



## Microsoft Business Solutions Retail Management System Customer Solution Case Study



### Bicycle Store Saves Hours, Tracks Serialized Items, and Speeds Repair Checkouts

#### Overview

**Country/Region:** United States  
**Industry:** Retail

#### Customer Profile

Cadence 120 Bicycle Works in Mobile, Alabama, is a full-inventory, full-service bicycle store and Web site selling 3,500 items plus special orders.

#### Business Situation

Earlier retail systems walled in data while expanding tasks in purchasing, repair pick-ups, and even closing out at night. The new system was selected after two years of comparisons.

#### Solution

Microsoft® Business Solutions Retail Management System, enhanced by bicycle-industry software from Digital Retail Solutions, has resolved problems from receiving through assembly to point of sale.

#### Benefits

- Faster purchasing saves 4 hours a week
- Customized serial-number tracking tells what has been assembled
- Handles same items from many vendors
- Faster and easier repair checkout
- Exportable data

“Finally, we manage every item, warranty, and repair in one cohesive system. Each item has its own SKU, and we track serialized items from receiving through assembly and sale.”

*Jon Jeffress, Co-owner, Cadence 120 Bicycle Works*

Cadence 120 Bicycle Works, Inc., sells Giant, Elite, and Specialized brands of bicycles at a fast clip. The thriving Mobile, Alabama, store moves parts, accessories, clothing, repairs, and warranties, and is a member of National Bicycle Dealers Association and YaYa! Bike.

Its earlier retail systems burned calories in support time and fees, “sneaker-net” data transfer (carrying disks between computers), and constant stock correction. None could handle identical products from several vendors. Owners wanted to speed work orders, purchasing, and every retail process. The shop had to track bikes by serial number from receiving through assembly, and demanded clean stock levels for purchasing.

Microsoft® Business Solutions Retail Management System used with Digital Retail Solutions Bicycle Bundle keeps a taut inventory, shows what’s been assembled, and exports to Microsoft Excel, to YaYa! Bike’s ClientCare program, and other solutions.

“Because our old system wasn’t real-time, this customer started the day with \$100 in store credit, but ended the day with two purchases totaling \$55 and two store credits worth \$145!”

Jon Jeffress, Co-owner, Cadence 120 Bicycle Works

## Situation

As a steadily growing bicycle store, Cadence 120 Bicycle Works had been through two MS-DOS® operating system-based retail systems and used the second one during the program’s transition to a Microsoft® Windows®-based system. “It was a wreck,” says Jon Jeffress, Co-owner, “because it was really still MS-DOS with graphic windows pasted over it.”

The store paid a monthly fee for updates, support, and a monthly inventory cost report. “I couldn’t get any information out of the proprietary system. The developer sold out and support became so inept that I was teaching them! We had to upload our own files to the developer to get an inventory report. And if we didn’t pay our monthly fee, we were held hostage and couldn’t get reports.

“Then the program’s database began to decay and gave me bad answers. It told me to buy 50 rim strips when I saw a ton of them hanging on our wall! It was nuts. The workarounds we invented to avoid huge inventory levels then created other problems.”

The old system couldn’t push its data to other information tools. A mailing list could be pulled out, but neither inventory nor transactions could be extracted. Eventually, the developer made a file transfer system that Jeffress used to extract eroding inventory data.

## Not Owner-Friendly

“Lack of real-time data gave us real-life headaches,” Jeffress says. “One customer with a U.S.\$100 store credit made a \$25 purchase, and we posted her a remainder credit for \$75. Later that day, she innocently came back for a \$30 item. Since the old system updated only at the day-end, when another cashier rang up the customer’s

second transaction, we only saw the customer’s original \$100 credit. So we issued her a new credit for \$70. Because our old system wasn’t real-time, this customer started the day with \$100 in store credit, but ended the day with two purchases totaling \$55, and two store credits worth \$145!”

Jeffress’s purchasing took a whole day because he had to verify uncertain stock levels, and then place the many special orders common to the bicycle industry. This practice lets him carry only 3,500 stock-keeping units (SKUs).

“Z-ing out [closing out] the old system was hard, because the developer had warned us not to network it,” says Jeffress. “I had to close each register and pull its data onto a disk. Then I put Register One’s data into Register Two, and vice versa. Then I had to put both disks’ data into the back-office machine, create a backup, and then update both registers.” This process was time-consuming, and often had to be restarted due to disk errors.

## Paper Work Orders

“Our old system had no work-order capability at all,” Jeffress relates. “Everything was on papers. When customers picked up repairs, we had to find the repair ticket, and then manually enter each repair item and the labor hours into the system. If clients picked up three or four bikes at once—usually while the store was busy—lines backed up.

“We were almost relieved when the developer told us they were abandoning the product and suggested we look for a replacement.”

## Solution

By that time, Jeffress was already looking for alternatives. “When our second DOS-based POS system started acting up, we really did not want to make a third mistake,” he says. “We studied every system we could find for

“Purchasing used to eat up every Tuesday. Now it takes half a day. I’ve got four extra hours a week. This alone is more than worth the switch to Microsoft Retail Management System.”

Jon Jeffress, Co-owner, Cadence 120 Bicycle Works

two years, and kept coming back to Microsoft Retail Management System and Digital Retail Solutions.

“We saw that Microsoft [Retail Management System] had very flexible functionality and a proven database. Digital Retail Solutions offered a specific program enhancement called Bicycle Bundle; they knew our business, and could build us custom reports.”

Cadence 120’s plan was to install, practice, and learn the new Microsoft system for one month before going live. “Our old POS system was on its last leg when we decided to purchase Microsoft Retail Management System,” Jeffress says. “But our old one thoroughly crashed the morning we had scheduled for our Microsoft installation. DRS jumped in and somehow got all our old data converted in two days.”

Despite these rush conditions, installation was “very fast and easy—pretty painless,” according to Jeffress. “We were completely caught up and running on our new [Microsoft Retail Management System] in less than a week.”

### Benefits

Jeffress is most enthusiastic about the new system’s completely integrated capabilities. “Finally, we manage every item, warranty, and repair in one cohesive system,” says Jeffress. “Each item has its own SKU, and we track serialized items from receiving through assembly and sale. Everything is in one reliable database. Microsoft Retail Management System and DRS make data useful.”

### Headaches Resolved

“Now we can track the same chains coming from 20 vendors. Our old system had no way to recognize that many bicycle-industry suppliers sell the same item. Before, we might have had plenty of stock on hand from

Vendor A, but if Vendor B’s shipment had been sold, the system told us to order 30 more. Microsoft Retail Management System lets me pick a preferred vendor, a cheaper vendor, or just the vendor whose representative is due in today. It’s so flexible and retail-smart.

“Where our old sneaker-net system sometimes took me half an hour to close out the day’s work, I can close out Microsoft Retail Management System in less than 10 minutes,” Jeffress says.

“Purchasing used to eat up every Tuesday,” he goes on. “Now it takes half a day. I’ve got four extra hours a week. This alone is more than worth the switch to Microsoft Retail Management System. We just hit a key and the system suggests purchase orders using minimum/maximum stock levels we’ve set up.”

And Jeffress no longer has to reverify every item level before buying it. “This is so much easier and quicker. Even receiving goes faster,” he says.

Jeffress reports, “We’ve got rid of most of the papers tickets we needed to handle work orders, repair records, pricing, and tracking. Microsoft Retail Management System manages work orders, so checking out repair transactions is a snap. The mechanic has already entered all the repair line items, so I can check out the customer even while I’m on the phone.

“The Microsoft Retail Management System time-clock feature has also freed up our bookkeeper’s time for other tasks, and it’s obviously more accurate than handwritten time cards. She had to decipher handwriting, and then calculate the totals. Now a built-in report displays everyone’s totals, so she has extra hours in the week for less mundane tasks.”

“Data export is simple, even for someone who isn’t a computer ace. Once you generate a report, you just click the Export button to send the report to a file, to another program, or e-mail it.”

Jon Jeffress, Co-owner, Cadence 120 Bicycle Works

#### **Smoother Paths**

Jeffress and his employees found the new system very straightforward to understand. New people learn to make a basic sale in 15 minutes. Next, they learn to process layaways, work orders, and complex transactions.

“At the POS, we have easy inventory look-up using Serial Editor™, an enhancement from DRS,” Jeffress says. “Microsoft Retail Management System manages serial numbers, but Serial Editor adds to that. Not only can we see if the bike is in stock, but also whether it has been assembled. Then, Microsoft Retail Management System tells me what we’ve sold. The programs interoperate as one, so I can see the chain of events—where any bike is at any time.”

Jeffress reports that adding new inventory items is no longer a chore. He uses the Copy Description function to build the new item description from a similar existing item, altering just the parts that differ. “We plan to put in SKUs from Barnett Bicycle Institute—Service Manager System for specific repair tasks, then incorporate them into the system using Bicycle Bundle,” says Jeffress.

“One of my biggest areas of time saved is that I no longer spend time compensating for a deteriorating database. I don’t walk around verifying and correcting its results. I don’t get stuck figuring out software problems for myself or waiting for less-than-competent support.”

And Jeffress can now move his data around. “Data export is simple, even for someone who isn’t a computer ace,” he says. “Once you generate a report, you just click the Export button to send the report to a file, to another program, or e-mail it. If I want it in Excel, I export a .CSV format. Excel opens it, and I modify the data as needed.” DRS has

created custom reports to send data to Cadence 120’s CRM solution.

#### **Up Ahead**

Jeffress plans automated data interchange with vendors, with YaYa! Bike’s ClientCare program, and with e-mail solution provider ExactTarget, through YaYa!’s projected FTP site. Jeffress was one of three ClientCare pioneers.

Customers of YaYa! Bike member stores can buy a Platinum or Gold membership. “I just type in their status code, and Microsoft Retail Management System generates the accessories list they’re entitled to. We send that to YaYa!, which sends out a nice thank-you. That’s a lot more automated and hands-free. And it’s going to get faster yet.”

#### **Coaching Store Owners**

“Microsoft Business Solutions Retail Management System is becoming very popular,” says Jeffress, “so there are many resellers. Do your research. Find out who you’re comfortable with, who knows your industry, and who will go the extra mile with you.

“And before you convert, do as much data cleanup as you can. Weed out discontinued and inaccurate inventory items, and delete customers who have relocated. That is, if your old system will let you.”

## For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to: [www.microsoft.com](http://www.microsoft.com)

For more information about Digital Retail Solutions products and services, call (800) 322-9471 or visit the Web site at: [www.digitalretailer.com](http://www.digitalretailer.com)

For more information about Cadence 120 products and services, call (251) 344-7435 or visit the Web site at: [www.cadence120.com](http://www.cadence120.com)

## Microsoft Business Solutions Retail Management System

Microsoft Business Solutions Retail Management System offers a complete store automation solution for small and medium-sized retailers, streamlining point-of-sale (POS), customer service, and store inventory management, and providing real-time access to key business metrics. Microsoft Retail Management System is a comprehensive solution for single-store and multi-store retailers that empowers independent proprietors, store managers, and cashiers through affordable and easy-to-use automation. Microsoft Retail Management System has the flexibility and scalability to grow with a retailer's business. It works with the Microsoft Office System, Microsoft Windows Small Business Server, and leading financial applications to provide end-to-end support from the cash register to the back office.

For more information about Microsoft Retail Management System, go to: [www.microsoft.com/pos](http://www.microsoft.com/pos)

### Software and Services

- Products
  - Windows® XP Professional
  - Microsoft Business Solutions Retail Management System
  - Microsoft® Office 2003
  - Digital Retail Solutions—Bicycle Bundle for Microsoft Retail Management System

### Hardware

- Dell Dimension 2400 PCs
- Linksys routers
- Hewlett-Packard DeskJet
- Star thermal receipt printers
- Cognitive Barcode Blaster

© 2004 Microsoft Corporation. All rights reserved. This case study is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS SUMMARY. Microsoft, MS-DOS, and Windows are either registered trademarks or trademarks of Microsoft Corporation in the United States and/or other countries. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.

Document published September 2004

**Microsoft®**