

FENIX OUTDOOR INTERNATIONAL AG CLIMBS TO NEW SUPPLY CHAIN HEIGHTS

With Manhattan SCALE™

OPERATIONS

Headquarters in Zug (Switzerland).
Two large warehouses in Ludwigslust (Germany) and Aurora (Colorado, USA).
In addition, several local warehouses (a.o. Norway).

MANHATTAN SOLUTIONS

Manhattan SCALE™
Warehouse Management System

FENIX
OUTDOOR INTERNATIONAL AG



CHALLENGE

Fenix Outdoor International was looking for a single warehouse management system for all of its warehouse operations worldwide, as well as a system that was capable of controlling complex processes with a high degree of automation.

SOLUTION

With Manhattan SCALE, Fenix is able to efficiently route different flows, each with their own characteristics, throughout the warehouse.

PROGRESS & RESULTS

The new WMS facilitates Fenix's rapid growth. Thanks to the ease of use, the company can adjust the configuration itself and therefore quickly respond to new opportunities and developments.

"A thorough solution and market knowledge are the determining factors toward achieving peak performance in warehouse management, now and in the future."

MARCEL GERRITS, GLOBAL SUPPLY CHAIN DIRECTOR FENIX OUTDOOR

PREMIUM SERVICE FOR PREMIUM BRANDS

Fenix Outdoor International AG is building a supply chain that supports multiple distribution channels, from wholesale and retail to omnichannel and ecommerce. Manhattan SCALE™ provides Fenix Outdoor International AG with a modern warehouse management system (WMS) that efficiently runs their manual and

From a brisk walk in the woods to a multi-day trek through the Scandinavian highlands, Fenix Outdoor International AG supplies clothing and equipment through their own brands Fjällräven, Hanwag, Brunton, Primus, Tierra and Royal Robbins. Shoppers can find these popular products in their 70 owned stores in Scandinavia and Germany with names like Globetrotter, Naturkompaniet, Partioaitta and Friluftsland, but also in thousands of other outdoor stores around the world.

PREMIUM SERVICE

The supply chain plays an important role in Fenix's strategy. "We are building a supply chain that allows us to handle the flow of goods and information as effectively and efficiently as possible. That enables us to offer premium brands a premium service. To do this, we use efficient, fast and competitive processes that allow us to operate flexibly, reliably and proactively. And of course, sustainability plays an important role in all of this," says Marcel Gerrits, global supply chain director at Fenix.

Fenix's supply chain includes several warehouses, of which those in Aurora (Colorado) and Ludwigslust (Germany) are the largest. From these warehouses, goods go to the distribution centres of internationally operating retailers, local outdoor stores and consumers who have placed an order online. This results in complex operations with flows that vary significantly in terms of the number of order lines, volumes and packaging.

FLEXIBILITY

Fenix relies on Manhattan SCALE to control the operations in these warehouses. An important reason is the flexibility and the ease with which SCALE handles the various flows in the warehouses. Initially, Fenix used a self-developed WMS that was integrated in Dynamics AX09 / AX12 R3, but this did not offer enough flexibility to adapt the processes to today's requirements. Thanks to its wealth of functionality, Manhattan SCALE offers more optimisation possibilities. Manhattan SCALE is built on a Microsoft platform and is highly integrated with Dynamics AX09 / AX12 R3, which was an essential requirement for Fenix.

Fenix first chose to implement Manhattan SCALE in Louisville, Colorado, its 11,000-square-meter manual warehouse near Denver. Within six months, the standard version of the WMS was implemented without additional customisation.

"Digitalisation of the operation in Louisville was urgently needed. The switch from paper pick lists to barcode scanning brings many benefits in terms of efficiency and quality. We can now do more work with our 40 employees, which leads to lower costs," Gerrits explains.

POUCH SORTER

Fenix used the experience in Louisville to implement Manhattan SCALE in its warehouse in Ludwigslust, 120 kilometres southeast of Hamburg. Ludwigslust is a brand new 30,000-square-meter automated warehouse. The warehouse is used to deliver online orders and the supply of its stores in Germany and Scandinavia. There are 50,000 articles in stock at this location, and the 100 employees ship 4.5 million items annually.

The heart of the warehouse is a long pouch sorter, which connects six order picking zones on three mezzanine floors. This system has a capacity of 4,500 items per hour, sufficient to process 21,000 order lines per day during peak times. "This pouch sorter makes batch picking possible," said Gerrits. "The order pickers place each picked item in one of the 25,000 pouches, after which they are automatically sorted out per order to the 11 workstations. A number of fast movers are placed directly in stock in the pouches so that we do not have to pick them first. At the workstations, we remove the items from the pouches and then pack and prepare them for shipping."



BIG BANG

Manhattan SCALE supports the entire order picking process. The WMS intelligently composes the batches, so the pickers have to travel as little as possible. Using barcode scanning, each pick is validated and processed in the WMS. "But not all items fit in the pouches. Large items are located elsewhere in the warehouse and picked differently. The WMS ensures that all items are consolidated by order at the end of the order picking process," Gerrits explains.

Another significant advantage is the handling of returns. "Efficiently handling returns is enormously important in retail and ecommerce. The pouch sorter in combination with the WMS makes this possible."

The WMS communicates flawlessly with the warehouse control system that controls the pouch sorter, conveyors, elevators and other systems of warehouse designer SSI Schäfer. For shipping orders, a link was made to SendIT's carrier management system. "Everything was completely new, which created challenges. We had to postpone the go-live for a few months, but after the 'big bang', the entire warehouse functioned as expected. Sometimes we had a breakdown, but it was always quickly resolved."

WITHOUT HELP

What appeals to Fenix is the ease of configuring Manhattan SCALE. "We process different flows in our warehouses, all with their own order patterns and specifications. If we get an additional requirement that requests us to add an extra step to the process, we can modify the WMS ourselves without seeking help from Manhattan Associates. We can control how an order flows through the warehouse, so we can switch quickly and operate flexibly."

During the implementation, much attention was paid to the transfer of knowledge from Manhattan Associates to Fenix. As the project progressed, Fenix was able to



take more of the lead. This level of detail contributed to the support for the WMS. Fenix now effectively 'owns' the solution in all respects, Gerrits explains. "Part of the strategy is that we want to have one uniform WMS for all our warehouses. Therefore, we have also implemented Manhattan SCALE in a smaller and simpler warehouse in Norway. Thanks to the knowledge and experience from Louisville and Ludwigslust, we did that largely on our own."

BIG FUTURE PLANS

Fenix has big plans for the Ludwigslust facility in the future. After commissioning the first hall in 2019, the warehouse has now been expanded twice. Gerrits does not expect it to stop there. "Initially, the focus in the warehouse was mainly on supplying our own stores. Now that that is going well, we want to move the stock of even more brands to Ludwigslust and integrate other flows from our wholesale and ecommerce activities. Ultimately, Ludwigslust should grow into our European hub."

The warehouse management software from Manhattan Associates will continue to play an important role in this. "Manhattan Associates is a renowned company that knows how retail and wholesale works," said Gerrits.