



Yeti Cycles Rides Growth and Profitability with SYSPRO ERP

High-End Mountain Bike Manufacturer Taps SYSPRO Solution Flexibility to Support Exploding Growth and New Geographic Markets

AT A GLANCE

Key Challenge

Extremely rapid growth that could not be fueled or supported by its prior technology solutions, including QuickBooks, in-house and other third party systems.

Key Benefit

600+% growth supported via SYSPRO ERP with zero additional requirement to grow IT staff.

Organization

Yeti Cycles

Industry

Manufacturing

End User Market

Consumers

Customer Profile

Yeti Cycles, a high-end mountain bike manufacturer, was founded in 1985. In 2001, two Yeti employees bought the company and have since patented several leading-edge technologies, including a suspension design called Switch Infinity. The quality of Yeti's designs is a direct reflection of their commitment to racing.

The Challenges

A singular focus on building the world's best bikes fueled such phenomenal growth that Yeti Cycles was forced to update their technology solutions. Consisting of a combination of internal, third-party and QuickBooks software, the previous solution no longer offered the scalability that was required for rapid growth.

The Solution

The Yeti Cycles cultural values of speed, efficiency and a true passion to be "the best" led Yeti to discover and install a SYSPRO solution in 2004. Yeti has a broad suite of SYSPRO's enterprise resource planning (ERP) modules, ranging from front end sales orders, through back office accounting, requirements planning, etc. The Yeti team was resolute that their technology solution partner understands the company's desire to keep things simple and uncomplicated. ERP scalability, without undue organizational stress, is also a high priority. Yeti found the ultimate combination with SYSPRO ERP.

The Outcome

SYSPRO's seamless ability to accommodate and support Yeti's rapid growth (an almost 700% burst in revenue since the original deployment) is the number one reason why Yeti Cycles has remained a highly satisfied customer for more than a decade. Even more remarkable, says management, is that, despite the company's remarkable growth, the company has added zero additional technology people to support the SYSPRO deployment.

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"Our original deployment of SYSPRO was very different from where it is today, and we made this transition fairly seamlessly. We've grown 600+% including adding overseas markets, have vastly different needs than we had initially, have added and integrated numerous SYSPRO modules and yet we still have the same number of IT people as we had at the beginning."

Steve Hoogendoorn - Yeti Cycles Vice President

IT Support for a Unique, Rapidly Changing and Growing Company

Yeti Cycles is comprised of a diverse workforce with a singular passion. Featuring employees who are "craftsman creative" types, number crunchers, engineers and self-stated "bearded guys, punk-rockers, fly fishermen and avid bikers," this eclectic group teams to offer the world's best collection of bikes and biking gear intended for both the competitive and leisure-time bike rider.

At its simplest form, the company states in its literature: "Our product philosophy is pretty simple; we build bikes we want to ride." And ride, they do: the Golden, Colorado-based company closes each day from 11:30 a.m. to 1 p.m. to allow their employees to ride and test the equipment. Their collective ride-focused mentality allows Yeti's management to review, compare and test an extremely broad range of biking technology, versus competitors who are locked into specific suspensions or designs. Yeti believes that because employees are unencumbered by company-mandated constraints, the company is free to design and build world class biking technology for different end uses. At its simplest form, Yeti bikes ride and perform differently, based on their end purpose.

So when it came to needing a new ERP Solution, Yeti management said it similarly wanted both an IT partner and design structure that could perform flexibly, creatively and out of the box. "When we went to a new owner/management structure in 2004, we knew we were going to shake it up and take the company in new directions," said Steve Hoogendoorn, co-owner and company V.P. "So we asked for that and we got that!"

Big Benefits from SYSPRO Sales, Manufacturing and International Capabilities

Yeti has expanded from a U.S.-dominant, high-end bike manufacturer to an international company that currently derives 40% of its revenue from outside the U.S. SYSPRO's ability to scale and support this geographic expansion has impressed Hoogendoorn.

"SYSPRO is a really tightly integrated system that allows us to gain efficiencies and capabilities on multiple fronts," Hooogendorn, says. "We've been able to make great improvements on our cost of goods, support non-U.S. orders via different currencies (including operations in Asia), receive, document and plan for a wide variety of order types and quantities and collect various types of data to help us make better business decisions. Our CRM and web platform are fully integrated and perform seamlessly."

Since its SYSPRO deployment, the company has not only grown nearly 700%, but its profitability has gone from almost zero to a very healthy level.

"You hear a lot of bad technology stories out there, particularly when a business has a lot of change, as we have," said Hoogendoorn. "We've had the opposite experience with SYSPRO; it is highly flexible, lets us operate on as few resource spends as possible, and has contributed to us achieving great profits."



About SYSPRO

SYSPRO software is an award–winning, best-of-breed Enterprise Resource Planning (ERP) software solution for on-premise and cloud–based utilization. Scalable for rapid growth, SYSPRO is acknowledged by industry analysts to be among the finest enterprise-resource planning solutions in the world. SYSPRO software's powerful features, simplicity of use, information visibility, analytic and reporting capabilities, business process and rapid deployment methodology are unmatched in its sector. While SYSPRO customers represent all industry segments, rich extensions for food, medical devices, electronics and machinery companies, make SYSPRO the first choice for growing companies looking for a cost–effective ERP solution.

SYSPRO, formed in 1978, has earned the trust of thousands of companies globally for its suite of visionary software that enhances the competitive thrust of small and mid–sized manufacturers and distributors. SYSPRO's ability to grow with its customers and its adherence to developing technology, based on the needs of customers, is why SYSPRO enjoys one of the highest customer retention rates in the industry.



To Learn More About:

How to achieve growth with the right ERP partner, download our complimentary <u>white paper</u> or contact us at info@us.syspro.com



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