



Case Study: Bernard Chaus Attains Unprecedented Visibility with SKYPAD

The publicly traded fashion house anticipates monumental, far-reaching benefits through implementation of technologies including a retail POS analysis tool.

Ed Eskew, the vice president of information technology for Bernard Chaus Inc., says he is notoriously cautious and selective about his IT investments. "I have never been a big toy guy — I'm old-school," says Eskew. "Before I recommend to our chairwoman anything that takes the company in a particular direction, that tool or technology needs to have passed through rigorous scrutiny." In Eskew's case, the chairwoman he seeks out is Josephine Chaus, the fashion designer and co-founding force behind the respected company that bears her late husband's name.



The New York-headquartered apparel company has kept up with fashion trends for 32 years in designing a high-end range of women's career and casual sportswear. In recent years, as she actively assumed the helm of the company, Josephine Chaus has instituted many branding changes — in 2005, for example, the company inked a licensing agreement with Kenneth Cole Productions to manufacture and sell women's sportswear under the Kenneth Cole Reactions line — while at the same time helping her company navigate globalization.

The publicly traded yet relatively small firm of 350 employees has established operations globally throughout Asia and South America.

SKYPAD - Immediate results, long-term benefits – POS/852 Data Analysis

While all of the essential IT implementations have solidified Bernard Chaus' worldwide infrastructure, Eskew says the company's March implementation of Sky I.T. Group's SKYPAD retail POS analysis tool has enabled the company to reach previously unattainable heights of supply chain visibility while dramatically enhancing its vendor-managed inventory program.

Despite its very recent implementation, Eskew says SKYPAD immediately improved employee access to POS information, enabling the Bernard Chaus sales team to better track and respond proactively to both positive and unfavorable sales results.

He says the web-based tool can be accessed remotely, and that its dashboard cuts through huge amounts of data to provide sales employees with a better snapshot picture of key trends.

"I think anyone who is considering this type of technology could expect almost instant return on their investment, as opposed to some of the other steps we've taken that were far longer planning [processes] and required far more effort, coordination and integration," he says. Eskew envisions that the POS analysis tool will create a favorable chain reaction that has a sweeping impact throughout the entire Bernard Chaus supply chain. In immediately identifying slow-selling items, for instance, the tool allows the company to "more aggressively discount to ultimately improve sell-through results."

It is able to monitor hot, swiftly moving items and replenish them, or at the least, contact the stores proactively to attempt additional sales. Inventory turns have already improved, he adds.

Also, Bernard Chaus' sales representatives can more quickly identify common retail problems, such as the delay of goods' reaching the retail floor because of late arrivals or back-room hold ups. The tool has also sped up the company's insight into what items to cut, and what to manufacture.

Ultimately, Eskew says he expects the SKYPAD solution to lead to enhanced, more strategic business relationships with its retailers: "When [a product's sale shows a slowdown,] we can instruct the buyers or stores to take a further discount and absorb some of that ourselves," he says.

"Now they're moving goods more rapidly and we're benefiting because we don't have this enormous erosion that's hitting us all at once at the end of a particular season."

A virtual, secured connection enables Sky I.T. Group to extract the Bernard Chaus point-of-sale 852 data on a regular basis, process it through its servers and make it available to Chaus employees through the browser-enabled password-protected technology.



The data and pie charts are customizable by sales division. An employee in the Kenneth Cole Reaction division, for example, can set the profile to monitor the activity of just that part of the company. Ditto for someone involved with the Cynthia Steffe line, and so forth.

As employees become even more familiar with the technology, Eskew anticipates that they will realize even greater efficiencies. Although the POS information is currently filtered through Sky I.T., Eskew said a critical selling point in his selection of SKYPAD was the unique option to be able to someday purchase the software outright, "source code and all." The arrangement would allow the company to bring the entire IT environment in-house and, according to Eskew, "allow me to host it myself, create the connections from my own internal server, off my AS/400, and handle this whole process myself. That flexibility was important to me."

Eskew says he believes that retail analysis tools such as SKYPAD are capable of helping position apparel companies, such as Bernard Chaus, for more steady growth, while at the same time creating new levels of sophistication and an entirely new paradigm in the manufacturing and retail landscape.

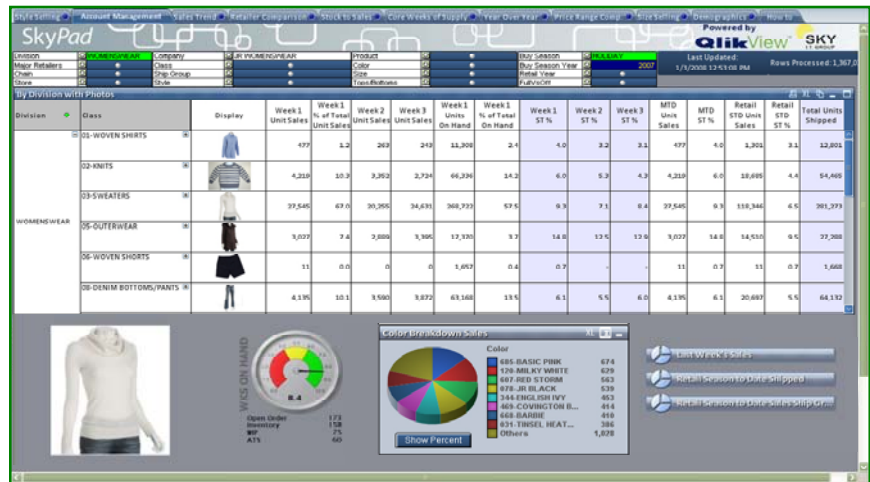


A new concept in POS Analysis - Sales Chain(sm) Intelligence

With SKYPAD - "Sales Chain(sm)" data, information from your supply chain to store sales, can be analyzed at the SKU level and used to enable and affect your decision making process, increasing your business performance.

SKYPAD provides you with power over your Sales Chain(sm)

- ▶ POS / 852 - Analysis and Reporting
▶ On-Hand Perpetual Inventory
▶ Supply Chain Availability
▶ Historical Analysis/Forecast
▶ Planning / Merchandising
▶ Profitability / Markdown Analysis
▶ Web Based / On Line Collaboration
▶ Data Warehouse Model
▶ Dash Board / Analytics
▶ Reporting



SKYPAD is a Business Intelligence as a Service Solution

SKYPAD is designed to specifically address the needs of Retailers and Suppliers of Fashion and Consumer Products by SKY IT Group, "The Business Intelligence Award Winners".

- ▶ SKYPAD start up takes weeks, not months - there is nothing to buy.
▶ SKYPAD is easy to learn and takes very little of your time to get started.
▶ SKYPAD is affordable, providing richer information at a lower cost than other solutions.
▶ SKYPAD provides you with the support you need so you can focus on your business.

SKYPAD Sales Chain(sm) Intelligence We provide the infrastructure, software and do the work.