

Thinking Rugged: Apparel Company Helly Hansen Picks LXE Hardware.

CASE STUDY

HELLY HANSEN works hard so you can play harder.

Helly Hansen provides high quality, protective technical gear for work survival and sport. They work and play in the harshest environments on the planet to learn what's needed to create the best rugged clothing and gear possible. They combine real-world consumer input with environmental research, design accordingly and the result is superior gear for work, survival and sport.



In the past, an advanced conveyor system shuttled picked-orders across Helly Hansen's Auburn, Washington warehouse, helping to ship its high quality, protective technical gear for work, survival, and sport to everyone from individual sports enthusiasts to large retailer warehouses.

Fast-Forward to Better Times

Then Helly Hansen scrapped all that for LXE MX7 handheld computers and a Cisco wireless network, boosting productivity 30% and reducing costs by a staggering 50%.

"It took up too much space," explains Andrew Weiland, warehouse process specialist at Auburn, WA-based Helly Hansen. Pickers would place cartons on the conveyors bound for a quality control area, where a second worker verified order accuracy - meaning two people touched every pick. "We found we could save money by going to RF."

Weiland and his colleagues modified the company's in-house developed warehouse management system to accommodate radio frequency and deployed a Cisco 802.11b wireless network throughout the 65,000-square-foot facility, which holds 12,000 SKUs of its rugged apparel. They also undertook a warehouse redesign that included not only ripping out conveyors, but rethinking item locations and business processes.

Weiland knew selecting the correct handheld computer was critical to attaining the savings Helly Hansen anticipated. "Once you go RF there's no going back," he says. "Support is definitely a big thing. Ease of use and the people you have in the tech support department are very important" to keeping the units at maximum productivity.

Helly Hansen's European distribution center was already a satisfied LXE user, but Weiland wanted to survey the full array of handheld computer brands

before selecting a solution. Some couldn't accommodate Helly Hansen's need to use Citrix to interact with the company's warehouse management application, while others had bad word-of-mouth about their support. "I heard you send a unit for repair and you don't get it back for a month. I can't deal with that."

A Rugged Solution Surfaces

LXE came out on top, not only meeting these needs but also accommodating the warehouse's temperature extremes and need for durability - some equipment is toted up to slots 20 feet high. Weiland liked the LXE unit's rugged design.

"We wanted something easy to use," Weiland says. "We have a lot of temporary labor here," to accommodate the company's peak season in early fall. "With the LXE you slap in a battery, turn it on and you're up and running. The touch screen makes it a lot easier to enter data, and people prefer it to using the keypad."

But support was at the top of Weiland's list. "The service plan LXE offers is amazing," he says. "If a unit fails I send it in and a week later I have it back, no matter what. If I want a replacement unit I have it. To me that means not losing money, which makes my bosses happy."

Implementing LXE's MX7 and MX3X computers along with the RF network and warehouse process changes had a dramatic impact on Helly Hansen. Previously pickers averaged 20 picks an hour, and a second person checked the pick. Now, picks average 30 an hour - a 50% increase - and the quality control staff has been eliminated.

"Especially in our busy time, in those three months



LXE

we save a tremendous amount of costs because we have half the staff and pick 50% faster," Weiland says.

Accuracy is up, and Helly Hansen staff can now perform cycle counts because they can pinpoint the location of every box and every item at any given time. That same information smoothes out vendor issues, since errors are discovered more quickly and each box is carefully tracked. The company can also better evaluate the productivity of individual workers.

Weiland is constantly reevaluating warehouse operations to tweak efficiency. Helly Hansen is considering expanding LXE computer use, now in place for receiving, putaway and picking, into the shipping area and perhaps eventually removing the shipping stage altogether.

LXE computers may also be pressed into service to reassign pick slots from "golden" to clearance locations as demand wanes, boosting inventory control and maximizing use of optimal warehouse space. Helly Hansen's Vancouver warehouse will possibly deploy the full solution, including LXE computers, in 2008.

"The hard thing about our warehouse is, we need to cater to everybody and make it as efficient as we can," says Weiland. Quality hardware and support is critical to ensuring Helly Hansen's warehouse continues to run smoothly. "The MX7 is a very solid unit and can take a lot of use. It's a rugged machine that does not fail us," he adds. But should that occur, "It's great to have somebody there at all times."

The logo for LXE Inc. features the letters "LXE" in a bold, blue, sans-serif font. A registered trademark symbol (®) is positioned to the upper right of the letter "E". Below the text, there is a stylized blue swoosh that curves under the letters.

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Based in Norcross, Georgia, LXE also offers a full range of turnkey services, including radio integration, project and installation management, network design, technical support, and repair services. LXE is a wholly-owned subsidiary of EMS Technologies, Inc. (NASDAQ: ELMG), and has offices worldwide. For more information, visit www.lxe.com.