

# MULBERRY BAGS SUPPLY CHAIN SUCCESS

## OPERATIONS

Distribution centre: Chilcompton, Somerset

## MANHATTAN SOLUTION

Manhattan SCALE™



## CHALLENGE

Automate warehouse processes and support future growth of business.

## SOLUTION

Automate distribution operations using Manhattan SCALE.

## PROGRESS & RESULT

Efficient warehouse and ability to handle more stock.

“The depth of knowledge demonstrated by Manhattan for our business requirements made us feel confident that we had found the right partnership—it was very much a meeting of minds.”

RICHARD CUNNINGHAM, IT DIRECTOR, MULBERRY

# PREPARING FOR FUTURE GROWTH

at Mulberry

## INCREASE IN DEMAND

Mulberry was established in 1971 with roots in Somerset, England and on the shelves of London fashion Emporium, Biba. Mulberry has gained worldwide acclaim for highly-crafted fine leather goods including bags and shoes. The company is proud to be the only British luxury brand not only to have retained but to be actively investing in its UK factory. In 2006, Mulberry launched an apprenticeship scheme in the UK factory, sustaining a way of working that has lasted generations and providing skills, training, and employment for the local community. Mulberry operates a multi-channel strategy with all orders fulfilled from its warehouse in Somerset.

The company has enjoyed consistent growth over the years, however the team of 30 needed additional support during peak periods, such as Christmas, and the legacy system made it difficult to employ temporary staff as picking training took up to four months to complete. In addition, Mulberry was concerned by the lack of visibility of its stock.

"We realised that we had become very reliant on our staff for knowing the whereabouts of our products," explained Richard Cunningham, IT director for Mulberry. "New stock arrives quarterly and each SKU is given a pre-defined bay. This meant that if we received a particularly large order for a product early on in the quarter, then the bay would either sit empty for the remainder of the period or—more likely—new products which were out of sequence with the production schedule would fill the space. As our paperwork did not match up the new product code with the location, it was down to the pickers to remember where a particular product was being stored. This meant that staffing up during our busier times was a challenge because they would not have the knowledge necessary to pick efficiently. It was also clear that we were not making the most of our 42,000 sq. ft. warehouse."

## A MEETING OF MINDS

Mulberry decided to upgrade from its paper-based legacy system and to introduce an advanced warehouse management system along with radio frequency scanners to aid more efficient picking and provide real-time inventory visibility. The company shortlisted three software vendors and undertook customer site visits. The team looked at criteria such as where the vendor was positioned within the UK market, its existing customer base, the quality of working relationship that could be expected and the company's ability to adapt its solution to work with Mulberry's host system.

Explaining why Manhattan was selected over its rivals, Richard Cunningham revealed that, "We wanted to work with a company that had global support, a strong solution and a team of experts.

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Manhattan SCALE is a solution designed for quick implementation and minimal training times. "We wanted to get the new system in before Christmas, otherwise we would have struggled to fulfil the volume of customer orders we were anticipating," said Humphrey Henry, warehouse manager at the Chilcompton DC. "The implementation was completed within four months of the contract being signed. We had the full support of the Manhattan team and on the day of the go-live we switched all processes across to the Manhattan SCALE warehouse management solution. The time taken to train pickers tumbled to just 15 minutes, so the transition was smooth and we were up to full strength using the new RF guns well ahead of time for the Christmas sales surge. Manhattan's solution has made a dramatic difference to how we work. Now we can plan the day ahead, as we have visibility of goods coming in, goods going out and are able to optimise the whole way inventory is managed."

## OPERATIONAL EFFICIENCY

Since implementing Manhattan's software, Mulberry has benefitted from improved inventory control, efficient picking and labour deployment and a better utilisation of warehouse space. The team forecasts that by this time next year, its warehouse will be handling double the volume of stock that it currently manages.

"Without Manhattan's system, we simply would not have been able to cope with such a sharp rise in demand or even think about sustaining that level of order fulfilment. Customer satisfaction has never been better because orders are despatched quickly and accurately. The second phase of the project is to fully integrate our host system with Manhattan's solution so that we can close the loop on all of our processes, from receiving and completing orders through to preparing invoices," concluded Richard Cunningham.