

Case Study: DaVero

NetBooks helps Artisan Olive Oil Company DaVero blend Old World Craft with Business Efficiency

Introduction

In 1988, Colleen and Ridgely Evers, owners of a weekend getaway ranch in Sonoma County, took cuttings from an ancient olive grove in the heart of the Tuscan countryside. They were the first olive trees to be imported to the US from Italy in the 20th century.

Those trees adapted beautifully to the Sonoma soil and climate. So beautifully in fact that the 1997 harvest produced the very first American extra virgin olive oil to win a blind tasting in Italy. The following year, renowned Italian food, wine, and restaurant guide Gambero Rosso selected the ranch's estate olive oil as the top Tuscan oil.

From that auspicious beginning, DaVero was born and began selling its olive oils to fine restaurants through dealers. But as Colleen and Ridgely gradually added products to DaVero's offerings, including wine and balsamic vinegar as well as jams and cosmetics, they soon realized that direct commercial and consumer sales via the Web would be the key to future growth and profitability.

Challenge

Like many small, successful businesses, day-to-day operations soon overwhelmed the company's three-person staff—Colleen, Ridgely, and one employee. In fact, it was primarily Colleen who ran DaVero on a day-to-day basis. Ridgely kept his "day job" to keep cash coming in while the company got off the ground.

Colleen tried to manage production, sales, inventory, shipping, and bookkeeping with a combination of Microsoft Excel, QuickBooks, whiteboards, notebooks, email messages, and post-it notes, but things constantly fell through the cracks. For example, a distributor owed the company \$5,000 for over six months because someone

NetBooks for your business

As DaVero quickly discovered, NetBooks is powerful, easy-to-use software that:

- Reduces invoicing, packing, and shipping errors
- Improves customer service
- Boosts efficiency and productivity
- Enables precise production cost tracking
- Delivers realtime information to anyone who needs it—any time, anywhere
- Provides an integrated view of the entire business

"I felt like I could work 25 hours a day and still not accomplish everything that needed to be done."

forgot to invoice them. When a sales rep left, she had a drawer full of invoices, but no idea of who the rep was selling to—or what had been promised to any of her accounts.

Moreover, Colleen had no idea how much DaVero was actually making because she didn't know what the company's products really cost to produce. This is a challenge even in large corporations, so it's not surprising that the costing mechanisms in QuickBooks weren't up to the task. Instead, like most small businesses, DaVero estimated its costs with a lot of spreadsheets and even more guesswork. This was particularly troublesome at tax time, and became more and more painful as the business grew.

“Information was spread everywhere, and the person who needed it most usually couldn't find it quickly. We needed a single system that everyone could use.”

Solution

In July 2006, DaVero switched to NetBooks—a complete, Web-based business management system. NetBooks integrated all the functions in the company: sales, marketing, production, customer relationship management, shipping, inventory, and bookkeeping. Colleen and her employees could access NetBooks from any computer connected to the Internet, which meant DaVero wouldn't need a complex network or its own server—a big plus.

“NetBooks gives me the kinds of tools that big companies have without imposing the burden of big company process.”

For the first time, Colleen could get the information she needed, when she needed it. For example, when someone ships an order, NetBooks automatically generates an invoice and the entire transaction can be viewed by anyone no matter where they are—on the ranch or off. NetBooks handles credit card processing, automatically adjusts inventory levels, and is fully integrated with UPS.

Better Customer Service

Mistakes happen in the running of any business; it's how they're handled that matters. With NetBooks, Colleen found that DaVero's customer service improved dramatically, especially the ability to remedy mistakes and handle exception items. Now, whoever fields a customer inquiry can address an issue immediately—verifying orders, shipping status, and invoicing.

Christmas—higher volume, less anxiety

For most businesses, Christmas is an incredibly important revenue opportunity that always puts a big strain on resources and people.

“We’re selling oil in December from olives harvested in November. So a lot of stuff needs to happen at the same time. On a scale of one to ten—ten being incredibly difficult and stressful—many days leading up to Christmas were 15s. The first holiday season with NetBooks was a night and day difference.”

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Now DaVero uses NetBooks to review the trend of past orders, which enables much more accurate forecasting. Elements that require long lead times, such as bottles made in Italy, can be ordered well in advance. The information captured by NetBooks also allows the sell-through rate of various gift combinations to be compared so the sales catalogue can be optimized.

During the Christmas rush, the company ships as many as a few hundred packages a day. NetBooks has more than doubled the number of packages a person can ship while nearly eliminating mispacks. And its integration with UPS has substantially increased the company’s order handling capacity yet again.

NetBooks also virtually eliminated incorrect invoices, orders that weren’t invoiced, and credit card processing problems. This enhanced efficiency and productivity meant the company could continue to ship its own products without using a third-party fulfillment house, which, in turn, supports a much richer, more customized sales catalogue.

Making the Switch

Switching to NetBooks was easy. But getting ready to make the switch required some work and planning. For NetBooks to be effective, it needed all the data that DaVero used to operate, which, of course, was not neatly gathered in one place. In fact, for most businesses, finding all their relevant business data is the hardest part of switching to NetBooks. Fortunately, NetBooks has mapped out the entire switching process and assigns every new customer a “concierge” to make sure it goes smoothly.

“We shipped twice as many orders this year without adding staff - while maintaining our commitment to great products and great customer service.”

The concierge worked side-by-side with Colleen to gather data and set account preferences like shipping carriers and employee access. The concierge also helped her create the sales catalogue and set up production. NetBooks has sophisticated tools for importing data and transaction history, which enabled the company to switch without waiting for the end of a reporting period.

“We thought we’d have to make the switch at the end of the quarter, but NetBooks has the process so refined that we didn’t need to. And that meant we didn’t have to wait to get the benefits of using the product.”