

Holiday Creations Implements Advanced Distribution Model with QuestaWeb's TradeMaster^{QW} Software

Background

Holiday Creations, headquartered in Centennial, Colorado, manufactures retail- and commercial-grade holiday decorations for customers throughout Canada and the United States. All production occurs in China under the supervision of a Hong Kong operations office.

The company's product line includes thousands of items and features L.E.D. lights, animated figures, wreaths and trees. Sales representatives sell the retail line to major big-box stores and smaller retailers. Authorized distributors sell the commercial line to municipalities, malls and hotels.

Holiday Creations' commitment to client service helped spur its dramatic growth. However, the inefficiency of the company's manual order fulfillment processes threatened continued corporate expansion. The firm turned to QuestaWeb, Inc., a Westfield, N.J.-based provider of Web-based global trade and logistics management applications, for a solution.

Challenges

Holiday Creations relied on manually created electronic spreadsheets to process orders. From these documents, which were transmitted via mail and fax between Asia and North America, the operations office made factory assignments and prepared sales contracts, invoices and packing lists by hand. In addition to being slow and labor intensive, the process was prone to data-entry errors. As Monica Robinson, Operations Specialist, Holiday Creations shared, "One simple error in entering data onto the spreadsheet could translate into mistakes costing thousands of dollars at the factory."

Document transmittal time only compounded the 14-hour time zone delay the company already faced. Other inefficiencies abounded, such as the maintenance of duplicate paper files in both countries and the inability of the Hong Kong office to access files saved to the headquarters server.

Holiday Creations' process for entering and tracking orders was complex and relied on three different numbering systems: a purchase order number, a sales contract number and an invoice number. To locate an individual order, it took personnel hours to research and cross-reference the various numbering systems.

To obtain business-critical financial and management information, staff had to manually merge reports generated by two non-integrated accounting systems and the electronic spreadsheets. The process was both time-consuming and fraught with the potential for error. Worse, a critical company document—the sales contract—had to be created manually for every order because no off-the-shelf system could accommodate its unique features.

As Robinson put it, "We needed an integrated automated system that met our distinct needs, eliminated errors, sped up business processes and automatically generated management reports."

At a Glance

Background

- Holiday Creations manufactures products in China
- Order processing relied on manual methods, wasting staff hours, delaying production, creating order errors and adversely affecting customers

Challenges

- Item descriptors required numerous data fields
- Order tracking required cross-referencing of numbers from three different systems
- Royalty amounts applied only to certain products
- Sales contracts and other key documents couldn't be generated with off-the-shelf systems

Solution

- QuestaWeb's TradeMaster^{QW} Export Manager^{QW} module

Results

- Holiday Creations eliminated data-entry errors, saving thousands of dollars annually
- TradeMaster^{QW} automatically populates all documents, streamlining processes and saving thousands of hours of staff time
- Management and financial reports are available with a single keystroke
- Customer satisfaction is high, and business is prospering



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Solution

Holiday Creations turned to QuestaWeb’s TradeMaster^{QW} to obtain the Web-based, fully integrated management solution it needed. The firm selected the Export Manager^{QW} module, which coordinates transactions and easily integrates with other systems. Export Manager^{QW} tracks purchase orders to the product level and can automatically generate commercial invoices and other key documents.

“Holiday Creations had a very unusual business process that fell outside the scope of most import-export applications,” recalled Wayne Slossberg, QuestaWeb’s Vice President of Sales. “It even extended beyond the purposes for which we designed Export Manager. Yet, QuestaWeb could meet Holiday Creations’ specific needs because of the flexibility inherent in our technology. This ability to accommodate unique business processes differentiates TradeMaster^{QW} from all its competitors.”

QuestaWeb staff studied Holiday Creations’ business and used their expertise to engineer a solution that literally transformed the business. Implementation required just 13 months, even with all the system modifications needed to capture detailed item descriptors for an extensive product line, cross-reference three numbering systems, modify reports and program the sales contract. The system also accommodates other business requirements such as applying royalty amounts on select items.

“The transition to TradeMaster^{QW} required us to think through our business processes,” said Robinson. “It helped us identify more efficient ways to do business.” Now, when the Colorado office receives an order, the system generates the sales contract first. The e-mail feature within Export Manager^{QW} enables staff to send the contract within the module. Then, the system generates the purchase order. Because TradeMaster^{QW} is Web based, no document transmission is necessary, and time-zone delays do not affect manufacturing start-up. The operations office can view purchase orders real time and make immediate factory assignments as orders are entered. When the order is complete, the system automatically generates the invoice. The system also produces a packing list to accommodate another business practice: Holiday Creations does not import/export its products but rather reserves and packs shipping containers for its customers. This business model, which eliminates the need for the company to operate costly U.S. distribution facilities and allows lower product prices because of minimal logistics add-ons, is the paradigm of the future due to its inherent economies. And, TradeMaster^{QW} affords Holiday Creation real-time visibility at every step from order receipt to product delivery allowing the firm to always know the exact status and location of orders and shipments.

Results

The solution went live in February 2007 and, according to Robinson, the results have been remarkable. The firm has streamlined operations, virtually eliminated data-entry errors and enhanced reporting. “I can’t tell you what it means to have all your documents in one place and to be able to pull up everything on one screen immediately,” she says. “I can’t even begin to estimate how much time and money we are saving.”

Robinson is particularly impressed with the system’s management reporting capabilities saying, “Computing our profit margin previously took days. With TradeMaster^{QW}, all I do is push a key and the figure is available in seconds.” TradeMaster^{QW}’s ease of integration with corporate accounting systems is a key reason why.

With the firm’s busiest shipping season about to start, Holiday Creations is more prepared than ever before to satisfy its many North American customers. The firm is already contemplating other processes where TradeMaster^{QW} could add efficiencies, such as meeting client requests for samples. The system could allow factories to process requests and ship samples directly to clients, thereby expediting delivery and simplifying later order entries. “We’ve only scratched the surface of what TradeMaster^{QW} can do for Holiday Creations,” adds Robinson. “We see the possibilities as endless.”