



KEEPING PACE WITH CUSTOMERS WHILE SAVING TIME AND MONEY

ENTERPRISE LABELING SOLUTION REDUCES LABEL TEMPLATES FROM 500 TO 1 AND PRINTS OVER 10M CUSTOM LABELS GLOBALLY

Headquartered in the U.S., Trek Bicycle Corporation is a world leader in the manufacture and distribution of bicycles and cycling products. A major competitor in the global bicycle market, the company exports to over 90 different countries and their bikes are sold through more than 5,000 independent dealers internationally. Trek also sells through Independent Bike Dealers (IBD), which are standalone dealerships which sell Trek's various product lines and has several Trek Factory Stores across the globe.

Trek utilizes a JD Edwards (JDE) business system, which consists of numerous modules for functional areas such as pricing, inventory, and manufacturing. It interfaces with at least ten other software solutions used throughout the Trek enterprise and has over 1,000 users in total, with about 500 concurrent users, typically, at any one time. Trek has successfully partnered with Loftware for over 20 years to integrate labeling throughout their environment to address customer requirements, streamline processes and maintain a focus on uptime and continuous operations.

With the company's continued growth and international presence it has become progressively more important to rely on the Loftware labeling solution to manage increasing customer demands, manufacturing processes, warehousing and inventory control and retail challenges.



Industry: Manufacturing

The Challenge:

- Avoid manufacturing disruption
- Address unique customer requirements
- Streamline warehouse management
- Simplify management of retail labeling program

The Solution:

- Integrate labeling with business processes
- Configurable business rules
- On demand label printing
- Centralized application for upstream and downstream labeling

The Results:

- Reduced number of customer label templates from 500 to 1
- Continuous labeling uptime
- Reduced IT involvement
- Capability for business users to make label updates
- Printed over 10M pricing labels across warehouses globally
- Produced custom labeled products ready for sale

CHALLENGES

AVOID MANUFACTURING DISRUPTION

Labeling represents an important part of Trek's manufacturing process to identify parts with orders and provide information unique to the manufactured product. The company also generates a wide range of mission critical labels including work order labels, configuration labels, inventory labels and shipping labels. Unique labels are used for paint racks, work order bins, manufacturing inventory, on-bike serial number identification, battery charge for electric pedal-assist bikes, and other applications. Any inaccurate information on these labels can disrupt business operations and result in costly downtime and costly product defects.

ADDRESS UNIQUE CUSTOMER REQUIREMENTS

Trek deals with a wide range of customer requirements. Many retailers want products ready for sale. They require important information such as pricing and features that are pre labeled and tagged on bicycles and cycling merchandise prior to shipping. Also, Trek bike models, products and accessories change seasonally which means customers require changes to existing labeling and Trek retailers rely on the company to offer flexible labeling to promote store sales and conduct retail events. Additionally, Trek's global reach means that their manufacturing requirements must frequently change based on where product is being shipped. The company must meet a host of regional requirements including bike color, material, weight, gearing and accessories, which vary by product and customer worldwide.

STREAMLINE WAREHOUSE MANAGEMENT

Both warehousing and product distribution require a labeling solution that can easily address challenges including damaged shipments and international regulations. Also, different functional departments need to label and re-label bike products and accessories for shipping and for re-stock. Trek needed a solution that enabled them to enter information and promptly generate labels in their warehouses that could be applied to bike boxes and used on site for shipping and receiving purposes.

SIMPLIFY MANAGEMENT OF RETAIL LABELING PROGRAM

Trek initiated their popular Applied Pre-Priced Labeling (APPLE) program for retailers to enhance operations and improve sales and customer experience. This free service offers customized labels, which include specific data such as store name, logo and suggested retail value, part numbers and barcodes. The program, which started with only ten dealers, now consists of over 500 dealers – all with their own unique label. This presented quite a challenge from an IT standpoint considering that if any global change was required Trek needed to update all 500 unique labels separately – a time consuming task.

"Business users are able to make label changes if a dealer calls and wants to change the logo or change how the barcode looks or some sizing. It's easy to do. We don't even need to get involved from an IT standpoint."

- Tom Spoke, Global IT
Distribution Manager, Trek

SOLUTION

Loftware's Enterprise Labeling Solution allowed Trek to address all of their existing challenges. As a recognized global leader with deep experience in the manufacturing space, Loftware provided Trek with an Enterprise Labeling Solution to meet their evolving customer requirements and their complex labeling needs for manufacturing, warehouse and distribution.

INTEGRATE LABELING WITH BUSINESS PROCESSES

Loftware's centralized approach allows Trek to integrate labeling processes with their existing JDE system to drive labeling directly from the customer's transactions, offering both consistency and greater control over what ends up on the label. The integration also extends beyond JDE to retrieve data from other sources. By integrating Loftware labeling with JDE, Trek is able to standardize and automate labeling across the supply chain and throughout all of the manufacturing facilities to keep pace with production. This opportunity to work with existing business processes and vital data sources allows Trek to save time and money by maximizing existing investments, avoiding mislabeling issues and eliminate the need to retrain users.

"Labeling is a service we're offering to our dealers and many dealers are taking advantage of it. It's great for them from a retailer standpoint. They're just unpacking it and putting it right on the shelves."

- Tom Spoke, Global IT
Distribution Manager, Trek

CONFIGURABLE BUSINESS RULES

Trek was able to remove significant burden from IT and allows consistency and accuracy for smooth production flow throughout their operations by using intelligent business logic to streamline and optimize their label printing. Using Loftware's Business Rules enables label formatting and dynamic content can be easily configured to support a myriad of different label combinations with a minimum number of label designs. This allows Trek to support a wide range of regional, language, customer and regulatory requirements, while enabling the automatic routing of print requests. This removes significant burden from IT and allows consistency and accuracy for smooth production flow throughout Trek's operations.

ON DEMAND LABEL PRINTING

Offering controlled access to label printing throughout their operations enables Trek to generate labels as needed in their warehouses to be applied to bike boxes and used on site for shipping and receiving requests. The ease of browser-based, on-demand print capabilities enables central control of label designs while providing flexibility to print anywhere across the global supply chain. This practice increases supply chain efficiency, while decreasing the risk and associated costs of mislabeling. On-demand labeling which is triggered by scan or manual request allows Trek to leverage existing business logic and offers a guided approach toward printing the correct labels.

CENTRALIZED APPLICATION FOR UPSTREAM AND DOWNSTREAM LABELING

For Trek, empowering third-party logistics providers in Australia, China, Korea and Japan to execute label printing, compliant with specific international regulations and requirements, enables immediate deployment of label changes

accurately, and compliant to standards. Loftware's labeling solutions extends to Trek's business partners throughout their supply chain to partake in the labeling process, cut costs, and streamline operations. It also empowers business users to design labels that meet evolving requirements without needing IT, eliminating resource bottlenecks and speeding the process.

RESULTS

Loftware offers Trek a flexible and scalable solution for evolving future labeling requirements. As loyal Trek brand cyclists increase in number, the company's ability to upgrade and expand their Trek products and accessories continues to be enhanced with Loftware labeling – enabling them to support unique customer and retailer demands on a global scale, resulting in increased overall efficiencies, cost and time savings and increased customer satisfaction.

Optimized Manufacturing Process – Loftware enables Trek to increase efficiencies by accurately and consistently identifying parts with orders and providing information unique to individual products by using dynamic, data-driven labeling.

Reduced Customer Label Designs To Single Template – Loftware's dynamic, data-driven labeling solution easily supports evolving requirements and label updates to reduce the number of label templates in their APPLE program from 500 unique labels to only one single label – saving substantial time and resources.

Streamlined Inventory Tracking - Using Loftware, Trek maintains control of inventory and shipments through multiple landscapes. Loftware helps the company leverage common data sources, components and configurations across sites to handle the rigors of global infrastructures, manage on-demand relabeling needs in the warehouse, and ultimately create a supply chain that is lean and supportive of distributor and customer needs.

Improved Customer Responsiveness - With the ability to address extensive variability in labeling, Trek is able to quickly respond to evolving customer requirements and retailers are provided custom-labeled products ready for sale, which allows Trek to increase customer retention.

Printing Over 10M Labels Globally – With Loftware's Enterprise Labeling Solution Trek is able to print over 10 Million pricing labels across their warehouses globally. With this ability to scale, Trek is also able to extend access to labeling to distributors and suppliers across their global landscape and is able to seamlessly produce labels for manufacturing to product distribution to finished-goods.

“We've never had to focus our efforts on making sure that Loftware was going to work because it always has. We've run over 10M labels and our uptime is literally 100%.”

- Tom Spoke, Global IT
Distribution Manager, Trek

