

West Marine®

West Marine sees \$3 million in annualized savings following SCA's DC operation turnaround

CHALLENGE:

In the midst of its peak season, **West Marine** — a global boating supply retailer — needed to quickly stabilize its South Carolina DC operation to meet its productivity projections.

SOLUTION:

To help steady its DC operation and gain needed leadership and mentorship, West Marine brought in the **Supply Chain Alliance (SCA)** team for a **12-week operation turnaround plan** in spring 2018.



Working directly with leadership and the DC operation team, SCA immediately assessed West Marine's building throughput, store replenishment, ecommerce and pro fulfillment. SCA focused its turnaround on West Marine's order-flow, pick-accuracy and on-time delivery, in addition to the safety of West Marine's DC workers and its people strategy.

Recognizing it needed support in implementing the turnaround plan, West Marine asked SCA to assume the day-to-day responsibilities of its DC operation and help source, interview and hire a new site director and senior team. For the remainder of 2018, provided leadership and mentorship and worked on implementing its people strategy.

Converting West Marine's highest performing temporary workers to full-time associates, SCA built out the company's frontline leadership by hiring and promoting team leads and supervisors. SCA also provided performance management training, weekly individual KPI reporting and a new hire rating and selection process. For further support, SCA developed a full labour planning model to manage labour by activity level and shift using targeted productivity rates and the latest volume forecasts.

During this time, it was clear West Marine also needed to concentrate on its warehouse catalogue fulfillment (WCF) to ensure it could meet its daily ecommerce demands plus its forecasts, so it asked SCA to run a KAIZEN event in early 2020. Using current and future state gap analysis, WCF flow mapping and resourcing, SCA worked with the team to apply LEAN concepts

“We recently engaged Supply Chain Alliance (SCA) to focus on a specific area of our business – wholesale catalog fulfillment (WCF),” explains **Piero Barron, Director of Operations, West Marine, Rock Hill, DC.** **“SCA not only brought the top subject matter expertise in to run the Kaizen event but also helped implement the changes and manage the project timelines through a trusted, professional and measured approach to the project. The event brought expected labour savings for our company of over \$600k and expected productivity improvement of over 260% in certain areas of that operation. The WCF changes have resulted in a more productive environment, improved customer fulfillment and a big lift in morale at our DC.”**

to improve West Marine's communication, production and workflow. In addition to other notable metrics, West Marine achieved more than \$600,000 savings in its year-over-year labour costs from this intensive four-day event.

Creating lasting change in a DC requires commitment and collaboration. The organization's drive to improve its DC's processes, procedures and performance was clear at all levels of the organization — from its Board of Directors and senior executives across the organization, right through to DC leadership and floor associates.

KEY RESULTS



3M in annualized savings



300% improvement in DC operations



600K savings from a single Kaizen event

SERVICES

ASSESSMENT AND STRATEGY

Distribution centre (DC) operations – using Lean, Ecommerce & multi-channel fulfillment, Inventory management, Forecasting & replenishment

PLANNING AND DESIGN

DC layout, Material handling design, Ecommerce fulfillment design, Forecasting and replenishment

EXECUTION AND PRODUCTIVITY

DC operational turnaround – deploying Lean, Performance measurement, Executing Kaizen events, Key performance indicator development, Operational and logistics benchmarking

RESOURCING

Interim Leadership, Project management, Subject matter expertise, Analytics, 3PL sourcing