



Hats Off to MAS 200

Hats come in all shapes and sizes. There are men's dress hats, ladies' fashion hats, western-style hats, straw hats, tops hats and baseball hats, just to name a few.

F&M Hat Company, based in Denver, Pa., is

CLIENT: F & M Hat Company, Inc.

THE CHALLENGE:
Reduce the costs of managing an outdated, user-unfriendly, proprietary UNIX system

THE SOLUTION:

- CompuData Business Process Review & Network Audit
- MAS 200 Manufacturing Suite
- eBRIDGE EDI
- IT Infrastructure update and VPN set up

Controller and CFO

STEVE HOLLAND:

“Overall, the most important benefits of our MAS 200 and IT solution are the accessibility and quality of our data. The new solution enables us to make better business decisions.”



a family-owned corporation that has been in the hat business since 1912. F&M manufactures wool felt hats for department and specialty stores and mail order catalogs. It also manufactures core bodies made of wool that are sold to other manufacturers that shape and trim them to create their specific hat products.

Tastes in hats have changed significantly over the past 20-30 years. Men aren't wearing dress hats like they did in the past. To address the newest trends, F&M has had to adapt its business model to the changing market. The company has added new product lines and brought in cloth and knit hats from overseas to expand its business.

Additionally, F&M makes and sells hats under a number of different brands, such as Woolrich, Harley Davidson, Wrangler and Jack Daniels; and also makes a line of ladies hats sold through large department stores including Mays, Federated and Dillards.

Until 2001, F&M had one plant location. In an effort to try to strengthen its position and broaden its product line, F&M acquired a

ladies hat business in Texas and now has 150 employees in two plants and two additional sales offices.

F&M Tosses in its UNIX Hat

After the acquisition, F&M was faced with the challenge of two different computer systems and limited abilities to share information among its disperse locations.

F&M was running a 15 year old, proprietary UNIX-based system that had been customized frequently over the years. It was not user friendly and had become difficult and expensive to maintain. F&M needed one system available to all of its locations that would streamline its inventory and sales operations.

Shopping for a New Solution

As a branch of the apparel business, F&M has significant inventory challenges. Each new season brings new styles. A single product could be made in a number of different colors and/or sizes and most technology solutions don't accommodate this multi-level inventory matrix.

F&M was looking for a Windows-based system that incorporated all of its critical business functions, from basic accounting and sales to distribution, inventory and manufacturing into one solution from one vendor. It also needed an integrated electronic data interchange (EDI) solution for its transactions with large retailers.

“We wanted a product with a broad installed base and that didn't need much customization,” explained Steve Holland, controller and CFO at F&M Hat Company. “We looked at industry specific software first, but there were few Windows-based solutions on the market. We narrowed our focus to a couple of manufacturing and distribution packages and a select number of implementers.”

“It really wasn't a tough choice,” said Holland. “Best Software's MAS 200 was head and shoulders above the rest and CompuData really understood our business and we were happy with what they brought to the table.”



www.CompuData.com

2701 Commerce Way
Philadelphia, PA 19154
800.223.3282

2401 Whitehall Park Drive
Suite 300
Charlotte, NC 28273
888.889.3282

© 2005 CompuData Inc.
All rights reserved.

Wearing the Implementation Hat

CompuData began with a business process analysis, which identified where MAS 200 fit well and where there were gaps. To fulfill F&M's inventory matrix needs, CompuData suggested the Size and Color Matrix Processing Enhancement. CompuData completed the circle with a comprehensive network audit of F&M's existing infrastructure, which included 12 PCs connected via a peer-to-peer network with no back up system or file servers.

F&M needed a true network system that would connect its multiple locations and protect its data. CompuData set up a virtual private network (VPN) to F&M's Texas facility and a VPN tunnel for a handful of remote users. It also installed all new servers, PCs, Internet commerce and a communications solution to F&M's warehouse.

The F&M project team went through the appropriate MAS 200 manufacturing, distribution and accounting training courses offered at CompuData's Philadelphia-based Best Software Authorized Training Center.

After the training, the conversion planning process began. With over 20,000 inventory items on two separate systems, the data conversion and implementation portion of the project was the most time intensive. CompuData helped F&M export information from the old systems into the new system.

"Our implementation schedule was aggressive, but we went live on time and it felt good to 'flip the switch'," said Holland.

A Good Fit

"By streamlining our processes, we have eliminated quite a bit of repetitive entry," explained Holland. "The Starship feature enables us to integrate our shipping data with Fedex and UPS right into MAS 200. And, with the MAS 200 credit card module, we are able to process a transaction and automatically apply it directly to the appropriate account. Before, these processes required data entry into two or more systems."

"eBRIDGE EDI has also made a world of difference," said Holland. "Many of our major

customers are now requiring EDI, such as Bass Pro Shops, Dick's Sporting Goods and Cabellas. EDI puts F&M Hats in a more favorable position to do business with the large retailers."

"We now have so much information at our fingertips," added Holland. "Before, if we wanted specific information, we would have to look in many different places. Now we can simply drill down on a particular item and see the inventory position and other details on that item or click on a customer and view all related transactions on one screen."

"The costs of upgrading and maintaining the UNIX system were high," said Holland. "We have realized significant dollar savings in just eliminating the routine maintenance of the old system. Also, with the increased efficiency MAS 200 provides, our staff is more productive and has been reduced by two and a half people through employee turnover. This 15 percent reduction in salary and benefit expenses by not having to replace these employees is another significant cost savings for us."

"Overall, the most important benefits of our MAS 200 and IT solution are the accessibility and quality of our data," said Holland. "The new solution enables us to make better business decisions." ■