

CASE STUDY



THE SPORTS AUTHORITY SCORES BIG WITH HIGH-SPEED WAREHOUSE CLASSIFICATION SYSTEM DRIVEN BY FIORANO ESB

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Rob Gleave Vice President of Architecture The Sport's Authority

CUSTOMER PROFILE

The Sports Authority, headquartered in Englewood, Colorado is one of the nation's largest full line sporting goods retailers offering a comprehensive high-quality assortment of brand name sporting apparel and equipment at competitive prices. As of April 30, 2005, The Sports Authority operated 393 stores in 45 U.S. States under The Sports Authority®, Gart Sports®, Sportmart® and Oshman's® names.

BUSINESS PROBLEM

The Sports Authority became the largest full-line sporting goods retailer in the United States in 2003. The company operates nearly 400 retail stores in 45 U.S. states, serviced by six distribution centers in Los Angeles, Houston, Denver, Chicago, Atlanta, and Burlington, New Jersey. While these centers have always adequately served the stores in their regions, The Sports Authority determined that the paper-based method of hand-filling orders was inefficient and could be improved through the use of more advanced technology.

"We have a high volume of merchandise that flows through our distribution centers, on the order of 70,000 cartons each day," notes Rob Gleave, Vice President of Architecture, Planning and Design for The Sports Authority. "This merchandise runs the gamut from small packaged goods to garments on hangers to large items like weightlifting equipment. We felt that with a high-speed, fully-automated picking and sortation system we could achieve the efficiencies we were seeking."

In March 2004, work began on a pilot project built around three different, yet interrelated picking and sorting systems: Put To Light, or PTL, a light and scanner-based technology that supports high-speed carton packing; Goods On Hangers, or GOH, an automated garment management concept that rapidly scans, counts and sorts individual garments; and an automated conveyor system that sorts and delivers merchandise to various in-warehouse "shipping lanes" for loading to trucks bound for individual stores.

While each of the three systems was completely computerized, their hardware and software platforms were discrete and in many ways incompatible. Altogether nearly 80 different databases were involved; in order for the systems to work together, The Sports Authority needed a way to coordinate and enable data flows between the various platforms. To solve the problem, the retailer turned to Fiorano ESB™, an Enterprise Service Bus (ESB) solution from Fiorano Software.

SOLUTION

Fiorano ESB is a web-services capable middleware product that allows companies to link applications and processes throughout the extended enterprise. With Fiorano ESB, companies can integrate a long list of otherwise incompatible technologies - from Web Services and .NET to Enterprise Resource Planning (ERP), J2EE and legacy applications—using reliable, event-driven messaging based on a standards-based Service Oriented Architecture (SOA).

With Fiorano ESB, Gleave and his team felt they could achieve the reliable, loosely coupled communication design they wanted. "While we have an AS400 supporting our host applications at the corporate office, the three distribution center systems employ Linux and Windows 2000 servers using a



combination of Oracle and SQL Server databases. With a message-based architecture we can easily upload data in a usable format. Even if a server is down at the far end, the data will be preserved until the system is back online."

Implementation of the service bus technology was smooth, according to Gleave. "We had small issues here and there with the project as a whole, but usually those had to do with third-party software, not the ESB. Fiorano was there to consult with us whenever we needed it," he noted.

BENEFITS

Within several weeks, the messaging transport was in place. "Fiorano ESB enables pick messages to be issued in a single format that all three systems understand," said Gleave. "The technology enables the systems to operate at high speed, for example, processing up to 6,000 garments per hour in the garment processing area."

Since its initial rollout in July 2004, The Sports Authority has installed the ESB-enabled picking and sortation system in three of its six distribution centers, with the fourth scheduled to come online in the summer of 2005. In addition to the higher speeds made possible by the new automated solution, accuracy has also improved, creating a significant improvement in overall order fill performance. The smaller picking stations also allow for higher processing volumes per square foot of warehouse space.

The Sports Authority is currently looking at adding a high speed cross-stocking capability which will increase the throughput of cartons through the DC even more. They are also planning to support hand-scanning of larger items like treadmills and believe that Fiorano ESB will give them a lot of long-term possibilities.

ABOUT FIORANO SOFTWARE

Fiorano Software (www.fiorano.com) is a leading provider of enterprise class business process integration and messaging infrastructure technology. Fiorano's network-centric solutions set a new paradigm in ROI, performance, interoperability and scalability. Global leaders including Fortune 500 companies such as Boeing, British Telecom, Credit Agricole Titres, Lockheed Martin, NASA, POSCO, Qwest Communications, Schlumberger and Vodafone among others have used Fiorano technology to deploy their enterprise nervous systems.

To find out more about how Fiorano can help you meet your enterprise integration objectives, visit www.fiorano.com or e-mail sales@fiorano.com