

PEET'S COFFEE & TEA

Solution Overview

Industry

Coffee Manufacturing, Distribution & Retail

Scenario

Peets Coffee & Tea had to integrate its various retail and distribution operations to remain competitive among retailers and customers.

Company Profile

Peets Coffee & Tea is a specialty coffee roaster and marketer of premium coffees and teas.

Situation

eEnterprise has enabled Peets Coffee & Tea to better serve its customers, while reducing inventory overhead and supporting increasing transaction volumes.

Software Used

Microsoft Great Plains eEnterprise
 Financial Series
 Distribution Series
 Purchasing Series
 E-commerce Series
 Customization/Integration Tools
 FRx Financial Reporting
 Microsoft SQL Server 7.0

Explosive growth was stretching Peet's Coffee & Tea to the limit. It was time to pull it all together with a more powerful business management solution. After careful consideration, Peet's Coffee & Tea select eEnterprise to integrate its web site, retail, wholesale and mail order business strategies. Built on Microsoft e-business technologies, eEnterprise now saves Peet's more than \$200,000 a year on inventory audits and 132 days a year on month-end closes.

Company

Peet's Coffee & Tea is a specialty coffee roaster and marketer of premium coffees and teas. Based in Emeryville, California, Peet's sells fresh roasted whole bean coffee, hand-selected teas and related items through several distribution channels, including specialty grocery and gourmet food stores, online, mail order, office and restaurant accounts, and 60 company-owned stores in four states. Peet's Coffee & Tea employs more than 1300 people.

Pleasing Customers

The variety of business channels that Peet's Coffee & Tea operates in resulted in multiple systems to accurately capture sales information and fulfill orders. "On-time delivery is vital to our ability to compete in this industry," according to Mike Cloutier, Chief Technology Officer and Vice President of Information Systems. "If we can't provide the product when they want it, customers and retailers can easily go somewhere else. Our ability to deliver customer satisfaction is a competitive advantage for us."

Difficulties in accessing and processing data across these systems compromised critical business decisions, costing time and money. Peet's management team realized they needed a highly integrated, high-capacity business management solution to pull its systems together for better analysis, order fulfillment and strategic planning.

Connecting Processes

Peet's Coffee & Tea selected eEnterprise as the e-business solution that would interconnect its expanding business. eEnterprise's purchasing, sales, inventory, bill of materials, reporting and integration tools could seamlessly integrate the Web, wholesale, manufacturing, retail and mail order functions of Peet's business. "The ability to centralize information from diverse and scattered sources has been critical to the decisions we've made as we continue to grow and expand. Tight integration with eEnterprise allows us to process orders more rapidly which has strengthened our relationships with both customers and suppliers," said Cloutier.

"Because we can drill down and see the details in eEnterprise, we have successfully gained insight into key business issues such as where we are most profitable and where we should focus our business."

Mike Cloutier
Chief Technology Officer and Vice President
of Information Systems
Peet's Coffee & Tea

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Based on Microsoft's SQL Server database, eEnterprise easily supports high transaction volumes across the business, providing a strong technology foundation for years of anticipated growth. "The solution's impressive scalability allows plenty of room for growth," says Cloutier "Peet's Coffee and Tea has grown 25% since installing eEnterprise. We've accommodated more users and transactions without any performance degradation. eEnterprise's ability to effectively scale as our business grows makes it a solid investment for our future."

Measures of Success

The increased automation and accuracy that eEnterprise delivers has reduced the time required for month-end closes from between 14 and 21 days to between 7 and 10, translating into more than 132 days saved annually. Peet's has also been able to cut physical inventories from quarterly to semi-annually, saving approximately \$200,000 a year.

Perhaps best of all, eEnterprise enables users to drill down throughout the system for transaction details, and perform cross-departmental inquiries, giving managers fast, easy access to the vital decision-making information they need. "With so many different operations going on at one time, we had an information gap permeating throughout our system," reports Cloutier. "Now, because we can drill down and see the details in eEnterprise, we have successfully gained insight into key business issues such as where we are most profitable and where we should focus our business. In fact, drill-down is one of the system's most constantly used features. Database queries and analysis that used to keep IS busy are now easily answered by the end-user with the click of a button."

Around the Clock Support

The spoon that stirs the coffee is the support that Peet's Coffee & Tea receives from Microsoft Great Plains. As Cloutier states, "Great Plains' support engineers provide excellent customer service, and have the skills to make the system do nearly anything we need it to." He adds, "The fact that we have 24X7 access to TechKnowledge, the same technical database that the Great Plains support team uses, allows us to rapidly answer questions and resolve issues. With access to this database, our users can find answers to their own questions, allowing our IT folks to focus on other, more complex things."