

"A compelling reason we opted to strengthen our partnership with Manhattan Associates: it's WMS is the most functional and commercially available system on the market. As we acquire new companies, there's a high probability that Manhattan's Warehouse Management is already in place. That allows for easier integration into our business processes."

Terry Brown, Director of Supply Chain Systems



We Fit Your Life.™

Headquarters: Greensboro, NC

Facilities: 30 distribution centers worldwide – 22 in North America and four in Europe

Manhattan solutions:

Warehouse Management for IBM i,
Labor Management

VF Corporation gains nearly 100% inventory accuracy outfitted with Manhattan solutions

VF Corporation Sews Up Complex DC Operations with Manhattan Solutions

Managing personnel, raw materials, manufacturing processes, sales, retail and wholesale distributions, as well as logistics and customer service centers on a global scale, are daunting tasks. But that's the challenge for VF Corporation—one of the world's largest apparel companies.

Headquartered in Greensboro, North Carolina, VF Corporation is a multi-billion dollar apparel and footwear industry powerhouse. With approximately 44,000 employees, and an incredibly diverse, international portfolio of brands, the company is considered a leader in apparel and footwear. The company manages its broad array of product lines by dividing its key brands into five coalitions including:

- Outdoor & Action Sports— The North Face®, Vans®, Reef®, JanSport®, Lucy®, Kipling®, Napapijri®, Eastpak® and Eagle Creek®
- Jeanswear— Wrangler® Lee®, Riders by Lee®, and Rustler®
- Sportswear—Nautica®, Kipling® (U.S.)
- Imagewear— Red Kap®, Bulwark®, Majestic®, in addition to apparel produced under license to NASCAR, MLB, NFL, NBA and Harley Davidson
- Contemporary Brands—7 for All Mankind®, Splendid®, Ella Moss® and John Varvatos®

Acquiring numerous brands over the last decade, VF Corporation products are now sold and distributed in 150 countries. Its sales channels include department and specialty stores, mass merchants, company-owned retail stores and the Internet. The company has 30 distribution centers to manage 1,400 suppliers, 47,000 retailers and 786 stores.

Challenge:

VF Corporation was seeking a new solution to manage the systems, shipping and storage capabilities in its DCs that would meet the diverse needs of its numerous acquisitions.

Solution:

Implement [Manhattan's Warehouse Management solution](#) to provide a common strategy platform to be rolled out across VF Corporation's various distribution centers and brands.

Results:

By using a common fulfillment strategy and implementing complimentary process changes, Vans' service levels for retail and wholesale improved by more than 50% while increasing inventory accuracy to nearly 100%.

Expansion Challenges Visibility, Shipping and Storage

With a complex supply chain and expanding business, VF Corporation required a comprehensive warehouse management solution that provided complete visibility throughout its warehouses. "Speed to market is challenging for any large and growing company," said Terry Brown, director of supply chain systems for VF's



Successfully delivering these concrete benefits bolsters the credibility for the Global Business Technology team. Manhattan Associates has helped us gain the confidence of our executive team that we'll execute strategic implementations when needed, and that the supply chain is a critical advantage for our company.

Chris Hobson, VP of Business Systems



Global Business Technology group (GBT). "We needed better control of our inventory and a fulfillment strategy that would put the right product in the customer's hand at the right time."

In 1995, VF Corporation began a maintenance contract with Manhattan Associates to support one of its distribution centers. After acquiring The North Face in 2000, the company was evaluating a new warehouse management system to streamline operations, centralize its supply chain, and accommodate growth. "We looked at internal solutions and external packages, including SAP, our ERP system provider," said Brown. "Ultimately, Manhattan Associates had the strategic vision and partnership we required to support our company's growth."

By 2007, VF Corporation had expanded its operations further and continued to acquire more high profile brands, most notably Vans—one of its fastest growing businesses. "We needed to increase the shipping and capacity support for Vans, as well as reduce order cycle time and improve DC response time," said Chris Hobson, vice president of Business Systems, GBT. "It was a huge deal for us because Vans is nearly a billion dollar business."

A WMS Upgrade is the Perfect Fit

With a solid partnership in place with Manhattan Associates, VF Corporation chose to upgrade its supply chain with Warehouse Management for IBM i and [Labor Management](#). This was part of the company's initiative to support Vans, which also included increasing its Santa Fe Springs, California DC from 317,000 to more than 530,000 square feet.

"A compelling reason we opted to strengthen our partnership with Manhattan Associates: it's WMS is the most functional and commercially available system on the market. As we acquire

new companies, there's a high probability that Manhattan's Warehouse Management is already in place. That allows for easier integration into our business processes."

Although VF Corporation values the substantial level of research and development that Manhattan has incorporated into its solutions, it's the overall functionality that enhances its operations. "We can run our most basic facilities, or a more sophisticated DC such as the expansion for Vans, on the same Warehouse Management solution," said Hobson.

Manufacturing Impressive Numbers

The company leveraged Manhattan's [Professional Services Organization](#) to implement Warehouse Management and Labor Management to support three of its five coalitions, including Sportswear, Outdoor & Action Sports brands. The company's strategy is to share inventory across VF Corporation's wholesale, retail and e-commerce channels. "Our strategic vision is to integrate all coalitions to enhance our supply chain fulfillment model," said Brown.

Since implementing [Warehouse Management for IBM i](#), Vans has realized some impressive results. Service level agreements for responsive service have improved on the retail side by more than 90%, allowing the company to replenish its stores more quickly and efficiently. It's keeping pace with the high demand SKUs called "never outs"—products that must always remain in stock. Vans ships these products to retail stores within 24 hours.

The company's wholesale service levels have gained momentum as well, achieving a 32% performance improvement. With increased visibility into its supply chain, VF Corporation has achieved nearly 100% inventory accuracy—a remarkable increase that has helped reduce inventory levels. "These improvements mean we're getting the right product on the floor when it needs to be there," said Brown.

VF Corporation is also utilizing Manhattan's [Labor Management](#) solution, and the results are beginning to show as employees become more accountable for their work. Overall labor costs are decreasing, and the solution provides the mechanism to continue fine-tuning the fulfillment model with engineering standards.

"Successfully delivering these concrete benefits bolsters the credibility for the Global Business Technology team," said Hobson. "Manhattan Associates has helped us gain the confidence of our executive team that we'll execute strategic implementations when needed, and that the supply chain is a critical advantage for our company."