

AMWARE HELPS 32 DEGREES SCALE FULFILLMENT TO HANDLE RAPID GROWTH



32 Degrees is an apparel company whose clothes offer maximum comfort at a valued price. The company sold only through retail channels until 2017, when it launched 32degrees.com. Since then, online sales have exploded. But early on, that growth was painful.

"We initially used our B2B fulfillment warehouse to handle B2C orders, but quickly realized that they could not handle the added complexity of direct-to-consumer fulfillment," says Charles Lunden, Vice President of Planning and Operations for 32 Degrees.

"With Amware, we have confidence that we can scale fulfillment to meet any growth trajectory."

That triggered a search for a B2C fulfillment company that could handle a high volume of very complex orders. 32 Degrees now averages 45,000 orders per month, and that number is steadily rising. SKUs number anywhere from 1000–2,000, depending on the season, and the order profile requires a more complicated pick process, with about 5 different SKUs per order.

"Amware showed us a high-volume picking operation at its New Jersey fulfillment center that used voice pick technology," says Lunden. "When we saw that, we knew we had the solution we needed."

Keys to Success

- **Scalability.** With the new voice pick system in full operation, 32 Degrees shipped more B2C orders on July 4th than it did on the previous Cyber Monday. Fulfillment is no longer a barrier to growth.
- **Adapting based on SKU-specific forecasts.** 32 Degrees proactively shares forecasts with Amware based on seasonal trends and upcoming promotions. Based on this data, Amware shifts faster-moving SKUs to forward pick areas to reduce travel time and pick orders faster. Says Lunden, "Amware regularly changes its slotting strategy based on the information we provide. That really improves our efficiency."
- **Parcel savings.** A change from USPS to FedEx SmartPost using Amware's lower rates yielded substantial parcel savings.
- **Close communication.** The relationship is highly collaborative. "Amware acts on the information we provide – not all 3PLs do,"

says Lunden. And 32 Degrees will change its processes in response to an Amware request. For instance, 32 Degrees worked with its overseas vendors to group like SKUs together when loading containers. This significantly reduced unload and sort times at the warehouse.

Results

- Improved scale and quality. In the last 6 months, order volume has increased 150% with improved operational performance.
- Improved order accuracy from 90–95% with the former provider to nearly 100% with Amware.
- Saved 50% on parcel shipping costs after the initial shift to Amware's parcel management program.

According to Lunden, "Our job in fulfillment is to support sales. The new solution with Amware can handle a high volume of very complex orders accurately and efficiently. As a result, we now have confidence that we can scale our fulfillment operation to meet any growth trajectory."