

Microsoft® Business Solutions

# Retail Management System *Solutions in Action*



How savvy retailers leverage Microsoft solutions

**Microsoft**

## *How savvy retailers leverage Microsoft solutions*



“Microsoft Retail Management System (MRMS) enabled these retailers to break out of unprofitable business modes and achieve success in a tough economy. Sometimes hard work is simply not enough. Today, retailers need powerful and flexible tools to hit their potential.”

Nothing proves the adaptability and resilience of a retail information system like demanding, everyday use in optimizing and reporting stock levels, guiding purchases, and speeding through lines of customers. In growing stores and chains, every dollar saved can be spent where it's needed most.

Today's customers want lower prices and fast information. Inventory managers want accurate stock levels, rates of sale, and next arrival dates. Accountants watch cash and shrinkage. A retail management system must automate all these areas, yet be easy to operate and economical to maintain.

Certified Microsoft Great Plains Partners can help you define which products will serve you best and what retail hardware you really need. They can provide and set up hardware and software to meet your business rules and expedite once-tedious tasks.

The examples in this brochure represent a cross-section of stores, franchises and chains where Microsoft Business Solution's Retail Management System has conquered the real-life challenges that face every retailer.

Brendan O'Meara  
Product Unit Manager, Retail,  
Microsoft Business Solutions

# In Retail There Are No Instant Replays

***You're only as good as the last game in the sports memorabilia business. Inventory value rises and falls with athlete and team fortunes. Working from an office over 500 miles from the store, owner Kevin Rieck needed inventory control that was accurate and up to the minute. QuickSell 2000 scores the winning touchdown.***

The Sports Gallery, Inc. sells sports memorabilia. "Athletes are good merchandise for us, and we're good publicity for them," explains Kevin Rieck, President. Kevin hires pro athletes to come in, talk to customers and autograph merchandise. "When pro athletes visit, we assign each one an SKU number. Then we serialize every autograph." The Sports Gallery uses QuickSell 2000, part of Microsoft Business Solutions' Retail Management System, to manage all its point-of-sale and inventory control functions. "We sell serialized tickets in advance and track the buyers. Yet fans lose those tickets and then call us up moaning. We just verify it in QuickSell 2000 and print a replacement. No sweat."

Kevin ticks off the reasons he's happy with QuickSell 2000: "Flexibility, real time inventory control, security features and less time in the store. My store is 550 miles from my office, but I synchronize my database with the store's daily. I'm in the store once or twice a month, but with QuickSell 2000 it's like being on site.

"QuickSell 2000 is so logical. You tailor it to your needs and it works just like you'd expect. Retail is too unpredictable to tolerate inflexible software. When our industry had supply line upheavals, a lot of stores couldn't keep up. QuickSell 2000's tools and flexibility helped us not only stay apace, but exploit those changes."

## **Tools for growth**

Having on-site autograph sessions is one of many improvements QuickSell 2000 has made possible. Five years ago The Sports

Gallery sold almost exclusively trading cards and had no POS system. Kevin says, "It was miserable trying to track trading cards without a good inventory system. So we could never have expanded beyond cards without QuickSell 2000's real-time inventory.

"Memorabilia are fickle items," Kevin says. "You better know one weekend to the next—maybe one curve ball to the next—which team will be hot and which card packs won't sell. Bad guesses and lucky ones are part of the collectibles game, but QuickSell 2000 gives us the edge. QuickSell 2000 tells us what's worth reordering and what's sitting on the shelves. I'll take QuickSell 2000 reports over lucky guesses any day."

## **Shrinkage and security**

"Theft is a fact of retail life," Kevin observes. "Sports memorabilia is as attractive to new staff as it is to customers," he went on. Coordinating merchandise levels against employee sign-ins led to targeted dismissals that cut product loss by 85%. Just as importantly, an honest employee was cleared of suspicion using QuickSell 2000's receipt-tracking capability.

## **System selection**

"I researched POS software two years before going with QuickSell," Kevin recounts. "If it wasn't Windows-based, it didn't make the first cut.

"My checklist said it had to be easy to troubleshoot, and support had to be competent. QuickSell 2000 went in so smoothly we never got to check on troubleshooting!"

## The Sports Gallery

### **Solution Overview**

#### **Industry**

Retail – sports memorabilia store and Web site

#### **Scenario**

Selling sports-related collectibles, autographed items, clothing and even miniature Zambonis to enthusiastic but fickle fans proves to be an inventory control nightmare.

#### **Company Profile**

Sports Gallery sells sports and racing memorabilia in Toledo, Ohio and online.

#### **Situation**

With the popularity of merchandise changing as quickly as the next edition of the newspaper's sports section, The Sports Gallery needed a system to quickly and accurately track inventory and customer preferences.

#### **Software Used**

Microsoft® Business Solutions QuickSell 2000  
Microsoft® Windows® 2000  
Microsoft® Windows® 98  
LapLink®

"QuickSell 2000 is so logical. You tailor it to your needs and it works just like you'd expect. Retail is too unpredictable to tolerate inflexible software."

— **Kevin Rieck, The Sports Gallery**

# Inventory Control and Superior Value Help Guppy Take on Sharks

## APet

### Solution Overview

#### Industry

Retail – pet supply store

#### Scenario

Roy Wood operates an independent pet store where superior customer service and knowledgeable employees allow him to thrive in the midst of much larger competitors.

#### Company Profile

Based in Annapolis, Maryland, APet is a service-oriented pet supply store that exploits Web, email and targeted marketing.

#### Situation

Inventory was out of control. Replenishment was based on distributor recommendations and “holes” in store displays. Receiving was manually checked against purchase orders and error prone. Before Microsoft Business Solutions’ Store Operations, Roy found himself spending hours managing inventory instead of taking care of customers.

#### Software Used

Microsoft® Business Solutions  
Store Operations  
Windows® XP Pro  
Windows® 2000 Server  
(For telephone PBX VPN server between stores)  
QuickBooks® Pro 2001

***Independent operator needs to reduce costs and improve customer service. He needs a point-of-sale and retail management system that can handle his inventory and vendors so that he and his employees can handle their customers. Microsoft Business Solutions’ Store Operations to the rescue.***

“It takes a feisty guppy to swim with the sharks!” laughs Roy Wood, President of APet. “When you move your pet store to a bigger location within three miles of each of the two national chains, everyone expects you to go belly-up.”

#### Inventory Out of Control

Instead of floundering, APet has been flourishing, thanks to Roy’s value-added philosophy and Store Operations, part of Microsoft Business Solutions’ Retail Management System. Roy explains, “I had a disaster software package before Store Operations. It had nothing but bugs and wouldn’t import or export to anything. Instead of running my business, I was talking to tech support every single day—and I have an extensive computer science background!

“Before Store Operations, there was no inventory management to speak of. A distributor would come into the store and we’d look for holes in the shelves and order whatever was missing. With Store Operations, I can efficiently check inventory, print out a purchase order, and fax it off to our suppliers. When we receive stock, we know whether we got the full order, if the wrong thing was sent, or if nothing was sent at all.”

#### Buying Costs Slashed

Roy now has a superb negotiating tool that so far has slashed his buying costs by eight percent. “All we do is tell suppliers that Store Operations can automatically order from the lowest-cost vendor. Suddenly they’re scrambling to undercut each other.

My costs are spiraling downward.”

By tracking purchase orders against receipts, Store Operations saves even more. “On a weekly basis, we’re getting hundreds of dollars in credits from our suppliers for products that we ordered and paid for, but weren’t delivered.”

#### That Extra Touch

With all of his savings, however, Roy is still acutely aware that the buying power of the big chains will always beat him in a price-only competition. With the help of Store Operations, Roy is able to offer the superior customer service that keeps his customers coming back.

“The difference between the nationals and [APet] is that we supply a ‘value added’ they can’t get close to. Our employees are interested and knowledgeable—this is their career. To spread that knowledge, Store Operations lets me write notes about a specific animal or product. These display when you ring that item up on the computer. We can give the customer that extra bit of information to help him take care of his new pet.”

Now that Roy Wood has the time and wherewithal to commit his enthusiasm to unparalleled customer service, APet’s expansion shows no sign of slowing. “We just keep getting better and better. Our costs continue to go down and our merchandise moves faster and faster.

“Okay, so we’re not an 800-pound gorilla yet,” Roy grins, “but who’s to say we can’t be?”

“All we do is tell suppliers that Microsoft Business Solutions’ Store Operations can automatically order from the lowest-cost vendor. Suddenly they’re scrambling to undercut each other. My costs are spiraling downward” — **Roy Wood, APet**

# Franchisor's System Unites a Flock of Different Inventories

**Three years ago Wild Birds Unlimited faced apparent contradictions between their winning sales and marketing strategies and corporate's need for uniformity. Their far-seeing choices have helped sustain growth, even in today's tough economy.**

Inventory problems came home to roost after Wild Birds Unlimited gave its franchisees freedom to carry up to 4,500 local inventory items. While all stores order from a central inventory of about 500 core items, no two have the same overall inventory. This autonomy helps Wild Birds Unlimited excel in the \$4.5 billion bird feeding and bird watching market, but franchisees' computer savvy spans every level and each one automates as much or as little as he likes.

Any misstep in buying can generate an out-of-stock emergency or tie up cash unnecessarily. Wild Birds standardized on a flexible POS and retail management system that improves efficiency, leverages buying power and paves the way for growth.

## Selecting the POS System

"I reviewed at least 50 off-the-shelf retail systems," says Ed Balda, Director of MIS. "We compared feature sets, ease of use, reporting and retailing logic. ... Store owners tried out packages, but they lacked structure or were hard to learn. ... Most wouldn't adapt to different stores' needs or to a changing economy.

"We chose Store Operations, part of Microsoft Business Solutions' Retail Management System, because it gives store-owners proven POS features that please customers and shorten tasks," says Balda. "Its ease of use commands a very robust feature set. It saves us money and steps every day.

"Total cost of ownership was a big factor," Balda continues. "New franchise buyers need a highly cost-effective start-up solution, and converting existing stores had to be economical. Store Operations'

compatibility to industry standards opens doors to new hardware, software and expansion. Reports don't require programmers and are extremely flexible."

## Spending Less and Selling More

"Everything for an expanding, full-sized store is included—register functions, customer profiling, inventory management, accounts receivable and built-in Web access for the POS and back office," says Balda.

Flexible security empowers different employees for specific privileges. Fast transaction speed handles more customers with fewer terminals. Inventory analyses define reorder quantities from historical turn data, cash flow and seasonal needs. Reports weed out slow moving products.

"Our best ROI comes from Store Operations' customer profiling and history mining. Customers get newsletters, birthday cards, new customer cards, product-specific mailings, loyal customer incentives and reminders if they stop coming." Their typical franchise saves 25% in mailing costs using Store Operations for customer lists.

Wild Birds has cut credit card processing to 3-5 seconds per transaction by exploiting Store Operations' Web-based Electronic Data Capture to eliminate input errors, save counter space and simplify day-end reconciliation.

"Everything about Store Operations helps get chores done in seconds. It lets all of us spend more time really listening to and satisfying customers," says Balda. "Because," he says, "chores don't write checks. Customers write checks."

## Wild Birds Unlimited

### Solution Overview

#### Industry

Retail – franchised stores

#### Scenario

Franchisees' flexibility and responsiveness to local needs helped the company grow, but also made it difficult to implement basic retailing chainwide. No two stores shared the same inventory mix and owners' technological proficiency ran the gamut.

#### Company Profile

Wild Birds Unlimited, Inc., founded in 1981, operates 280 franchised stores in the U.S. and Canada, serving the \$4.5 billion bird feeding and bird watching market. In addition, the company funds conservation grants through its Pathways to Nature® program.

#### Situation

Wild Birds Unlimited implemented an easy-to-use Store Operations system running Microsoft SQL Server™. The robust, full-featured POS and retail management system allows franchisees to automate as much of their operations as they want while keeping total cost of ownership low.

#### Software Used

Microsoft® Business Solutions  
Store Operations  
Microsoft® Windows® 2000  
Microsoft SQL Server™ 2000

"We chose Microsoft Business Solutions' Store Operations because it gives storeowners proven POS features that please customers and shorten tasks. Its ease of use commands a very robust feature set. It saves us money and steps every day." — **Ed Balda, Wild Birds Unlimited**

# Faster Lap Times Shorten Lines and Rev Up Sales

## Action Performance

### Solution Overview

#### Industry

Retail - specialty merchandise

#### Scenario

Thirty-three roving trucks sell merchandise at NASCAR, Busch and Winston Cup races. Revenues were high, but cash and merchandise management was unverifiable. Customers demanded faster transactions. Headquarters required sales visibility, fleet-wide stock levels on every product, and highly flexible reports.

#### Company Profile

Action Performance Companies, Inc. of Charlotte, North Carolina is the industry leader in design, marketing, and distribution of licensed motor sports merchandise including apparel, die-cast car replica collectibles, and memorabilia. The company recently went public with an initial market capitalization in excess of \$750 million.

#### Situation

Inventory was total guesswork. Long lines drove away business. After installing Store Operations in each trailer, and using Headquarters to manage revenues and complex purchasing in Charlotte, results include sales increases, excellent management reporting and just-in-time replenishment.

#### Software Used

Microsoft® Business Solutions Store Operations  
Microsoft® Business Solutions Headquarters  
Microsoft® Windows® 2000  
Microsoft SQL Server™ 2000

***With mobile “stores,” a three-hour daily sales window, huge crowds and no point-of-sale, communications or inventory control systems, Action Performance was spinning its wheels and leaving money on the pavement.***

Action Performance is the industry leader in licensed motor sports merchandise. One vital distribution channel is its roving fleet of 33 tractor-trailer rigs. Action serves 38 NASCAR, Busch, and Winston Cup races and handles 60% of top drivers.

“We had 33 stores that moved every week. Their inventories were mutually exclusive, demand changed constantly, and trusted employees were our cash management system,” says John Bickford Sr., Vice President.

#### Real Time or No Time

“In an industry where products go hot or cold overnight and demand varies by city or season, we guessed at inventory levels. Every year brings new products, paint schemes and sponsors. You knew a product was successful because you were fresh out when people had money in their hands!”

“We left money at every race,” says Chris Williams, Action’s Trackside Director. “There is a three-hour sales window before a race, that’s it. ... At peak times, customers bunch up 15 across and 20 deep.”

#### Needed: Flexibility and Speed

The prime mandate was accurate, real-time, fleet-wide stock level reporting on every product from bumper stickers to \$400 leather jackets. In addition, headquarters needed the power to easily change prices overnight on thousands of SKUs.

Williams further specified an eight-second transaction time from tender to sales slip. POS training could not exceed five minutes. Communication must be wireless, bulletproof and secure. Store Operations, part of Microsoft Business

Solutions’ Retail Management System was put to the test.

Summer 2001 brought the first trials. Transactions executed in eight seconds. Learning to make cash sales meant triggering the scanner and pressing a button. Credit cards required six seconds and two buttons. Reports matched revenues to items scanned and could be sorted by any set of fields. “After three races, we knew we’d picked a winner,” says Bickford. Action signed off.

Today, every trailer runs Store Operations, Windows 2000 and SQL Server 2000 Personal Edition. A wireless network securely communicates with “hub trailers” that modem-connect to corporate. If a link goes down, Store Operations keeps selling goods and storing data. After every sales day, information is fed to Headquarters, the multistore management solution installed in Charlotte. Headquarters runs on Windows 2000 Server utilizing Microsoft SQL Server 2000 Server Edition.

#### In the Winner’s Circle

“We’re all business behind the scenes,” reports Bickford. “Now there’s no way a box can ‘fall off a truck’ and not be traced back. Our stockholders and CPAs love our new accountability.” Action is able to check item sales by month and racetrack to predict what to stock and when to hire extra help. Its sales stats help get favorable deals with teams and drivers. Because trailer staff have sales incentives, hourly totals spur them on.

“We used to have a paperwork nightmare,” says Bickford. “You were always uneasy that you’d overlooked something. I sleep better now.”

“Now there’s no way a box can ‘fall off a truck’ and not be traced back. Our stockholders and CPAs love our new accountability.” — **John Bickford, Action Performance Companies, Inc.**

# Stock Management Was No Party at Fiesta

***Carrying only approved inventory items and accepting only government vouchers for payment, Fiesta Plaza must know exactly which store sells which items during which seasons. Careful stock management serves welfare mothers and children while still returning a profit.***

A friend's casual observation launched Steve Brown, now owner of Fiesta Plaza Nutritional Products, into a successful 13-store business that provides a public service while it cuts welfare costs. QuickSell 2000, part of Microsoft Business Solutions' Retail Management System helps him grow and stay profitable in the face of strict governmental price controls.

## **Serving Women, Infants and Children**

Steve's stores serve the "WIC" clientele, shorthand for a "Women, Infants and Children" program funded by the U.S. Department of Agriculture and administered by the State of California. The program saves money by reducing health costs of low-income families with children. "Every dollar spent on WIC saves taxpayers four dollars in downstream public health care," points out Steve.

WIC vouchers can't buy such things as alcoholic beverages, cigarettes or cosmetics. "We carry authorized, nutritional food items and take only WIC vouchers in payment. One WIC voucher buys one or more items—say, one size of one brand of cereal—period. You need a different voucher for a different size or brand," explains Steve.

"Essentially, every voucher is a separate check. That's a lot of hassle unless you are set up for it. We scan each item into QuickSell 2000 for immediate inventory update that needs no manual follow-up.

"Large grocery chains have trouble handling WIC vouchers. Sometimes mothers pick up the 18-oz. size when the

voucher only covers the 28-oz. size. That slows supermarket lines and embarrasses WIC mothers. We treat these mothers with dignity and respect so they come back," explains Steve.

## **Accurate Inventory Ensures the Right Mix**

Fiesta staff once did inventory on tally sheets, but QuickSell 2000 now manages inventory automatically. "I know QuickSell 2000 has helped me get along with fewer staff and gives me more accurate inventories," he says. Steve uses QuickSell 2000's comprehensive inventory management reports to handle their fast-moving stock and purchase orders.

"Dealing with governmental controls is sometimes hard," Steve admits. "That's where QuickSell 2000 helps us manage our inventory smarter. Some items on the approved list may not be in demand. I get no guarantees. Without QuickSell 2000, I might buy approved items that no one comes in for. Now I know what sold last month, last season," he explains, "and I order accordingly.

"I've taught QuickSell 2000 to my staff, one of whom used to be computer-phobic, but it's easy to learn—maybe five minutes. Soon all my managers will use it. The inventory and reports help me get away with hiring less help.

"It's fun to do something useful and be nice to people to earn a living," says Steve, "but there's no law that says you can't make a profit. That's where QuickSell 2000 comes in."

## **Fiesta Plaza Nutritional Products**

### **Solution Overview**

#### **Industry**

Retail – grocery chain

#### **Scenario**

Fiesta Plaza's 13 stores accept only California WIC (Women, Infants, and Children) vouchers. They ensure compliance with state guidelines and help stretch tax dollars.

#### **Company Profile**

With dignity, economy and efficiency, Fiesta Plaza Nutritional Products serves the needs of welfare mothers.

#### **Situation**

Slow-moving items crowded shelves, and expansion was restricted due to onerous inventory demands. QuickSell 2000 now ensures managers order only what each store can effectively sell. It shortens tasks and cuts payroll costs.

#### **Software Used**

Microsoft® Business Solutions  
QuickSell 2000  
Microsoft® Windows® 98

"Essentially, every voucher is a separate check. That's a lot of hassle unless you are set up for it. We scan each item into QuickSell 2000 for immediate inventory update that needs no manual follow-up." – **Steve Brown, Fiesta Plaza Nutritional Products**

# Microsoft Business Solutions Retail Management System

## Business Software for Retail Chains and Stores

It's all here, it's all integrated and it can grow with your business.

### Point of Sale and Retail Management

Know and manage every aspect of store and chain management with easy-to-use, retail-proven solutions. Increase customer flow and cash-in, accelerate lines and tasks, control inventory and automate purchasing.

### Supply Chain Management

Maximize profitability by improving the efficiency of your inventory delivery systems, optimizing inventory levels and improving customer service.

### Accounting and Finance

Superior financial, reporting and business management applications help you run your business better and provide the backbone for the rest of your business-critical applications.

### Customer Relationship Management

Empower your sales, marketing and customer service teams to work together to generate more revenue opportunities and increase customer satisfaction.

### E-commerce

Build an effective, efficient, Web-based sales channel with full integration between your Web storefront and sales management applications.

### Human Resources

Increase the quality and consistency of your human resource activities to reduce workloads, control costs, attract and retain the right people and improve employee job satisfaction.



### Contact Your Certified Microsoft Business Solutions Partner

Microsoft Great Plains Partners certified in Microsoft Retail Management System applications can analyze your needs and goals, optimize product selection, tailor and install your system, then train you and your staff in its efficient use.

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