

CASE STUDY

Skechers finds a partner to grow with in Manhattan

In support of its growth plans, Skechers utilised a foundation built with reliable, scalable and innovative technology. So when it came time to evolve its omnichannel operations, the global lifestyle and athletic brand found the ideal solutions with Manhattan.

Omnichannel Commerce & Warehouse Management



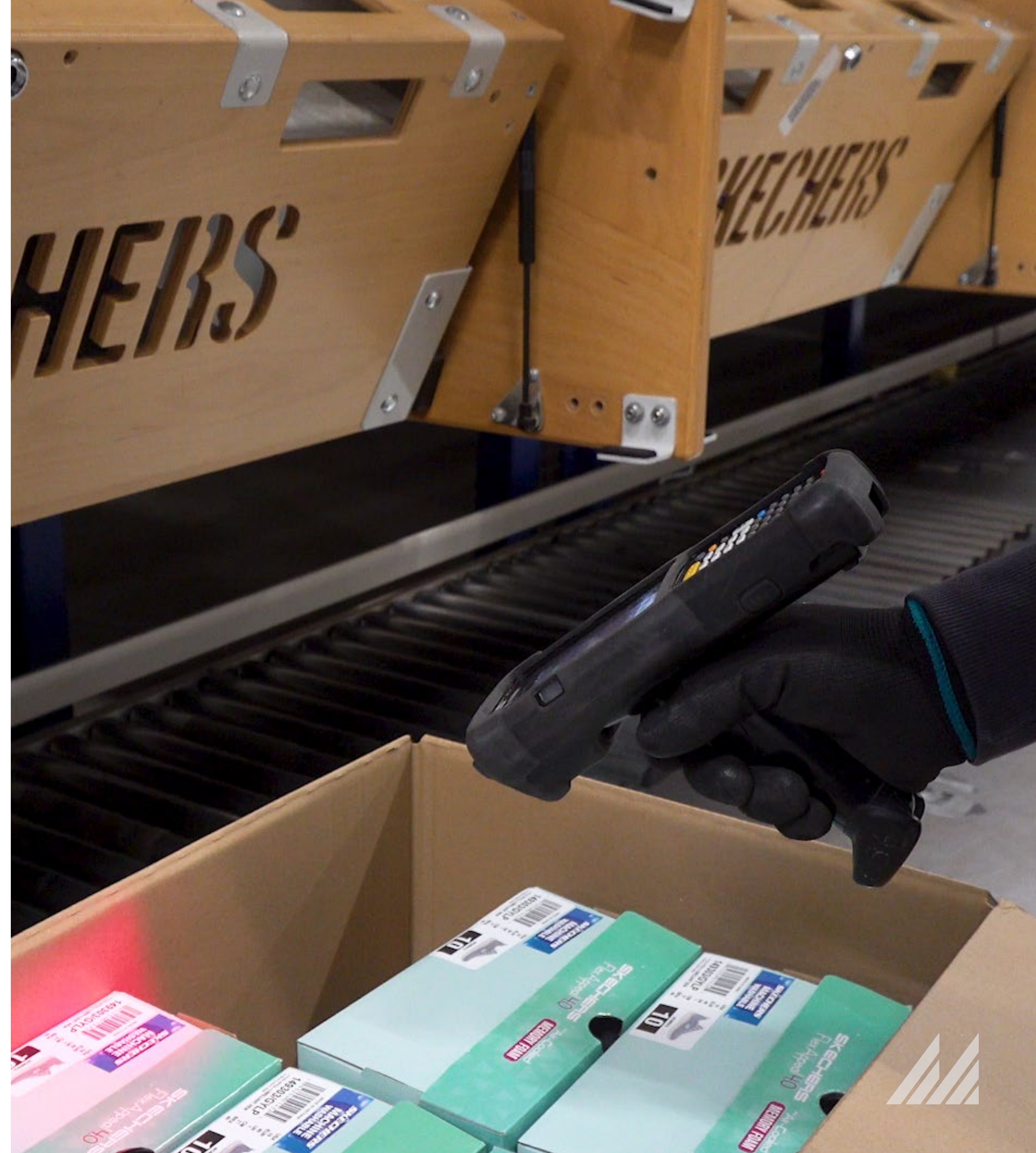


Growing sales with a streamlined distribution network

As the Comfort Technology Company™, Skechers delivers its range of footwear, apparel and accessories to retailers and consumers across the globe. By offering a range of in-demand products that consumers desire, Skechers has become one of the top three athletic lifestyle companies in the world. And the Company is planning for continued growth with a goal of \$10 billion by 2026.

This growth would not be possible without a streamlined distribution network. Skechers has 12 distribution centres (DCs) in North America, South America, Europe and Asia, with new DCs opening in India and Canada as well as expansion in China. From all these locations, wholesalers are supplied, retail locations are stocked and direct-to-consumer orders are fulfilled.

For more than 20 years, Skechers has utilised Manhattan's warehouse management system (WMS) as the backbone of its DC operations. "WMS owns all the information. And all warehouses rely on that information," says Bud Biggs, vice president of IT for distribution centres at Skechers. During the pandemic, Skechers took another step forward on the retail side of its business with the rollout of Manhattan Active® Omni.





“In our more than two decades of business together, Manhattan and Skechers have complemented each other well as we’ve streamlined our partnership. The mutual cooperation has always been great when it comes to WMS, and that is now likewise great when it comes to Manhattan Active Omni. The speed and stability of this platform is outstanding. As we look to the future, we hope to get the same experience when we look at the Manhattan Active WM platform.”

Chris Coye, senior vice president of
Information Technology at Skechers



Developing together and growing together

Innovation and efficient technology has been indispensable to both manage and facilitate the Company's expansion. For Skechers, that has included Manhattan Warehouse Management. "That consistency offers great advantages. We know which processes take place at which location at which time, because they run the same everywhere. And we know how productive and how accurate those processes are. Anyone can really walk into any of our dozen distribution centres and start working immediately," says Biggs.

Just as important is empowering IT administrators to make integrations, adjustments, and implementations themselves. Manhattan's WMS makes that possible.

"A good relationship with our WMS vendors is a must. That relationship allows us to grow and develop together. For large projects, we increasingly use Manhattan's local professionals," says Sophie Houtmeyers, vice president of Distribution Operations at Skechers.






“Innovation is evident in all that we do”

Pushing boundaries and setting trends are in Skechers’ DNA, as evidenced by every new collection it launches. “That drive for innovation resonates throughout the company,” says Biggs. “Even when it comes to distribution, innovation is evident in all that we do because we know it is essential to growth. We’re always thinking ahead so we don’t have to worry about the now and are prepared for the down the line.”

The partnership with Manhattan started when Skechers commissioned its first automated distribution centre well over 20 years ago. Since then, the need for automation has only grown. Biggs: “We basically do the same as many other consumer product manufacturers. We pick, pack and ship. Only, the way we do it is just a bit more innovative.”

One example is the use of robots in the Japanese distribution centre. Houtmeyers: “It is important that we were able to use Manhattan’s knowledge and experience in this. We can now use that again in subsequent projects in other distribution centres.”





“We have a passion for logistics, which we see reflected in Manhattan. That is one of the core values we have in common. Other core values are knowledge and—most importantly—attention to change management. We have a long-term relationship with Manhattan, and together we still have many years ahead of us in which we can deepen the relationship further.”

Sophie Houtmeyers, vice president of Distribution Operations at Skechers



“Manhattan understands what we need”

Biggs recalled the first implementation of WMS in the late 1990s, which marked a major change in distribution for Skechers. The company went from manual to automated processes, from paper pick lists to handheld computers. “Manhattan guided us through that transition,” Biggs said.

“Only when we had it behind us, did we realise how important WMS is to our operations. The trust Manhattan has built with us since then is great.”

Houtmeyers confirmed that confidence in Manhattan is high. “Skechers is an amazing company. Its growth is one of the biggest in the footwear sector. We need a partner that can keep up with our growth rate, especially as we head towards \$10 billion in sales. It’s important that we not only look at today’s business, but also at tomorrow’s and the day after tomorrow’s business. Manhattan understands what we will need, five or ten years from now.”



“During the pandemic, when everyone was homebound, our distribution centres kept running. We were busy with projects we needed to finish, such as the construction of one of our largest distribution centres in China. Manhattan then took the lead and implemented the software completely remotely. That was incredible.”

Bud Biggs, vice president of IT at Skechers



Early in the pandemic, Skechers worked with Manhattan to quickly introduce new fulfilment methods and chose Manhattan Active Omni for a unique use case around buy-online, pick-up in store and curbside pick-up. “As our stores closed, we leveraged the platform and did a 14-week engagement to get Active Omni rolled out and enable BOPIS and curbside pick-up at all of our North American stores.”

The efficiency and success of the solution has prompted Skechers to roll out Manhattan Active Omni across the company. “We want to use the platform globally as a link between our eCommerce business and our distribution centres. We had been running several systems geared towards the U.S. market, and faced a daunting task to adapt those systems for each country. Leveraging a global Active Omni deployment has enabled us to move rapidly and adapt with ease as we launched our global eCommerce business.”

With Manhattan’s retail technology, Skechers has a platform for distributed order management. This makes it easy to introduce new omnichannel concepts, such as buy-online, pick-up in store and curbside pick-up. In addition, Skechers rolled out eCommerce sites across Europe and Japan and are now running Active Omni in these markets.

Added Coye: “It is a scalable and replicable platform, which will allow us to launch eCommerce sites in many additional countries with relative ease.”



“When we went to the market for a distributed order management system, we were really down to two choices. The long-term relationship we have built with Manhattan over 20 years, and the quality of the solutions we use, made us decide to stay with Manhattan. We look for partners who ensure stability, scalability, and innovation. With Manhattan, we have found such a partner. We hope to grow this partnership further in the future.”

Chris Coye, senior vice president of Information Technology at Skechers



