

SCALING NEW HEIGHTS

with Market-leading Warehouse Management Solution

OPERATIONS

Headquarters: Geneva, Switzerland

Distribution centres: 1

MANHATTAN SOLUTIONS

Warehouse Management



CHALLENGE

Columbia Sportswear needed a warehouse management system for its new European distribution centre in France. The new system needed to respond quickly to dramatic seasonal shifts in demand and ensure order accuracy.

SOLUTION

Columbia Sportswear decided to install the same configuration of Manhattan's Warehouse Management solution in France as it had in its major US distribution centre.

PROGRESS & RESULT

Columbia Sportswear achieved 99.5% accuracy, flexibility, speed and a high degree of control over workload planning and processes.

"We now have 99.5% accuracy of orders."

JOSEPH SENNÉ, EUROPEAN DISTRIBUTION DIRECTOR,
COLUMBIA SPORTSWEAR

PUSH POSSIBLE

 **Manhattan**
Associates®

WMS IMPLEMENTATION SUCCESS

at Columbia

NEW FRENCH WAREHOUSE NEEDS FLEXIBLE WAREHOUSE MANAGEMENT SYSTEM

Columbia Sportswear has enjoyed consistent growth since its establishment as a hat company in 1938 near the banks of Oregon's Columbia River. Today, the company distributes its products to 13,000 stores in 76 countries and through a growing number of branded retail outlets. Columbia Sportswear's range of outdoor clothing covers everything from fleeces and ski pants to hats and boots, and features a wide selection for children. Columbia Sportswear first moved to Europe in the mid 1990s, working through logistics services specialists in the Netherlands. In 2002, Columbia decided to take distribution in-house and bought 80,000 square metres of land in Cambrai, near Lille.

The primary challenge facing Joseph Senné, European distribution director, and Jean-Christophe Koral, information systems manager, was managing a workload that fluctuated hugely according to seasonal demand. The two peak times for Columbia Sportswear are spring and autumn, when the new season's orders are despatched. Although the company can forecast demand with a high degree of accuracy, it must respond very quickly to a huge increase in activity.

COLUMBIA SPORTSWEAR INSTALLS MIRROR IMAGE OF MANHATTAN'S WAREHOUSE MANAGEMENT SOLUTION RUNNING IN US DISTRIBUTION CENTRE

For the new distribution centre, which would initially handle several million items a year, automation would clearly play a vital part in keeping down the cost per unit. Tim Boyle, president and CEO of Columbia Sportswear, decided to implement Manhattan Associates' Warehouse Management solution, running on the IBM i platform, as the brains of the centre.

The Manhattan Associates solution/IBM server combination had already been installed in the U.S. Rivergate distribution centre and worked well for the company. It provided flexibility, could run manual systems if required, and, importantly for Columbia Sportswear's peace of mind, came from well-established and marketleading vendors.



"Over the last ten years our customers have demanded more value added services from their premium retailers. Our previous solution couldn't handle directives such as customized hanging, ticketing, and floor-ready packaging—we had to do everything manually. Manhattan's Warehouse Management can easily handle these requirements."

An almost exact copy of the American Warehouse Management solution was selected to operate the European distribution centre. The entire project was overseen by B+, a French systems integrator specialising in warehouse automation. A Warehouse Control System (WCS) from Savoye, integrated with Manhattan's Warehouse Management solution, was installed to operate the conveyors, sorter and ten fully automated Daifuku cranes. In less than nine months the entire system was up and running.

MANHATTAN SYSTEM MANAGES WORKFLOW AND IMPROVES PRODUCTIVITY

Most of Columbia Sportswear's products are manufactured in the Far East. They arrive in Europe via Rotterdam, in the Netherlands, and are delivered to the Cambrai distribution centre by lorry. Every box is designated with a "licence plate" as it arrives in the receiving area. Manhattan's Warehouse Management solution then chooses a sorting area to which the box is delivered. The system randomly selects the location to avoid creating bottlenecks by an influx of a particular type of product. Radio Frequency (RF) guns read the boxes and update the Warehouse Management solution system once they have arrived.

The Warehouse Management solution optimises the direction of boxes and clothing around the warehouse and manages the work patterns of the warehouse operators. "The system tells the person what to do next," explains Jean-Christophe Koral. "For example, if there's nothing to unload, he or she may be instructed to do stock-checking instead, to ensure that the boxes on a shelf match the number in the system."

Once a box is needed to fulfil an order, the Warehouse Management solution directs the operative to place it on a conveyor, where it is scanned and sent for value-added services such as special labelling or simply the picking of individual items to make up different orders. The Warehouse Management solution also controls sorting, working in conjunction with the WCS. As individual items for an order are scanned, the software sends information to the WCS which then instructs the cross-belt conveyor to send the items to the correct chute, where they drop into a container ready for packing.

COLUMBIA SPORTSWEAR OBTAINS FLEXIBILITY WITH HIGH ACCURACY AND SPEED

With the Manhattan solution installed, the Cambrai distribution centre achieved its goals for:

- Quality of service. The Manhattan Warehouse Management solution has improved Columbia Sportswear's ability to deliver on time, in the right quantity, to the right place.
- Flexibility. The system can handle the distribution centre's increases in volume during the peak spring and autumn seasons.
- Accuracy. Checking takes place at every stage of the process so order errors have been all but eliminated.
- Speed. Several thousand customers of different sizes can be supplied during the brief peak seasons.
- Control. Workload planning can be optimised and processes streamlined to make best use of staff time and to avoid bottlenecks.

Accuracy at Cambrai is exceptional. "We now have 99.5% accuracy of orders," states Joseph Senné. "The remainder is accounted for by breaches in security during transportation, which we are working hard to address."

"Another benefit for us is that the system precisely mirrors the system in the U.S.," adds Jean-Christophe Koral. "We have deliberately made an exact copy of the U.S. implementation so we can apply any of their modifications and upgrades very easily here."

