Sterling Commerce helps Cabela's move from catalogue-centric company to multi-channel retailer Cabela's Inc.

Cabela's Inc.

Location
Sidney, NE

Industry
Specialty retailer

Revenue
$2 billion in 2006

Business challenge
Achieve global visibility of inventory by implementing one point of entry for order and fulfillment

Solution
IBM® Sterling Order Management

Benefits
- Provides global visibility of orders and inventory across all demand and fulfillment channels
- Improves inventory accuracy
- Reduces labor and inventory handling costs
- Streamlines opening of new stores
- Increases customer satisfaction by ensuring high levels of service, whether someone walks into a store, shops the catalog or logs on via the Internet

Customer background

Cabela's Incorporated, headquartered in Sidney, Nebraska, is the world's largest direct marketer and leading specialty retailer of hunting, fishing, camping and related outdoor merchandise. Founded in 1961, Cabela's® has grown to become one of the most well-known outdoor recreation brands in the world through well-established direct business and a growing number of destination retail stores.

Business challenge

When Cabela's embarked on a strategic initiative to move from a catalog-centric business to a multi-channel retailer, company officials knew it was time to replace the aging legacy order management system. "Our previous allocation and fulfillment systems didn't talk to one another well, which affected customer service," explained Cabela's MIS Director Larry Popps. "We needed a new order management system that could handle growing demand across every selling channel. Our overall goal was to achieve a global inventory view across all demand and fulfillment channels, but we knew we needed a flexible application that could be configured to meet our unique needs," he said.

Popps also turned to Sterling Commerce to use their EDI VAN.

Solution

Sterling Commerce replaced Cabela's previous order management system with a solution called Sterling Order Management, which takes demand from every channel and orchestrates fulfillment across their entire supply chain. Now the company has global visibility of orders

as well as all inventory across all demand and fulfillment channels. This means the company can manage and monitor orders from multiple channels and coordinate fulfillment across all stocking and fulfillment locations, including stores, warehouses, suppliers and partners.

The Sterling Commerce solution links disparate systems by spanning application boundaries. In addition, the solution enables Cabela's to globally schedule and source orders based upon configurable business rules.

"Our market is highly competitive, so it is absolutely necessary we have the tools in place to ensure the highest level of customer satisfaction," Popps said. "Sterling Order Management helped us improve customer service and also move forward on other strategic initiatives, like implementing a warehouse management system."

Key benefits

Global visibility of inventory

Sterling Order Management provides a common gateway to manage and monitor orders from multiple channels, as well as coordinate fulfillment across all stocking and fulfillment locations, including Cabela's stores, warehouses, suppliers, and partners.

Single, unified process

Sterling Order Management combines every step of the order management lifecycle into a single, unified process—despite disparate systems.

Improves customer service/reduces customer service inquiries

Cabela's multi-channel retail model includes brick and mortar stores, a catalog, and the Internet to meet customers' ever-growing needs and expectations. Sterling Order Management supports all of these channels, thus providing customers with a positive, unified shopping experience, regardless of the ordering channel or fulfillment mode.

Streamlines new store openings

In the past, Cabela's had to modify its legacy code before opening a new store, which was an arduous process. Now a simple configuration change makes the process much more efficient and effective.

Increases revenue and customer retention

Cabela's reached its goal of $2 billion in revenue in 2006, which included 16% growth during the fourth quarter (holiday season). Global visibility of inventory across all channels enabled its distribution centers and retail selling channels to meet all business metrics that year.

About Sterling Commerce

Sterling Commerce, an IBM® Company, helps organizations worldwide increase business agility in their dynamic business network through innovative solutions for selling and fulfillment and for seamless and secure integration with customers, partners and suppliers. More information can be found at **www.sterlingcommerce.com.**

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