

Sara Lee Intimate Apparel | Printronix Solution Saved Sara Lee Intimate Apparel A Quarter Million Dollars in Fees

Profile

Sara Lee Intimate Apparel, headquartered in Winston-Salem, N.C., has a 70-year tradition of products with fashion, fit, comfort, quality and design. Its founders, Sam and Sara Stein, launched its Bali business in the mid-1920s by combining new raw materials with changing fashion trends accentuating shape. Playtex was developed by a Dupont Chemist after WWII. Sara Lee Intimate Apparel was formed in the late 1980s from the purchase of these two companies. The company's flagship Bali and Playtex brands, as well as newer Wonderbra and Barely There lines comprise a powerful department and specialty store presence, while its Hanes Her Way, Just My Size and Lovable brands combine to bring superior styling to the mass merchandise market.

A sub-division of Sara Lee Branded Apparel, Sara Lee Intimate Apparel manufactures and distributes more than 70 percent of the intimate apparel sold retail and private label in the United States. Because of the differing distribution requirements in the retail markets, the company operates two separate facilities in Kings Mountain, N.C. Combined, the company distributes more than 720,000 garments a day, via 36,000 outbound cartons, to thousands of customer locations, including JC Penney, Kohl's, Macy's, Mervyn's, Sears and Wal-Mart.

Bar code labels are affixed to each garment and carton the company ships. Sara Lee Intimate Apparel department store and mass retail customers have strict requirements regarding the quality of the bar code labels to facilitate tracking through the supply chain. If a label is not in compliance with the customer's standards, fees are assessed against the manufacturer's invoice. Not only does the supplier incur additional expenses, it runs the risk of significantly impacting its reputation for quality and ultimately under-delivering on its promise to its customers. In the case of Sara Lee Intimate Apparel, fines for low-quality bar code printing were costing the company more than \$225,000 per year before aligning with Printronix.

The company manufactures 90 percent of the products it sells. The products are made in nine separate facilities in the Caribbean Basin to ensure patent security. The company was checking bar-code quality manually, which resulted in costly errors as well as excess time and labor. They needed a streamlined system to scan the product and make corrections online.

Situation

- Improve bar code label quality for all products shipped to department store retail and mass retail customers
- Leverage technology to track quality and control inventory overseas

Improving the quality of its bar code printing to 100 percent verification was of great importance to Sara Lee Intimate Apparel. With its employees visually validating the bar codes on its 36,000 shipments a day, labels that were smudged or otherwise unreadable often were overlooked. The company urgently needed a streamlined scanning solution that would eliminate mistakes and reduce the costly labor hours spent reviewing the bar codes. Sears, one of its largest customers, sent the company a letter regarding compliance issues and fees. The company urged Sara Lee Intimate Apparel to consider a Printronix technology solution.

Sears and Printronix Professional Services jointly developed a complete solution that the retailer could recommend to its suppliers, which would enhance bar code quality, comply with the retailer's standards and eliminate unnecessary fines.

Results

Printronix recommended its T5000e thermal printers with Online Data Validation (ODV™). To streamline printing and reduce the training required by workers, the Printronix team provided the following:

- A high-performance thermal printer designed and built to withstand harsh industrial environments
- Support for heavy-volume 24/7 batch or on-demand label printing applications
- Migration from legacy applications with TN5250/2370 Ethernet option to eliminate outdated Twinax or Coax and maintain job control with the speed and efficiency of Ethernet
- Printronix Printer Interpreter (PPI), which provides data stream compatibility and seamless upgrades to thermal printers from Zebra or TEC legacy products
- ODV, a closed-loop validation system that ensures 100 percent bar code label compliance and eliminates compliance fines
- ODV Data Manager software that provides detailed bar code data analysis for diagnostic and tracking

Migrating Sara Lee Intimate Apparel to the new Printronix solution was a seamless transition because the company did not have an elaborate technology solution in place. The company owned 115 outdated competitive printers for use in the two facilities: 40 of the printers did all of the work, 35 were out of commission and the remaining 40 printers were cannibalized for parts. The printers were networked but did not offer integrated online capabilities. Sara Lee Intimate Apparel needed a minimum of 10 printers and a software solution capable of handling its high-volume printing and verification to transition without a significant lapse in production.

For Sara Lee Intimate Apparel, one of the most compelling aspects of the Printronix solution was its ability to store data. With a database of print quality information, the company could better manage customer claims.

During a two-month test period, Sara Lee Intimate Apparel experienced a 90 percent drop in bar code failure. (Note: the 10 percent remaining is attributed to damage during shipment and conveying.) Customer compliance fines during the test period totaled less than \$1,000 and the online data armed the company with necessary information to dispute inaccurate customer claims. Within 90 days, the company had recouped its investment and was compiling valuable data. In total, the Printronix T5000e thermal printers and ODV solution:

- Reduced label compliance failures
- Achieved a high scan rate of bar codes
- Reduced maintenance costs
- Produced high-quality print jobs
- Improved supply chain efficiency
- Reduced the overall cost of labeling
- Provided a database of production information

The company plans to replace all of its remaining legacy systems with Printronix printers as they fail.

Response

“The Printronix T5000e series is the best solution for our needs. Our bar code failure rate has dropped to next to nothing in three short months, and we’re saving hundreds of thousands of dollars in fees year over year. Above all, the Printronix sales team made the transition smooth and trouble-free.”

Brad Kennedy
Manager of Logistics, Sara Lee Intimate Apparel