CASE STUDY

Destination XL Group, Inc.

Manages Plus-Sized Challenges with NGC Extended PLM and EZ-Ship

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Customer:

Destination XL Group, Inc. is the largest omni-channel specialty retailer of big and tall men’s apparel. Through the expansion of this new destination concept, and the growth of its e-commerce platform, DXL is positioned for accelerated long-term growth in revenue and increased profitability. With more than 2,000 private label and name-brand styles to choose from, big and tall customers are provided with a unique blend of wardrobe solutions not available at traditional retailers. The retailer operates under five brands: Destination XL® (DXL®), Casual Male XL®, Rochester Clothing, ShoesXL® and LivingXL®

Challenge:

Destination XL Group, Inc. (DXL) caters to a highly diverse audience – big and tall men of many demographics looking for fashionable menswear in sizes that are not typically carried at other retail stores. Managing design and production is a plus-sized challenge, especially since many overseas producers don’t normally produce menswear with DXL’s specifications and sizes. In addition, DXL needed a way to reduce chargebacks and packing errors.

NGC Solution:

Extended PLM (integrated PLM and Global Sourcing/Supply Chain Management) and EZ-Ship Scan/Pack Solution.
Overcoming Big Challenges in Design and Production

DXL is the largest omni-channel retailer for big and tall men. While big and tall has been a part of the U.S. clothing market for decades, most retailers cater to this audience primarily by focusing on size over style; however, DXL prides itself on providing the widest possible selection of styles and sizes. The company expects to grow the number of its DXL stores to approximately 230 locations by the end of 2017. Through the expansion of this new destination concept, and the growth of its e-commerce platform, DXL is positioned for accelerated long-term growth in revenue and increased profitability.

With an inventory of large and uncommon sizes, DXL’s clothing often has to be specially made on runs outside of the regular scope of clothing manufacturers; the company needs to regularly communicate with hundreds of designers and manufacturers to ensure the specific size requirements hit shelves.

Angela Chan, SVP and Chief Sourcing Officer, explains, “We have a unique set of specs for every size we carry. Most factories don’t make these sizes, so that is a challenge. Everything we sell has some unique properties associated with it because of our unique market.”

For example, some products are designed with stretchable materials that allow optimal fit, and many shirts incorporate dry technology. All of that can make for very complex inventory challenges, especially since DXL carries more than 5,000 styles. 98% in 2015, vs. 85-90% before we implemented PLM and streamlined the work process.

NGC’s system has helped streamline DXL’s design and sourcing operations, ensuring that DXL’s products meet the needs of its diverse customer base of larger men. NGC’s Extended PLM software has brought new efficiency to the design process, and enabled much more frequent and timely communications with suppliers and more transparency, while getter better pricing and higher-quality products. As a result of this increased visibility and collaboration, DXL can make sure they have the right styles and sizes in the right stores at the right time. DXL’s on-time delivery, quality and compliance reached over 98% in 2015, vs. 85-90% before we implemented PLM and streamlined the work process.

“By restructuring how we work, information is streamlined and much more effective,” Chan said. “The workflow from the time our season starts to when we deliver the goods to our DC is all captured and reported, and our reporting is accurate and centralized. Everyone has visibility to their WIP tracking, calendar, development process, approvals and other information on their own devices through the Web portal.”
Reducing Chargebacks and Packing Errors for Big and Tall Shipments

After the successful Extended PLM implementation, DXL is now implementing NGC’s EZ-Ship Scan/Pack Solution. DXL will use EZ-Ship to reduce chargebacks and packing errors by validating the contents of each carton and shipment sent from the retailer’s factories.

NGC EZ-Ship interfaces with DXL’s SCM, ERP and EDI systems and allows for shipments to multiple Distribution Centers directly from the factory. The solution supports unlimited ASN and label formats, providing remote shipping sites with the flexibility to use a standard import and export data set that interfaces with any ERP, WMS or Distribution Center system.

“We pride ourselves in delivering what our unique customers need and want and EZ-Ship will allow us reduce chargebacks and packing errors, getting the correct products to each store and in the hands of customers,” said Chan.

“The benefits of NGC’s software are tremendous. We broke down silos with each internal department and were able to re-assess working processes. There’s no longer any need to sit through hours of production meetings to go through every process and every item on Excel spreadsheets.”

Angela Chan
SVP and Chief Sourcing Officer, DXL Group