Customer Success Story

Haggar manages omni-channel complexity

Slashed excess inventory by 70%

Reduced SG&A expenses by 10%

Increased fill rate by 3%

Increased planner efficiency

Improved forecast accuracy

Challenge

Haggar's biggest challenges include market segmentation for an increasingly complicated omni-channel network and sourcing products and materials across a global outsourced environment. This growing complexity has sparked the need for new market insights and better decision making across the business. Haggar needed a digital supply chain platform to help increase free cash flow by maximizing fill rates using an optimized inventory strategy to boost service and delight customers.

Logility Digital Supply Chain Platform

Logility helped Haggar reduce complexity and gain visibility throughout its supply chain by optimizing forecast accuracy, managing segmentation strategies and gaining inventory visibility to improve service and margins.

HAGGAR®

Facts
Industry
Softgoods/Apparel

Headquarters
Dallas, TX

Profile
One of the most recognized apparel brands, Haggar has sold comfortable, high-quality men's clothing since 1926. Haggar is a top US manufacturer of dress pants, suit separates, casual pants and shorts.

"We've automated a lot of processes with Logility, so our planners can focus on things that make a difference. We're also positioned to grow revenue as our business continues to evolve."

Pravin Rangachari, Senior Vice President, Planning and Analytics - Haggar

Well known apparel brand Haggar has crafted comfortable, high-quality clothing since 1926. Haggar is a top US distributor for dress pants, suit separates, casual pants and shorts. Since 2010 the company has relied on Logility to improve supply chain visibility for better inventory management and improved cash flow.

In recent years, Haggar has seen big changes in its supply chain network. Like many companies in the apparel industry, Haggar has moved to a fully outsourced production environment, adding supply chain complexity that significantly impacts product lead times. For example, some Haggar products have as many as 17 different moves from the time an order is created until it is delivered to a distribution center, and lead times can be anywhere from seven to eight months based on the type of product sourced.

Another challenge Haggar faces is a migration from a brick-and-mortar retail focus to an omni-channel environment with a growing global network of retailers, retailers, owned stores and direct-to-consumer. Servicing these evolving channels requires a segmentation strategy and produces huge amounts of data to process and analyze.

Changing Business Models

"When I joined Haggar, we were primarily a brick and mortar company and we had a very small e-commerce presence," explained Pravin Rangachari, senior vice president of planning and analytics at Haggar. "Our brick and mortar was growing, but by single-digit numbers, while our e-commerce was delivering double-digit growth. In the brick and mortar environment, we were limited by the fixtures we had to fill, so we focused on our fastest turning stock keeping units [SKUs]."

"Today, with e-commerce and direct-to-consumer, we must support a much broader SKU assortment at any given time. Fortunately, we realized that our Logility framework for demand planning and inventory replenishment was the right platform to meet these new challenges. We had already built the customer and product-location hierarchies as part of the demand and inventory planning processes, so we simply extended them to support the direct-to-consumer and vendor-managed inventory channels," added Rangachari.

Logility Demand Planning™
provides visibility across Haggar's supply chain to increase forecast accuracy and right-size inventory levels.

Logility Inventory Planning™
allows Haggar to improve inventory performance and customer support through demand and inventory plan alignment.

Logility Replenishment Planning™
isolates and manages inventory and service performance at a product-specific level.

Logility Life Cycle Planning™
enables planners to forecast market demand for items with little or no performance history to build on.

Logility Proportional Profile™
creates disaggregation profiles that improve forecast accuracy at the granular attribute level and close the gap between demand planning, supply, sourcing and production planning.

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 and customers
- Improve sourcing and production of private-labeled and branded products
- Reduce out-of-stocks

All Shapes and Sizes...Everywhere

Product complexity in the apparel space is a given with countless variables including style, fit, color and size. For example, Haggar's pants are offered in a classic fit, straight fit, slim fit and skinny fit, and in a variety of colors and styles. Accounting for all the possible combinations, the point of sale data runs into hundreds of millions of combinations.

At Haggar, size proliferation was an ongoing issue. Account managers allowed customers to drive the size mix ordered, resulting in inconsistent sizing across channels. Because the company didn't have a regular process to evaluate sizing based on performance history, Haggar implemented sizing criteria based on product category, fit and channel, plus a combination of point of sale and actual demand history tracked in Logility. Haggar now reviews its sizing every season, and with this data in hand, it is able to make proactive buying recommendations to customers: a win win for both parties.

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> Pravin Rangachari
> Senior Vice President, Planning and Analytics
> Haggar

Haggar was also able to simplify size-level data for its e-commerce and direct-to-consumer channels resulting in more consistent forecasts and better supply chain plans focused on higher-margin SKUs. Additionally, these changes have enabled the company to achieve greater planner efficiency, especially for new items.

One Plan, Infinite Benefits

With the Logility digital supply chain platform, Haggar enjoys one solution to plan its entire omni-channel network with a single version of the truth which has enabled it to simplify data management, increase planner efficiency and deliver more consistent forecasts. For the direct to consumer channel, Logility helped reduce significant manual work by providing forecast and inventory visibility across the business. For the vendor managed inventory [VMI] channel, Logility helped Haggar better control shipments by enabling them to get the right SKUs at the right time to the right stores.

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.