects between the front office and the warehouse led to over-reliance on inaccurate, outdated information. "We were extremely compartmentalized, mostly due to software inadequacies," explains Gary Chang, Trade Union International's marketing manager.

Customer service suffered when the company couldn't get an accurate sense of available inventory. Doing so was difficult because the ERP software didn't provide for safety stock, calculate fill rates, or determine consumption history.

Trade Union International and Duck House Products either ran out of inventory or carried too much. And because salespeople had inaccurate stock counts and didn't know delivery dates, correct customer order fulfillment was inconsistent. "We either couldn't fulfill orders or were spending too much on inventory," says Bill Boiler, Trade Union International's warehouse manager.



Struggling with data issues

Without clear product descriptions or a centralized view of bin locations, warehouse employees wandered from bin to bin to fulfill orders from paper tickets. “We spent an excessive amount of time manually consolidating inventory data and fulfilling orders,” says Boiler.

Because the ERP software didn’t offer real-time data, employees posted transactions manually. If a problem occurred while sales orders and invoices were being recorded in the general ledger, everyone had to exit the system. “We wasted so much time entering data and waiting for system resets,” says Gary Chang.

Despite hiring consultants to develop special reports, Trade Union International rarely got the critical insights it needed.

The company knew it had finally stretched its ERP software beyond its limits. “All our customizations eventually destabilized the software, leading to frequent crashes. We needed a new solution if we wanted to keep growing,” explains Gary Chang.



With SAP Business One, we run 20% more efficiently, which increases our profitability.”

*Bill Boiler, warehouse manager
at Trade Union International*



Finding a solid foundation for an evolving business

To support core processes and international operations and standardize processes across multiple divisions with a user-friendly interface, Trade Union International chose SAP Business One. “We knew of the SAP brand and its reputation. The software met all our needs, and the implementation would be easier than other solutions. Plus, our IT team is small, so we wanted software supported by an implementation partner with industry expertise,” explains Mei Lein Chang.

Vision33, an SAP channel partner and SAP Business One reseller, became Trade Union International’s ERP partner. Because Trade Union International also wanted a warehouse management system, Vision33 recommended Accellos One Warehouse because of how well it integrates with SAP Business One.

To reduce disruptions, Trade Union International rolled out the new software in stages, starting with Duck House Products. Two months later, it rolled out across Trade Union International. “The second implementation was smoother because we involved all our employees from the outset and applied the best practices we learned during the first stage,” explains Gary Chang.



Improving business with tighter operations

The new software has dramatically improved Trade Union International's operations with better accuracy, insight, and planning.

The company has standardized processes across both divisions, and now any employee can enter a sales or purchase order or pull an order for both Trade Union International and Duck House Products. "SAP Business One has empowered our employees to handle more processes and tasks—a vital capability in a small company," explains Gary Chang.

Data is viewable in real-time, enabling all employees to view sales orders, inventory, and other critical information. Managers used to manually create reports, but SAP Business One generates standard reports and exports data effortlessly. And with a clear view of available and incoming inventory, employees are confident about fulfilling customer orders. Trade Union International has reduced order fulfillment time by 60% and shipping errors by 90%, causing customer satisfaction to soar.





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*Gary Chang, marketing manager
at Trade Union International*

Improved data access

Accurate real-time data gives the management team insight into business performance. “With SAP Business One, we run 20% more efficiently, which increases our profitability,” says Boiler.

SAP Business One has even improved the periodic audits by an external CPA. For the first post-implementation audit, the company had set aside five days—but with SAP Business One and Accellos, the auditors were finished in a single day. The cycle count was 95% accurate, and Trade Union International saved on a week’s auditing costs.

“Now we perform regular cycle counting, which saves a tremendous amount of time. Plus, we can significantly trim our physical inventory, saving tens of thousands a year,” says Boiler. Inventory accuracy has improved by 50%, planning cycles take 70% less time, and physical inventory has been reduced by 20%.



Preparing for expansion

Trade Union International expects SAP Business One to be effective for years to come. In fact, the company is already anticipating the next version. By staying on top of upgrades, Trade Union International will know it's reaching its full potential. "We'll continue to enhance our SAP environment with additional SAP software that suits our needs," says Gary Chang.

"SAP Business One has made us a better company. We're excited by how well we're positioned to operate more efficiently and grow our business internationally," concludes Mei Lein Chang.



Vision33 transforms business processes and results for customers by delivering value through the promise of technology and its benefits for growing businesses. For over 30 years, Vision33 has helped companies integrate and automate their business processes and applications to better serve their customers, employees, and stakeholders. The technologies may have changed drastically in 30 years, but Vision33's mission has never wavered.

With over 1,000 customers worldwide, Vision33 helps manufacturers, distributors, service firms, and SaaS businesses outperform their competition and lead their industries with successful technology investments.

With nearly 500 employees, Vision33 offers product expertise, business experience, and innovative technology leadership. Whether a global company with 100 subsidiaries or a small business, Vision33 works alongside every customer to meet their goals.

Vision33 also has formal partnerships to resell, implement, and support leading ERP applications, is a leader in cloud deployment, and has developed exclusive products, including Saltbox (saltbox.io) and iDocuments (idocuments.io).

For more information about Vision33, visit www.vision33.com.

Contact your nearest Vision33 sales office to discuss how we can help transform your business.

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