Essay about zara

Business, Company

Title Warehouse Inventory Management ACase Studyin Retail Fashion Industry Company Name Ezra International Objective for a warehouse management Is fully utilize the space, Improved the productivity of operations flow and reduce the Inventory carrying cost. From the case of Ezra, I found that they arranging the cross- dock rather then typical storage function. Because they have the commitment about the order fulfillment time from warehouse to stores, for examples 24 hours to European countries, 48 hours to American and within 72 hours to Japan.

So Sara warehouse needs to have efficient operations arrangement with the automatic middling equipment to achieve the fast fashion goal. (90 words) 1. 1 Functional Design The typical warehouse functions have five main processes receiving, pathway, storage, pick pack and dispatch. If we need to understand and well planning the warehouse design and layout. Primarily we must understanding the industry business strategy, trend and consumer behavior. Nowadays the warehouse functions are not only for storage and also need to provide the added value service to fulfill the business needed.

First of all, we need to learn the product nature and understand business Intention. For the retail fashion Industry, the raw materials appliers from Fabric Company mainly. The cloths have difference color, pattern and natural of fabric (wool, cotton, leather etc.), the suppliers must have sufficient raw materials to provide to the industry for further processing. Second, we need to understand the nature of products, for example packaging (cartons, boxes, pallets, hangers etc), size, stock keeping unit (SKIS) and stock layout.

Third, we need to know the production, work in process for example suppliers order, shipment order, size of markets served, material handling system used, throughput rate, production lead time, aisle requirement etc. If we need to provide the fast and accuracy operations flow, all parties within the supply chain also need to provide the co-operation thoroughly, Including fabric supplier, accessories supplier, garment manufacturer, garment processor, designer, distribution centre, warehouse, customer service levels etc. 218 words) Basic warehouse operation process for retails fashion Industry (Figure 1)- Irrespectively of deliveries from suppliers (raw materials) Involve the processing of relevant business documents Capture and entry of the actual physical details of each delivery Quality checking products to ensure compliance with the arches radiotherapy Pathway involves allocating a storage location Physically moving the item to the location Ensure correct information is entered in the inventory control reclassification's involves keeping products in their allocated location.

Moving items to picking locations as required and waiting for production. Prognostication's in factory Produce the finished geodesics biophysically selecting each items and quantity from stock to fill the order Packing the order for transportation to avoid damage or electrocardiographs the necessary documentation for the transport operator Planning the loading of delivery remonstration and delivery routes Physically loaded the vehicles / containers to maximize cube utilization and minimize damage. (167 words) 1. Warehouse layout and design According to the captioned operations flow, I designed the typical Hong Kong, according to the website information, Established apparel retails in the Asia Pacific region, and over 1700 stores

operating in 31 territories worldwide. The warehouse to arrange the Just In Time TOT) operations and 95 of productions lines outsource to Asia factories and still have 5 arranging the in-house production and after the production all finished goods will send to central warehouse to arrange the distribution function.

The inbound area including the inspection function to ensure the receiving goods have good quality, if the cargo for raw materials will pass to temporary storage area to waiting the processes for the manufacturing and assembly storage. If the cargo for finished goods will pass to outbound are for storage and waiting for distribution to the town stores. From the figure 2, difference storage area to arrange the difference style of cargoes, for examples block stacking storage area or small accessories. Finished goods warehouse for set of processes and capabilities that enhance the company ability to serve the physical distribution.

The hanger area for the finished fashion, 2 level racking areas for the box garment cargoes, the block stacking area for the picking area and ready to release for the shipment. Because to fulfill the maximum height of the building will using the double stack design combined with racking system and hanger system. Also using the U-shaped layout to arrange the operation flow, to improve the utilization of dock resources and facilities he cross-docking for outsource finished goods to saving the time and avoid the inefficiency. (276 words) 751 words 2. Facilities planning and materials handling After the warehouse layout and design, the other most important decisions for a warehouse operations management to arrange facility

planning and how to increasing the effective capacity and minimize aisle space. Because the planning aim for reduce number of time products handled and develop effective working conditions to reduce movement involving manual labor and the main thinking to reduce cost. Warehouse management system (WHIMS) to operating processes and speed up all warehousing functions.

It can be operate all documents and information flow, including receiving order, delivery order, inventory record, location allocation, releasing order etc. It is usually investigation with larger and more complex distribution operations. The WHIMS development to optimal capacity of warehouse operation for the industry to deliver the right goods at the right time, in the right place and do the right thing at the right cost, to increasing distribution efficiency by shorten lead time and reduce the uncertainty.

So for the target attechnologyrelated savings, productivity benefits and business process enhancements enabling the great return on investment. The captioned graphic (Figure 3) showing WHIMS operated functions in the warehouse and helping the logistics process. It is including the warehouse layout design, storage data information, operations flows and stock record section, through the information transaction in WHIMS with other additional tools (RFC, barricading, resource management etc. , the objective for WHIMS to provide systematic and computerized procedures to handling the logistics flow. It also helping to monitor the progress ensures the timely report andcommunicationbetween the productions and operations sections for the data analysis. Besides the WHIMS for a retails fashion warehouse, there

should have some equipments and tools to handling the cargo movement in the warehouse, for ensure the products handle at faster and smooth for the flow to assist the operational efficiency. (307 Words) 2. Full automation advantage On the other hand, some warehouse are using fully automatic mechanism to help the workflow, the products are moved from/to the locations with a automated conveyors, using the audio frequency (RFC) to arrange the sorting arrangement also with logistics automation software to tracking the cargo information to arrange pathway function and ensure the warehouse fully utilize the space. The WHIMS databases also helping to improve the efficiency of the warehouse and ensure the inventory levels have real time control and accurate view the inventory information.

The full automation to help the workflow to save time, labor and space, because the mechanization can be operate 24 hours and more accuracy, after that to gain the time efficiency and reduce mistakes (double handling) to improve the productivity. Because in a fashion industry is definitely a fast moving operation model, since they requested to keep accurate, vast SKU and fast marketing sense, so the quickly operations response will helping them to develop the business promotion and catch the consumer demand.

According to the captioned requirement for an industry, the state-of-the-art automatic system will help them to ensuring accuracy, efficiency and controlled cost. For example automatic serration system - Garment on hanger (GOGH) sorter is a practical system for fashion industries together with automated conveyor it is very helpful for the pick pack arrangement. Ezra using the auto labeling system to ensure the shipping mark on the

carton and through the WHIMS information to optimizing to arrange the loading operations.

The automatic hanger system and location system to guarantee the cargo move to/from right locations and also with Radio frequency identification (RIFF) is one of the powerful mechanization and technologies for the supply chain management. From year 2004, Marks Spencer (MS) was trial run the RIFF system to track clothing from distribution centre to retails store and year 2006 have 53 stores used, to track menswear and inventory control with bile RIFF readers. Year 2010 news from twitched. Com, MS used at least 800 million of tag for the RIFF system.

The RIFF tags to help to achieve the 100 stock accuracy by ensuring the right goods at the right size in the right store to meet the customer demand. Mr.. James Stafford, head of clothing RIFF at MS said that the RIFF is a good examples to prove that the new technology how to increased the business efficiency and customer services. (399 words) 706 words 3. 1 Information Technology (IT) in Sara warehouse Ezra is the leader of fast fashion in the world. She is holding by Inedited Group from Spain. The annual report 2009 mentioned Ezra represented approximately two thirds of Inedited sales.

Ezra have 1, 723 stores in 77 countries around the world at year 2010. Ezra located four distribution centers in Spain at cities (Figure 4) Artesia, Leon, Madrid Saratoga. The factories will send the finished cargoes to difference logistics center in shortest transaction time. They have over 20 factories for production in Spain and deliver with own railway track move all finished

cargoes to Artesia as a central logistical center to provide the distribution and cross docking functions (Figure 5).

So the warehouse manger needed to achieve the fast fashion process, and shorter order fulfillment time, to avoid the uncertainty and mishandling for the operations flow (Katz Abjure, 2005). According to Shannon action for inbound arrangement, the cargo direct transact to loading docks for outbound shipment, without inventory cost added. It is create more flexible optimization criteria, reduce the handling, and increase the operation efficiency for the warehouse management.

Cross-Dock Direct Ship in warehouse management, Figure 5 information from Oracle IT system can help the manager to achieve the fast, deed value and no mistake objective in the cross-dock function. The manager controlling the automatic equipments (for examples serration system, auto hanger system automatic conveyors) and WHIMS to help the order processing arrangement to speed up and managed the operations needed to squeeze the processing time in the warehouse, with Sara electronic integration the manager can catch up more data to planning the operation flows, flow the captioned IT system to achieve the objection for Ezra.

The Ezra concept to simply and easier the management, so the IT communicate information flow through the wholes supply chain parties (Figure 6) to improve the workflow and narrow down the operating time and reduce the human error. Figure 6 Ideal Operation Flow about the Ezra IT Sara store manager will place the new orders twice a week through personal digital assistant (PDA) and each delivery must have new models. Because

they own central warehouse, factories and designer team, so more flexibility and reacted to arrange the time schedules quickly and better manageable of whole supply chain arrangement.

After received the information from Stores will through internet and electronic data interchange (DEED') service to place the order to head quarter in Spain and at the same time Sara arouse will receive the pre-advice notice then they will proactively to arrange the distribution planning before the finished cargoes arrival logistics center. (424 words) 3. 2 Electronic Data Interchange (DEED') EDI advantage to catch up the data immediately to sharing the information to improve the supply chain performance, reduce the cycle time and lowest set up cost.

Because Sara warehouses need to achieve the operational efficiency so the EDI can be provide the greater flexibility and accuracy information for fine tuning for the operations flow. Ezra understands better operations planning through information transparency with the network linkage help to smooth distribution arrangement. The companyculturewith quick responses system with real time information as well as tailor-made Enterprise Resource Planning (ERP) system, to control and managed the business flow. The updated information all the way through EDI to track trace the orders processing and customer feedback with all stores worldwide. 121 words) 3. 3 Radio Frequency Identification (RIFF) For sure that, the technology of RIFF with barded support to bring more benefit for the business needed nowadays, so they using RIFF and arcade for the warehouse operations. The RIFF also called smart tags it is very useful for track trace the cargoes from

manufacture to warehouse to store to end user. Every check points can be provided the real time information and return the information into the system to ensure the inventory control or material requirements planning (MR.).

In addition, RIFF can be capturing all information in a lot of cargoes a second of time. To speed up the receiving and shipping functions in the distribution productivity, it can found out the lost, missing items at the same time, if he warehouse need to arrange the stock take arrangement then can be faster the also can be using for security threats for the retails store. The RIFF tags can be writing more data in the tags including the color, size, location, inventory etc. They through the reader will get all information from the handheld machines.

All up-to- date and accuracy information will automatically scan the data and help to reduce the cycle time. (205 words) 750 words 4. 1 Inventory Management for Ezra Other information about the Fabric Company - The garment manufacture will place the sizeable POP to Raw materials Company every year- To commit will place a retain quantities and materials (for example Rudyard cotton per month or physics Zip for 3 months or physics button per month), will let the raw material factory to prepare the raw materials first. Once receive the manufacture order will produce the difference pattern and color, normally they can provide the finished materials around 1 week. 5. Operations The main operational risks the Group has to face up to arise out of a potential difficulty in recognizing and taking in the ongoing changes in fashion trends, manufacturing, supplying and

putting on the market new models meeting customers expectation. The Group reduces the exposure to this risk through a manufacturing and procurement system that ensures a reasonable flexibility to answer to the unforeseen changes in the demand by our customers.

Stores are permanently in touch with the designer team, through the Product Management Department, and this allows perceiving the changes of taste of the customers. Meanwhile, the vertical integration of the transactions allows cutting the manufacturing and delivery terms as well as reducing the stock volume, while the reaction capacity that allows the introduction of new products throughout the season, is kept.

Given the relevance that an efficient logistics management has on the appearance of such risks, the Group conducts a review of all the factors which may have a negative impact on the target of achieving the maximum efficiency of the logistics management, to actively monitor such factors under the supervision of the Logistics Committee. 4. 3 KIT Objective Multi-pronged approach High quality, quick response, flexibility Attacks waste Anything not adding value to product (customer view) Exposes problems and bottlenecks caused by variability Deviation from optimum Achieves streamlined production (pull system) Reduced inventory

Simplified Execution Push system material is pushed into downstream workstations regardless of whether resources are available Pull system material is pulled to a workstation Just as it is needed KIT Characteristics A Fixed, Steady Rate of Production Uniform flow/communicated to vendors Mixed model, linear production Low Inventories Less space, investment

Uncover defects Small Lot Sizes Less WHIP Flexibility/Velocity Fast feedback Quick, Low Cost Setups Flexibility/Velocity Small lot sizes Layout U-shaped Cellular/flexible Preventive Maintenance Repair Worker pride/ownership Empowered Workers Multifunctional/Cooperative (Guerilla squad)

Flexible capacity High Quality Levels On-going production Small/frequent deliveries Product simplification Standardization Fewer part numbers/drawings Reliable Suppliers Dock-to-stock Much fewer in number Long-term relationships A Pull System of Moving Goods Request-based Kanata signal Commitment to Problem Solving/ Continuous Improvement KIT Advantage Use KIT to eliminate virtually all inventory Build systems to help employees produce a perfect part every time suppliers Eliminate all but value-added activities Develop the workforce Make jobs more challenging Reduce the number of Job classes and build worker flexibility

Reduce downtime by reducing changeover time Use preventive maintenance to reduce breakdowns Cross-train workers to help clear bottlenecks Reserve capacity for important customers Conventionalism Wisdom Strategic Attainability vs. costliest cost with acceptable quality, consistent quality zero defectInventoriesLarge inventories from Quality purchasing discounts Manufacturing economies of scale Safety stock protection inventories with reliable continuous flow deliveryFlexibilityLong minimum lead times minimum flexibility's lead times customer-service driven, much flexibilityTransportationLeast cost within acceptable arrive elaborately reliable service lavenders/charactering adversarial relationship's venture partnerships of Vendors [careerism avoid sole sourcing and dependency

exposure long-term open relationshipCommunicationsMinimal many secrets tightly controlled sharing of info Joint problem solvingGeneralBusiness is cost derivativeness is service driven 3. 2 3. 5 Order Management System Order-management system principal means buyers and sellers communicate information relating to individual orders of product. Effective order management enhances operational efficiency and customer satisfaction. Firms that lid order-management systems around full understanding of customer need can out-compete others. Firms tend to place corporate order-management function within the logistics area so as to achieve timely and accurate information of individual customer orders. Order management has become an innovator in exploiting new technological advances.