people ready

Microsoft

Spy Optic

Sunglasses Manufacturer Confidently Eyes Global Growth with Resource Planning Solution

Story at a Glance

Spy Optic is a fast-growing manufacturer of action-sports sunglasses and goggles. Eager to expand globally and stay ahead of the competition, Spy Optic replaced an outdated enterprise resource planning system with Microsoft Dynamics® GP business software. With a more robust and flexible financial backbone feeding data to all parts of the company, Spy Optic managers have been able to automate paper-bound processes, reallocate employees to higher-value activities, and steer the company with hard data instead of guesswork. Management has better insight into the financial health of the company, and workers are more productive.

Stodgy Processes

Spy Optic was facing every company's dream—healthy growth—and every company's nightmare—processes and systems that couldn't scale. The Carlsbad, California–based manufacturer of high-performance sunglasses, goggles, and accessories had carved out an enviable position in the dynamic, youth-focused action-sports market. Spy Optic's products are in more than 5,000 United States retail locations, and the company was poised to expand across Europe and Australia. But old technology and manual business processes threatened to hobble those plans.

Spy Optic's enterprise resource planning (ERP) system, MAS 200, was never set up correctly, and the company's IT staff spent hours each day fussing with it. The database had been corrupted so many times that customer, inventory, and sales data were untrustworthy. "We need to be able to show auditors, shareholders, and regulators that our books are in order. We

couldn't trust the numbers our old system provided," says Jerry Collazo, Chief Financial Officer for Spy Optic.

Financial reporting was limited and time consuming; Collazo's staff spent hours each month creating and checking financial statements. There was no way to create consolidated financial reports across the business. And visibility into general ledger and cash flow was unsophisticated. The upshot of these limitations was that managers managed by instinct, not facts.

Also, key business processes were manual and involved many people, which meant that they wouldn't scale. "Because we had no real-time insight into inventory, order fulfillment was cumbersome and slow. Our warehouse staff spent a lot of time running around, searching for product instead of shipping orders," Collazo says. "We were usually late getting product to customers, which impacted customer satisfaction."

"We're using software to speed up all of our business processes, work more efficiently, and provide better customer service. We can now grow as much as we want."

Jerry Collazo,
Chief Financial Officer,
Spy Optic

Midsize Business Brief

Integrated Software

Management brought in Erik Quade as Vice President of Information Technologies to bring the company's technology in line with its cutting-edge business vision and products. The team evaluated a field of ERP systems, including products from Epicor, Full Circle, and SAP, and settled on Microsoft Dynamics® GP business software as its financial backbone.

"Microsoft Dynamics NAV was being implemented in the Italian manufacturer that we had just purchased, and we liked the fact that all the Microsoft Dynamics products integrated easily," Collazo says. "Microsoft Dynamics GP was also scalable, easy to deploy, and came with the assurance of long-term Microsoft support."

FMT Consultants, LLC, a Microsoft® Gold Certified Partner, helped with the implementation. "FMT Consultants was critical to our successful deployment," Collazo says. "They helped us make the transition to the new systems completely seamless."

Unfettered Business Growth

With key business processes supported by Microsoft Dynamics GP, Spy Optic is set for unlimited growth. "We now have the data integrity, integration, and insight needed to manage our business proactively," Collazo says. "Everyone in the company is looking at the same data, which makes us much more efficient and trustworthy to our customers. And everyone can instantly see what's going on in every department, which makes for better communication and faster decisions."

Using standard reports from Microsoft Dynamics GP, Collazo has both broad and deep visibility into the company's finances.

Business users can create their own reports rather than waiting for the IT staff to do it for them. "Reports that took one or two months now take minutes," Collazo says.

Paperless Processes

By moving to paperless business processes, Spy Optic has been able to reduce its order fulfillment staff from three to one, reduce order processing time and SKU setup time by up to 50 percent, and streamlined purchase order processing from four days to four minutes. New credit card automation may save up to 30 labor hours per month by reducing data entry of cash receipts by 30 percent. Spy Optic is also using the new software in its warehouse, where integration with handheld scanners has increased the same-day shipment rate from 50 to 100 percent. Management and salespeople, too, know precise inventory levels when ordering product and making commitments to customers.

Mobile Efficiencies

Soon, Spy Optic will give field representatives handheld devices that they can use to input orders directly into Microsoft Dynamics GP, scan inventory, and replace nonstarters with hot sellers.

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Lessons Learned
- Select software that will flex to meet your business needs.
- Choose a solution that can be easily customized.

Executive Biography
Jerry Collazo joined Spy Optic in 2006 as Chief Financial Officer with over 20 years of executive, operational, and financial management experience. Previously, Collazo served as Chief Financial Officer of Channell Commercial Corporation. He began his career at Ernst & Young as an Accountant. Collazo received a master of business administration from the University of California, Los Angeles.

Customer Details:
Spy Optic
Phone: (800) spy-eyes
Company size: 320 employees
Number PCs: 250
Web site: www.spyoptic.com

Software and Services
Microsoft Dynamics GP
Microsoft Dynamics CRM
Windows Server® 2003
Microsoft SQL Server® 2005

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