



CSCR



Lehigh CSCR Newsletter May 2018



DIRECTOR'S WELCOME

Welcome to our May issue of the Lehigh Center for Supply Chain Research (CSCR) newsletter. In this edition our focus is again on presentations that happened on the Spring Symposium that was just completed April 12 and April 13, here at Lehigh University. We had a very successful Spring Symposium with over 130 participants. Two of the presentations will be further highlighted in this issue. Carl Marcinkowski, is the Senior Vice President of Distribution and Logistics at Destination Maternity Corporation who talked about the evolution into E-commerce. The second presentation was by two CSCR board members.

Bill Donbar the Procurement Project Manager and William Negron the Logistics & Inventory Supervisor from Just Born Quality Confections Inc. discussed utilizing my MBA class for an experiential learning project to help identify the best locations for additional warehouses for Just Born.

Planning is also underway for our Fall Forum on Disruptive Innovations in the Supply Chain that will be held November 8 and November 9 at Lehigh University. Here is a link to our website.

<https://cbe.lehigh.edu/centers/lehigh-center-for-supply-chain-research/2018-fall-forum>

We are also looking for good topics that you are interested in learning more about or even good speakers who you would be interested in hearing present.

Zach Zacharia, Ph.D

Highlights from Carl Marcinkowski: Serving E-commerce - The Evolution of a Retailer



At the 2018 Lehigh CSCR Spring Symposium, we invited Carl Marcinkowski to share the journey of Destination Maternity and its evolution from traditional brick and mortar retailer to the e-commerce channel. Carl Marcinkowski is the Senior Vice President of Distribution and Logistics at Destination Maternity Corporation, the leading Maternity Apparel retailer in the US. He is responsible for numerous components of the Supply Chain, such as Distribution Operations, International 3PL Operations, and US Customs Compliance.

Marcinkowski started his presentation by mentioning how the number of millennial women shopping online has grown rapidly in the past few years. More than half of millennial women use online channels as part of their shopping experience and 60% of them follow brands on social media to learn about new deals and coupons. Moreover, Destination Maternity noted their multi-channel shoppers make more purchases during their pregnancy than shoppers only purchasing at the store. Destination Maternity started their E-commerce website in 2008 and then re-launched their website with a mobile focus in 2015, which has brought a significant increase in sales to the company.

With almost 10 years of experience in e-commerce, Destination Maternity has learned valuable lessons along the way. For example, they learned mobile shopping is actually much bigger than people expected, as a recent study shows 75% of shoppers have used a smartphone or tablet to make product purchases. Then they also became aware of the fact that service is critical both online and at the store. Next, Marcinkowski spoke on current trends in the supply chain industry. As Marcinkowski mentioned, the supply chain is more complex right now. Since flawless fulfillment is expected by customers and organizations, inventory accuracy has become the key to success and facilities must prepare for not only "Speed Market" but also "Speed to Customer". In addition, as omni-channel has brought a huge impact on the other channels, such as wholesale, retail and international, how to balance these channels become critical. To meet the increasing needs of e-commerce as well as handle every aspect of distribution needs, Destination Maternity launched multiple websites like Motherhood.com, A Pea in the Pod.com, and DestinationMaternity.com and added more digital campaigns in the couple of years. In addition, they also installed new e-commerce and order management system platforms and are currently planning new platforms.



At the end of the presentation, Marcinkowski touched on the latest trend that new payment option will become available to make selling easier and buy online and pick up in store will become standard. For this reason, customers want to see everything in the stores and network and personalization across all channels will help build brand loyalty.

Highlights from Just Born: A Just Born Quality Confections and Lehigh CSCR Partnership Case Study in Seasonal Distributions Requirements Planning



At the past Lehigh CSCR Spring Symposium, we invited Bill Donbar and William Negron from Just Born Quality Confections Inc. to share experiences partnering with Lehigh's CSCR for an experiential learning and application project. Donbar is the Procurement Project Manager at Just Born Quality Confections Inc. and he has rich experience in external manufacturing, contract co-packing and merchandise sourcing. Negron is the Logistics & Inventory Supervisor at Just Born Quality Confections. He started his career as a Transportation Planner and continued into an international logistics analyst role, managing the shipping of industrial

equipment between borders to Mexico, Central and South America.

As the 9th largest candy company in the United States, Just Born produces 5 million Peeps and 110 million molded centers yearly. According to Donbar and Negron, Just Born organizes their manufacturing processes into two "value streams" molded and not molded and operates a centralized warehouse called "Confection Connection" to consolidate their distribution. Their challenges in customer demand timelines and alignment to their manufacturing and warehousing timelines creates the need for seasonal surge capacity in warehouses. "With demand timelines and customer forecasts being based on past Easter performance for next year's Easter, and our customers creating their demand plans in September, so we have to make our marshmallow and store product until we can distribute to our customers in our heaviest shipment months," Donbar said. "Nearly the entire Easter marshmallow season will ship out in approximately 8 weeks!". For that reason, Just Born needs seasonal surge capacity in warehousing. As Donbar and Negron put it, "customers of Just Born's iconic candy brands are all-over the country, and our distribution strategy must reflect it".

During the Fall Semester of 2017, Just Born partnered with the Lehigh CSCR and Professor Zach Zacharia's Logistics and Transportation Management MBA course. Students were challenged with a semester long project that analyzed Just Born Quality Confections customer and shipment data. Students were divided into 6 students teams and they were asked to develop a



suggested Regional Distribution Requirements Plan (DRP) by recommending warehouse network geographical locations and number of warehouse network sites for Just Born. Apart from that, students suggested square footage per site based on customer order profiles and current transportation lanes. The results from the project led to some different solutions. Each team created their own recommendations presentations and reports that included recommended warehouse network geographical locations and a recommended number of warehouse network sites with suggested square footage per site. “If you are interested in an experiential learning partnership that can help solve your business challenges, contact Dr. Zach Zacharia at Lehigh’s CSCR to learn more about membership benefits!” Donbar and Negron said at the end.

Check out our Facebook page to see the video from the 2017 Fall Forum and keep up to date on all upcoming CSCR events and news:

<https://www.facebook.com/LehighCSCR/>

Contact Us

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Learn more about the **2018 Fall Forum** here:

<https://cbe.lehigh.edu/centers/lehigh-center-for-supply-chain-research/2018-fall-forum>

Registration coming soon!