

VERA BRADLEY DESIGNS GROWTH STRATEGIES

with Manhattan SCALE™

OPERATIONS

Headquarters: Fort Wayne, IN
Distribution center: 200,000 square foot facility in Fort Wayne serving 24 Vera Bradley stores, 3,400 other retail outlets and eCommerce customers

MANHATTAN SOLUTIONS

Manhattan SCALE™

Vera Bradley



CHALLENGE

Dealing with manual ordering processes kept labor costs high and led to higher than acceptable error rates.

SOLUTION

In order to keep up with rapid growth, Vera Bradley implemented Manhattan SCALE with ERP to eliminate manual order processing and moved to a larger distribution center. These initiatives became known across the company as "The Big Four."

PROGRESS & RESULT

Growth challenges were met, labor productivity jumped 25%, picking accuracy increased, and order processing volume rose from 1,500 to 6,000 daily.

"If they hadn't worn Manhattan shirts, you'd swear they were Vera Bradley's own team."

CINDY GOHEEN, WAREHOUSE SUPERVISOR, VERA BRADLEY

MEETING THE CHALLENGES OF RAPID GROWTH

at Vera Bradley

VERA BRADLEY WEAVES AN INTEGRATED SUPPLY CHAIN SOLUTION

Under the best circumstances it's a challenge to individually implement ERP and supply chain solutions, automate paper-driven processes, or move to a larger warehouse. But try tackling it all at the same time. That's just what executives at Vera Bradley decided to do. But they really had no choice—the company was growing so fast it had to make improvements to meet customer demand and keep its product line fresh.

Vera Bradley designs and manufactures upscale handbags, luggage and accessories that are sold all over the world. They have been seen on prime time hit television shows and in more than 20 feature films. They've even made appearances in celebrity gift lounges at the Tony Awards, the Daytime Emmys and the Sundance Film Festival.

Friends Barbara Bradley Baekgaard and Patricia R. Miller founded the Fort Waynebased company in 1982. "The brand is known for innovative design, meticulous craftsmanship and affordable quality," said Matt Wojewuczki, vice president of operations. The company still provides a personal touch reminiscent of its roots: wrapping each online order with tissue paper in a signature gift box.

With double-digit annual growth, and the company's products in hot demand, Vera Bradley had outgrown its 40,000 square foot warehouse. Other issues included paper processes and manual picking that yielded inaccuracies. A team was put together to take on "The Big Four" challenge: automate ordering processes, implement ERP and supply chain solutions, and move from a 40,000 to a 200,000 square foot facility.

When Vera Bradley was ready to evolve its operations, extend its capabilities and compete in a slow economy, it enlisted the help of a third-party consulting group. "We were taking on a substantial challenge and quickly realized it made sense for an outside firm to help us assess our requirements," said Larry Harness, warehouse manager for Vera Bradley. "The consultants performed comprehensive data analysis and steered us toward four warehouse management providers, including Manhattan."



"The only thing that is constant is change. You have to be flexible, adaptable and nimble in an industry that's very competitive. We've found a strategic partner in Manhattan Associates — a company that will flex with us as we move forward."

When it came down to two companies, Manhattan Associates won the day proving it was a better fit with Vera Bradley. "When you're going to spend long hours together, you want to partner with a company you can trust and rely on," said Wojewuczki. "That's where Manhattan really did beat the competition — hands down."

BIG ACHIEVEMENTS WITH THE BIG FOUR

After implementing the ERP and Manhattan SCALE, Vera Bradley set about the task of moving its inventory into the new distribution center. The team quickly faced some obstacles with untrained personnel and the receiving process. "None of my people had driven equipment or touched an RF gun, which threatened to drag down the transition," explained Cindy Goheen, warehouse supervisor.

She called Manhattan and explained the problems. "Within two days they brought in their heavy artillery," Goheen said. "They spent long hours on the floor with us, weighing and helping with inventory, side by side, elbow to elbow with our own people. If they hadn't worn Manhattan shirts, you'd swear they were Vera Bradley's own team."

The warehouse became fully operational, and now Manhattan SCALE manages the complete distribution process. From receiving, put-away, replenishment, and order fulfillment to wave management, cycle counting, manifesting and shipping, the solution handles everything within the four walls of Vera Bradley's distribution center.

"This was a complicated proposition going into a larger warehouse, implementing technology solutions, and going from a paper environment to a fully automated system," said David Gealy, director of distribution for the company. "Manhattan jumped right in there and helped us get the system and building up and running as quickly as possible."

A DISTRIBUTION CENTER THAT DOESN'T PULL ON THE PURSE STRINGS

Since the implementation was completed, the company has realized tangible results that have yielded efficiencies and cost savings. Order fulfillment times have been significantly reduced and peak order processing increased from 1,500 to more than 6,000 per day. "Manifesting, cartonization and system-directed work are huge gains for us," said Harness. "Now we can premanifest and print labels before items are pulled from inventory. With these automated systems in place, labor productivity has increased by 25%."

With improved visibility of its inventory and a larger, automated distribution center, Vera Bradley was able to bring its e-commerce business back in-house from an outside provider. Manhattan SCALE helped the company achieve a smooth, simple transition. "Not only did this bring back a lucrative revenue stream to our organization, we have more control over the accuracy and presentation of our orders," said Gealy.

With an eye to the future, the company has set the stage with its partnership with Manhattan Associates to accommodate continued growth among its customer base, product lines, and overall inventory. "The only thing that is constant is change," explained Wojewuczki. "You have to be flexible, adaptable and nimble in an industry that's very competitive. We've found a strategic partner in Manhattan Associates—a company that will flex with us as we move forward."

