



## Trek Bicycles Australia breaks into the fast lane with Cisco Unified Communications solution

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– David Cook, Managing Director,

Tony and Christine Cook founded iconic Sydney bicycle retailer Clarence Street Cyclery in 1975. As demand for high-quality bikes grew and the business expanded, in 1991 it established a separate company to manage wholesale importation, distribution and warranty support.

Today, Trek Bicycles Australia supplies Wisconsin, United States-based Trek Bicycles Corp's bicycles to approximately 140 shops around the country, including Clarence Street Cyclery. Trek bicycles were made famous by Lance Armstrong, who won the Tour de France seven times on a Trek Madone. Trek Bicycles Australia also sells about eight different brands of bicycle components and accessories.

In mid-2006, Trek Bicycles Australia relocated to new premises – incorporating a 1,200-square-metre warehouse connected to an office and warranty service workshop – at Rydalmere in Sydney's western suburbs.

### Business challenge

When Trek Bicycles Australia was co-located with Clarence Street Cyclery, the companies shared phone systems and IT resources. Moving to new premises offered Trek Bicycles Australia the ideal opportunity to plan and invest in a customised communications and IT network solution that would better meet the needs of its 20 staff. The greenfield site meant Trek Bicycles Australia could benefit from the most up-to-date networking and communication infrastructure without having to contend with cumbersome legacy systems.

“We looked at various network solutions; we considered the option of having a separate PABX and data network,” explained David Cook, Managing Director, Trek Bicycles Australia. “We decided it would be better value for us to implement an integrated IP telephony system that would form a foundation from which we could grow.”

Trek Bicycles Australia recognised the importance of being able to better manage demand for stock and inventory levels. This required a system that would enable warehouse staff to provide up-to-date information about availability of specific models or particular parts to sales reps or retail outlet personnel whenever they called. Trek Bicycles Australia staff would have to go to the warehouse each time and check, which was time-consuming and inefficient.

Stocktaking was also slow and subject to human error. Staff would record each item's line number and status in a small hand-held unit. The data would then be transferred to the company's enterprise resource planning (ERP) system. If a number had been entered incorrectly or if the unit's batteries failed, information could be lost. Employees were frequently using mobile phones to communicate with each other in the warehouse, resulting in high mobile phone bills.

### Solution

Cook had witnessed first hand the efficiencies a complete Cisco networking solution gave the 1,800 employees of Trek Bicycle Corp in the US.

“We saw how well it worked there and it was obvious how IP telephony could help us,” said Cook.

In March 2006, Trek Bicycles Australia commissioned Cisco partner IMC Communications to design and implement a complete networking and communications solution for its new warehouse and office.

By June, a fully functioning system – which included Cisco Catalyst 3560 switches, a Cisco 2811 router, some 24 Cisco 7960 IP phones as well as Cisco Unified Communications Manager Express to manage the Cisco phone system and Cisco Unity Express to manage voicemail – was in place.

IMC installed a wireless network, including four wireless access points in the roof of the new warehouse. It also replaced its ERP system with a more advanced product.

“The whole project was completed within budget and on time,” said Cook. “It probably took about a month from signing the contract to having a system working. Any delays were because of our relocation and office fit-out issues. IMC was very flexible and a great partner.”

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### Results

Trek Bicycles Australia is enjoying improved communication with its staff, customers and retailers thanks to the Cisco Unified Communications solution. In particular, the wireless connectivity features of the Cisco solution have meant that time-consuming annual stocktakes are no longer necessary. Quality and reliability of inventory management have improved dramatically.

### Access everywhere

“IMC implemented Cisco Unified Communications Manager Express with 24 handsets in the office and warehouse,” said Cook. “The wireless IP phones are really good and the wireless networking is extremely reliable.”

Using Cisco Unity Express, each Trek Bicycles Australia employee has a unique phone number and voicemail box. This means they can be away from their desks, but still access their extensions using wireless phones, allowing them to be more productive and efficient.

Thanks to the wireless network and cordless IP phones, staff can roam the warehouse and still be connected to the network and telephony system. Three warehouse personnel and a customer service representative wear wireless phones on belt holsters so they can be contacted easily – even on stock-pickers seven metres up.

Employees have reduced their use of mobiles in the warehouse, resulting in significant call cost savings for Trek Bicycles Australia.

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Unified Communications allows phone, data and application traffic to travel over the same network, meaning Trek Bicycles Australia only needed to run one Ethernet cable to each workstation. The result: a significant reduction in the labour costs associated with cable installation. Cook estimated that the amount of cabling required was halved.

Trek Bicycles Australia’s one full-time sales representative now has complete remote access to the server using a wireless broadband card on his laptop, from which he can access business applications and other network resources.

### Stocktake nightmare now a dream

Trek Bicycle Australia warehouse personnel now use wireless PDAs to carry out stock updates. Staff scan or enter the part number and the unit transmits the information wirelessly to the ERP system in real time.

“The traditional stock-take mechanism is a thing of the past for us,” said Cook. “We can now do rolling stock-takes using these wireless PDAs in real time whenever we like.”

As a result, Trek Bicycles Australia manages its inventory much more effectively and efficiently. Trek Bicycles Australia sales reps on the road or in retail stores can now be sure that they will get up-to-date information quickly about stock availability when they call.

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### Painless phone communications

In March 2007, Clarence Street Cyclery also upgraded to a comparable Cisco networking infrastructure that uses similar routers, modems, switches and firewalls.

“Their gear and ours are all connected over a wide-area network,” said Cook. “When they get the Cisco IP phones, each company will be just an extension away. I’ll be able to log onto a phone there or here. It won’t matter where I am, people will be always able to contact me on my own extension.”

Trek Bicycles Australia’s new interactive voice response (IVR) system allows Trek Bicycles Australia customers to choose to be transferred to sales, accounts, customer service, a particular extension or customer service representative.

“The Cisco system made it very easy to set it up the way we wanted it to work,” said Cook. “This has really helped our call flow, time management and allocating where calls go. It allows us to communicate much better with our customers.”

### Simple, seamless, secure and scalable

“After the system had been installed, we found that there were a lot of convenient things that we could do, for example, we wanted to connect an iPod for music on hold and that was easily done,” said Cook.

Trek Bicycles Australia decided it wanted to configure the system to manage security access through the front and warehouse doors. This, too, proved to be straightforward.

“When someone buzzes the front door or dock loading zone, it rings on every phone in the company as well as on the security screens at the front or the dock,” Cook explained. “Now anyone can answer the phone, see who it is, and use a combination of buttons on the phone to release the door. If we’re here on our own or not near a door buzzer, we can still do that.”

Trek Bicycles Australia is now implementing a web server so that bike dealers can log on securely, check their accounts, track purchase orders and past invoices, and purchase new stock. According to Cook, this will turn the business into a 24-hour operation.

“The Cisco infrastructure gives us the capability to make the web server secure without having to purchase extra equipment,” Cook explained. “With Cisco equipment as a platform, we’re able to do this seamlessly and easily. The Cisco system is very scalable and very secure.”

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