

MECCA BRANDS CASE STUDY

BOWEN STORAGE CUSTOM DESIGNED AND INSTALLED A MODULAR STORAGE SYSTEM FOR MECCA BRANDS NEW ONLINE WAREHOUSE USING SUPER 123.



BOWEN
STORAGE

CLIENT BRIEF

MECCA Brands is a high touch, high service beauty boutique, offering customers over 100 of the best and some exclusive — beauty brands from around the world. Products are distributed across Australia and New Zealand through 60 MECCA Cosmetics, MECCA Maxima and Kit Cosmetics stores, as well as website orders.

Due to rapid business expansion and substantial growth in online orders, MECCA Brands existing warehouse facility was literally bursting at the seams! Something had to be done to improve stock inaccuracy, throughput constraints, cramped conditions and overall poor performance of the current fulfilment system; all typical logistical issues experienced by growing retailers.

Bowen Storage was charged with the creation of an efficient storage solution for a new warehouse location, which would improve inventory accuracy, order fulfilment and stock rotation.

MECCA Brands required a storage solution to cater for bulk storage of incoming palletised goods, supplying the active picking and replenishment of 55,000 SKU's (Stock Keeping Unit) of beauty products for online and store despatch. Efficiency and scalability of fulfilment was critical to sustain the core business functions of:

- Store replenishment
- Online order fulfilment
- Planned store expansion program
- Planned new product releases





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OUR SOLUTION

Bowen Storage custom designed and installed a modular storage system for MECCA Brands new online warehouse facility, using the Metalsistem Super 123 shelving system.

After conducting an extensive on-site review, Bowen Storage installed a trial version of the Super 123 system at MECCA Brand's existing warehouse. Bowen then worked closely with supply chain consultant Xact Solutions to design and fit out the new warehouse – utilising the benefits of the Super 123 shelving system.

Over 500 bays of shelving, 25 bays of Carton Live Storage, and 100 bays of pallet racking were installed at the new warehouse location to meet the current and predicted short term fulfilment demands.

To improve inventory accuracy, every product line or SKU was allocated its own individual storage location. Every storage level was then designated by colour and number for faster identification and order fulfilment.

Dividers and drawers were used to improve picking and order fulfilment accuracy. Drawers were used to cater for the myriad of smaller sized items that were held in lesser quantities, such as perfume testers. Sliding dividers provided the flexibility required to easily adjust to fluctuating stock volumes and product size.

To improve rapid picking of fast moving product lines, including new product releases that require bulk distribution to all stores, Carton Live Storage (CLS) flow rollers were implemented. CLS operates on a first-in first-out (FIFO) principle, achieving perfect stock rotation for high volume items. The new CLS enabled fresh stock to be loaded from the rear, providing clear access to order picking activity in the pick aisle. Additionally order picking is now no longer interrupted by replenishment tasks.

Super 123 shelving was also used to create designated inventory zones and workstation areas, segregating key operating functions and allowing scalability for future fulfilment expansion.

Order packing and despatch workstations were designed using Super 123 shelving, and built with supporting hardware and consumables right at hand, to enable rapid order fulfilment.

Stow pallet racking was supplied to cater for storage of palletised bulk goods. Racking was oriented and configured to ensure efficient and safe stock replenishment to the CLS and static shelving zones.





CLIENT RESULTS

The new Super 123 storage solution maximised operational efficiency and delivered significant improvements in customer service for MECCA stores and online customers.

The new solution has delivered scalability – a critical requirement of the project. Future growth can be easily accommodated, as space and resources have been allocated for additional racking, shelving, CLS and despatch workstations to meet long term business objectives.

Additionally, the project delivered the following results:

- Daily order fulfilment rate increased by 25% as a direct result of the overall inventory storage and despatch solution
- Inventory accuracy increased from 80% to 95% due to individual storage locations for each SKU combined with a new RF Warehouse Management System
- Inventory rotation improved by up to 100% with the use of carton live storage for fast moving stock
- Product security and safety increased as bulk stock is now securely held in pallet racking, allowing forklift access to all pallet locations in an orderly and timely manner
- Staff productivity and morale improved through clarity of designated inventory zones and implementation of time efficient picking routes
- Despatch capacity increased by 60% with the provision of eight fully equipped workstations
- Store expansion program has been able to continue with six new MECCA retail stores opened since implementation, aided by the increased fulfilment capability of the new warehouse

THE PARTNERSHIP

Bowen Storage worked in close partnership with MECCA Brands and their supply chain logistics consultant throughout all stages of the project to ensure key performance objectives were achieved.

Importantly, trialling Super 123 in MECCA Brand's former warehouse provided the opportunity to test, modify and custom design an ideal inventory storage solution for MECCA Brands across all channels to market.

Project delivery and installation was managed by Bowen Storage across several stages, in coordination with the building developer, logistics consultant and MECCA Brand's relocation team.

Importantly, Stage 1 installation had to be completed in time for stocking and system implementation ahead of the peak Christmas trading season. Due to having the largest stock holdings of Super 123 shelving product in Australia, Bowen Storage was able to supply the entire static shelving requirement in just two weeks from order placement.

CUSTOMER TESTIMONIAL

"Bowen Storage was recommended to work with us on our new warehouse storage requirements. Bowen installed the Super 123 shelving solution which has made stock holding more flexible, as the shelves have sliding dividers to ensure space is maximised. The new storage system has made replenishing of stock easier giving us greater control over space efficiency. The CLS has taken stock rotation to a whole new level and replenishing stock does not hinder the pickers, as stock is filled from rear of shelving. Bowen Storage lived up to their reputation, delivering the project on time."

Paul Doolan
Warehouse Manager
MECCA BRANDS



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BOWENGROUP.COM.AU

E • solutions@bowengroup.com.au

Melbourne (Head Office)

11 Ramage Street, Bayswater VIC 3153

P • 03 9721 5600 F • 03 9721 5622

Brisbane

26 Freight Street (cnr Trade Street), Lytton QLD 4178

P • 07 3823 7500 F • 07 3348 4644



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