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Keith Lambert, Vice President, Supply Chain  
The Forzani Group Ltd



**Headquarters:** Calgary, Alberta

**Distribution centers:** 2

**Platform:** IBM i

**Manhattan solution:** Manhattan SCALE™:  
Supply Chain Architected for Logistics Execution

**RF equipment:** Motorola

## Challenge:

Rising volume overtaxed FGL’s existing warehouse management system.

## Goal:

FGL sought solutions that provided more flexible product allocation and greater responsiveness to optimize store sales.

## Solution:

Manhattan solutions provide the technology base needed to optimize warehouse operations and improve communications throughout the supply chain.

## Results:

Productivity increased 15% and unit costs decreased 5% while enhancing supply chain visibility and enabling performance measurement and improvement.

# Forzani Group transforms its supply chain processes with Manhattan Solutions

## New System Provides a Competitive Advantage

More than thirty years ago, a group of Calgary Stampeder teammates opened a 1,200 square-foot athletic footwear store. Today, The Forzani Group Ltd. (FGL) has grown to cover more than 6.5 million square feet of retail space. As Canada’s largest sporting goods retailer, it offers a wide assortment of brand-name and private-label products under several corporate banners, and operates more than 348 stores and wholesalers, 223+ franchises and a web site.

FGL uses a unique, multi-banner concept designed to provide Canadian consumers with a wide range of technically superior sporting goods. An extensive mix of quality products, great price points and excellent customer service are hallmarks of its shopping experience. As FGL expanded its store base, product line and customer service, its warehouse management system became unable to support the rise in volumes. FGL decided to invest in a search for a flexible, scalable supply chain execution solution that could keep pace with growth and support the company’s core principles of providing quality and value to customers.

In addition, FGL wanted a solution that would help complete the technology component of a company-wide initiative to optimize store sales. To reach its objective of delivering more flexible product allocation and responsiveness to stores, FGL decided on key strategies and solutions that would enable it to transform its business and supply chain processes. The selected technologies would be the backbone of FGL’s overall integration and standardization, and FGL planned for them to be implemented simultaneously.

## Sporting Goods Experience and Highly Configurable Solutions Prove a Winning Combination

After researching warehouse management systems, FGL chose Manhattan Associates solutions. Manhattan offered a proven track record in sporting goods retail, and its highly configurable solutions integrated well with FGL’s systems. FGL also teamed with supply chain design and implementation firm, Q4 Logistics,



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a division of Fortna, Inc., to provide project management and to lead design, configuration and testing activities associated with the Manhattan SCALE implementation. Q4 created customized documents and training programs as part of a transition management effort that allowed new processes to be readily adopted by FGL distribution associates. The FGL, Q4 and Manhattan Associates team members worked together to ensure smooth data conversion, system cut-over and go-live production support—setting the foundation for FGL to accomplish its business goals.

“Manhattan Associates and Q4 were a strategic fit,” said Keith Lambert, vice-president, supply chain, at FGL. “They understood our business goals, and the inherent flexibility of Manhattan’s solution allowed us to update our processes without heavily investing in modernizing our former systems.”

### **Manhattan Solutions Improve Labor Utilization and Product Tracking**

Implementation of Manhattan’s warehouse management solution addressed several of the key objectives within FGL’s company initiative: integration, automation and responsiveness of its Calgary and Toronto distribution centers. The solution integrated with FGL’s merchandising system, automated conveyors and put-to-light equipment without the need for additional modifications.

With the Manhattan SCALE, distribution centers could plan the distribution of products before a shipment arrived, lowering each product’s dock-to-stock time. Utilizing cross-docking and put-to-store capabilities, users could move goods from arriving pallets to nearby locations for same-day shipment, or directly to departing trucks to fill immediate orders. Within the distribution

centers, the warehouse management solution helped FGL optimize the layout and better utilize labor resources, reducing the time needed to complete picking and other activities. FGL also uses the solution to improve product tracking and electronic collaboration with suppliers.

Through the close collaboration of FGL, Q4 and Manhattan, the solution was implemented at both distribution centers on time and on budget, and the simultaneous implementations of the company’s initiative were completed successfully.

### **FGL Increases Throughput 15% and Reduces Unit Costs 27%**

FGL achieved the goals of its company initiative: establishing the critical technology to extend its supply chain visibility, increase productivity and support its long-term strategy for continued business growth and process efficiencies. Since implementation, FGL has seen a 19% increase in units moved per labor dollar, and a 27% decrease in unit cost. “We were at full productivity within just two days of implementation,” said Lambert. “Throughput is up 15%, and inventory accuracy is rising. Manhattan’s SCALE solution helps us move more units in less time and opens doors to many other things that we plan to do.”

FGL is in the process of implementing Manhattan’s Extended Enterprise Management solution to increase upstream visibility in the supply chain and improve real-time information sharing with its suppliers and its management and executive teams. FGL also plans to implement Manhattan’s Supply Chain Intelligence solution, which will enable the company to track and analyze efficiency and productivity in its supply chain and to measure this information against business goals.

#### **Learn more about Manhattan Associates and our solutions:**

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