

SAP Customer Success Story PlayCorp Group of Companies – mySAP All-in-One



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Darron Kupshik, Chief Financial Officer, PlayCorp Group of Companies

AT A GLANCE

Summary

Playcorp needed an ERP system specifically suited to its business requirements to help the company manage its growth. An implementation of the SAP AFS apparel and fashion solution from Supply Chain Consulting, which is based on mySAP All-in-One was completed in 17 weeks on time and on budget. Playcorp recorded a significant return on its investment in the first quarter.

Industry

Apparel, Leisure & Homewares

Web Site

www.playcorp.com.au

Project Objective

- Replace inhouse developed business systems that was a constraint on growth

Key Challenges

- Transparency of business KPIs and long lead times to attaining sales, profit and stock figures
- Time spent reconciling stock and accounting systems

Why SAP Solution was selected

- Well known brand
- Competitive price
- Extremely high degree of fit to requirements
- Scalability for growth and complexity
- Significant business analytics via SAP Business Warehouse (BW)

Implementation Highlights

- Short implementation timeframe (17 weeks), cutover to new system was completed over a weekend
- Hassle free implementation

Key Benefits

- Improved access to information
- Reduced cost of ownership
- Improved supply chain planning

Implementation Partner

Supply Chain Consulting

Solution & Services

mySAP All-in-One
SAP Business Warehouse
SAP AFS

Hardware

IBM

Operating System

Microsoft Windows

PLAYCORP GROUP ACHIEVES RECORD QUARTER AFTER SAP GO- LIVE

In the fast paced world of consumer goods, responding to ever-changing customer demands is a constant challenge. Insufficient volumes or the wrong products on shelves results in missed sales while too much means wastage and lower profits.

Such challenges are amplified by the diverse range of products offered by the privately owned PlayCorp Group of Companies, based in Melbourne. The company is active in the apparel, leisure and homeware markets, managing a number of international and local brands, including Everlast, NRL, AFL, CUB, Ford, Marie Claire Homewares and Living with Deborah Hutton.

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“We were up to full capacity within three days of going live. Our first quarter on the new ERP system resulted in record sales for our company,” said PlayCorp Chief Financial Officer, Darron Kupshik. “We would have struggled to cope with those volumes before Supply Chain Consulting and mySAP All-in-One.”

PlayCorp supplies more than 13,000 products to more than 6,000 shop fronts, including independent retailers and larger retailers such as Target, Rebel Sport, Coles, Kmart, Myer and Big W.

CFO Darron Kupshik said the company sources products from a range of suppliers mainly throughout Asia. Playcorp distributes some of the worlds leading brands in apparel, homewares and leisure goods.

“During the past five years, we’ve experienced very rapid growth in all areas of our business,” he said. “We realised that we needed to replace our core legacy systems to allow us to improve efficiency and plan for the future as well as remain highly competitive.”

PlayCorp chose to implement the industry specific mySAP All-in-One solution from Supply Chain Consulting, including the SAP Business Warehouse reporting tool. The software now manages and controls the daily operations of the company and has delivered a range of demonstrable benefits.

“Our large customer base and diverse product range, coupled with the style colour size complexity, resulted in specialised requirements when it came to selecting a new core system,” said Mr Kupshik. “SAP and Supply Chain Consulting offered a version of mySAP All-in-One for the apparel and fashion sector which met these requirements fully.”

The AFS module has helped the company improve the efficiency of its entire supply chain. With many products coming in a range of colours, styles and sizes, the software ensures all orders and deliveries are accurately recorded and tracked.

“We have had some very positive feedback from our customers and other third parties about the new system and it has certainly helped our operation to become more efficient and productive,” he said.

Mr Kupshik said the integrated SAP Business Warehouse reporting tool allowed rapid creation of reports as and when required. The reports are based on real-time information making them very valuable.

“We can get any information we require at the touch of a button,” he said. “There is no longer a requirement to request complex IT resources to source information and create the reports.”

Prior to the SAP roll-out, PlayCorp was reliant on a range of legacy systems supporting different areas of its operations. An aging, custom, built package was used for most activity, supported by stand-alone finance and reporting packages.

Working with implementation partner Supply Chain Consulting, Playcorp combed the market for suitable alternatives, knowing that a single, best practice integrated system was its requirement for the future.

PlayCorp made a key decision to keep software customisation to an absolute minimum. Where changes were needed, the first step was to alter existing business processes to mirror worlds best practice.

“This was a strategic step for us as we wanted to keep the application as standard as possible,” he said. “We knew this would reduce any problems and keep future upgrades and maintenance as straight forward as possible.”

Playcorp company chairman, Steven Lew, highlighted the role that IT should play in any organisation, when he said; “Once implemented technology investments should enable an organisation to achieve its business objectives in an efficient, unobtrusive and highly productive fashion. We have achieved this with SAP and Supply Chain Consulting.”

During the next 12 months, PlayCorp is planning to establish a web-based portal and order entry system for customers. The system will allow them to review stock on hand and track the progress of orders and deliveries.

Another planned enhancement is the equipping of field sales staff with PDA devices, allowing them to enter orders while on the road, using advanced GPRS real time access.

“The great thing is that we can implement these enhancements without making another major investment in software, because the standard capabilities already exist within SAP,” he said.

Mr Kupshik said PlayCorp’s positive experience showed that SAP was not just something “for the big end of town”.

“We have shown that the outdated image of SAP being too big and expensive for a company of our size is simply not the case. It has given us a very strong platform that will support our business into the future.”

He said more benefits would come during the next three to five years as the company would not have to embark on a massive system upgrade to support its growth and expansion.

“Rather than focusing on IT maintenance and management we can invest our time and effort on business value creation and the improved IT service delivery to the company as a whole,” he said. “That has to be a good thing.”