



Best practices for optimal performance management

May 8–10 in Orlando, FL • Disney's BoardWalk Inn

Pabst Brewing Company & Shoes For Crews One mature SIM and a startup

Jeff Majestic Shoes for Crews, LLC

Background

•	 Big 8 Public Accounting & Internal Audit Financial and IT Audit Mgr 	7 Years
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•	Manufacturing plant accounting manager, controller	
	 RR Donnelley 	7 Years
٠	VP Finance	13 Years
	 Corporate, Business Unit, Shared Services RR Donnelley, Equity Office Properties 	
•	Independent Consultant	9 Years
	 Process Consultant, FP&A Director, Project Manager 	
	 Hewitt Assoc., Pabst, Shoes for Crews 	
•	Certified Public Accountant	34 Years
•	Dad	81 Years
•	Professional experience	151 Years



Employee Of The Month

105 months in a row





- Pabst Brewing Company
 - A mature environment



How SIM supported the sale of the company

- Shoes for Crews, LLC
 - Implementation from scratch





Pabst SIM Environment



- Single integrated pricing, billing, & costing system
- Strong technical support team with great business knowledge and ownership of underlying databases
- Low SKU and distributor count, high retailer count
- Users ranged from highly skilled to unskilled
- Very tight volume and revenue (0.1%)
- Margin a mix of direct costs and allocations, approximate margin calculation (5.8%)





How does Pabst use SIM?

- Execs
 - volume and revenue, customer, market, product, reps
 - pricing analyses
- Sales
 - distributor and retailer history, performance, margin
 - organizational and personal budgets and targets
- Marketing and Pricing
 - customer, market & product results
 - sku management
 - discount and promotion analysis
 - new product analysis

• Finance

- gross margin budgeting and forecasting
- reporting and analysis
- sales compensation





Sale of the Company, 2008-2010

- Five years forward volume, revenue and margin
 - Revenue, Discounts, COGS, Transportation
 - By brand and sku, by customer, by month
- Investment bank review and analysis
 The Book & The Road Show
- Buyer analysis and due diligence
- New owner briefings





We get to go to a bar and call it work. Let's never forget how special that is.

Dave Peacock, Anheuser Busch CEO



So – who is Shoes for Crews?

- Nearly 30 years old, West Palm Beach, Florida based
- Food Service industry leader in slip resistant footwear
- Industrial, hospitality, healthcare, education markets
- Athletic, dress and casual shoes, work boots and mats
- 2,500 skus, 4 million pairs/year
- 30,000 accounts, 300,000 active customers
- Corporate, retail and distributor relationships
- Unique value proposition
- Mostly outsourced manufacturing & distribution
- Insourced sales, marketing, customer service, administration



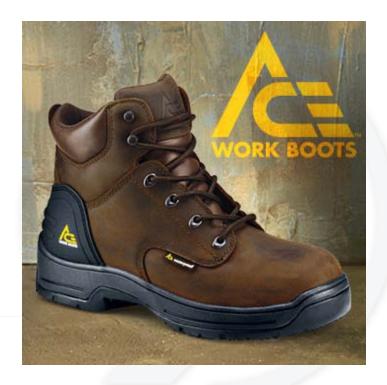




The need for information

- Home grown integrated order entry/billing system
- Distributed pricing responsibility, layers of discounting
- Ad hoc customer, industry, product margin calculations
- Contract renewal analysis
- Analysis of periodic results
- Standard volume reporting
- Product history
- Commissioned reps





Key project enablers



- COO/CFO authority with funding
- Redesign, implement new chart of accounts
- Restructure financial reporting and consolidation
- Strong infrastructure, new data warehouse
- Receptive to new technology
- Demand for information
- Salient staff





Startup - fundamental decisions

- Who is my customer?
- Customer requirements do they know what they need?
- Data validation
- Accurate or precise
- Direct costing or allocations
- Restricted or open access



topcrews

- Gross Margin and SG&A how far down the P&L?
- Performance
- Complexity





Project challenges

- Change control
- Data discipline
- Competing data
- Constant training
- Gimme a report
- Need for super users







How are we using SIM now?

- Sales
 - Customer growth, decline and margin
 - How's my quarter?
- Marketing
 - New product analysis, cannibalization
 - Program/promotion analysis
- Finance
 - Analysis of results, price/volume/mix, trends
 - Returns and contract renewal analysis
- Execs
 - Volume and margin, corporate and retail
- Operations
 - Product volume history, size curves
 - 3PL startup rfp, sku velocity, order history, order size analysis





Questions?

