

## CASE STUDY

Global Sports Equipment and Apparel Manufacturer

### **Linking ERP Systems to Warehouse Fulfillment Yields Competitive Edge**

#### **Challenge**

This leading supplier of sports equipment and apparel to the ice and roller-skating market undertook an initiative to comply with its retailers' variable shipping requirements and offer them value-added services.

#### **Solution**

Implemented and customized warehouse fulfillment software to link it directly to the company's existing order fulfillment, purchase order and receiving, and production re-supply processes.

#### **Benefits**

The solution helped the company optimize their supply chain execution, thereby reducing operating costs and increasing customer satisfaction. Projected benefits include:

- Reduced fulfillment lead-time by 20 percent
- Overall warehouse operation savings of 45 percent per year, totaling \$2 million over a 24-month period

## Challenge

Based in Canada, this company is one of the world's leading suppliers of sports equipment and apparel to the ice and roller-skating market. The company operates a number of manufacturing and distribution facilities in the United States and Canada.

In order to gain the edge over other suppliers in the highly competitive world of sporting goods, this company must be able to comply with retailers' variable shipping requirements and offer them value-added services. For example, more retailers are requiring the supplier to:

- Affix the store's label or price tags to merchandise
- Label shipping containers with the retailer's routing instructions
- Pack boxes with a retailer-specified assortment of merchandise sizes or colors

This company decided to integrate its warehouse with a real-time solution to gain visibility into its supply chain.

## Solution

The client decided to install Manhattan Associates' PkMS® fulfillment execution software in conjunction with their newly installed SAP® R/3 Apparel and Footwear Industry Solution. Working together, the two systems would allow this company to improve the throughput of its distribution centers and manage inventories for maximum turnover, while meeting the customized fulfillment requirements of its customers. Both systems, however, operate independently, so the company needed an efficient, robust and reliable electronic link between the two systems.

Previously, Clarkston Consulting had created the SAP-certified interface between Manhattan Associates and SAP and was experienced in SAP warehouse management integration. Therefore, Clarkston was the logical choice to provide this company with a customized integration solution.

The solution enabled the company to link its warehouse operation directly to SAP's order fulfillment, purchase

order and receiving, and production re-supply processes. Clarkston customized the solution to work with the specific and complex requirements of the apparel industry, including special labeling instructions and other value-added services.

In managing the project, Clarkston used its Coherent Speed™ methodology, a rigorous approach that ensures that the final product is delivered on time and on budget, and meets the intended business objectives. The methodology calls for status checks at regular intervals to independently interview company management and business users to verify that the project is on track.

Clarkston also provided complete interface documentation, in conjunction with hands-on training for the company's operations team.

## Benefits

The company was extremely pleased with Clarkston's work. The combined SAP/Manhattan Associates order fulfillment system allowed the company to meet its retail customers' stringent requirements for order processing—including labeling and value-added service requirements—faster and more efficiently than if the company had relied on SAP alone.

The solution helped the company optimize their supply chain execution, thereby reducing operating costs and increasing customer satisfaction. Projected benefits are:

- Reduced fulfillment lead time by 20 percent
- Reduced mishandled shipments and receipts by five percent
- Overall warehouse operation savings of 45 percent per year, totaling \$2 million over a 24-month period

## Company Profile

Based in Montreal, Canada this is one of the world's leading manufacturers of hockey equipment. The company manufactures and sells skates, hockey equipment and skating apparel through major retail outlets.

Clarkston Consulting is a leading management and technology consulting firm that provides strategic business solutions for clients within the life sciences and consumer products industries worldwide. These market leaders turn to Clarkston to help them bridge the gap between strategy and execution to sustain a competitive advantage. Clarkston is a sought-after business partner because of its recognized industry thought-leadership and superior client relationships, as measured by The Conference Board's survey on client satisfaction. For more information, visit [www.clarkstonconsulting.com](http://www.clarkstonconsulting.com).