Gander Mountain is a leading specialty retailer serving the needs of outdoor lifestyle enthusiasts, with a particular focus on hunting, fishing and camping. The company provides a unique retail experience founded upon its "We Live Outdoors" culture and theme: The stores offer broad and deep assortments of competitively priced outdoor equipment, accessories, apparel and footwear, combined with expert services and a unique store environment.

The Challenge: Maintain existing distribution facility during tremendous growth
Gander Mountain's distribution center was near capacity and was facing double digit growth. Peak seasons severely challenged the operations staff and resulted in high operating costs, lower inventory accuracy and fulfillment issues. Any changes to be considered had to include the use of the current facility and very minimal downtime during construction and start up.

The Solution: Reconfigure operational flow
Exceed Consulting was hired to analyze and financially justify alternatives. The main focus of the chosen alternative was overall operations improvement, material handling redesign, and inventory put-to-store accuracy. In order to accomplish these objectives, most of the functional areas of operation had to be relocated to obtain a better flow. The moves were planned to allow for continued operations throughout the process.

After detailing the final conceptual design, the Exceed/Gander Mountain team released requests for proposals (RFPs) that addressed the material handling equipment (MHE) changes desired. These changes included the many relocations, reconfigurations and all new conveyor, put to light (PTL) system, and specialty storage areas. Once vendors were selected, Exceed led the installation, project management, and testing of each component.

The selected conveyor design provided a method to move product throughout the building via conveyor quickly and efficiently. It accomplished the desired cross docking with multiple dock induction points and software. The design also provided additional induction points in picking and put-to-store area, reducing the need for pallet jack movement. Finally, the shoe sorter accomplished sorting to dock locations and automatic confirmation, which greatly reduced manual labor. All installation and much of the testing was done on slower off-shifts to reduce interference with production.

In order to achieve the accuracy desired along with increased performance, put to light functionality was added in the put-to-store area. The existing shelving equipment was relocated and retrofitted with lights to reduce cost and minimize changes. The system was reconfigured to segregate outbound cartons for each store by department. A test plan was developed and executed to ensure that the PTL and base business system would function in concert to achieve the end goals. Operators now scan a carton of product delivered to this area. The appropriate lights in that area begin to flash, indicating how many units of that product are to go to each store.

The change in the conveyor system and the new PTL area created space to add more drive in and selective pallet rack. Other selective rack locations were reconfigured to allow maximum storage cube. The high security storage area was also expanded and totally reconfigured with narrow aisle storage and modifications to the security system.

The Results: Minimal operations impact, maximum results
- Payback is two years on the $2MM+ investment
- No operational downtime during construction and implementation
- Operator accuracy greatly improved