

## Art In Motion driving the business with QlikView

“ Bottom line advice? Take a look at QlikView. It works. It's that simple. ”

Allan Achtemichuk, Chief Financial Officer, Art In Motion

### Company background

Canadian-based Art In Motion is a leading international fine art publisher and wholesaler framer of innovative wall decor. With showrooms throughout North America and an international network of distributors, the company delivers products to customers in more than 70 countries. Established in 1985, Art In Motion has experienced rapid sales growth with revenues increasing from approximately \$50 million in 2001 to \$86 million in 2004.



### Challenge: More data creates more and different reporting needs

To keep pace with its continued growth, the company installed JD Edwards One World ERP system in 2002 to automate and streamline its business processes. This provided the needed operational controls, but the resulting available data was overwhelming.

With varied product lines and four distinct channels of distribution, Art

In Motion requires easy access to real-time, front-line analysis of sales, inventory and distribution. “We quickly recognized that we needed better access to and distribution of data,” said Allan Achtemichuk, Art In Motion’s CFO. Consequently, the company began its business intelligence initiative.

“We looked at all the big names,” said Allan. After evaluating it against well known, traditional OLAP cube-based solutions, Art In Motion selected QlikView because it was easy to build and deploy powerful applications at a far lower cost without the need for external consulting resources. Moreover, QlikView’s graphics and “one click” drill down capabilities made it easy to learn and use.

But Allan was skeptical when QlikTech representatives told him QlikView would be up and running in about two weeks – with a money-back guarantee. “I told them, if you get the applications up, then I’ll pay you,” Allan said jokingly. “It was actually three weeks, but I was happy to write the check.”

### Visibility from order to delivery – and all points between

They started with sales analysis. The company is organized into four separate sales channels: national, regional, international and licensing. Each department needs to look at data differently ranging from products, artists, art category, account, sales representative and more.

### Solution Overview

#### Art In Motion

Leading international fine art publisher and wholesaler framer of innovative wall decor

#### Industry

Media

#### Function

Sales, Supply Chain, Operations, Finance

#### Geography

Canada, USA

#### Challenges

- Increase data and analysis capabilities to develop smarter selling strategies for high-margin “big-box” customers
- Improve production planning efficiency and effectiveness with information in easy-to-view reports
- Optimize inventory levels to improve profitability and eliminate the cost of raw material obsolescence
- Improve data accuracy and depth of that data to enhance relationships with suppliers

#### Solution

Art in Motion deployed QlikView to 60 users in less than three weeks to provide access to critical data locked in the company’s JD Edwards One World ERP system. The company chose easy-to-build and deploy QlikView over traditional OLAP cube-based solutions, because there is no need for external IT resources. With QlikView across multiple functional areas and QlikView Server tapping into multiple data sources, management now has visibility from order to delivery and all points in between.

#### Benefits

- Reduced inventory levels by 50% from \$14 million to \$7 million in only 14 months
- Increased supply chain efficiency and supplier performance for increased profits
- Enhanced management effectiveness with complete order-to-cash visibility
- Improved relationships with customers, serving as a trusted advisor

#### Data Source Systems

Application: JD Edwards  
Database: EDI

#### QlikTech Partner

Litco Systems

ART IN MOTION

Art In Motion created a series of queries that looks at all types of sales data according to the various criteria, drilling down to territory, customer or a line item on an invoice. “The system offers a broad and deep range. With a few clicks, users can drill from a high level to a very detailed level,” said Allan.

The initial sales module was rolled out to ten people. Currently, 50 to 60 people access the applications – half of them daily. “For many people, QlikView is part of their every day life,” said Allan. “We create daily reports of orders in and invoices out (which reflects production), which gives us a view of production backlog. This in turn determines shift schedules and hiring.”



They also use QlikView to track fulfillment. Art In Motion needs different ways to slice the data depending on the customer. Some customers request two-week delivery so shipping performance needs to be measured by date. Others want Art In Motion to ship the part of the order they complete every week and then reorder what isn't shipped within that time. This requires fill rate tracking. Others need 100% fulfillment in 14 days with daily measurement to meet delivery. According to Allan, “QlikView gives us the flexibility to see all of this and more – allowing us to clearly track and meet customer deliveries.”

### Raw material levels cut by half, eliminating an entire warehouse

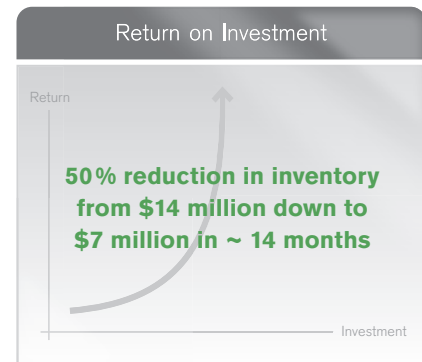
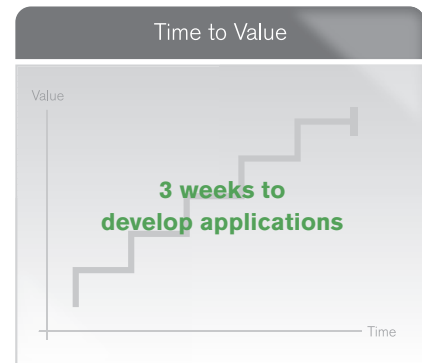
Because Art In Motion is a make-to-order manufacturer keeping the right levels of raw materials on hand is challenging. Most orders are delivered in two to four weeks. Large orders are turned in five weeks. “We had a large value of raw materials that I was concerned about,” said Allan.

The company triggered its plan to reduce raw inventory levels by deciding to eliminate one of its warehouses within nine months. They built a supply chain application in QlikView that gave the production team a six-month look-back at demand usage of raw materials and a six-week look forward at the coming orders to determine the right levels of buffer stock to maintain. As a result, instead of ordering 100,000 feet of molding at a time which would ship in three containers, they could order 20,000 feet in one container. Even though this type of reporting was available in their ERP system, people weren't using it because it would take more than a business day to get the answers.

The company completed its warehouse move on schedule cutting its inventory from \$14 million to \$7 million in approximately 14 months. “Within a few months the application allowed us to see where we were buying too much. It then took time to work through the issues,” said Allan. “The initiative exceeded my expectations to reduce and maintain those levels without any shortages.”

### Supplier analysis yields negotiating power

Once Art In Motion solved the inventory challenge, it moved on to analyze its suppliers. Art In Motion's products have a life cycle of 18 to 24 months with new product lines being introduced every six months. When unique moldings are designed they are shopped out to multiple suppliers to see if they can build it and at what price. Art In Motion is able to give suppliers a clear idea of volume based on the sales analysis of similar previous products.



Internal buyers created a “Supplier Performance Price Index” of the last price Art In Motion paid a particular supplier compared to purchases of the same material from other suppliers. “It tells us whether a supplier is valid in its price increases,” said Allan. The application also offers a view of the data showing total dollars spent per supplier so that buyers can see if they should spread to other suppliers or whether they can negotiate based on volume. Art In Motion also tracks lead time of order to receipt to see how a specific supplier is performing compared to the requested ship date. Now that production is able to provide better planning information they have improved relationships with their suppliers.

### Customer EDI data improves production planning

Art In Motion's latest application for production planning is driven by several of the company's larger customers who send weekly orders via EDI. The sales and production departments want to look at that data, but EDI is a flat file. The IT department tried to convert the data via XML, but according to Allan,

it was still too “clunky.” Finally, they built a QlikView application that takes data from the EDI database and the ERP system and converts that data into easy to view reports that can be translated into a spreadsheet. Now sales can view both the customers’ order data and its point-of-sales (POS) data. Demand planners can look at the customers’ sales data to make sure there are enough raw materials on hand.

### Customers now look to Art In Motion for buying guidance

Having customers’ POS data has enabled Art In Motion to be an even better advisor to customers. “In a large lifestyle chain, our products may make up only 50 SKUs of the thousands they have to manage,” said Allan. “We work with the customers’ merchandising teams to tell them that a particular item will, for example, trend down in two months so they can change it to a new product.”

So-called “Big Box” chains represent 50 – 60 % of Art In Motion’s business. “We want to assist these customers to be better at selling our products. We can’t make their customer come to the store to buy, but we can make sure that

the products we provide are selling through at a target level and at a margin that works for the retailer.”

Customers are now asking Art In Motion what the product assortment should be to help them plan their store space. They ask representatives what is selling well, what the right sizes are and what the best price points are. “We can guide them in a way we couldn’t before,” said Allan.

### A CFO’s perspective

Allan explained why QlikView is so central to Art In Motion’s business. “Reports are fine for showing that things are tracking normally. It’s when things are going differently from what you expect that you need analysis. The nature of any analysis is that one question leads to another. A one-dimensional report can’t answer the next level down. QlikView allows us to answer questions quickly.”

Following a recent board meeting, as an example, a question arose late in the day about whether they were seeing certain trends with specific customers. Allan logged in from home, pulled the query and spent 10 minutes on the phone with

the VP of Sales to give him the answers he needed. “You need a tool nimble enough to get that answer quickly and easily,” he said.



Allan’s dashboard has specific Key Performance Indicators (KPIs) to give him a real-time view of Art In Motion’s performance. He watches new orders by each sales channel, daily plant production and backlogs, what is invoiced and shipped each day by sales channel and more. “If a customer wants a special promotion, I can look at their history and margins. I don’t want to wait two days for IT to build a report. I want to know now – and I can.”

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