

## Rapid ROI Without the Baggage at Tripp Luggage



## CASE STUDY

### CHALLENGE

Manual stock systems were unable to support the company's growth and were failing to provide the up-to-the-minute visibility needed to run an efficient, profitable business.

### SOLUTION

Tripp chose the Progress OpenEdge®-based Midas sales and stock systems from Progress® Application Partner Megabyte.

### WHY PROGRESS® SOFTWARE

Progress offered ease of implementation, a low cost of ownership, and the ability to extract up-to-date information down to individual SKU.

### BENEFIT

Within two years, Tripp Luggage reduced stock by a third, slashed the design/make/import cycle from six to three months, and restored a loss-making business to profitability.

Within two years of fully implementing the Midas retail management system from Progress Application Partner Megabyte, Tripp Luggage has reduced stock by a third, increased visibility to such an extent into its Far Eastern supply chain that the design/make/import cycle has been slashed from six to three months, and has restored a loss-making business to profitability.

The pressure to maximise sales by maintaining an optimum stock profile of the goods customers want to buy is common to all retailers. Broken ranges and slow moving items need to be dealt with quickly to make way for top-selling lines and the new season's hot items. For retailers like Tripp Luggage, which relies on concessions in 80 Debenhams department stores where floor space is at a premium, the pressure is even more intense to optimise stock accurately according to local trading patterns and achieve just-in-time delivery to overcome the lack of stock room availability.

A few years ago, Tripp Luggage was feeling the strain of its own success. Formed in 1991, the luggage designer and importer had grown from a wholesaler with half a dozen factory outlets into one of the UK's most popular suppliers of luggage, bags and accessories to the middle market through Debenhams' concessions.

However, manual stock systems were failing to provide the up-to-the-minute visibility needed to run a tight ship, as Martin Brooks, MIS manager at Tripp explains: "It was taking three to four weeks to produce a stock valuation—too long to be of any use; we had no information at individual stock keeping unit (SKU) level, and we were working with a lead time of six months with our Far Eastern suppliers which constrained our designer's ability to maintain a fresh look to our ranges. We were over-ordering and over-stocking to compensate, and slow movers were blocking new ones from the sales floor."

After an evaluation of alternatives, Megabyte's Midas system was selected because of its record of success with similar designer/importer retail operations.



## A CUSTOMIZED SOLUTION FITS NEEDS ENTERPRISE-WIDE

Megabyte provided a one-stop solution, assisting with report design, training and implementation. A new management team took over the Tripp business and pushed through the full implementation of the system with dramatic results.

Today, 90 per cent of stock is allocated automatically. Every store has a profile for the way that each piece of stock—250 lines in all—is to be replenished—not just according to sales performance, but taking into account regional differences. Having the right goods in the right place at the right time has favourably impacted sales. Now the management team can react quickly with markdowns and promotions to clear broken ranges—particularly when valuable space is taken up by left over, large-sized suitcases.

Tripp uses the Debenhams' point-of-sale systems so customers can purchase goods at any pay point. Midas sends the PLU (price look up) table daily to Debenhams so that up-to-date information is available on every till. The Debenhams' system consolidates sales information and updates the Midas sales and stock systems electronically. Every Tripp outlet also has its own 'back office' small footprint PC which helps in the battle against shrinkage. Midas feeds picking list information in bin location order to Tripp's outsourced warehousing and distribution partner in Doncaster. Midas polls the third party computer system every 30 minutes—maintaining a perpetual inventory and ensuring that only physically available stock is allocated for picking. Notification of goods dispatched is sent back to Midas, and when the goods are delivered to the concession, staff use the PC to key-in any discrepancies.

As Brooks says, "We now capture any goods lost in transit and have accurate information for tracking the problem or making a carrier claim. We expect to reduce shrinkage to less than one percent—significantly beating the industry average." Tripp also plans to take advantage of broadband to offer Megabyte's ecommerce mail order solution on the PCs—especially in branches not able to stock the full range.

Suppliers in the Far East have also been given greater visibility into the supply chain—today with spreadsheets and faxes, but there are plans to provide Web access for more sophisticated suppliers. This has given them the confidence to stock fabrics for Tripp in advance of orders which has halved the time to market from six months to three, including the month spent in shipment. A faster lead-time gives Tripp's designers the edge they need to react quickly to new fashion trends and style ideas. Midas also generates electronic orders using EDI (electronic data interchange) with major suppliers like Samsonsite and orchestrates direct deliveries to store. The slack has been removed from the supply chain with just-in-time daily deliveries Monday to Friday being the norm. Stock turns between every 3 and 12 weeks depending on the store.

When Midas was first installed, Brooks was ambivalent about the underlying Progress OpenEdge database, tools and technology platform. The ease of implementation and the ability to extract up-to-date information down to individual SKU and furnish management with the information they need to make decisions in the Monday morning meeting, together with the low cost of ownership, has changed that view. "The joy of Progress is you don't need a database administrator."

"Tripp is now the best performing concession in Debenhams and has reduced stock cover by £500,000."

— Martin Brooks  
MIS Manager

“Today we actively seek Progress-based solutions for our application needs and have now chosen CedarOpenAccounts (also a Progress partner) for financial accounting. Progress provides us with a database that never fails and never needs re-building which has led to head count savings in IT. We run the whole operation with just two IT staff.” It also keeps Progress’s competitors at bay. “If an Oracle or Microsoft software house comes to call and we tell them our applications are Progress-based, they have nothing to say—they just can’t knock them,” says Brooks. “So it is with great interest that we see Progress taking such an active stance in retail.”

Has the Progress and Megabyte combination given Tripp an edge? Judge for yourself: Tripp is now the best performing concession in Debenhams and has reduced stock cover by £500,000.

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Progress Software Corporation (Nasdaq: PRGS) provides application infrastructure software for the development, deployment, integration and management of business applications. Our goal is to maximize the benefits of information technology while minimizing its complexity and total cost of ownership.

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