



## Microsoft Dynamics Customer Solution Case Study



### Overview

Country or Region: United States  
Industry: Retail

#### Customer Profile

Twenty Historic Tours stores serve local tourist markets, offering local memorabilia, while an energetic expansion plan builds new stores and enlarges others.

#### Business Situation

QuickSell 2000 was popular with staff, but couldn't support this chain's growth, 30,000 SKUs, and buying complexities. No centralized data warehouse existed.

#### Solution

J.D. Edwards and Oracle-based offerings proved too fussy, too costly, or inadequate at the store level. A four-year study showed Microsoft Dynamics™ Retail Management System delivering best overall payback.

#### Benefits

- System payback in two years
- 15–20 percent less inventory with fewer stockouts
- Once time-consuming daily and month-end consolidations now take “zero time”
- Fast and easy store conversions; little staff re-learning
- Near-realtime inventory knowledge powers aggressive buying

## Twenty-Store Tourist Chain Snips Task Times, Drops Costs, Eyes Two-Year Payback

“Our system payback will only take two years. After that, the return is all gravy. We have saved thousands in improved staff productivity. Twenty daily tasks of 40 minutes each just dropped to zero time”

Greg Whipple, General Manager of Retail, Historic Tours Retail

Managing Historic Tours Retail's 20 locations once seemed like running 20 separate businesses. Each store carries its own merchandise, so chainwide inventory grew to 30,000 SKUs from 3,000 suppliers. Communication to corporate was spotty. Staff spent hundreds of hours monthly consolidating and verifying. But associates liked the power of their QuickSell 2000, which proved hard to duplicate in modern offerings. Management did a thorough product search, including demos and tests. They rejected Oracle-based systems and J.D. Edwards' retail system in favor of Microsoft Dynamics™ Retail Management System 2.0, installed by Retail Technology Experts (formerly Business Automation Consultants). The system went in very smoothly and required minimal associate retraining, yet all users have new capabilities. Inventory has been trimmed 15–20 percent. Month-end closings occur far faster. And instant inventory knowledge empowers buyers to snap up fast-moving items before larger competitors do.



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Greg Whipple, General Manager of Retail,  
Historic Tours Retail

Fleece sweatshirts and other Washington DC memorabilia commemorate tourists’ visits there.



## Business Situation

Historic Tours Retail is comprised of 20 location-branded stores across the United States. Each store’s items reflect local icons in memorabilia that tourists take home. Throughout the chain, 200 employees manage 30,000 SKUs. All are part of Historic Tours of America. St. Augustine, Florida, Washington DC, and Boston, Massachusetts saw recent expansions.

But without a headquarters-based software solution, the chain was stymied by the previous system’s inability to accurately track “on-orders” from 3,000 vendors. Three full-time buyers and two assistants kept shelves full, but inaccuracies caused uncertainty that stifled decisions.

### Slow, Uncertain Tasks

Greg Whipple, General Manager of Retail, has worked in retail 41 years. “We had QuickSell 2000, which was fine at the store level. But our in-house version of a central system didn’t accommodate our growth in stores, SKUs, and vendors.

“Every week was a nightmare. To get chainwide reports or information, we had to remotely enter the database of every store and wait while it uploaded. And consolidating uploads was a spreadsheet project. So were calculating cost of goods, prorating a vendor’s allocation, and reordering. To do it all, we needed highly sophisticated Microsoft Excel aces.

“We had no visibility about what was open on-order. We had to pull a purchasing report and match it to shipments we knew about. Then we’d pull store reports to check deliveries and had to back-figure the items on order.”

### Careful Decisions

Whipple was cautious. “I’ve seen so-called ‘automation’ come into a store and create chaos because the vendors, or even the

application, weren’t retail-oriented. So my first filter was for software and people that were very savvy about floor-level retail problems, yet knew the demands we executives face. They had to show us proven, working, relevant installations.”

“We’ve had J.D. Edwards’ accounting solution in-house for some time, so their add-on retail module received serious internal boosting,” says Whipple. “But even though it was designed to interface gracefully with its accounting big brother, store data it sent wasn’t adequate, and the tools it offered at the POS and back office were not robust enough.”

## Solution

“We did four years of due diligence in system selection,” says Whipple, “starting with a trip to Chicago for the National Retail Association retail conference. I looked at the entire field. If you’ve heard of a chain using it, I reviewed it. In most cases, their central software was surprisingly expensive.”

### No Oracle in Their Future

“I went on demos for the *Who’s Who* in retail solutions, including two Oracle-based retail products for chains. But we’re a flat organization with a very capable but lean IT staff. Oracle products needed an Oracle-certified IT person on our staff. If we could avoid that recurring expense, why not?”

“QuickSell 2000 had spoiled us with smart screens and in-store power, and I wanted an easy, economical conversion.” After assessing all factors, Whipple chose Microsoft Dynamics™ Retail Management System (RMS).

“Then we talked with five different providers of the product. Some only sold software and offered no retail knowledge to help optimize this important conversion. Others had retail experience, but we chose Mahendran Ramanathan and Retail Technology Experts

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Greg Whipple, General Manager of Retail,  
Historic Tours Retail

Florida stores carry tropical-themed merchandise.



for their knowledge. They had learned volumes from 16 years of retail consulting and installations. Why not leverage a smart vendor’s expertise to our advantage?”

#### Easy Nationwide Installations

Whipple reports the installation process was exceptionally smooth. “Rollout was excellent. No problem whatsoever. One of our retail team and an RTE expert went city to city and just knocked them out. We were fully online by autumn 2007.

“We use Microsoft Dynamics RMS Store Operations in each store to sell, authorize credit cards, track stock, buy, receive, ship, and discount. Ordering and reordering relies on the min-max feature. Then Microsoft Dynamics RMS Headquarters in Key West consolidates it all. It helps us plan purchase orders, create and maintain our 30,000 SKUs, and generate management reports.

“We also maintain a central distribution center for merchandise that’s sold in several stores. RMS facilitates the store replenishment process. Twice a week, we generate a reorder list for each store and then check for demands. Managers can see where orders are and call us in Key West for support.

“And—unlike most software acquisitions and upgrades I’ve been through—we got everything we were promised!”

#### Business Benefits

“Our system payback will only take two years,” projects Whipple. “After that, the return is all gravy. We have saved thousands in improved staff productivity. Twenty daily tasks of 40 minutes each just dropped to zero time. Yesterday’s detailed and consolidated sales reports are instant, invisible—and they beat us to work.”

“This is like having a new life,” he says. “No manual consolidations, no spreadsheet fiddling. It’s very, very good. The best of both worlds.

People in our stores see an interface similar to QuickSell’s, so they needed no retraining on the basics. Yet back-office and centralized tasks are far easier and more productive. We use it for logistics, too. No costly experts needed.

“We cut our stock on hand by 15 to 20 percent. And we now have fewer stockouts. Managers and staff are pleased, excited, and find it much easier to get information that wasn’t available or was painful to gather. Now, bright people can do more sophisticated things with their time and intellect. We get better ideas from our staff.”

#### Buying Right

“Microsoft Dynamics RMS has revolutionized decision-making on purchases,” reports Whipple. “Last week we bought a vendor’s entire run of a hot product, leaving our competitor with none. Before Microsoft Dynamics RMS, a larger competitor would have bought it all, because we couldn’t have been this certain this fast.

“We just changed our store-polling interval from daily to three times a day, so each category and vendor’s position is at most a few hours old.

“Our IT staff set up a laptop that gives us realtime visibility while we’re at shows. We have excellent bargaining leverage with vendors because we can check our inventory levels even while we’re on the floor. We know what to bargain for. We negotiate lower prices on big lots because we know what we need. Recently, we went to Miami to buy closeouts and used our laptop to poll up-to-the-minute stock levels for every product.

“Today, stock to be ordered and stock on-order are on one report for all stores. No more hours—or days—spent cross-checking reports against each other.”

Learning from Success

## 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 Historic Tours Retail products and services, call (800) 868-7482 or visit the Web site at:

[www.HistoricTours.com](http://www.HistoricTours.com)

For more information about Retail Technology Experts products and services, call (800) 513-5917 or visit the Web site at:

[www.retailtechnologyexperts.com](http://www.retailtechnologyexperts.com)

Whipple has suggestions for other retailers tackling an ambitious system conversion. “The key is to not overwhelm staff with more new technology than is necessary. Be sure what you buy is learnable and usable by average-to-smart people. The Oracle solutions were too busy and too high-maintenance. We would have wasted staff’s valuable selling hours and untold dollars with every new hire and every promotion to new responsibilities. Now we allocate half a day to training and that’s more than ample.

“Choose a software partner who knows retail. The Retail Technology Experts team did whatever it took to get the job done. If we needed an extra person for a task or to go to a city, they provided it without question. They planned thoroughly, so they could absorb the unexpected. Mahendran and his team had already met and solved all the retail problems before they got to us. And—very important—our people are very comfortable asking support and advice from them.”

## Microsoft Dynamics

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what’s most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

[www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)

### Software and Services

- Windows 2003 Server
- Windows SQL Server 2005
- Microsoft Dynamics Retail Management System Store Operations, 2.0
- Microsoft Dynamics Retail Management System Headquarters, 2.0

### Hardware

- Hewlett-Packard ProLiant DL360
- Hewlett-Packard dc5700 Business PC
- Symbol LS2208 scanners
- Epson TM-T88III receipt printers
- Logic Control PD3000 pole display
- Zebra 2844 tag printer

### Partner

Retail Technology Experts