

**Transitions Optical gains total visibility across its multi-level supply chain with Progress®.**



**CASE STUDY**

**CHALLENGE**

Improve its supply chain visibility and reduce costs to combat increased competition and eroding market share.

**SOLUTION**

Integrated a Progress OpenEdge®-based ERP application with business intelligence and data warehousing applications to achieve an end-to-end, fully integrated solution to manage the multi-level supply chain.

**WHY PROGRESS® SOFTWARE**

Progress' low cost of ownership, reliability, scalability, flexibility, and quick time to implement, combined with the support from the Progress Professional Services group.

**BENEFIT**

Cut lead times by 50%, slashed inventories by 43%, reduced its capital inventory investment by 70%, and achieved 100% visibility across its supply chain.

**THE CHALLENGES OF SUCCESS: GLOBAL INTEGRATION AND GAINING VISIBILITY**

A leader in the optical industry with retail sales in excess of \$1.6 billion in the U.S. alone, Transitions Optical grew a global business in less than a decade. But as they watched their business develop, they also saw a rise in competition as the photochromic lens manufacturing market rapidly matured. In the face of increasing competition, eroding market share, and rapid global expansion, Transitions Optical needed to establish common business practices and integrated information systems throughout its worldwide operations if it was to remain successful.

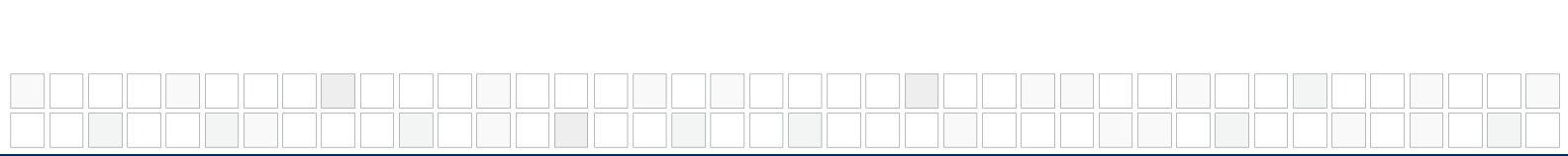
During the company's first five years, almost every business operation was performed manually, including manufacturing and accounting practices. According to Tony Vallin, global director of information technology at Transitions Optical, initially these systems were sufficient to meet the business' needs. "We had good home-grown systems, but they weren't integrated and they weren't robust to the extent that they were able to stand on their own. As our business grew our programmers spent a lot of time manipulating the data to get it to work in the system. These systems were designed for needs at specific times in our development and eventually they weren't able to adjust to the direction the business was going."

For a lens manufacturer, Transitions Optical also had significant data visibility challenges. A multi-layer supply chain made it extremely difficult for Transitions to track inventory and sales or gain visibility into the performance of various product lines and marketing campaigns. "We needed to be able to see which lenses were selling in the marketplace. We knew how many lenses we were shipping to the distributor, but we didn't know how many were going on people's faces, and what that mix was. If a lab could tell us which lenses they were selling, we could gain a more complete picture, manage our operation more efficiently and focus our attention on areas of opportunity."

**DEVELOPING A COMPREHENSIVE BUSINESS SOLUTION**

**Integration**

Vallin and his team determined they needed to look at ways to improve efficiency and reengineer Transitions' business model through innovative use of new technology.



Having the abilities to integrate operations, generate and analyze business performance metrics and possess data visibility across their multi-layer supply chain were the keys to their continued success.

To achieve this goal, Vallin and his team took a three-phased approach. The first priority was to streamline and integrate plant level operations. “We needed an ERP solution that would meet our global business objectives, install quickly, require little maintenance and mold itself to plant operations of varying complexity and size on five continents,” explains Vallin.

The ability of Progress to leverage its Progress OpenEdge business application platform in conjunction with the domain expertise of its partners proved to be exactly what Transitions Optical needed. “We started looking for technology players that were high on vision and execution,” says Vallin. “We were looking for a solution that would enable us to focus on our business rather than the technology.” Transitions Optical looked at multiple ERP solutions, including one from Oracle and the Progress-based MFG/PRO from QAD Inc. The features QAD MFG/PRO offered were parallel with Transitions Optical’s specific business needs, and Vallin appreciated Progress’ low cost of ownership. “I have worked with Oracle in the past during which time I had no fewer than four database administrators. It was always a battle to keep those things up and running with any efficiency. So when the time came for our decision, we eliminated Oracle because we knew it would require significant staffing changes and a lot of overhead to manage—luxuries we didn’t have. Customization alone could have kept us from achieving our aggressive timelines. We made the decision to go with QAD MFG/PRO because of the large cost differential, both immediate and long term, and the fact that it fit our needs right out of the box.”

### **Business Intelligence**

With QAD MFG/PRO, Transitions Optical would have a solid system in place to run their business processes. The next phase of their project would focus on implementing a solution that would unlock the strategic information contained within their ERP system and enable them to make efficient and effective business decisions to enhance overall profitability. “Our requirements were clear,” explains Vallin. “We needed to empower operations personnel with the ability to measure, analyze, plan and manage manufacturing processes, operational activities and accounting performance. The ability to translate our manufacturing, operations and sales data into decision support for analyzing real-time performance metrics, maintaining visibility of inventory effectiveness and keeping track of customer service levels were only a few of the analyses that helped us stay ahead in the industry.”

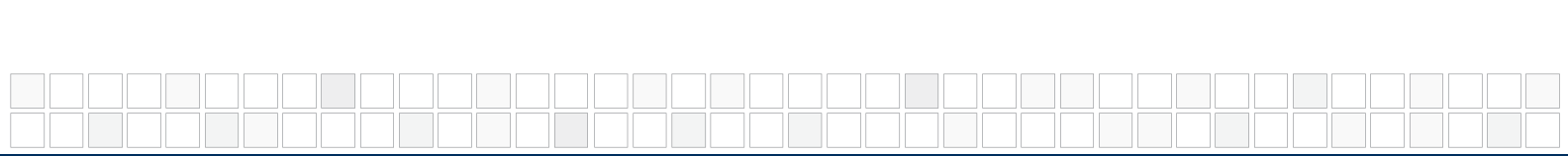
After weighing their options, Vallin and his team chose the CorManage business intelligence solution from CorVu. Vallin believed that CorVu consultants’ extensive experience with MFG/PRO and Progress would give them a jumpstart in building a user-friendly reporting environment.

### **Supply Chain Efficiency**

The next piece of the puzzle was facilitating the integration of Transitions’ MFG/PRO solution with the systems of their new 3rd party logistics partner, Airborne Logistics Services.

“Progress is the underlying structure of our global systems. If I had to make the decision all over again, I’d definitely use Progress.”

— Tony Vallin  
Global Director of  
Information Technology



Transitions secured the services of long-time Progress partner, Integrated Systems and Services Group (ISS Group) to enable the direct real-time integration. ISS' E-Framework and API Gateway, a Progress® WebSpeed® based-integration suite, enabled Transitions to accomplish the close integration, with guaranteed reliability. "We estimated that if we went forward with this project using our previous technology we would have spent approximately \$40,000 per month, and we would not have had the ability to conduct real-time data transmissions. Using Progress, our daily cost for this real-time data integration is \$0, and we're looking to extend this same methodology to other areas of the business," says Vallin.

### **Market Visibility**

The last piece of Transitions Optical's tailored business solution was obtaining a picture of sales at market. "Selling all of our lenses through our customer's distribution channels left us without a picture of what was selling in the marketplace," explains Vallin. "The information that we had was "spotty" and insufficient to support the efforts of our Lens Consultants who visited our customers' customers." Progress' ability to form collaborative partnerships with industry experts again proved to be an advantage for Transitions Optical. "Even before Progress knew they had the business, they partnered with CornerStar to provide a glimpse of what the solution might look like. That was very impressive to us. Not only did Progress reinforce their commitment to us, but we were able to leverage their partnership network meaning we got both the flexibility and reliability of Progress technology and the expertise of a vendor who focuses specifically on solutions to help us meet our business needs," says Vallin. "We had confidence in Progress based on our experience with our ERP, Business Intelligence and supply chain solutions, and integrating another application with our Progress systems would enable us to leverage our current technology and in-house staff expertise."

## **SEEING RESULTS**

### **Global Integration and Analytic Capabilities Boost Transitions Optical's Bottom Line**

Transitions Optical had the QAD MFG/PRO system up and running in five sites within a year, adding Ireland, Australia, Brazil and the Philippines. The Tuam, Ireland manufacturing site was the first to upgrade the ERP system to support business transactions in the Euro. "The Euro was essential," says Vallin. "We had to be able to transact in the Euro throughout all of our financial operations. When you upgrade to a new functionality, the best thing you can hope for is a no event—no impact to the users. We achieved a very smooth conversion."

Transitions Optical credits their Progress solutions with aiding the organization in achieving its inventory and lead-time reduction goals, which were key in significantly improving bottom line performance. The new supply chain functionality helped Transitions Optical consolidate finished goods inventory and third party-managed warehouses in North America and Europe, supporting the company's long-term goal to reduce capital investment in inventory by nearly 70%. The business intelligence capabilities of CorManage have enabled Transitions Optical to make efficient and effective business decisions to enhance overall profitability.

“With key offices throughout the globe, CorVu provides us with a common language that we can all reference as we collectively evaluate overall company performance metrics and move forward to streamline our most critical manufacturing and operational processes.”

### **Clear Vision of the Supply Chain Reveals Opportunity**

Leveraging its new data warehouse Transitions Optical is now able to capture product sales data from eyeglass laboratories in North America serving over 45,000 eye care practices. The solution has given Transitions Optical a depth of supply chain visibility to data that was completely inaccessible previously. “Not only have we improved visibility, the data that we’ve captured has helped us re-direct our Lens Consultants’ efforts for maximum advantage to the organization,” says Vallin. “The intelligence being mined from our data warehouse is helping us to identify market opportunities. We’re using it today to confirm what the sales are, to understand what our growth is, and how our direct sales force is impacting that growth. I believe we have the only solution in the industry that combines this information at this level.”

The data warehouse solution has produced business benefits not only for the company itself, but also for its partners. Now Transitions Optical can use the information from its data warehouse to create and track sales incentive programs for its downstream partners, strengthening customer relationships in an increasingly competitive marketplace. “Through this data warehouse we are able to provide a quantitative evaluation of how they are doing—and that is translating into increased revenue for them. This truly signifies a quantum leap in their ability to manage their businesses.”

### **Reliable Technology and Low Cost of Ownership Meet Customer’s Expectations**

Progress technology has met Transitions Optical’s need for low cost, low maintenance solutions. “We have less than half a DBA in the United States, our largest operation, and the same for Ireland, and the Philippines,” says Vallin. “Our system administrators for Unix and Windows act as DBAs for all of our Progress solutions because the applications are so stable, easy to understand and maintain. It’s been just beautiful.” Progress’ consistently low cost of ownership, reliability, scalability, flexibility, and quick time to implement, combined with the support of Progress Professional Services, gave Transitions Optical a total solution to their multi-faceted challenges. Vallin concludes, “Progress is the underlying structure of our global systems. If I had to make the decision all over again, I’d definitely use Progress.”

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### **ABOUT PROGRESS SOFTWARE**

Progress Software Corporation (Nasdaq: PRGS) provides application infrastructure software for the development, deployment, integration and management of business applications. Our goal is to maximize the benefits of information technology while minimizing its complexity and total cost of ownership.

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