

# Vermont Teddy Bear

## A top ecommerce retailer relies on Rocket U2 to successfully manage information processing activities in its direct-to-consumer divisions

The Vermont Teddy Bear Company is the largest handcrafter of Teddy Bears in North America. Each BearGram® gift includes a customized Vermont Teddy Bear accompanied by a personalized greeting card and free candy treat, all packaged in a colorful gift box with an air hole. The company sells teddy bears, pajamas and flowers via phone, catalog and the Internet across three distinct brands: Vermont Teddy Bear, PajamaGram and Calyx Flowers.

The Vermont Teddy Bear Company (VTBC) began nearly 30 years ago offering a single product line that included a teddy bear, a custom outfit "kit," candy and a greeting card. The product, called a BearGram, was primarily promoted as a customizable gift for holidays such as Christmas, Valentine's Day and Mother's Day. Through internal brand development and acquisitions, VTBC added PajamaGram, a line of sleepwear; and Calyx Flowers, a direct-from-grower marketer of flowers and plants.

VTBC has grown dramatically, reaching a peak of over 47,000 orders and more than 60,000 packages shipped in a single day. Staffing fluctuates along with sales, expanding from 150-180 year-round employees to as many as 1,000 during peak months of December, February and May. The continually expanding product line and combined volume across these various divisions have helped the company achieve growth of over \$50 million in sales.

### flexibility to handle a wide range of information.

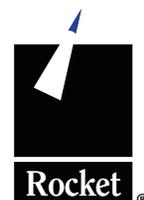
In 1994, VTBC engaged IT partner Circle Commerce (formerly Avexxis), which has provided various Rocket U2-based solutions to help the company manage a wide range of information processing needs. Circle Commerce has worked with the company over the years to make thousands of modifications to its systems, driven both by the acquisitions and ever-increasing volume.

Because its sales are closely tied to gifting holidays, VTBC experiences peak periods when orders grow from several hundred per day to many thousands per day (e.g. February 13th, the last day to order a gift that arrives on Valentine's Day).

Circle Commerce Principal, Frank Hanshaw, recalls the early days with VTBC. "They were originally using an outbound telemarketing system rife with issues," he said. "They just wanted to handle the large blast of

Vermont  
Teddy Bear  
Shelburne,  
Vermont

Rocket U2  
helps Vermont  
Teddy Bear  
manage more  
than 10 million  
orders every year,  
improving customer  
service, reducing  
errors and helping  
increase revenues to  
more than  
\$50 million a year.



orders as the deadline approached, get them out on a timely basis and manage customer service and shipping.”

## modify to fit many needs. MultiValue clearly adds value.

Bob Stetzel, Vice President of Information and Ecommerce Technology for VTBC, explained that his company now uses U2 to process a wide range of information. Orders typically start on the Internet, and data flows from there into the software, which integrates order processing, the call center, inventory management, taxation, payment processing, and order fulfillment.

The Rocket U2 architecture helped enable the thousands of modifications needed to produce the system as it stands today, according to Hanshaw. “We couldn’t do what we do without this multivalue product. It’s great for developers. There are a lot of nicely written pieces I can use without having to create new code.”

Meanwhile, said Stetzel, this is a great technology that has helped VTBC manage its growth and has brought significant value to the table. “They’re a long-term partner,” he said. “They continue to earn that relationship by continually evolving the software and by being very responsive.”

“U2’s dynamic file definitions and dynamic files allow our partners to continually provide updates to their applications without the need to rebuild the database – they can add fields and extend length of fields without the associated cost and down-time required by other databases. This helps partners like Circle Commerce customize their solutions to quickly meet customers’ needs,” said Susie Siegesmund, Vice President and General Manager of Rocket U2.

## satisfy the need for speed and performance.

Stetzel also had praise for the IT system itself. As a former database administrator of Informix and Oracle-based products, Stetzel said the Linux-based solution is highly stable and more than meets VTBC’s considerable needs. “For speed, performance and size of a database running on a mid-size, mid-tier system, it performs very well. For example, response time for our call center is fantastic.”

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Vice President of  
Information and  
Ecommerce Technology



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