

COMPANY: SPORT CHALET, INC.
INDUSTRY: SPECIALTY RETAILER, SPORTING GOODS

VOICE-POWERED RESULTS:

OBJECTIVES

- ▄ Increase DC performance by increasing worker productivity, order accuracy and customer satisfaction.

RESULTS

- ▄ Productivity increased by 35% in put-to-store applications and by 15% in order selection.
- ▄ Decreased operating costs by switching from RF terminals to Vocollect Voice.®
- ▄ Reduced training from one day to hours, if not minutes.
- ▄ Achieved payback within nine months.

FUTURE IMPROVEMENTS

- ▄ Expand Vocollect Voice to receiving and quality control applications.



"I made a promise to our CEO that any purchase order that came through the dock by 10 AM would be loaded onto the trucks and shipped to the stores the same day. Vocollect Voice helps us achieve this; and, it gives me confidence that we can hit that goal every day because we're more productive across the board."

Steve Belardi

Vice President of Logistics
Sport Chalet, Inc.

Vocollect Voice Enables Sport Chalet To Keep Its 'Eye on the Ball'

In retail – like sports – speed and focus are king. No company knows this better than Sport Chalet, Inc., a leading operator of 47 full-service specialty sporting goods stores in California, Nevada, Arizona and soon, Utah. Founded in 1959, the company offers over 200,000 SKUs of products and services for the serious sports enthusiast.

When it comes to competition, Sport Chalet's focus is crystal-clear. "We want the hottest products in our stores faster than our competitors," said Steve Belardi, vice president of logistics. "We're considered the high end in sporting goods – offering products that are used to climb Mt. Everest to hosting a simple backyard barbecue. We want the best systems in place that will enable us to maintain our brand and superior reputation."

That's why Sport Chalet implemented Vocollect Voice – to achieve better management in its DC – not to mention maintaining a competitive edge in its markets.

The Challenge **Improve DC Management**

For Sport Chalet, the faster it gets products to customers, the better. The company doesn't see this as a challenge per se; but more of a corporate mission.

"We've been utilizing the HighJump™ warehouse management system (WMS) since 2003 to streamline our flow of information and inventory, and have consistently seen impressive results," said Belardi. "In early 2005, we started looking for the next thing in technology and we kept hearing a buzz about voice. I wasn't sure if voice would have a big advantage at Sport Chalet until Vitech, our strategic partner, showed me otherwise. They strongly recommended voice; and we trust their judgment, so we started investigating how it would work within our facility."

Vitech works with Sport Chalet to successfully apply systems engineering, delivering services that rein in risks inherent to development projects such as this. Vitech recommended a 30-day pilot to test Vocollect Voice in one area – its put-to-store operation. After two days of the pilot, Sport Chalet saw significant and immediate payback. "Vitech set up a pilot to mirror our put-to-store process and we saw how our workers were much faster and how the hands-free nature of voice allowed them to multi-task," said Belardi.

Sport Chalet realized a 35% improvement in productivity from its put-to-store pilot; and, according to Belardi, that was all the business case justification the company really needed. "When I saw voice in action, I was impressed with the focus it brings – workers no longer had to take eyes off their targets," said Belardi. "With RF terminals, they constantly had to look down, which was distracting. Voice made everything more efficient."

The Solution **Voice Improves Focus, Productivity and Accuracy**

With its pilot complete, Sport Chalet moved toward full-scale implementation of Vocollect Voice across two shifts. Stocking over 50,000 unique SKUs, and on a given day, shipping

"With voice, productivity increased by 35% in put-to-store applications and by 15% in order selection. We reduced operating costs because the voice equipment is more durable. We achieved payback in just nine months."

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30-40,000 items, the company manages over 20,000 lines per day in order selection alone. It also has units and lines coming from its put-to-store operation.

A phased implementation was recommended by Vitech in order to reduce the potential impact on daily operations. The first phase included 12 workers in the put-to-store operation and then moved to the order selection operation. Vocollect Voice is now utilized by 30 workers (30% of total staff) in the 326,000 square foot DC.

Sport Chalet relied on Vitech to manage implementation, and, according to Belardi, everything went 'like clockwork,' with the entire project – start to finish – being completed in just three months.

"With Vocollect Voice, we can do up to 35% more work with the same number of people," said Belardi. "We can maintain our building because we can move more products through our DC faster, which is a huge operating cost advantage. Voice works very well with our HighJump WMS and helps us achieve higher results."

The Results **Efficiencies Gained Across the Board**

Vocollect Voice has been deployed at Sport Chalet since February 2007; and for Steve Belardi, results can be boiled down to three key gains in its DC operations: productivity, accuracy and worker morale.

"How has voice helped? Let me count the ways," said Belardi. "Productivity increased by 35% in put-to-store applications and by 15% in order selection. We reduced training from one day to hours, if not minutes. Since the voice terminals are body-worn, operators don't need to handle them. Because the RF terminals were frequently dropped, they had to be sent in for repair quite often, which created downtime. The durability of the voice equipment has helped reduce our operating costs."

But perhaps even more important to Belardi is that he can fulfill crucial customer service promises. "I made a promise to our CEO that any purchase order that came through the dock by 10 AM would be loaded onto the trucks and shipped to the stores the same day," said Belardi. "Vocollect Voice helps us achieve this, and, it gives me confidence that we can hit that goal every day because we're more productive across the board."

And, according to Belardi, Vocollect Voice is having a positive impact on its workforce. "Our workers love voice – they're not as tired at the end of the day because it attaches to their belt, as opposed to RF guns, which strap to the wrist or are hand-held. So, there is less fatigue overall and a lot more focus, which helps with both productivity and order accuracy. Our workers are more enthusiastic about their jobs. Everyone thinks voice is pretty cool."

Sport Chalet has implemented voice in two areas; but it eventually wants to expand voice to some functions like quality control and receiving. "Again, if workers don't have to divert their eyes in order to read a screen, they're going to be more focused, and therefore, accurate," said Belardi. "For us, that's the main draw to voice. I like the fact that we can speed up our DC operations across the board."



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