

# Staci Helps 32 Degrees Scale Fulfillment to Handle Rapid Growth

32 Degrees is an apparel company whose clothes offer maximum comfort at a value price. The company sold only through retail channels until 2017, when it launched 32degrees.com. Since then, online sales have exploded. But early on, that growth was painful.

“We initially used our B2B fulfillment warehouse to handle B2C orders, but quickly realized that they could not handle the added complexity of direct-to-consumer fulfillment,” says Charles Lunden, VP, Strategic Planning, Operations and eCommerce for 32 Degrees.

That triggered a search for a B2C fulfillment company that could handle a high volume of very complex orders. 32 Degrees now averages 45,000 orders per month, and that number is steadily rising. The order profile requires a more complicated pick process, with about 5 different SKUs per order.

“With Staci, we have confidence that we can scale fulfillment to meet any growth trajectory.”



“Staci showed us a high-volume picking operation at its New Jersey fulfillment center that used voice pick technology,” says Lunden. “When we saw that, we knew we had the solution we needed.”

## Keys to Success

- **Scalability.** With the new voice pick system in full operation, 32 Degrees shipped more B2C orders on July 4<sup>th</sup> than it did on the previous Cyber Monday. Fulfillment is no longer a barrier to growth.
- **Adapting based on SKU-specific forecasts.** 32 Degrees proactively shares forecasts with Staci based on seasonal trends and upcoming promotions. Based on this data, Staci shifts faster-moving SKUs to forward pick areas to reduce travel time and pick orders faster. Says Lunden, “Staci regularly changes its slotting strategy based on the information we provide. That really improves our efficiency.”
- **Parcel savings.** A change from USPS to FedEx SmartPost using Staci’s lower rates yielded substantial parcel savings.
- **Close communication.** The relationship is highly collaborative. “Staci acts on the information we provide – not all 3PLs do,” says Lunden. And 32 Degrees will change its processes in response to a Staci request. For instance, 32 Degrees worked with its overseas vendors to group like SKUs together when loading containers. This significantly reduced unload and sort times at the warehouse.

## Results

- Improved scale and quality. Order volumes increased 150% with improved operational performance.
- Improved order accuracy from 90–95% with the former provider to nearly 100% with Staci.
- Saved 50% on parcel shipping costs after the initial shift to Staci’s parcel management program.

According to Lunden, “Our job in fulfillment is to support sales. The new solution with Staci can handle a high volume of very complex orders accurately and efficiently. As a result, we now have confidence that we can scale our fulfillment operation to meet any growth trajectory.”

