



Sauder Woodworking Leverages Cleo Integration Cloud to Drive Business Growth



FOUNDED

1934

HEADQUARTERS

Archbold, Ohio

EMPLOYEES

2,800

INDUSTRY

Manufacturing /
Furnishings

SOLUTION

Cleo Integration Cloud
(CIC) for eCommerce,
omnichannel fulfillment

Company leverages Ecosystem Integration platform for eCommerce, omnichannel fulfillment

In most cases, the words “nimble” and “wood furniture” would hardly belong in the same sentence. But in the case of Sauder Woodworking, given how they’ve embraced eCommerce, implemented omnichannel ordering and fulfillment, and made their supply chain more agile through modern integration technology, these words are perfectly fitting.

With headquarters in Archbold, Ohio, Sauder Woodworking Company manufactures ready-to-assemble furniture products, which over the company’s 85-year history they’ve traditionally sold through physical retail stores, such as Walmart, Target, IKEA, and Office Depot. In recent years though, the company has strategically grown along with these firms’ online eCommerce platforms, and now also considers global digital marketplaces like Amazon and Wayfair among its biggest customers.

“We consider ourselves an omnichannel fashion-furniture manufacturer,” says Jan Arvay, vice president of IT, at Sauder Woodworking. “Our more than 2,500 employees produce hundreds of new products every year through both the domestic and import sides of our business. We encourage people to buy trendy but practical furniture to meet their needs.”



Beyond offering build-your-own desks, bedroom sets, or kitchen tables, as a highly diversified manufacturer Sauder also sells ceilings, closet furniture, kitchen cabinets, even funeral products, to the home, office, educational, health care, and worship industries. The company has hundreds of suppliers and thousands of customers (wholesale, retail and direct) throughout the world, and it's here, with Sauder's resolute focus on delivering exceptional customer experiences, that the value of the company's ecosystem-minded approach to integration technology really comes to light.

"Technology has empowered us to become a customer-driven business. Because industry trends and changing demographics are so important to understand, we really rely on data visibility and real-time insights to study and understand our customers – wholesale, retail, and end customers alike," Arvay explains. "We want you to love our products, and we have a world-class consumer services contact center where customers can call, email or chat with us while putting something together. Our ability to provide that personalized customer experience, for all types of customers, is what drives us and gives us a competitive advantage."

As to what underlying technologies enable Sauder Woodworking to gain data visibility and supply chain agility and be nimble enough to provide such personalized experience for so many different types of customers across so many industries and geographies, the company in recent years has increasingly adopted cloud technology, including a modern integration platform, Cleo Integration Cloud (CIC).

Sauder has analytics tools to help gather details about customers and track marketplace trends and uses SAP S/4 Hana as its ERP system, which helps the company manufacture and ship its products on time to key retailers. Plus, they have a great logistics operation so they can ship directly to retailers, distributors, or consumers straight from their manufacturing plants.

SOLUTION SNAPSHOT

CHALLENGE

- Lack of agility with on-premise deployment of IBM Gentran
- Position company for an eCommerce-driven future, including omnichannel fulfillment
- Facilitate company's pivot into direct-to-consumer sales

SOLUTION

- Migrate to Cleo Integration Cloud Platform
- Blend of Self-Service and Managed Services for better control

RESULT

- Complete SaaS integration solution equally accommodates EDI, API, and Flat File requirements for over 200,000 transactions / month across 170+ trading partners worldwide
- Better integration visibility across end-to-end business processes
- Demonstrable supply chain agility and responsiveness



With Cleo Integration Cloud we have one cloud-based platform that offers every type of transaction processing that we would need, whatever our customers are asking for. We don't have to build custom solutions or find a different tool. We're even using Cleo for a new API-based HCM (Human Capital Management) system we're deploying."

**JAN ARVAY,
VICE PRESIDENT OF IT,
SAUDER
WOODWORKING**



"Over time we have adapted our organization to fit the new mold of what consumers need," Arvay said. "Cleo is core to that, and we count on Cleo Integration Cloud for making all of these revenue-critical interactions with our trading partners, retailers, and eCommerce systems work as they should, end-to-end, with our internal systems of record."

For instance, EDI (Electronic Data Interchange) is a critical integration requirement, as over 90% of Sauder's customers do all their transactions through EDI. The company has more than 170 trading partners, and those relationships call for over 30 different document types, reflecting well over 200,000 transactions every month.

But for Sauder's customer-focused strategy it's not just about mastering EDI. Ever more frequently today, as cloud adoption proliferates for its speed, accuracy and security, data exchanges between Sauder and its customers, suppliers, and trading partners are trending into APIs. "With Cleo Integration Cloud we have one cloud-based platform that offers every type of transaction processing that we would need, whatever our customers are asking for. We don't have to build custom solutions or find a different tool. We're even using Cleo for a new API-based HCM (Human Capital Management) system we're deploying."

Sauder became a Cleo customer in late 2019, shortly before the global pandemic hit. Previously the company used IBM Gentran and a custom connector tool as their on-premise integration solution, but was seeking to replace it with a more automated, business-process oriented approach. Looking to the future, Arvay knew they would need a highly flexible, cloud-based IT environment, and that replacing Gentran with a complete and flexible integration technology platform was mission-critical to making that strategy successful.



Arvey and her team looked at all the major players and made the decision to move from Gentran to Cleo because they felt the Cleo's single-platform ecosystem integration solution best fit their long-term business strategy and future positioning needs. Plus, only Cleo offered them a blend of self-service and managed services capabilities.

"When we evaluated Cleo, we wanted to make sure it had all the functionality to meet our EDI requirements, and it does that. Plus, since CIC is an 'all in one' platform, we feel confident knowing we can leverage CIC's rich API integration capability when we need it, as our business evolves. It's not just my team that enjoys the platform's flexibility and modern user interface; our business partners that use the tool can see the real-time status of all their transactions, so they love it, too!"

The Cleo Integration Cloud platform gives Sauder Woodworking the control it needs over rapidly changing market dynamics. For example, in light of COVID, Sauder has had to reprioritize some of its projects to keep up with changes in supply and demand. With more people suddenly working from home, demand spiked for commercial-grade home office products. In response, Sauder introduced three new product lines – Sauder, OfficeWorks by Sauder, and Worksense by Sauder – that offer different ways of imagining commercial office furniture to meet the diverse needs of today's consumer and business customer.

Enabling a company like Sauder to turn on a dime, deliver the expected level of customer experience, and outsmart market volatility requires tightly integrated IT systems that are robust and nimble. With Cleo's ecosystem integration platform now core to its strategic cloud initiatives, Sauder Woodworking can outsmart market disruption and remain competitive while fully embracing eCommerce-driven digital transformation.