Solution: Bamboo Rose Marketplace & Trade Solutions   **Industry: Specialty Apparel & Lingerie**

Case Study: American Eagle Outfitters

American Eagle Outfitters, Inc. is a leading global, multi-brand specialty retailer with sales of $3.52B. The company offers high-quality, on-trend clothing, accessories and personal care products at affordable prices under its American Eagle Outfitters® and Aerie® brands. The company operates more than 1,000 stores in the US, CA, MEX, CHN, HKG and the UK, with shipping to 81 countries worldwide through its websites.

AMERICAN EAGLE
OUTFITTERS
ae.com

Company Stats

Annual Revenue: $3.5B

Suppliers: 500 vendors, 29 countries

Sell Channels: Retail, online

Global Stores: 1,000+

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An American brand rooted in denim heritage and passionate about providing the highest-quality products. Influential, inspiring, inclusive, and fun: American Eagle is a style movement that's 40 years in the making. Through innovative fabrics and fits, they have positioned themselves as America's favorite jeans brand—and while jeans are their heart and soul, they also design a high quality assortment of apparel and accessories.

Results with Bamboo Rose

$2M
SAVINGS
3 WEEKS OUT OF
THE DESIGN CYCLE

95%
REDUCTION
COST OF INVOICE
PROCESSING

Using Bamboo Rose, American Eagle has grown from a $100 million company to a $3.52 billion in sales company that it is today, without needing to dramatically increase the size of its global sourcing team, instead the company has relied on Bamboo Rose Global Trade Management (GTM).

As well as reducing support and maintenance costs, specific benefits included:

- ➔ Three weeks out of the design cycle, where each week's reduction relates to $2 million savings

- ➔ Collaborative communication with more than 500 vendors in 29 countries resulted in eight days earlier visibility into factory readiness of product

- ➔ 95% reduction in the cost of invoice processing

- ➔ Attained Tier III Customs-Trade Partnership Against Terrorism (C-TPAT) status resulting in faster clearance of goods through customs agencies

American Eagle was able to take multiple systems that ran their business inefficiently and now has their team, including external merchants and vendors, on a single platform.

Explore the Challenges ➡

The Challenge

Keeping up with the changing tastes of millennials and Gen Z consumers requires the retailer to constantly refresh its clothing and accessories lines with on-trend products that can be replenished in season. Which means offering an ever-changing product mix. American Eagle has also been growing significantly over the past years: internationally, direct to consumer, online, and with its lingerie brand, Aerie. The company decided to focus on streamlining its complex global sourcing process to support its rapid growth. American Eagle decided to replace its old, tired sourcing and order management systems while unifying the product design, sourcing and merchant processes across its internal organization as well as across its more than 500 suppliers located in 29 countries around the world.

They did not however, want to rip and replace their legacy technology, nor were they interested in replicating and synchronizing information to yet another system which was occurring too often in non-integrated, disparate isles of information: designers created PDM tech packages; sourcing created spreadsheets for quotes; merchants kept the same information as sourcing and updated it as they chose the assortment; planning determined buys by style; and imports worked with customs and determined how to move goods most efficiently.

On the user side, American Eagle wanted to get software in the hands of its merchant community that they would embrace and be able to rapidly deploy across a supplier base that extended 10,000 miles. And finally, a key initiative of the CFO was to stop the organization from burying financial information and commitments in spreadsheets and emails that limited the organization's ability to have detailed visibility into key financial data and metrics. The end goal for American Eagle was to support global buying operations by providing one unified business process across design, sourcing, planning, merchandising and logistics with a single, online solution, accessible and viewable by the chain, its merchants and its vendors.

The Solution

American Eagle turned to Bamboo Rose for its global sourcing, retail product lifecycle management and global order management solutions. American Eagle uses Bamboo Rose to read, modify and add information relative to merchandise style specifications, product sourcing, costs, production status and financial plan information from American Eagle's PDM and legacy systems. Phase I of the implementation provided one unified view and interaction with product, production, order and logistics technologies for all players and suppliers.

American Eagle uses Bamboo Rose in the design and discovery phase to decide what to include in their collection. When the buyer is ready, order creation is automated via a simple process of select and build. Once an order is created, it is made available to the vendor, giving the vendor the ability to accept or make changes and collaborate with the American Eagle product team. The vendor responds to alerts to keep the production information updated and then, when the shipment is ready, uses Bamboo Rose trade solutions to create an advance ship notice, packing list and commercial invoice. This begins the shipment and tracking process, which continues through to the order's receipt. Phase II of the deployment allowed American Eagle to replace eight of their legacy systems transparently and with no disruption to the user base as they swapped out their old sourcing and order management systems to take advantage of Bamboo Rose's robust and expanded functionality.

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