Groupe Dynamite fashions an in-stock edge

Increased auto-replenishment to 80%

Decreased initial merchandise distribution from 70% to 50%, giving the business greater flexibility and better margins

Reduced size variance by at least 3% at the store level

Became a more proactive versus reactive organization

Better able to predict trends and take advantage of replenishing inventory priorities based on individual store need

Reduced Weeks of Stock [WOS]

GARAGE

Facts
Industry
Retail

Headquarters
Montréal, Québec, Canada

Profile
Groupe Dynamite is a Montréal-based fast-fashion retailer with two brands at the heart of its success, Garage and Dynamite. It operates more than 380 stores employing more than 5,500 people in Canada, the United States and the Middle East, plus an e-commerce site.

Challenge

Groupe Dynamite needed to transform its manual processes for forecasting, allocation, and replenishment to meet growing business needs and support rapid growth as the brands expanded in the American and International markets.

Logility Digital Supply Chain Platform

Groupe Dynamite now develops forecasts down to the store level accounting for consumer variances including climate, culture, economy, and fashion trends.

"Our implementation of Logility has enabled us to improve our sell through, reduce our markdowns and increase profitability as we position merchandise in the optimal location to delight our customers."

Isabelle Rousseau, Allocation Director - Groupe Dynamite

Launched in 1975, Groupe Dynamite started as The Garage Clothing Company with a single retail location in Montréal. Today the fast-fashion retailer operates two brands, Garage—targeted toward teenage girls—and Dynamite—geared toward young professional women. The Montréal-based company operates more than 380 locations throughout Canada, the United States and the Middle East, and has e-commerce sites.

Fast-Fashion Creates Unique Challenges

As a fast-fashion retailer, Groupe Dynamite faces several challenges including more frequent seasons, localized assortments and regional size preferences. With the business expanding across Canada, the United States and several markets across the Middle East, Groupe Dynamite needed a retail fashion supply chain solution that would take into consideration the specific requirements of each location. For example, back-to-school events happen at different times of year in different states, provinces and countries. Similarly, whereas 'Black Friday' is quite popular in the United States, Boxing Day is more popular in Canada. Because each store under the Groupe Dynamite umbrella is unique in its market, climate and surrounding culture, Groupe Dynamite must apply the different attributes for each business scenario. The retailer required a planning, forecasting and allocation solution that would serve as the platform for efficient growth and in-stock performance.

"We have become a more sophisticated organization and have automated nearly 80% of our store replenishments to meet our growing business needs."

Isabelle Rousseau
Allocation Director
Groupe Dynamite

As the company faced tremendous growth, it realized the manual processes of its forecasting, allocation and replenishment processes would not scale. To stay ahead of rapidly changing fashion trends and quicker selling seasons, Groupe Dynamite established goals to sell through its inventory in six to eight weeks, boost inventory flexibility, improve service levels, and automate processes where possible to free its internal resources to be more strategic.

Logility Merchandise Planning™
enables Groupe Dynamite to adjust manufacturing and inventory processes as changes occur in product demand.

Logility Allocation™
allows Groupe Dynamite to integrate allocation and fashion replenishment options to dynamically react, adapt and take action based on customer demand and sales trends.

Logility enables you to:

- Boost forecast accuracy
- Improve sales and operations planning
- Increase inventory turns
- Successfully plan and manage promotions
- Set time-phased inventory targets
- Easily collaborate with suppliers
- Improve sourcing and production of private-labeled products
- Reduce out-of-stocks

Replenishment Using Forecasting

Groupe Dynamite turned to Logility to develop forecasts down to the store level accounting for consumer variances including climate, culture, economy, and fashion trends. With an improved forecast, the company is able to minimize its initial allocation to each retail location and then auto-replenish each store based on style level sales activity.

Logility Allocation™ and Logility Merchandise Planning™ enable Groupe Dynamite to see the seasonality of each store in advance, predict trends, replenish inventory ahead of sales, and improve the size curves and efficiencies all during a time of rapid growth. "Our implementation of the Logility Retail Optimization solutions has enabled us to improve our sell through, reduce our markdowns and increase profitability as we position merchandise in the optimal location to delight our customers. We have become a more sophisticated organization and have automated nearly 80% of our store replenishments to meet our growing business needs," says Isabelle Rousseau, allocation director of Groupe Dynamite. In addition to automating 80% of store replenishment, Groupe Dynamite has decreased initial merchandise distribution across its network of stores from 70% to 50%, giving the business greater flexibility and better margins.

Logility Allocation and Merchandise Planning have helped Groupe Dynamite to transform its forecasting and replenishment process. The company is now able to proactively plan based on a combination of historic data and real-time sales input to strategically place the right inventory in the right location at the right time.

With Logility, Groupe Dynamite is accelerating growth by maximizing sell through, boosting retail service levels and automating retail allocation and replenishment.

About Logility

Accelerating the sustainable digital supply chain, Logility helps companies seize new opportunities, sense and respond to changing market dynamics and more profitably manage their complex global businesses. The Logility® Digital Supply Chain Platform leverages an innovative blend of artificial intelligence [AI] and advanced analytics to automate planning, accelerate cycle times, increase precision, improve operating performance, break down business silos and deliver greater visibility. Logility is a wholly owned subsidiary of American Software, Inc. [NASDAQ: AMSWA].

To learn how Logility can help you make smarter decisions faster, visit www.logility.com.