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Tony Carr, Head of Distribution, House of Fraser



# House of Fraser improves delivery with Manhattan Associates

## HOUSE OF FRASER SEEKS INCREASED PRODUCTIVITY TO SUPPORT MULTI-CHANNEL GROWTH

House of Fraser is one of the UK’s leading department store groups, renowned for its designer brands and exclusive collections. Founded in Glasgow in 1849, it now employs over six and a half thousand people and operates sixty-two stores across the country. House of Fraser has annual sales in excess of £1.25bn generated by its stores, its website and its new multi-channel Wedding List service.

House of Fraser’s stores are served by its national distribution centre, which is based in Milton Keynes. House of Fraser had been using a supply chain solution which was no longer supported by its manufacturer and required hardware that was rapidly becoming due for replacement. Although this was still functioning, it was not sufficiently flexible or configurable to support the future goals of the company. House of Fraser was determined to benefit from the efficiencies that a new solution could bring and set target productivity improvements of 20%.

## MANHATTAN WAREHOUSE MANAGEMENT SELECTED BASED ON BROAD FUNCTIONALITY AND INTEGRATION WITH ERP

House of Fraser conducted a tendering process, initially among six suppliers, who were whittled down to a short list of two. Manhattan Associates’ Warehouse Management solution for Open Systems was selected, largely because of its extremely wide ranging functionality and its ability to integrate with House of Fraser’s Mercatus enterprise resource planning (ERP) system. The warehouse management system was deployed at the Milton Keynes distribution centre, where it was subsequently fine-tuned with help from Manhattan Associates’ Performance Services team.

The initial implementation, whilst ultimately successful, encountered a number of challenges along the way. Some stability issues were experienced with the solution running on new servers, and technical glitches were experienced with the

### HOUSE OF FRASER

**Headquarters:** London

**Distribution centre:**  
Milton Keynes

**Manhattan Associates solutions:**  
Warehouse Management for Open Systems, Supply Chain Intelligence

### Challenge:

To replace legacy warehouse management system and to manage new multi-channel wedding and e-commerce services.

### Goal:

Make across-the-board productivity savings.

### Solution:

Manhattan Associates’ Warehouse Management solution for Open Systems, serving 62 UK stores from the central distribution centre located at Milton Keynes.

### Results:

Achieved 18 – 20% productivity improvement.

slotting of pre-allocated stock. Accenture, who were already working on another system for House of Fraser, were consulted. While recognising that Manhattan Associates was the right solution for the company, Accenture worked with House of Fraser to iron out some of the issues that were impeding the company's successful use of its new solution. After a period of running the new system across a limited number of product categories, a revised plan for the full scale deployment of the solution was agreed upon.

Tony Carr, head of distribution at House of Fraser, explained, "Part of the problem may have been that we had initially been too ambitious. Instead we decided to give ourselves a year running specific functionality across a limited number of categories to allow everyone to adapt to the new system. Once we were all happy that it was running smoothly, we reassessed the situation and moved on to implement the remaining modules of the software across all of our product categories."

Tony Carr was pleased with Manhattan Associates' response throughout. "Manhattan dealt with all of our issues in a very open way. We have an excellent relationship and I knew that the company wasn't going to hide from the fact that we had a few challenges."



**"It was key that our supply chain technology platform would allow us to integrate any future channels to market into our core supply chain network, and the Manhattan solution is delivering on this front too."**

*Mark Holland, Supply Chain Director, House of Fraser*



## HOUSE OF FRASER ACHIEVES 18-20% PRODUCTIVITY IMPROVEMENT

After a further year of the smooth running of all of the system's modules, the next step was to bring in the services of Manhattan Associates' Performance Services team who advise clients on getting system configurations and operational processes harmonised and optimised as their business models and operational environments evolve. The Manhattan team worked closely with House of Fraser's supply chain staff, advising on everything from the configuration of the software to the design of operational processes, to bring about the desired performance improvements across House of Fraser's supply chain.

Specifically, the following improvements were carried out in the period immediately following the performance services review:

- Bulk picking helped to speed up the overall picking process.
- Cart picking was introduced, allowing operatives to pick for a range of stores onto a single cart.
- Manhattan Associates' Warehouse Management solution began to drive the cycle counting process, improving efficiency by directing which counts should take place in the warehouse.

With the help of both Manhattan's solutions and its Performance Services team, we saw an 18 – 20% improvement in productivity," explained Tony Carr. "It just took a little longer than we had expected."

The company has now put the management of its multi-channel Wedding List service onto the Manhattan Associates solution, and the next step will be to bring its e-commerce solution on board as well. Mark Holland, House of Fraser's supply chain director, commented, "It was key that our supply chain technology platform would allow us to integrate any future channels to market into our core supply chain network, and the Manhattan solution is delivering on this front too."