



## Toy Maker Gains Better Decision Making, for a Lower TCO, with a Microsoft BI Solution

### Overview

**Country or Region:** United States

**Industry:** Manufacturing—Consumer goods

### Customer Profile

Radio Flyer, based in Chicago, Illinois, was founded in 1917 and is the maker of the famous “little red wagon” as well as contemporary wagons, tricycles, scooters, and other superior-quality toys.

### Business Situation

The company’s aging AS/400 business intelligence system was failing to deliver timely, detailed reports and was costing too much in IT time and maintenance.

### Solution

The company adopted a custom solution based on Microsoft® Business Intelligence that provides an end-to-end solution from the data warehouse to the user interface, which features dashboards and scorecards.

### Benefits

- Providing clear insight for better decision making
- Speeding information access with less IT involvement
- Reducing total cost of ownership
- Boosting current and future productivity

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Tom Cesario, Director of IT, Radio Flyer

Radio Flyer, one of the oldest and most prestigious names in children’s toys, didn’t want to play around when it came to applying business intelligence (BI) to understanding current and future sales trends. So it rejected Oracle and SAP Business Objects solutions in favor of a Microsoft® solution that enables better decision making, requires less IT staff time for reporting, and has a lower total cost of ownership (TCO) than other options.

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### Situation

Radio Flyer, maker of the famous “little red wagon” as well as more contemporary wagons, scooters, tricycles, spring-horses, and other ride-on toys, is more than 92 years old. Its business intelligence (BI) system wasn’t that old, but it was based on an aging AS/400-based enterprise resource planning (ERP) system.

The 15-year-old software produced business reports, the majority of which were printed and distributed manually, so users couldn’t readily interact with the data. Electronic reports contained static data—that is, data that couldn’t be manipulated to conduct “what-if” and other types of analyses.

Nor were the reports easy to read; they were black-and-white text without commas to separate numbers in the thousands, millions, and so on. Because no filtering options were available, many of the reports consumed 50 or more pages, which at times made it difficult for users to find the exact information they needed quickly.

Report creation was also a problem for the IT department that had to produce reports. It could take an IT programmer weeks of working with business users to create new reports, and then hours or days to implement changes or updates to those reports. One of the department’s staff was dedicated to creating and updating reports, and because the reports were based on the legacy AS/400 system, only that staffer had the skills to do the work.

Tom Cesario, Director of IT for Radio Flyer, and his colleagues knew that they needed a better approach to business intelligence.

### Solution

First, Radio Flyer developed a set of requirements for its business intelligence

solution. It wanted a single data warehouse that would centralize the information kept in separate parts of the ERP and supply chain systems. It wanted an end-to-end solution that would extend from the aggregation of data to the analysis and presentation of data to business users. It wanted a solution that would provide dashboards and scorecards for at-a-glance views of data, standard reports for more in-depth information, and ad hoc reporting for advanced analysis of data.

To meet those needs, Radio Flyer considered solutions from Oracle, SAP BusinessObjects, and Microsoft. Each vendor conducted demonstrations of its business intelligence capabilities. And Radio Flyer chose a Microsoft® Business Intelligence solution.

Radio Flyer turned to Project Leadership Associates, a Microsoft Gold Certified Partner, to create its solution. “We liked how quickly their team learned our business and was able to tailor the business intelligence solution to our specific requirements,” says Cesario. “They managed the project with great flexibility throughout to ensure we were successful.”

The Microsoft BI solution expands on Radio Flyer’s existing sources of information—its AS/400, as well as disparate supply chain systems. Data from those sources goes through a process of extraction, transformation, and loading into a staging database and then into the data warehouse. The databases are based on Microsoft SQL Server® 2008 data management software, and the processing is handled by SQL Server 2008 Integration Services.

Data is then moved into one of two consolidated data marts, one for sales data and one for supply chain data. SQL Server 2008 Analysis Services produces data cubes that

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are used in three ways: to produce about 30 standardized reports with SQL Server 2008 Reporting Services; to fuel Microsoft Office PerformancePoint® Server 2007–based dashboards and scorecards that contain key performance indicators; and to enable direct querying and detailed analysis of the cubes with Microsoft Office Excel® 2007.

Both the cubes and the data warehouse contain six years of historical data, in addition to the continuously loaded new data. The data is refreshed automatically, providing new customer and product information as soon as it is available to the system, so it can be used immediately in analysis.

Business users access the business intelligence tools through an intranet site built on Windows® SharePoint® Services technology in the Windows Server® 2008 operating system. The dashboards and scorecards are updated automatically with the most recent data and are role based so that, for example, senior managers see broader measurements than line managers do. The solution also includes a series of SQL Server 2008 Reporting Services subscriptions that deliver reports to users’ e-mail inboxes on a regular basis.

## Benefits

“We chose Microsoft for a variety of reasons,” says Cesario. “In Microsoft, we saw a solution that met all our requirements, that was a better fit with our current investments and skill sets, and that would deliver a lower total cost of ownership.”

### Providing Clear Insight for Better Decision Making

For business users, the solution provides the clear insight into business status that Radio Flyer sought in order to enable better decision making. For example, users can quickly create ad hoc reports so that

they can view the top-selling models by customer, based on gross sales or sales margin. Similarly, the New Product Development team can use new insights into the performance of recently released toys to plan product strategy.

The solution enables the executive management team and vice president of sales to see not only how the company is currently selling to its biggest customers, but also how those sales are forecast for the rest of the year, producing a highly accurate picture of how each product line could finish the year. The reports that provide that information are complex to build because they require the BI system to put actual sales and forecast sales on the same budget line. Management can also see overall data for customer satisfaction and profitability.

“Dashboards and scorecards give us insight on a real-time basis,” says Robert Pasin, President and Chief Executive Officer, Radio Flyer. “Our executive team looks at this information first thing in the morning and whenever we need to. It’s allowed us to react more quickly to changing business conditions.”

Business analysts and other business users, in contrast, see information related to the specific customers that they track—whether they work in sales and marketing, supply chain, or product development areas. They can use the BI tools to manage day-to-day operations as well as to perform historical trend analysis. Customer service representatives, for example, can use the BI information to provide better support to customers regarding the status of their open orders because they can query the system to see all of those open orders on a single screen.

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#### **Speeding Information Access with Less IT Involvement**

Best of all, users get that information more quickly than before, in part because they are less dependent on the IT staff to generate reports; business users access the cubes and build their own Office Excel-based reports, making them more self-sufficient for their analytical needs. “Our IT staff spends as little as half as much time creating reports as they did before, and those reports are created in minutes and hours, rather than days and weeks,” Cesario says. Sales analysts, for example, can use Office Excel to query and analyze sales figures to spot new sales opportunities, without needing assistance from IT.

#### **Reducing Total Cost of Ownership**

The total cost of ownership of the Microsoft solution is lower than that of the alternatives the company considered—and that takes into account both lower licensing costs and lower maintenance costs. Radio Flyer also saves by not having to maintain two sets of databases and operating systems. “We were already a Microsoft shop, so we’re able to maintain the SQL Server and broader BI environment with the staff and resources we have,” Cesario says.

#### **Boosting Productivity—Today and Tomorrow**

The system also saves Radio Flyer money by making the company more productive. For example, being able to see daily information about inventory by warehouse location and product enables executives to manage inventory more efficiently—for example, moving excess inventory to locations where it may be needed—and thereby reduce inventory costs.

Cesario expects the benefits of the Microsoft BI solution to grow with the company’s continued growth. “The Microsoft BI solution provides a foundation

to support us as our customer base expands, as more new products are introduced, and as new customer service capabilities are rolled out,” he says. “The Microsoft BI solution will become an increasingly strategic asset.”

## 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 in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. 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 Project Leadership Associates services, visit the Web site at:

[www.projectleadership.net](http://www.projectleadership.net)

For more information about Radio Flyer products, visit the Web site at:

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

## Microsoft Server Product Portfolio

For more information about the Microsoft server product portfolio, go to:

[www.microsoft.com/servers/default.mspx](http://www.microsoft.com/servers/default.mspx)

### Software and Services

- Microsoft Server Product Portfolio
  - Microsoft SQL Server 2008 Standard
  - Windows Server 2008 Enterprise
- Microsoft Office
  - Microsoft Office Excel 2007
  - Microsoft Office PerformancePoint Server 2007
- Technologies
  - Microsoft SQL Server 2008 Analysis Services
  - Microsoft SQL Server 2008 Integration Services

- Microsoft SQL Server 2008 Reporting Services
- Windows SharePoint Services

### Partner

- Project Leadership Associates

### Hardware

- IBM xSeries servers
- IBM SAN storage