

Movado Group Inc.

Keeping Watch for Movado



MOVADO GROUP INC.

AT A GLANCE

Movado Group has chosen Quadrate as their solution provider for data migration and daily maintenance, facilitating their global SAP implementation and incorporating Quadrate's powerful upload solution ERP² into their plans for the future.

HEADQUARTERS

Paramus, NJ

BUSINESS DESCRIPTION

Movado Group, Inc. designs, sources, markets and distributes watches and jewelry worldwide and operates Movado boutiques and company stores in the United States.

BRANDS

Movado, Ebel, Concord, ESQ, Coach, Tommy Hilfiger, HUGO BOSS, Juicy Couture and Lacoste

ANNUAL REVENUE

Approximately \$400M

NUMBER OF EMPLOYEES

1,500

“Movado goes to Quadrate first for mass loads.”

Quadrate
SOFTWARE

A Division of BackOffice Associates, LLC

SITUATION

In Movado's legacy ERP system, a user could start out with incomplete or incorrect data and fix it along the way. SAP[®] requires complete accuracy with master data from the beginning. These exacting standards were a whole new world for Movado. A world that would change the way the company handles their new internal business processes.

So, a critical part of this transition for Dr. Frank Morelli, SVP Global Business Process & CIO of Movado, was the management of the company's data.

Documentation while managing the data through this change was also a priority. Movado would be under tremendous scrutiny because of the scope and reach of the implementation. It was imperative that documented evidence of control checks be available. The requirements for documentation of specifications, transports, change management, testing and validations were above and beyond anything you could imagine. Morelli explains, “There were valid concerns about moving an entire company's worth of data all at once, worldwide, changing every major business process and running the company on all new software. We were moving fast and the documentation was important.”

Understanding that preparation before go-live and execution of maintenance afterwards could take away much of the unnecessary challenges with the upcoming move to the new ERP system, Frank was looking for a solution.

SOLUTION

Movado was prepared. Through the use of ERP^{2™}, they were able to overcome many of the hurdles associated with the migration and management of SAP data. They did a tremendous amount of testing and had a successful go-live right from the start. They were able to successfully complete all of their business activities: take and fill orders, ship product and collect revenue — the whole 9 yards. The efforts of all the MGI employees were recognized by Movado's inclusion in the 2009 Information Week 500. Much of the success with master data can be attributed to their employee's use of Quadrate's data loading software, ERP².

Almost a year later, the software continues to be the go-to solution for uploading data. Users with no technical skills can use ERP² to securely transfer data into SAP. Being able to use Microsoft products without loss of data integrity made the software very appealing. “The Quadrate users are loading their own data. Excel is something they use every day and they are all happy” explained Ravi Karingula, Movado's GIT Developer. Knowing all the SAP validations are performed and there is no way to go around the users security settings, gives the IT group a feeling of confidence with the solution.

The bottom line is, “Movado goes to Quadrate first for mass loads” states Morelli.

OVERVIEW

Making strategic decisions to achieve the company's long term objectives has been the standard for success of Movado Group, Inc.(MGI). As such, the company's leadership has continually driven innovation and excellence into every aspect of their business.

“SAP® requires complete accuracy with master data from the beginning. These exacting standards were a whole new world for Movado. A world that would change the way the company handles their new internal business processes.”

The decision to move to SAP® as their ERP system was one that was carefully considered, well planned and efficiently executed. Taking time to carefully select the right solutions was a critical component for Movado's success.

Movado executed a global “big bang” implementation of business process changes along with the full suite of SAP applications replacing virtually all their transaction legacy systems. In addition to all the functional modules, MGI implemented SAP's BI and Enterprise Portal modules globally. “The challenges with master data were at times as huge as the implementation challenge itself” said Dr. Frank Morelli SVP Global Business Processes & CIO.

BUSINESS REQUIREMENTS

- Easily migrate master and transactional data from the legacy system into SAP
- Maintain accurate and consolidated information in SAP
- Review and maintain master data with high priority on the ability to update pricing
- Load data in a batch mode to avoid updating records individually
- Provide a non-technical method for the business community to keep data current

SOLUTION REQUIREMENTS

- Maintain integrity of all SAP audit processes, standards and security
- Equip business users with the ability to load master and transactional data without technical training
- Provide mass upload and maintenance functionality without programming
- Give the business community an automated means for managing their own data
- Reduce lead times and costs — positive return on investment of less than 12 months

- SINGLE streamlined answer for data migration, consolidation and maintenance needs

SOLUTIONS PROVIDER

- Quadrate's data uploading solutions met and/or exceeded all of Movado's requirements
- The ERP^{2™} software solution was embraced for initial data migration and is now used extensively for day-to-day bulk transactional and master data updates

QUADRATE'S IMPLEMENTATION AND SUPPORT

- Implementation of ERP² was smooth and trouble-free
- The enterprise configuration took less than 45 minutes
- The client installations took approximately 5 minutes per station
- The support team was great — always providing quick & thorough responses

QUADRATE'S TRAINING

- Training was minimal — knowing the SAP screen is the bulk of knowledge required
- Simple 3-step process was learned in less than 15 minutes
- Advanced features were learned in under an hour
- There was no training needed for the business users that were only populating the Microsoft Excel® load file
- Co-op students with minimal instruction on how to use ERP² prepared massive amounts of data for stress testing during the implementation process

REAPING THE REWARDS OF ERP²

- Movado essentially moved a significant amount of data through Quadrate
- The go-live was successful right out of the gate with no horror stories
- Costly demands on IT have been reduced
- Productivity of the data owners has been significantly increased
- Powerful reporting analytics and error reporting resources are available
- Movado confidently relies on Quadrate's data loading software for mass loads
- Returns of many times the initial investment have already been realized, well under the 12 month mark

BENEFITS

ERP²™ allows a proactive environment for better data:

Leah Holton, Movado's GIT Manager Business Solutions, points out, "One of the things ERP² has allowed is a proactive environment." ERP² allows the users to provide cleaner, more accurate and up-to-date data. The business community has long complained about the tedious, complicated process for entering data. The effect was that data was often entered on demand, as a response to a need. Now information is available as needed because the user can consolidate information in Excel and easily upload it into SAP®. Leah adds, "We are working more with the business community. They are providing what we need and we have better data as a result."

ERP² eases the burden on SAP users:

The business and functional SAP users provide the momentum of a company's success. It's a distraction to their role when processes are complicated and adhering to them requires a lot of time. Quadrate's ERP² was established to remove those distractions by providing the business community with everyday, familiar tools to

accomplish their tasks. Leah Holton highlights that "It's not a painful process for them any longer. They just receive an Excel file and populate it with what is needed."

ERP² lightens the load on IT staff:

The Global IT staff is the resource that keeps a company running. They too get distracted from mission critical tasks and visionary planning when bogged down with tedious processes. ERP² has lightened their load by simplifying time consuming data maintenance processes and allowing business users to manage their own data.

ERP² avoids dependency on Developers:

Ravi Karingula shares "I embraced the product the first time I saw it. It is a great way to avoid dependency on developers." Normally a developer is involved in every single step of a program from creation to completion. There are up to 6 people and 9 steps involved with the process.

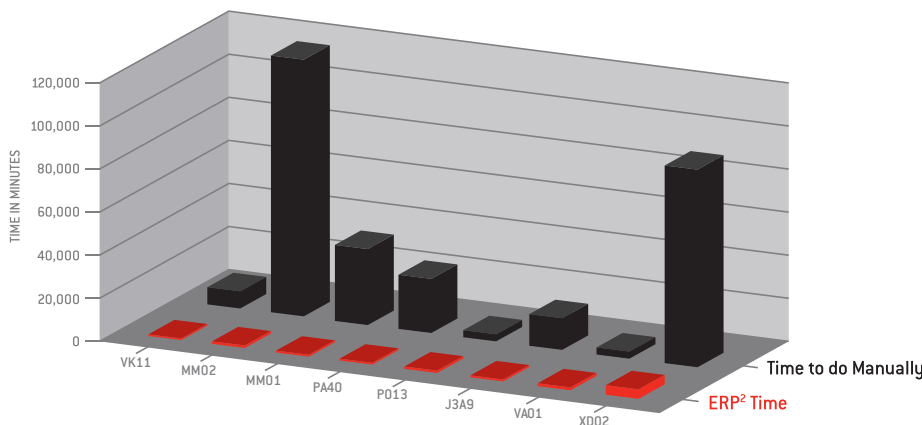
ERP² achieved incredible time savings:

The typical lifecycle to develop a simple program is 3-5 days. Complicated programs can take even longer. With Quadrate's ERP² software, that time frame changes to minutes.

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"Movado was prepared. Through the use of ERP², they were able to overcome many of the hurdles associated with the migration and management of SAP data."

TIME SAVINGS ACHIEVED BY MOVADO



	ERP ² Time*	Time to do Manually*
VK11	94	7,679
MM02	166	110,726
MM01	128	28,429
PA40	90	17,021
P013	130	1,873
J3A9	90	11,760
VA01	168	1,631
XD02	2,701	82,738

* Time in Minutes

SUCCESS STORIES

*Making every hour count **before** go-live.*

ERP²™ saved weeks:

To ensure the automated picking system could handle the volumes of orders being created in SAP®, multiple test orders had to be created to simulate real life transactions. Heavy volume and stress testing was made possible with ERP². It was used to generate orders which had multiple lines and all kinds of variations. The deliveries were blasted from SAP down through the automated picking system. Without Quadrate, we would have spent many weeks creating test data. “If we would have had to enter the test data into our picking system manually, we would have gone out of our minds” said Morelli.

ERP² saved 84 days:

The law requires a 7-year history for inactive employees to remain on file. There were 8,000 inactive employees to load into SAP after go-live. Each one would have taken 3-5 minutes...about 670 non-interrupted hours. With ERP² the entire process only took one day.

Many hours were saved on initial data loads with the use of ERP²:

“ERP² shortened implementation and development time” said Richard Higgins, Director of Global Information Technology Business Solutions. Morelli added that, “The developers avoided a significant programming workload along with the documentation involved in developing any program. It took a tremendous burden off our initial data loads. With ERP², problems were clear and easy to identify and correct.” The intuitive debugging feature, unique to Quadrate, is extremely helpful. When error messages from SAP are unclear, the screen by screen step-through quickly identifies the source of the error so corrections can be made immediately.

With ERP² a correction was done in minutes instead of days:

Because Movado is a multi branded company, the set up of the Partner Function in SAP was very complicated. A master data mistake was uncovered in testing, affecting one of their largest customers with almost 1,500 locations. The impact of the incorrect data could have been potentially disastrous and taken days to recover from without the use of ERP². Movado was able to use

ERP² to correct the data in minutes, preventing a landslide of customer issues after go-live.

*Making every hour count **after** go-live.*

ERP² automates daily maintenance without programming:

In daily activities, ERP² is used to setup and maintain prices, discounts and promotions as well as create and maintain material master data. The users have seen the many different applications of ERP² and are spreading the cost and time savings into other departments by creating new ERP² templates to eliminate their current manual processes. Ovidio Cavallari is responsible for Movado's MDM globally. He stated “The most critical part of the MDM activities is related to the price master data.” With ERP², uploading 100,000s of records for retail prices, discounts and promotions into SAP could be done without programming. Doing these activities manually would have caused a considerable bottleneck due to volume and the necessity to do the changes quickly.

ERP² continues to save hundreds of hours:

The apparel and footwear solution (AFS) is an SAP industry solution that structures data by dimensionalizing SKUs with extra details. Knowing where information is nested can be difficult to figure out, but Quadrate made it easy. Business users don't need to get involved with logging onto maintenance screens in SAP. The developer just builds a template and hands it off to the business users in an Excel format.

BENEFITS

- A proactive environment for better data
- Eases the burden on SAP users
- Lightens the load on IT staff
- Avoids dependency on Developers
- Achieves incredible time savings:
 - Many hours were saved on initial data loads with the use of ERP²
 - With ERP² a correction was done in minutes instead of days
 - ERP² automates daily maintenance without programming
 - ERP² continues to save hundreds of hours

Quadrate
SOFTWARE

A Division of BackOffice Associates, LLC

BackOffice[®]
ASSOCIATES

About BackOffice Associates[®]

BackOffice Associates[®] is a worldwide leader in data migration and information governance solutions, with a concentration on enhancing SAP[®] data quality since 1996. Our range of products and services address the needs of business and IT users seeking to unlock the value of their data assets. Whether monitoring ongoing information quality, or executing the most complex migration and governance initiatives, BackOffice Associates is the clear choice for customers requiring “Business-Ready Data Every Day”™. BackOffice Associates is a global corporation headquartered in Massachusetts with additional offices in the US, Europe, Asia, India, Australia and Mexico. Company information is available at www.boaweb.com.

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