

QUADRO FRAMESBUILDING A FRAMEWORK FOR GROWTH

QUICK FACTS

Industry

Consumer products

Revenue

Less than US\$10 million

Employees

25

Location

Winnipeg, Manitoba, Canada

Web Site

www.quadrodesigns.com

SAP® Solution and Services

SAP® Business One application

Implementation Partner

ProjectLine Solutions Inc.

Quadro Frames Inc. is a small producer and distributor of picture frames that wants to aggressively expand into the United States. Its legacy systems lacked the automation to handle large retailers and impeded the business visibility required to effectively manage operations. After implementing the SAP® Business One application, Quadro Frames increased its order volumes, reduced manual workload, and achieved the business visibility and automation necessary to handle new customers.

Key Challenges

- Legacy system not meeting growth demands
- Limited control and tracking of inventory
- Lack of visibility across the company
- Overreliance on manual processes
- No central repository for data
- Limited automation to interface with large retailers

Why SAP Was Selected

- Core solution that enables business growth
- Automation supporting trade with big retailers
- Intuitive and customizable user interfaces
- Robust inventory planning and management functionality
- Tight integration with partner solutions
- Repository for business data and analytics
- Implementation partner with right mix of know-how, reputation, and customer service

Implementation Best Practices

- Close involvement by management leading to fast, 6-week implementation
- Fast user training and adoption
- Legacy system used for historical data, eliminating need for data conversion

Low Total Cost of Ownership

- Common software infrastructure providing flexibility and scalability
- Continuous improvements in efficiency
- Low hardware costs
- Consolidation of multiple electronic data interface (EDI) channels
- Integrated solution reducing manual work and reliance on outside systems

Financial and Strategic Benefits

- Bigger order volumes with current customers
- Ability to scale up for new customers
- Cost and workload savings through tight integration between SAP* and partner software
- Accurate inventory control, planning, and forecasting
- More-efficient warehouse operations
- Single, reliable source of information
- Improved decision making through rich reporting and real-time visibility of data
- 80% reduction in EDI costs

Operational Benefits

- Elimination of manual order entries
- Reduction in safety stock
- Reduced need for seasonal, contingent employees
- Automated inventory ordering with retailers
- Higher productivity at current staff level
- Availability of performance metrics for inventory and warehouse operations
- Custom, detailed reporting including moreaccurate, on-hand inventory calculation





"Thanks to the automation supported by SAP Business One, we have grown with our existing customers, and we are ready to pursue new business."

Fab Franz, Co-owner, Quadro Frames Inc.

Breaking into the Picture Business

When the Franz brothers started a picture frame company in 1996, they ventured into unknown territory. "We actually ran an automotive business," says Fab Franz, co-owner of Quadro Frames Inc. "And we simply decided we wanted to try something else."

The Winnipeg, Manitoba-based company now manufactures, imports, and distributes picture frames for customers across North America. To expand into the U.S. market, the company needed to replace manual processes supported by legacy systems that lacked the automation to handle large orders from big retailers. Inventory management and warehouse operations needed to be part of an integrated system. The company also lacked the visibility to identify inefficiencies and make rapid business decisions.

The Right Solution and the Right **Partner**

Quadro Frames chose the SAP® Business One application because it supports automation for the company's key business processes and delivers an accurate, unified picture of critical business information in real time. The company liked the software's strong inventory control functionality and support for order automation with large retailers. In addition, the Franz brothers and their team liked that the software integrated tightly with partner solutions being

implemented simultaneously - including inventory forecasting software from Valogix Inc. and warehouse management software from N'Ware Technologies Inc., both SAP partners.

Quadro Frames chose ProjectLine Solutions Inc. as its implementation partner, which offered the right mix of knowledge, reputation, and focus on customer service. An SAP partner, ProjectLine offered a proven implementation methodology targeted to the needs of customers using SAP Business One. The implementation took just six weeks. A decision to use historical data stored in legacy systems eliminated the need for data conversion, helping to speed completion.

Growth Is in the Picture

With the project complete, Quadro Frames has increased its order volume with existing customers and is now poised to expand rapidly in the United States. The company has reduced its workload eliminating manual orders, reducing seasonal and contingent employees, and enabling higher productivity at current staffing levels. With accurate inventory control, planning, and forecasting, the company has reduced safety stock levels and automated ordering processes with key retailers.

The company also consolidated its electronic data interface (EDI) sources into one solution provided by SAP partner True Commerce Inc. This has helped reduce EDI costs by 80%.

Today, the company has a single, reliable source of information that supports detailed reporting and instant data visibility. Meaningful performance metrics from inventory and warehouse operations enable managers to more accurately determine inventory on hand. "SAP Business One gave us a better handle on our business," says Franz. "We can now see opportunities to improve process efficiencies where we couldn't before."

Framework for the Future

Continuing its transformation, Quadro Frames is now using the software's embedded customer relationship management functionality to develop and manage a remote sales force to facilitate expansion into the United States. And leveraging integration with its retailers, the company wants to develop vendor-managed inventory capabilities to compete even more effectively over the long term.

Implementation Partner

ProjectLine Solutions Inc., an SAP channel partner since 2004, delivers world-class software solutions together with a broad portfolio of consulting and support services.

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