

Sage Inventory Advisor helps Ukrop's Dress Express reduce excess inventory, boost fill rates, and slash buyers' planning time



Ukrop's Dress Express helps organizations champion their brand by providing customized uniforms, corporate apparel, and promotional items. Business is great—the company routinely sees year-over-year revenue gains of 20 to 30 percent. Growth this rapid often results in growing pains, including a decline in service and on-time shipping. To ensure it avoids those risks, Ukrop's Dress Express selected Sage Inventory Advisor to enhance its Sage 300 business management solution and optimize its inventory strategies.



Growth demands strategic solutions

"We've been relying on Sage 300 for over a decade with great results," explains Shawn Stewart, director of purchasing and strategic sourcing for Ukrop's Dress Express. "Due to our continuing growth and sales volume increases, we began looking for a purpose-built demand-planning system that would help us optimize our purchases and inventory holdings."

The company was introduced to Sage Inventory Advisor at Sage Summit, the annual Sage customer and partner conference. "We had seen other products, but none offered the combination of configurability, easy integration, quick implementation, and attractive pricing of Sage Inventory Advisor," recalls Stewart. "It represents the biggest bang for the buck, and we were confident we could use it to our advantage. It has more than delivered on our expectations."

On-time shipments increase

Ukrop's Dress Express has more than 150,000 products, so determining the optimal mix and order schedule had been a tremendously onerous task. The company's buyers had to remain constantly vigilant to keep fill rates high and avoid stock-out situations.

Stewart explains that Sage Inventory Advisor was of immediate help determining that optimal mix. "The product is very easy to configure. We started out leaving everything at the program's default values, and we instantly saw improvements," says Stewart. "For example, our on-time, complete shipment percentage went from 97 percent to 99.5 percent almost immediately."

Customer

Ukrop's Dress Express

Industry

Promotional apparel supplier

Headquarters

Richmond, Virginia

System

Sage Inventory Advisor
Sage 300

Challenge

Experiencing rapid growth, Ukrop's Dress Express sought a tool to help it optimize its purchasing, planning, and fulfillment processes.

Solution

A long-time user of Sage 300, the company selected Sage Inventory Advisor for its tight integration with the business management application, its affordability, and its ability to be rapidly deployed.

Results

On-time, complete shipping has increased to 99.5 percent. The working capital used for inventory purchases declined by 12 percent, with an additional 20 percent savings anticipated. Surplus orders have been reduced by 20 percent, and excess stock is down by 10 percent. Each buyer is saving 8 hours or more each week. Order planning for large custom orders has been cut from several hours to under 30 minutes.

"There's no question that it is a worthwhile investment for us. Our investment in Sage Inventory Advisor started to pay off within our first week of using it."

Shawn Stewart
Director of purchasing and strategic sourcing
Ukrop's Dress Express

Inventory holdings reduced by 12 percent

Without a tool like Sage Inventory Advisor, companies must rely on measures like minimum and maximum on-hand quantities to govern purchasing decisions. “Those measures can be helpful, but they don’t take into account the full picture, like Sage Inventory Advisor does,” notes Stewart.

Armed with the full picture, Ukrop’s Dress Express has seen a 12 percent reduction in its inventory holdings valuation. “And we expect that within six months we’ll see an additional 20 percent improvement,” says Stewart.

Surplus orders down 20 percent

Equally as valuable as knowing what to order is knowing what not to order. “With Sage Inventory Advisor we’ve gained visibility into slow-moving items and other items where we were carrying excess stock. Having this level of data is vital in helping us understand trends and make the right decisions about future product offerings.”

By acting on that data, Stewart says surplus orders are down 20 percent. “And our excess stock is currently down 10 percent, with an anticipated decline of another 15 to 20 percent shortly,” he adds.

Perfecting purchasing

Using the analyses that Sage Inventory Advisor provides, Ukrop’s Dress Express is honing and improving its purchasing processes. Since many of its products sourced from overseas suppliers with long lead times, the ability to accurately forecast well into the future is invaluable.

“Previously, when we’d get a large order for custom shirts, for example, it would take a couple of hours for us to determine what we had on hand, what we would need to order, and when to place those orders,” explains Stewart. “Now the process is down to 25 minutes or so from start to finish, and the system will even create the purchase orders for us at the end of the calculation.”

The added efficiency gives the company confidence to bid and win increasingly larger accounts. “We recently won a few very large customers, and we know we’re ready for them,” says Stewart.

40 labor hours saved each week

One significant benefit Stewart didn’t anticipate has been the boost of productivity Sage Inventory Advisor gives the company’s buyers.

“Each of our five buyers reports that they’ve easily saved eight hours a week in planning time by using this tool,” he says. “That’s a full 40 hours labor saved each week. Efficiency gains like that make a huge difference for a small organization like ours. It means we can continue to grow without additional buyers, and we can spend more time planning and strategizing.”

Well-groomed forecasts

With customers that are growing too, Ukrop’s Dress Express appreciates the ease in which it can fine tune forecasts in Sage Inventory Advisor.

“If we know that a customer is opening a new location, we can build that growth into the forecast very easily,” explains Stewart. “Without accurate, dynamic forecasts to base our decisions on, we might be left without adequate stock to fill customers’ orders, or be forced to pay expedited shipping to get stock in the door in time.”

Instant return on investment

Stewart says the impact Sage Inventory Advisor made was nearly instantaneous. “There’s no question that Sage Inventory Advisor is a worthwhile investment for us,” he concludes. “Our return on inventory started within a week of using it. Without question we made the right decision going with Sage Inventory Advisor.”

About Sage

Sage energizes the success of businesses and their communities around the world through the use of smart technology and the imagination of our people. Sage has reimagined business and brings energy, experience, and technology to inspire our customers to fulfill their dreams. We work with a thriving community of entrepreneurs, business owners, tradespeople, accountants, partners, and developers who drive the global economy. Sage is a FTSE 100 company with 14,000 employees in 24 countries. For more information, visit www.sage.com.