

The Men's Wearhouse: Creating an Efficient Supply Chain from Supplier to Store

To remain competitive and respond to business growth, retailers will overhaul entire distribution operations by consolidating, evaluating and implementing new systems and procedures. The Men's Wearhouse used best in class processes to significantly reduce labor and inventory costs, improve inventory accuracy and visibility, more efficiently use temporary workers and increase on-time performance and delivery. The company integrated LEAN Supply Chain practices to significantly improve warehouse operations - across multiple divisions and facilities under a single platform. As a result, the Men's Wearhouse successfully integrated multi-channel processes under one division. This case study will also reveal how companies can effectively upgrade technologies and integrate systems under a single, vendor supported platform.

The Company

The Men's Wearhouse was founded in 1973 with one store in Houston, Texas, and is one of North America's largest specialty retailers of men's apparel with over 1,200 stores. The Men's Wearhouse, Moores and K&G stores carry a full selection of designer, brand name and private label men's furnishings and accessories. The client's value commitment to high quality merchandise and excellent service reflects its dedication to customers looking their best.

The Opportunity

The client's main distribution center is a 1.1 million square foot facility in Houston, Texas. This facility is the core retail distribution center for The Men's Wearhouse retail stores, as well as 60 percent of merchandise from K&G Retail stores, a division acquired in 1999. A significant percentage of its garment on hanger merchandise is shipped via dedicated fleet to its regional hubs across the country. The Men's Wearhouse has an additional facility in Houston with over 250,000 square feet to handle eCommerce supplies and returns operations.

The main goal of the project was to consolidate retail and eCommerce systems to run all operations on a single platform and central Materials Handling Equipment (MHE) integration point. enVista played the program management role for supply chain execution and MHE software functions for all facilities.

enVista's Solution

The implementation of the new systems platform occurred in two distinct phases. The first phase focused on using the new systems platform to more efficiently meet The Men's Wearhouse's growing eCommerce business needs. The second phase was focused on using the new systems platform to streamline and standardize The Men's Wearhouse's Retail Distribution Model for its K&G and The Men's Wearhouse brand stores.

As part of the first phase of the project, a new Warehouse Management System (WMS) and Distribution Order Management (DOM) system were implemented and integrated to an eCommerce web platform. The DOM system allowed The Men's Wearhouse to make strategic decisions about how and where it fulfilled its eCommerce orders. Additionally, it gave the client the capability to implement more complex and dynamic sourcing models as their eCommerce business grows. The WMS gave the client the inventory accuracy, visibility, process control and flexibility required to seamlessly execute and deliver a quality product to its customers.

The second phase of the project focused on implementing the new WMS and a consolidated Warehouse Control System (WCS) in its Retail Distribution Operation. The WMS replaced its



Legacy Inventory Tracking system and the WCS consolidated the management of its Pick to Light, Pack to Light, and Garment on Hanger Unit Sorter into one system. The new WMS gave The Men's Warehouse the ability to dynamically change product flow and unit allocation, as well as allowing the client to more effectively utilize Case Level ASN receiving. Furthermore, the system's ability to recognize and execute on cross-docking opportunities added improved throughput and lower overall processing costs.

With the implementation of a common WMS and standard processes for both retail business units, The Men's Warehouse was able to share resources across operations and respond to seasonal increases in workload more effectively. Looking to the future, the implementation of the WMS and WCS gives The Men's Warehouse the ability to consolidate their distinct The Men's Warehouse and K&G distribution operations into consolidated receiving, processing, and shipping operations; thereby further reducing costs and increasing overall processing efficiency.

The Results

With enVista's consulting expertise, The Men's Warehouse integrated LEAN Supply Chain practices to significantly improve operations, across multiple divisions and facilities under a single platform. Greater efficiencies were achieved in the company, as well as flexibility in workforce and systems support. Also, due to the consolidated vendor platform, the client was able to move people between divisions more easily.

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