

MANDMDIRECT.COM IMPROVES VISIBILITY AND INCREASES EFFICIENCY

with Manhattan Associates

OPERATIONS

Distribution Center: Hereford, UK

MANHATTAN SOLUTIONS

Warehouse Management Open Systems



CHALLENGE

Automate warehouse and allow for flexibility to cope with peaks in customer demand.

SOLUTION

Standardise MandMDirect.com's distribution operations on Manhattan's warehouse management software.

PROGRESS & RESULT

Improved visibility of stock and Christmas preparation completed ahead of schedule for the first time in the company's 22 year history.

"This is the second time I have worked with Manhattan, which demonstrates my faith in both the software and the team behind it."

STEVE ROBINSON, CHIEF EXECUTIVE OFFICER, MANDMDIRECT.COM

A SMOOTH TRANSITION

at MandMDirect.com

SEASONAL PEAKS

MandMDirect.com started life as a call centre business 22 years ago, but evolved into an online retailer as internet shopping gained in popularity. 20% of its orders are still placed over the phone. The company buys end-of-line clearance from brands including Diesel, Miss Sixty, Nike, Adidas, Bench, Timberland and Berghaus and sells stock directly to customers via its website and catalogue. There are over 6,000 product lines on offer via the website, with new lines added daily.

The business, which has 450 staff boosted by a team of 280 temporary staff over the Christmas period, achieved second place in the Sunday Times Fast track listings in 2008 and in 2009 received nominations for e-tailer of the year from leading UK publications Drapers and Retail Week. The company has enjoyed consistent growth year on year and, as a result, moved to a new site in Hereford with 290,000 sq. ft. of warehousing space in order to keep up with rising customer demand. The legacy warehouse management system was paper-based and MandMDirect.com was concerned by the lack of visibility of stock – particularly during busier periods.

"There was often a lag between the monitoring of stock movements and inventory counts and the resulting data being manually re-entered into the system, so we found it difficult to have a clear picture of precise locations or inventory levels," explained Steve Robinson, Chief Executive Officer, MandMDirect.com. "During peak seasons, which tend to be at least four times busier than our quieter periods, it became a real challenge to keep on top of data entry. It simply could not be done fast enough, so it made sense to upgrade our warehouse management system when we moved to the new site."

CAUTIOUS BUT SMOOTH TRANSITION

MandMDirect.com decided to upgrade from its basic legacy system to top of the range software, in order to have the reassurance that it was sophisticated enough to cope with future growth and flexible enough to switch on added functionality. The company underwent a detailed selection process with the shortlisted companies, which included customer site visits. The team had an extensive checklist based on price, functionality, people and the degree to which the software matched the overall objectives of the business.

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Explaining why Manhattan was selected over its three competitors, Steve Robinson revealed that, "I knew the software from my time at Tesco Direct and the company has a solid reputation in the industry. The people were the right fit with our business and it ticked all of the boxes when it came down to price, functionality and the overall fit for the business following the intensive evaluation by our logistics team. This is the second time I have worked with Manhattan, which demonstrates my faith in both the software and the team behind it."

MandMDirect.com had relocated its DC to a site in Hereford and then switched to the Manhattan software just over a year later. The system deployment enabled MandMDirect.com to transition its fulfilment processes and fully utilise the barcodes on inventory via radio frequency, ultimately driving both improved productivity and real time visibility.

"We kept our objective simple – we wanted to get the new system in and working without affecting our customers, so we took a cautious approach," said Steve Robinson. "We opted for a two-phased implementation, with the initial focus being on replacing the old system and improving stock visibility. We ran the two systems in parallel for a couple of months to give us the comfort that Manhattan's software would do exactly what it was supposed to do, but we needn't have worried. We turned the legacy system off and within 24 hours we had completely migrated and were picking orders again. In fact, the day we switched to Manhattan's software the value of the stock in the new system was reconciled down to the last pound. We had factored in a seven day impact, so the smooth transition was outstanding and the implementation from the team could not have gone better."



EXCEEDED EXPECTATIONS

Since implementing Manhattan's software, MandMDirect.com has benefited from increased visibility of stock, automated inventory counts and a significant reduction in paperwork. Manhattan's team revisited the warehouse post implementation to fine tune the system, which has resulted in it running six times faster than before, offering even more scope for growth.

"The implementation has exceeded our expectations and business is better than ever as a result. The quicker that we can get stock booked in and on the racking, the quicker we can get it sold to the customer," said Steve Robinson. "Over the summer months we take in more stock in preparation for Christmas. In the company's 22 year history, we have never had this much stock put away at this time, so we are well ahead of schedule and ready to take our customers' orders."

"We focused on getting the software deployed without glitches in the first instance. The second phase is to switch on the additional functionality of Manhattan's software, such as voice picking, in order to benefit from its full potential. We have every confidence that Manhattan's system will allow us the flexibility to cope with seasonal demand and continue our year on year growth."

