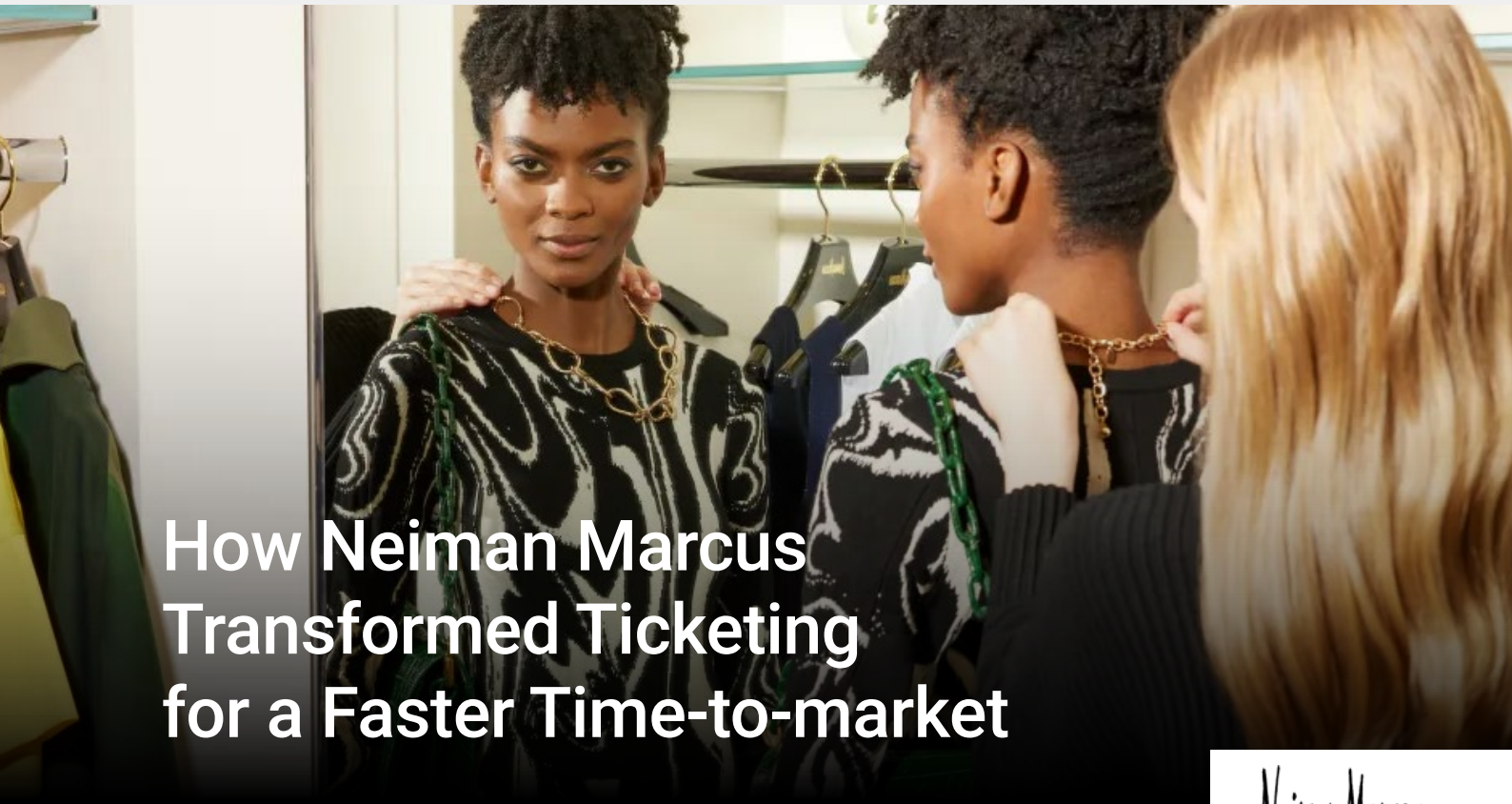**Loftware™**

Apparel and Garment Case Study

How Neiman Marcus Transformed Ticketing for a Faster Time-to-market

NeimanMarcus

Background

The Neiman Marcus Group consists of five luxury retailers, Neiman Marcus, Bergdorf Goodman, Last Call, Horchow and Mytheresa. The Group has 43 Neiman Marcus stores located across the United States, 24 Last Call locations, two Bergdorf Goodman stores in Manhattan and one Mytheresa location in Germany. Neiman Marcus offers an in-store experience that is closely integrated with its online platform, which accounts for over 30% of sales. The Group is committed to reinventing the shopping journey for the luxury customer of today and tomorrow.

Solution: Label Management System
Industry: Apparel and Garment

Challenges

- Time consuming, labor intensive ticketing process
- Supply waste due to inflexible ticketing printing process
- Desire to move goods faster
- through the warehouse

Solution:

- Centralized Loftware NiceLabel ticketing solution
- Integration with WMS and ERP systems
- Flexible web printing solution

Benefits

- 2-3 days faster time-to-market
- 6% labor savings
- 12% increase in productivity
- Reduced supplies waste

Challenges

Ticketing processes in need of improvement

Neiman Marcus has a two-pronged approach to ticketing: a ticketing program in their distribution centers (DC) and a pre-ticketing program for vendors. Prior to implementing Loftware NiceLabel, the DC ticketing program involved printing tickets at the shipment, or ASN, level. Staff would print tickets for each item in a shipment. Once the tickets were printed, staff would then have to manually match each ticket to the correct item in the shipment. The staff had no way of knowing which cases contained the item in question, so they would have to go through each box (in a shipment that could contain hundreds of boxes) in order to locate the item corresponding to the printed ticket. This process was time consuming and labor intensive. Neiman Marcus also lacked the ability to print tickets on-demand. If they needed to replace damaged or lost tickets, or print extra tickets, employees would have to reprint the entire ticket batch, just to replace a single ticket. This led to a significant amount of supply waste in the ticketing process.

The pre-ticketing program is a service Neiman Marcus provides for its vendors. Neiman Marcus prints tickets based on a purchase order and then sends them to vendors, who in turn attach the tickets to the merchandise prior to shipping them to the DC. This service enables Neiman Marcus to process the items more quickly when they come into the DC. However, the legacy system they used for the process was inflexible and in need of modernization.

Supply chain modernization catalyst for change

Neiman Marcus realized that modernizing the supply chain was the key to their competitive advantage. To keep pace with changing consumer preferences, they needed to get goods to market faster. Neiman Marcus decided to transform its warehouse operations by upgrading the warehouse management system (WMS) and replacing the merchandising system. They also wanted to move from a shipment to a carton level receiving system; however, the previous ticketing system only allowed them to print on a shipment level. Thus, Neiman Marcus was looking for a ticketing solution that could support carton level ticketing and enable staff to generate and print on-demand item price tickets.
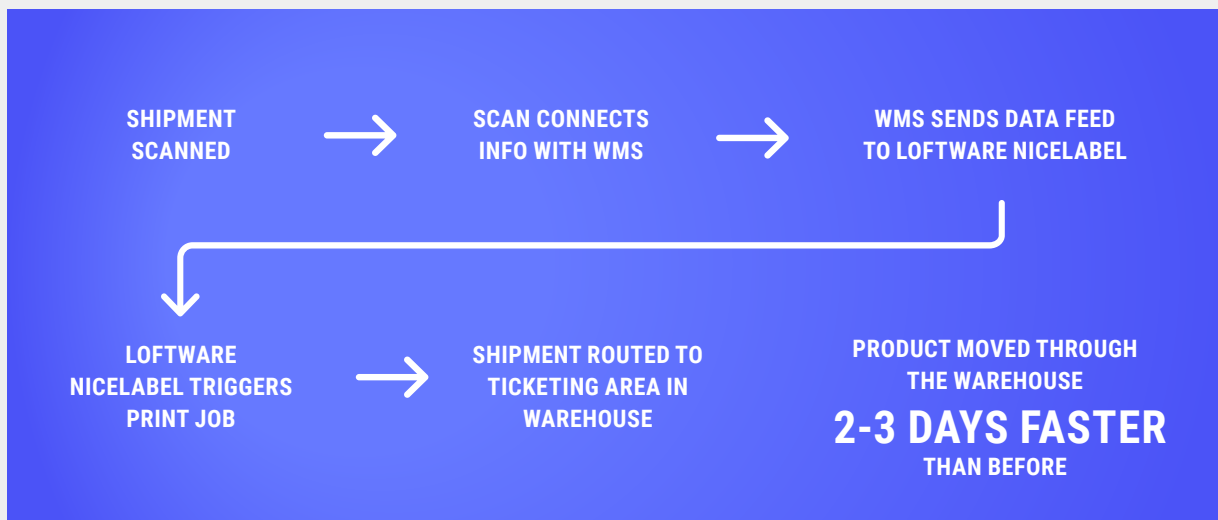
Solution

A centralized, streamlined ticketing solution

Neiman Marcus had very clear requirements for the new ticketing solution. "We knew we wanted a centralized ticketing solution, instead of individual sites," states Robert Ball, Program Delivery Manager at Neiman Marcus. "This would provide ease of management, and better user control and ease of use for our distribution centers." Neiman Marcus selected the NiceLabel Label Management System as its centralized ticket management solution.

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> *Robert Ball, Program Delivery Manager at Neiman Marcus*

The system is hosted centrally in a data center, and includes a built-in designer, application builder, document management system and web printing solution. Using the NiceLabel integration system, Neiman Marcus integrated the new ERP system for merchandising and the upgraded WMS system with the NiceLabel platform. This enables ease of printing for purchase order (PO)-based and carton level printing. The centralized system communicates remotely with Neiman Marcus' three DCs. Each DC has its own instance of the ticketing system, including printers, configurations and users. To eliminate unplanned downtime, the system is set up with automatic failover and redundancy systems. Using the built-in designer, Neiman Marcus designed eight different ticket types to accommodate the various types of merchandise that need to be ticketed.

SHIPMENT SCANNED → SCAN CONNECTS INFO WITH WMS → WMS SENDS DATA FEED TO LOFTWARE NICELABEL

LOFTWARE NICELABEL TRIGGERS PRINT JOB → SHIPMENT ROUTED TO TICKETING AREA IN WAREHOUSE → PRODUCT MOVED THROUGH THE WAREHOUSE **2-3 DAYS FASTER** THAN BEFORE

Benefits

"We saw an immediate improvement in speed-to-market by being able to move product more quickly through our facilities"
Robert Ball, Program Delivery Manager at Neiman Marcus

Streamlined pre-ticketing process

After implementing NiceLabel, Neiman Marcus continued with the pre-ticketing service they offer vendors, albeit in a streamlined version. "The ease of printing through NiceLabel gave us the ability to move products through our facility at a greater speed," relates Robert. The streamlined process involves Neiman Marcus generating tickets based on a PO, sending a full list of SKUs to the vendor, and then sending the printed tickets to their vendors. Neiman Marcus sends out 500,000-700,000 pre-tickets a year using the NiceLabel platform. Employees working with pre-ticketing benefit from an improved user experience thanks to NiceLabel's easy-to-use print interface. The scalable process means that Neiman Marcus has been able to expand the ticketing process to multiple facilities and chains. And it is now easier to print tickets for different brands using the NiceLabel ticketing system.

A fully transformed DC ticketing process

The greatest gains have come from the impact NiceLabel has had on the ticketing process in the DC. Using NiceLabel's label management system, Neiman Marcus now has a fully transparent method for identifying which items in a shipment require an item price ticket. Shipments are automatically sorted upon arrival, so to-be-ticketed items can be routed to a ticketing area. Tickets are now printed by case, not shipment, and each DC can process 400 cartons/hour through this ticketing loop. Employees can reprint tickets individually and on-demand using the re-ticketing application, which is handled via the NiceLabel web-based printing module. This streamlined workflow enables Neiman Marcus to move products through the warehouse 2-3 days faster than before.

"We saw an immediate improvement in speed-to-market by being able to move product more quickly through our facilities, from receiving all the way through shipping, which was a huge gain," comments Robert. "Being first on the street is obviously something we all strive for, and through this transformation effort, being able to cut an additional 2-3 days off of time in the building, is a huge win."

"We saw an immediate improvement in speed-to-market by being able to move product more quickly through our facilities"Robert Ball, Program Delivery Manager at Neiman Marcus

Neiman Marcus has also experienced greater flexibility in ticket printing after implementing the NiceLabel solution. "NiceLabel gives us the ability to print at a variety of different levels; either at a carton level or at an individual ticket level. We can also do ticket reprints in our stock area, if a ticket gets damaged or torn off an item," Robert explains. "We can go back into the system and print an individual ticket for a shipment that came in weeks ago; so it's very user-friendly and flexible in that respect."

Transformed ticketing process leads to reduced costs

In addition to a faster time-to-market and improved flexibility, Neiman Marcus has also reduced labor costs, resulting in a labor savings of 6% and productivity gains of 12%. They also benefit from a significant supply savings due to less ticket waste, and a reduced environmental impact as a result of cutting down on paper waste. They have also eliminated complexity from their ticketing process and removed much of the manual work that was prone to human error. All of these improvements have resulted in a more accurate, efficient ticketing process.

Robert summarizes the impact NiceLabel has had on Neiman Marcus' DC operations in this way: "To be able to process shipments through a DC, speed-to-market and accuracy are the keys to success. Being able to partner with NiceLabel and make this transformation happen seamlessly, to integrate it with our new ERP and WMS systems, and to make all of that movement of data seamless to the user and automate printing behind the scenes, was a huge gain for us."

Loftware™

The world's largest cloud-based Enterprise Labeling and Artwork Management provider

Case Study

Loftware is the world's largest cloud-based Enterprise Labeling and Artwork Management provider, offering an end-to-end labeling solution platform for companies of all sizes. Maintaining a global presence with offices in the US, UK, Germany, Slovenia, China, and Singapore, Loftware boasts over 35 years of expertise in solving labeling challenges. We help companies improve accuracy, traceability and compliance while improving the quality, speed, and efficiency of their labeling. As the leading global provider of Enterprise Labeling and Artwork Management, along with Clinical Trials Labeling and Content Management, Loftware enables supply chain agility, supports evolving regulations, and optimizes business operations for a wide range of industries. These include automotive, chemicals, consumer products, electronics, food & beverage, manufacturing, medical device, pharmaceuticals, retail, and apparel.

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