



CASE STUDY

Retail

The Leather Factory

COMPANY:

The Leather Factory

INDUSTRY:

Retail

BUSINESS NEED:

Ability to quickly implement high speed networking capabilities wherever required with minimal complexity and expense.

SOLUTION:

Enhanced performance of an MPLS VPN coupled with the extensive reach and flexibility of an IPsec VPN. MegaPath provided nearly 100% coverage for all retail locations — a 20% increase over what the company expected with an in-house solution.

Eliminated cost of expensive IPsec termination equipment required by a traditional IPsec VPNs.

The Leather Factory Chooses MegaPath's Fully Managed VPN Solution Over In-House VPN

Introduction

The Leather Factory, Inc. is the world's largest specialty retailer and wholesale distributor of leather and leathercraft products. From fine leather furniture to leatherworking tools, dyes and finishes, saddle and tack hardware, do-it-yourself kits, and more, The Leather Factory produces and distributes the gamut of leather-related products through its factory and retail outlets, via mail and phone order, and over the Internet. With 60 store locations in the U.S. and Canada, The Leather Factory is keeping its successful expansion plan on track by increasing sales and earnings from existing locations, opening new retail stores, and by finding strategic ways to improve operating margins.

The Challenge

The Leather Factory's multifaceted business model of retail expansion and competitor acquisition relies highly upon the centralized management of its diverse assets. Whether opening a store location in Richmond, Virginia, or integrating a new family member in Barrie, Ontario, The Leather Factory needed high speed networking capabilities that could be implemented quickly wherever required and with minimal complexity and expense. The Leather Factory's operations were also constrained by slow dial-up connections at its established locations. Maintaining their point-of-sale software through dial-up had become an elaborate, time-consuming process and an upgrade was imperative. If costs could be held down, a broadband network would be key to enhancing the company's bottom line. An in-house solution was considered but The Leather Factory's technical staff was dedicated to other critical projects.

The Solution

The Leather Factory chose MegaPath to implement its StoreConnect VPN service to gain fully managed, flexible site-to-site high-speed broadband connectivity in an easily managed, easily deployed configuration. Since StoreConnect VPN leverages the MegaPath network's advanced IPsec-to-MPLS integration technology, the company was able to get the performance of an MPLS VPN service coupled with the extensive reach and flexibility that an IPsec VPN affords. Plus, they didn't have to invest in the costly IPsec termination equipment required by traditional IPsec VPN services and do-it-yourself approaches. MegaPath's superior technology provided nearly 100 percent broadband coverage to The Leather Factory's retail locations — an increase from the 20 percent reach they had expected with an in-house solution.



"Deploying and managing a large site-to-site broadband VPN ourselves would have been a huge hassle and taken valuable time from other projects. MegaPath's fully managed turnkey solution was a tremendous benefit."

STEVE STRATTON,
IT MANAGER,
THE LEATHER FACTORY



MegaPath is the leading provider of managed IP communications services in North America. MegaPath leverages its wide selection of broadband connectivity, Virtual Private Networks, Voice over IP and security technologies to enable businesses to lower costs, increase security and enhance productivity. Businesses of all sizes can easily and securely communicate between their headquarters, branch offices, retail locations, mobile workers, and business partners.

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The Benefits

Secure, Cost Effective Consolidation

MegaPath StoreConnect VPN put all of The Leather Factory stores onto a single high-speed VPN that eliminated the need for modem lines at each location and ended the charges for long distance dial-up calls to headquarters. The expense of upgrading to broadband was further offset by the MegaPath's IPSec-to-MPLS integration technology, which allows The Leather Factory to connect its stores without the purchase and maintenance of expensive concentrators. Instead, Cisco Provider Edge (PE) Accelerated VPN Routers located throughout the MegaPath network encrypt traffic to and from The Leather Factory's sites and "map" it into a private MPLS routing domain. This approach provides the same robust privacy as a frame relay network, but with any-to-any connectivity and the extensive reach and flexibility of the Internet.

Flexibility, Performance, and Scalability

An advantage of the MegaPath MPLS/IPSec platform is performance, which exceeds that of a do-it-yourself VPN. IPSec tunnels are dynamically linked to the nearest MegaPath PE Accelerated VPN Router to expedite delivery data. And, the minimal on-site equipment requirements for a StoreConnect VPN give The Leather Factory the flexibility to add, change, or remove locations quickly and cost-effectively without the need to worry about hardware constraints and interoperability.

Effortless Deployment Anywhere

MegaPath's Customer Portal provides The Leather Factory with effortless turnkey VPN management, from account setup and modification to monitoring and troubleshooting. This easy-to-use, powerful tool, combined with MegaPath's innovative MPLS/IPSec platform and extensive list of broadband access partners, has ensured that The Leather Factory can deploy a broadband site anywhere it needs to, as quickly as it needs to keep pace with their rapid expansion.

Streamlined Business Processes

Before, when employees at The Leather Factory's retail stores needed a document from corporate headquarters, they requested it by phone; headquarters then manually printed and faxed the document to them. Now, with an "always on" connection, employees are using email and the Web to exchange information, increasing their productivity and reducing overhead by virtually eliminating long distance dial-up and fax charges.

More Efficient Resource Allocation

The Leather Factory's IT staff rely on the MegaPath Network Operations Centers to manage and monitor their VPN 24X7 so they can focus on their mission-critical systems and applications. The StoreConnect VPN lets headquarters-based technicians troubleshoot in-store computers as if they were in the same office. Less technical expertise is required at each location and at headquarters, which is helping The Leather Factory keep down the costs of specialized staffing.

Conclusion

By choosing MegaPath StoreConnect VPN, The Leather Factory not only gained a cost-effective solution for their migration to a broadband VPN, they leveraged MegaPath's IP VPN experience and technology to create a faster, more reliable and easily scalable network than if they had implemented a do-it-yourself solution. As the leading provider of broadband VPNs, MegaPath has seamlessly networked The Leather Factory's diverse locations allowing its staff to concentrate more resources on the company's core businesses.