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Carl Fulleylove, Project Manager, Mothercare



mothercare

Headquarters: Watford, Hertfordshire, UK

Number of warehouses: 2

Platform: IBM i

Manhattan solutions: Warehouse Management

RF equipment: Motorola

Mothercare grows up with Manhattan Associates

De-merger Requires New Logistics Network

Mothercare is one of the UK's leading retailers of products for parents, mothers-to-be, babies and young children. In addition to its 225 stores in the UK, it has 328 franchise stores in 38 countries, primarily in Europe, the Middle East and the Far East. It also sells its products through Mothercare Direct which includes its Direct mail order catalogue and mothercare.com, its shopping and information web site. Mothercare has faced a number of business challenges in the last six years, a period throughout which Manhattan Associates and its solutions have provided critical supply chain support.

Following Mothercare's de-merger from the Storehouse Group in 2000 and its return to operation as an independent company, the company faced the challenge of replacing its logistics network to satisfy its business strategy of growth, specialisation and reach. Once that was established, the company's objective was to maximise productivity and reduce costs.

Manhattan's Solution Provides Flexibility, Fits with IBM System i Environment

Mothercare selected Manhattan Associates' Warehouse Management solution to run on the IBM i platform. "Mothercare put the contract for logistics services out to tender, and both of the short-listed logistics providers recommended Manhattan Associates' software to manage our warehouse," explained Carl Fulleylove, project manager at Mothercare.

"We did our own investigations and found that not only was it a very good product, but it fitted with our IT strategy, which is based on IBM i technology," continued Fulleylove. "Mothercare operates in a competitive and frequently changing market, so any solution for us has to be flexible enough to cope with that change. It was also really important that we had a robust system that could cope with the size and scale of our operation."

Challenge:

Mothercare needed a new logistics network and warehouse management solution following its de-merger in 2000.

Solution:

Manhattan's solutions offered seamless DC inventory management and subsequently facilitated easy migration to a national distribution centre.

Results:

Mothercare is able to keep up with international growth, and has enhanced productivity and reduced costs.



We have worked with Manhattan Associates long enough to know that they are a good partner. They are always mindful of minimising risk, so we have no concerns when we work with them.

Carl Fulleylove
Project Manager, Mothercare



After Initial Success, Manhattan Returns to Help Mothercare Migrate to New National Distribution Centre

The first implementation took place in the company's main distribution centre (DC) in Daventry, soon after Mothercare appointed Manhattan Associates. A second implementation took place in the company's support DC in Coventry, three years later. The Mothercare and Manhattan Associates team had to ensure that the inventory was managed seamlessly across both warehouses, all the way from goods inwards through to dispatch.

The last implementation began two years ago, when Mothercare reviewed its supply chain and realised that it would soon outgrow its existing warehouses. The decision was taken to build a new national distribution centre in Daventry, and Manhattan Associates helped Mothercare to develop a migration plan.

"During the migration process, we had to manage the transfer of operations and processes from each of the old warehouses," said Fulleylove. "Sometimes this required a modification of the system, perhaps a new configuration, and the retraining of users. Manhattan Associates helped us to adapt to these changes with minimal disruption to the operation."

Performance Services' Recommendations Improve Productivity and Reduce Costs

As the business developed, Mothercare evolved into a stable, growing, profitable company with a new set of challenges. The main one was how to manage its success in the international market. "We found that we needed to improve the productivity of our warehouses significantly in a very short space of time, to keep up with demand," said Fulleylove. "We have worked with Manhattan Associates to further develop our systems and processes, which has enabled us to keep pace with our international growth plans."

Once the new national distribution centre was up and running, Manhattan Associates proposed the deployment of its Performance Services team. "They looked through all of our operations and carried out an independent, objective assessment," continued Fulleylove. "The Manhattan Associates team did a fair amount of analysis and data modelling, and then came back with ten recommendations which would improve our productivity and performance and help us to reduce costs. Some of the recommendations have been implemented, and have led to improvements in productivity and the reduction of operational costs."