

SaaS: From Zero to Sixty

The Software as a Service delivery model fit our goals targeting speed and flexibility

Eric Brown, CEO, Johnson Products

Throughout our history as a long-established name in the African-American hair care market, we at Johnson Products take pride in our skills in offering our customers the right product solution to solve their hair care issues. But with our change in ownership in 2007, we needed some expert help in solving some of our own challenges.

Established in 1954, Johnson Products became the first minority-run enterprise to be listed on the New York Stock Exchange. For the next few decades, the company was owned in turn by several major corporations, most recently Proctor and Gamble.

Our big change came in 2007, when Johnson Products was acquired by RC Fontis, St. Cloud Capital and Plus Factor, LLC. The new company, headed by an African American management team, was determined to revive the established but flagging brand as a private company with a focus on spurring growth in our target markets without leaving behind loyal customers. This challenge was compounded by another: the need to quickly replace a mature global infrastructure with a business platform that could support our immediate and long-term needs—instilling the speed and flexibility we needed to compete against much larger competitors while supporting day-to-day operations.

The process felt, at the outset, much like jumping on a moving train. Just as our hair care products are tailored to the specific needs of our clientele, we needed to find a solution which was specifically tailored to our business model. Johnson Products needed an integrated and scalable ERP platform to manage our business and grow both

our top and bottom lines. However, the cost, complexity, and time required to implement and support a traditional ERP system fit neither our budget, nor our need for flexibility. Like using the wrong hair care product, applying the wrong ERP solution might make our situation even worse. We didn't want to compromise, settle for less powerful business tools, or to allocate already scarce resources away from serving our customers.

The SaaS (Software as a Service) delivery model was an ideal fit for Johnson Products. Without an existing IT department, we were in a position to fully leverage the value of an SaaS-based ERP solution like SAP's Business ByDesign or other products. Our goals were focused on speed and flexibility to support plans for strategic growth.

world. Much of our future growth will come from our enhanced ability to operate effectively in these markets—an ability supported by a quick, flexible, and expandable ERP solution.

While the ease of implementation for growth targets was a great selling point for us, we also had a key goal of continuing to serve our existing customer base. Our new infrastructure allowed us the freedom to give employees at all levels of the organization real-time access to product and customer information allowed us to maintain and improve upon the excellent level of service our customers expect. And this goal was achieved. Long term customers now report improved satisfaction with our service response.

Johnson Products also now has added

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We were able to deliver integrated end-to-end business processes we needed to build an efficient and effective global operation. No upfront investment in hardware and software meant we could dedicate more capital to fueling growth. And most important for our company the SaaS platform was fully implemented in less than a month, meeting the aggressive timeline of the investment team without disrupting our customers.

With infrastructure in place, Johnson Products was able to focus on serving customers in emerging markets around the

control over and visibility into our supply chain, product profitability, and distribution channels. Our strong commitment to R&D and market research is also well served. Using a SaaS platform has made it easier for our company to analyze our sales pipeline for new opportunities, accurately project the profitability of new products, and optimize capacity further enhancing our growth in target markets. Johnson Products is ideally positioned to retake the leadership position in African American health and beauty care.