

“Today’s retail customers are more knowledgeable and demanding than ever before. From carton condition regulations to requests for ASNs and custom shipping labels, our customers continuously challenge us to meet new demands. We couldn’t succeed without the Manhattan solution.”

Ismael Vicens, Director of Distribution, Wacoal America



Wacoal increases productivity, improves order accuracy & receives star ratings from customers

PAPER-BASED DISTRIBUTION SYSTEM LIMITS GROWTH

Wacoal America is a worldwide leader in designer intimate apparel. In the United States, Europe and across Asia, the company is well known for its best-fitting and high-quality bras, panties, camisoles, slips and shapewear. Wacoal designs and manufactures intimate apparel under its own brand name, as well as under the DKNY Underwear and Donna Karan Intimates labels. Its products are sold by all major upscale U.S. retailers including Dillard’s, Macy’s, Neiman Marcus, Nordstrom and Saks Fifth Avenue; by big-name retailers in the United Kingdom, such as Brown Thomas, Fenwick and Harrods; and by thousands of high-end, specialty boutiques across the globe.

An assessment of the company’s manual, paper-based distribution process revealed that out-of-date practices might limit future brand expansion. A desire to offer first-rate customer service to its growing customer base, and demands from these customers for customized shipping labels, prompted Wacoal to launch a search for an automated distribution center management solution.

WACOAL SELECTS MANHATTAN FOR INNATE UNDERSTANDING OF RETAIL MARKET

To strengthen service levels for its growing list of customers, Wacoal realized the importance of finding a supply chain partner with an innate understanding of the retail marketplace. The company initiated a relationship with Manhattan Associates based on its reputation as the distribution center management expert for consumer goods manufacturers shipping to retail. Primary advantages of Manhattan’s offering included its electronic data interchange (EDI) and advance shipment notification (ASN) capabilities, standardized bill of lading feature, UCC-128 compliance capabilities, and guarantee to comply with the shipping requirements of the top 100 U.S. retailers.



Distribution centers: 1

Platform: IBM i

Manhattan solutions:
Warehouse Management

RF equipment: Motorola

Challenge:

Wacoal’s paper-based distribution system made adding new brands difficult.

Goal:

Wacoal wanted to increase efficiency and, specifically, to create customized shipping labels for customers.

Solution:

Manhattan solutions automated distribution processes and enabled electronic data interchange and advance shipping notification capabilities.

Result:

As shipping demands grew, labor needs declined due to increased productivity. Wacoal’s customers give the company highest marks for order accuracy.

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Order processing speed has increased significantly. Orders that once took days to fill can now be turned around within hours. And, when it comes to order accuracy, Wacoal has received star ratings from nearly 100% of its customers, largely due to a two-part order confirmation process.

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WAREHOUSE MANAGEMENT SOLUTION STREAMLINES PICKING

Wacoal utilizes Manhattan's Warehouse Management solution for both inbound receiving and outbound order processing. All activities within the distribution center are directed by radio frequency (RF) devices, as the volumes that can be picked with RF technology are much higher than those that can be achieved via manual picking. RF also gives Wacoal the ability to validate what is picked as it is picked, resulting in near-perfect pick accuracy.

On the inbound side—before product arrives at Wacoal's distribution facility—the company receives piece-level ASNs from its suppliers. Cases of merchandise arrive with blind case labels and, as each case is received, the labels are tied to the UPC identifiers of the products within the case. This information is then used to track merchandise within the distribution center. All goods received pass through a quality audit before being processed for immediate needs or moved to reserve locations for future utilization.

Outbound orders are grouped into pick waves according to the items requested and their ship-to locations. As waves are compiled, they are released to order selectors who either pick multiple orders onto a single truck or single orders into a designated set of cartons. When "picking to truck," each truck can accommodate four to five orders at a time and orders can be picked directly into shipping cartons.

Once a wave is complete, the cartons for that wave are sent straight to a packing station, where they are taped and weighed. From there, orders are moved to a staging area for future shipping.

SHIPMENTS RISE AS STAFFING DROPS AND ACCURACY RATINGS APPROACH 100%

Since implementing Manhattan's Warehouse Management solution, Wacoal has experienced a significant gain in productivity. Over the years, there has been a considerable jump in both the number of pieces and the value of outbound shipments, while the level of staffing within Wacoal's distribution center has actually decreased.

New users can be easily trained on the Manhattan solution. In fact, training time per new user has decreased considerably, and new users tend to be more efficient with less training because Manhattan's solution directs them to an exact location within the distribution center and assigns them a specific task to execute at the location. And, when a user makes a mistake, the system immediately generates an error message.

Order processing speed has also increased significantly. Orders that once took days to fill can now be turned around within hours. And, when it comes to order accuracy, Wacoal has received star ratings from nearly 100% of its customers, largely due to a two-part order confirmation process. During the picking process, each garment is scanned as it is loaded into its shipping carton. Then, each carton is weighed and cross referenced against standard shipping weights before it leaves the facility.

One of the greatest benefits of the Warehouse Management solution, however, has been Wacoal's ability to comply with the shipping regulations of some of its largest and most important customers. The solution automatically tracks and ensures UCC-128 label compliance with the top 100 U.S. retailers. And, when retail giant Federated Department Stores announced that it would require consolidated shipments from all vendors, Wacoal learned that Manhattan's Warehouse Management solution would be able to combine multiple purchase orders into single cartons. This will ultimately result in reduced shipping costs for both parties.

Since the original implementation of Warehouse Management, Wacoal has completed several system upgrades. Today, the company continues to monitor future generations of the solution to ensure they always receive maximum value.