

Wholesale fulfillment with a difference



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No matter whether you're an emerging or an established retailer, finding the right warehousing strategy is paramount. The location of your facilities affects not only your fulfillment costs and ease of getting inventory from A to B but also the ease of working with your 3PL partner.

Weighing up the pros and cons of a **centralized versus decentralized fulfillment strategy** can be a real headache for brands - especially if you also have to consider the unique needs of your wholesale partners.

Centralized fulfillment allows you to keep everything in one place for seamless management, but your facility must meet the Goldilocks formula: Not too big, not too small, and just the right location for nimble receiving and shipping.

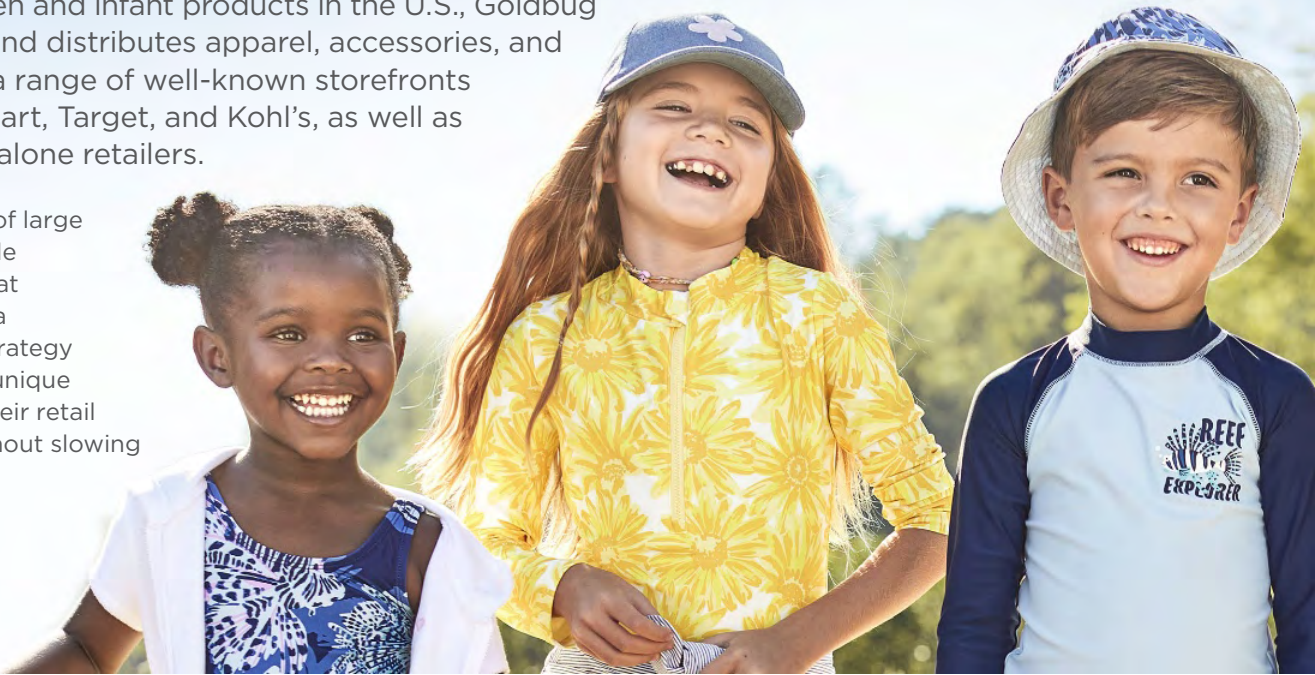
This is where a **wholesale fulfillment provider** with a strategic facility network can provide you with the best of both worlds. Thanks to their partnership with Ryder, infant and babywear brand Goldbug found the ideal warehousing strategy that met their wholesale partners' demands and enabled fast, effective fulfillment.



Goldbug: Innovative kids' apparel, footwear, and accessories since 1968

Goldbug was founded by Bill Gold after discovering a great pair of infant booties that he wanted to distribute more widely. Now one of the biggest names in children and infant products in the U.S., Goldbug manufactures and distributes apparel, accessories, and travel gear for a range of well-known storefronts including Walmart, Target, and Kohl's, as well as boutique standalone retailers.

This complex mix of large and small wholesale partners means that Goldbug requires a custom-tailored strategy that caters to the unique requirements of their retail relationships - without slowing fulfillment down.



Wanted: A strategic fulfillment location

Goldbug’s fulfillment network has undergone significant changes as the brand sought to find the optimal strategy to streamline warehouse management. Initially operating their own warehouse out of Denver and California, Goldbug found that this mix wasn’t quite meeting their needs.

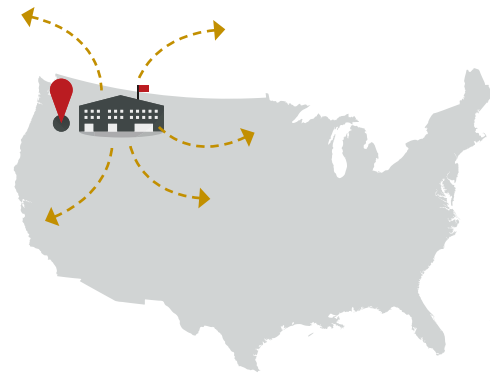
“We started hunting for a 3PL partner because doing business in California was proving to be difficult and expensive.” Says Brian Egging, Director of Outbound Supply Chain at Goldbug. “But we still needed a West Coast location, as this is where our imported goods come in from Asia. Initially, we partnered with two 3PLs in the Seattle area and shut down our Denver and California locations. However, this move wasn’t as successful as we hoped, and we ended up in the market for another 3PL.”

Armed with knowledge from their previous 3PL search, Ryder was already on Goldbug’s radar as a reliable, technology-led wholesale fulfillment provider. Their **Seattle location** offered Goldbug the perfect gateway. Strategically located between the Ports of Seattle and Tacoma, the 265,000 sq. ft. facility has the ability to handle receiving, storing, and processing in extremely high volumes.

“Our past experience with 3PLs has taught us that biggest isn’t always best.” Says Egging. “If a 3PL is too big to be flexible or customize its processes for your needs, it’s not going to be an effective partnership. We wanted a 3PL that was small enough to be collaborative, but large enough to have the resources and capabilities we needed. Ryder offered that happy medium for us.”

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Director of Outbound Supply Chain at Goldbug



Putting the pieces together

Onboarding at a new 3PL is a nerve-wracking experience for any business, but a wholesale fulfillment model can involve a much higher level of complexity than direct to consumer retail.

Each wholesale partner can demand a radically different fulfillment strategy to meet routing requirements and avoid costly chargebacks - all within the same facility. There's a world of difference between fulfilling orders for the likes of Walmart, which typically require massive orders but low SKU complexity, versus boutique retailers which place much smaller orders but with higher SKU counts.

To streamline this transition, Ryder was keenly aware that Goldbug's onboarding strategy needed to account for the unique movements of their wholesale partners:

"Goldbug's big-box customers, which include Walmart and Target, make up the bulk of their order volumes but involve very consistent full case picking." Says Tiffany Mills, Assistant Building Manager. "Smaller pick and pack customers are much more complex because they don't have such established sales patterns. A vendor could order 50,000 units per week, but none the next."

For this reason, Ryder elected to onboard Goldbug in two stages. They got the larger accounts up and running, before turning their attention to smaller wholesale partners. Onboarding these larger accounts first freed up the onboarding team to focus on managing those less predictable customers, who required careful management of staffing levels to meet demand.

For Goldbug, this transition was aided by their extensive experience in **switching 3PLs** - and understanding the risks of trying to do too much, too soon.

"There's definitely been cases in the past where we've overwhelmed our 3PL by moving up deadlines." Says Egging. "Ryder was great at setting expectations and never made a promise they couldn't keep. They are just as invested in our business being successful as their own."

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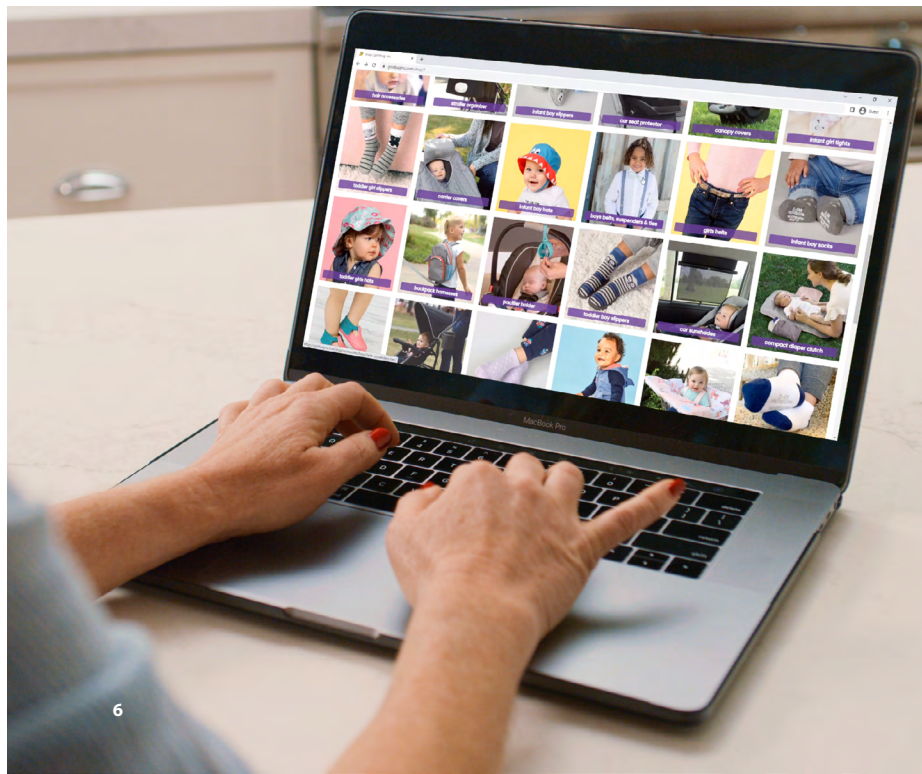
A non-traditional sales cycle

Unlike most product categories, infant and kids apparel doesn't follow the classic end-of-year peak season model. Babies are born year-round and necessitate certain purchases, meaning that Goldbug benefits from a very consistent level of demand.

"While we don't have a peak season as such, we do experience a big spike in orders from our wholesale partners that coincide with the release of our New Spring and Fall collections." Says Egging. "This is when we really need a partner who can be nimble and manage extremely high volumes without falling behind."

Nimbleness is a major point of focus for Goldbug moving into the future. Like all brands, Goldbug is getting to grips with a landscape that's continuing to shift after the seismic impacts of COVID-19 and the resulting supply chain crisis. With plans afoot to expand its warehouse footprint and move into new markets, Ryder supports Goldbug every step of the way.

"Ryder has made sure we are well-positioned to move into additional facilities in the future, including their Savannah location so we can reach the Central and South American markets more easily," says Egging. "They offer us a true partnership in every sense of the word, and we have full confidence in their ability to grow with us."



About Ryder System, Inc.

Ryder System, Inc. (NYSE: R) is a leading logistics and transportation company. It provides supply chain, dedicated transportation, and fleet management solutions, including warehousing and distribution, e-commerce fulfillment, last-mile delivery, managed transportation, professional drivers, freight brokerage, leasing, maintenance, commercial truck rental, and used vehicle sales to some of the world's most-recognized brands. Ryder provides services throughout the United States, Mexico, and Canada. Ryder is regularly recognized for its industry-leading practices in third-party logistics, technology-driven innovations, commercial vehicle maintenance, environmental stewardship, corporate social responsibility, world-class safety, and security programs.

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