

LEADER IN POWERSPORTS APPAREL

Klim is a world leader in technical riding gear for powersports such as snowmobiling and adventure motorcycling. Founded as Teton Outfitters in 1994, the company became known as Klim in 1999. Founder and CEO Justin Summers started out producing customized snowsuits for back-country skiers, but soon capitalized on a gap in the market and moved into making protective snowmobiling apparel.

Producing gear for snowmobiling and winter sports is a very seasonal endeavor, and in 2004, Klim expanded into the production of clothing and protective equipment with a more year-round demand: the adjacent motorcycling market. Klim has gone from strength to strength since, coordinating the production of an ever-expanding range of products from its headquarters in Rigby, Idaho, resulting in a fast-growing global company.

Klim's mission is to produce gear that enhances the rider's experience. Since Klim apparel needs to be protective and even lifesaving, able to withstand a challenging range of conditions and weather, every product goes through rigorous testing and a very intensive research and development phase.

SEEKING A PLATFORM TO SUPPORT GROWTH

The cyclical nature of the snowmobiling gear market meant that Klim sought ways to improve efficiency and build platforms for growth from its early days. As Kade Kraus, CFO explains, Klim realized that software might provide the answer.

"We would sell tons of jackets in winter, but of course no-one bought snow gear in May or June. We needed a way to smooth out those peaks and troughs: to ramp up production during the peaks, but not have to lay people off during quiet periods. We knew that the right software platform could help us be as efficient as possible and prepare effectively for the next season's business during the off-season."

Klim's growth into new motorcycling markets made the business less seasonal, but brought additional challenges. The amount and variety of products produced by Klim exploded, moving from coats, snowpants and gloves into boots, helmets, armor and more.

"We were very successful at creating great products, but a tremendous amount of product and component knowledge lived in the heads of a few key developers," says

Kraus. "People were getting burned out. We were experiencing triple-digit growth, and were dealing with product data and timelines using emails and thousands of spreadsheets. We had outgrown our capabilities and we were just firefighting all the time."

Paul Webber, VP of Product explains that one of the biggest issues at Klim was "trying to get one source of one truth. With multiple factories across the world, the biggest problem was that someone would update an Excel spreadsheet and not save it in the proper format or place. Quality controllers on the other side of the world in a different time zone would be trying to find the correct, most up-to-date information, with no way to do their job properly."

Klim recognized their need for a platform that would make operations easily repeatable and consistent in order to produce the high-quality gear their customers expected.

"When we think about maintaining or building quality, we have to keep in mind that many of our products are lifesaving," says Kraus. "If someone on a motorbike is in a crash or someone on a snowmobile breaks down and is out overnight in life-threatening conditions, the product simply has to work. Every product we make is made up of hundreds of components – different types of threads, materials, reflective panels, insulation, venting, zippers, snaps – and all of those



SUSTAINED AS A BUSINESS
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CHOICES WE'VE MADE OVER
THE PAST TEN YEARS. THERE
IS NO DOUBT CHOOSING
CENTRIC PLM HAS ALLOWED
US TO BECOME NUMBER ONE
IN POWERSPORTS GEAR AND
HAVE CONFIDENCE IN WHAT
WE DO EVERY DAY.

RESULTS

- Single version of the truth makes it easy to track product development status
- + Central repository of component data saves
- + Improved communication with factories means shorter development timelines
- + New employees can be onboarded quickly
- + Confidence in system and peace of mind

things have to come together in exactly the right way to provide the necessary benefit for the rider."

EARLY ADOPTER OF CENTRIC PLM

Klim decided to select a PLM solution to help improve product development and operational efficiency. Initially examining ten different PLM solutions in great detail, Klim selected Centric Software in 2009, becoming one of Centric PLM's earliest adopters.

"We did our due diligence – we went everywhere, and talked to everyone," says Webber. "We did a full suite of tests and looked at all the pros and cons, but the most impressive thing was talking to Centric's customers. At the time Centric was a young company, but the customers they had spoke really highly of them. Centric PLM was easy to use and their approach to best practices meant that every time we talked to them, we came away with new ideas. What we saw in Centric was an ability to grow."

Klim implemented Centric PLM slowly and in stages, beginning with developers and then gradually extending the system to other users.

"We took bite-size chunks of our business and brought them into PLM, rather than doing it all at once," notes Ryan Harris, Director of Line Management. "We started with development, then moved into materials – we didn't want to overwhelm users. Users rapidly saw the benefits, and didn't want to go back to the old way of doing things. We found that new employees could also jump on the system and get trained very quickly. Obviously people learn as they go, but initial training on the system can often be done in half a day rather than weeks."

'WE ONLY HAVE TO ANSWER A QUESTION ONCE'

"Centric PLM has given us the tools to be efficient and has been very instrumental in our growth," says Webber. "It allows us to stay organized and have one version of the truth, no matter how many lines we add or how complicated it gets. Our SKU count is astronomical compared to 2009, and we've become very sophisticated and complex. Without Centric, we wouldn't have the ability to do what we're doing now."

Klim now sources materials from dozens of factories around the world and has seen measurable improvements in communication



CHALLENGES

- Seasonal nature of original market snowmobiling gear
- Rapid expansion of product lines challenged existing resources
- Information lived in the heads of a few key developers
- Had outgrown capabilities of email and spreadsheets
- Needed a centralized, real time source of data

with factories since implementing Centric PLM, including:

- Sample lead time reduced by 25%
- Time to get pricing from factories reduced by 75%
- Time to return sample comments to factories reduced by 55%
- Time to compile materials forecasts shortened from 2-3 weeks to half a day

Having a centralized repository which is updated in real time with an in-depth record of component data has shortened development timelines and had a dramatic effect on efficiency, says Kraus.

"We reduce time and financial costs because we only have to answer a question once and store the answer in a searchable way, accessible to anyone who needs it. Similarly, we have people scouring the world for new fabrics, zippers, threads – when they discover them and can translate their properties into how a powersports user might have a better experience, they can store that within Centric to be usable by anyone else looking for a similar material. It becomes a repository of answers as well as a living system that we use every day."

Accessing reliable real time information through Centric PLM has transformed the way people work at Klim, but the greatest change, says Webber, is in people's experience of work.

"The biggest way Centric has helped us to do our work every day is that it gives us peace of mind. When you're running four to five seasons at a time across multiple brands there's a lot of information to track. Without a system you have confidence in you stay up at night. Centric allows us to find a work-life balance. A lot of us are into powersports – outside of work, we like to do the activities we're making products for. Our ability to know where we're at in the process allows us to find that better balance."

PICKING A WINNER

"When we chose Centric, we picked a winner," says Webber. "When you look at what Centric has done since 2009, becoming a major player in PLM, it's clear we backed the right horse. We're totally satisfied with what we have got out of the relationship and we're continuing to grow along with Centric. It's a win-win situation."

Exemplifying this relationship, Centric has developed an innovative field testing app that originated in Klim's request for ways to gather testing data in real time from all over the world. As Klim speeds into the future, the leader in technical powersports gear is happy to have Centric along for the ride.



ABOUT KLIM

Klim is a relatively young company with a rich history built on the values of hard work, sacrifice, and determination. Klim has risen against all odds to become one of powersports most recognized brands and a global leader in designing, developing and manufacturing the most technically advanced motor sports apparel. Utilizing the world's highest technologies in waterproof, breathable, durable and comfortable materials, Klim builds gear for the most demanding riders. Driven by the continual feedback and input from dedicated test pilots and passionate customers, Klim strives to do one thing above all—improve your riding experience without compromise. Our story is one of an ambitious dreamer who refused to quit and the family of people who helped him change an industry. At Klim, our dreams and passions fuel our brand, and our employees and clients are the driving force behind our success.

ABOUT CENTRIC

From its headquarters in Silicon Valley and offices in trend capitals around the world, Centric Software provides a Digital Transformation Platform for the most prestigious names in fashion, retail, footwear, luxury, outdoor and consumer goods. Centric Visual Innovation Platform (VIP) is a visual, fully digital collection of boards for touch-based devices like iPad, iPhone and large-scale, touch-screen televisions. Centric VIP transforms decision making and automates execution to truly collapse time to market and distance to trend. Centric's flagship product lifecycle management (PLM) platform, Centric 8, delivers enterprise-class merchandise planning, product development, sourcing, business planning, quality, and collection management functionality tailored for fast-moving consumer industries. Centric SMB packages extended PLM including innovative technology and key industry learnings tailored for small businesses.

Centric Software has received multiple industry awards, including the Frost & Sullivan Global Product Differentiation Excellence Award in Retail, Fashion, and Apparel PLM in 2016 and Frost & Sullivan's Global Retail, Fashion, and Apparel PLM Product Differentiation Excellence Award in 2012. Red Herring named Centric to its Top 100 Global list in 2013, 2015, and 2016.

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