



Manhattan Associates Labor Management Solution Allows Retailers to Forecast Holiday Labor Needs

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LMS allows companies to forecast number of employees needed down to day, shift and job

ATLANTA, Ga. — December 18, 2007— Global supply chain solutions provider Manhattan Associates, Inc. (NASDAQ: MANH) has released the first labor forecast/optimization application designed specifically for the needs of distribution managers. Manhattan's new labor forecast/optimization functionality, embedded in the industry-leading Labor Management Solution (LMS), enables distribution managers to forecast the number of employees required to perform estimated work down to the day, shift, job and zone level.

The holiday season is a critical time of the year for retailers, who depend on operational excellence to get the right product to customers at the right time. This new functionality takes historical volumes and translates them into forward-looking labor forecasts, allowing a distribution manager to control costs and increase productivity by optimizing the balance of regular, overtime and temporary labor to ensure workers are on hand when needed. In addition, the LMS can identify where shortages or overages exist and send alerts well ahead of time, enabling the distribution manager to take corrective action.

"Optimizing labor is quickly becoming one of the most significant challenges facing distribution operations," said Jim Tompkins, president and CEO of Tompkins Associates, a leading supply chain consulting firm. "Manhattan Associates' innovative approach to providing visibility to future demand is a huge step toward solving the labor optimization problem."

According to a recent study by the U.S.-based Supply Chain Consortium, increases in peak versus non-peak volumes range from 15 to 300 percent depending on the company and vertical market. The study found that companies paid twice as much in overtime and temporary labor costs during peak months compared to non-peak months.

"Warehouse staffing has been traditionally reactive, based on upstream planning processes and volatility of demand," said Peter Schnorbach, senior director of product management at Manhattan Associates. "There has been no reliable way for distribution managers to plan their labor resources. When volumes rise, managers increase overtime and temporary help, because they have no choice."

The Supply Chain Consortium found that the average temporary distribution employee requires between 20 and 96 hours of training. When managers can see and predict incoming work—even in the short to moderate term—they can plan their labor needs in advance, ensuring that their workforce has the training to be productive, without torpedoing the warehouse labor budget.

"By predicting the need for temporary workers, managers can eliminate premiums for immediate staffing while scheduling shifts that utilize employee time most effectively," continued Schnorbach. "Together, these improvements have impacts far beyond the warehouse as they reduce the cost of goods sold and increase overall profitability."

About Manhattan Associates, Inc.

Manhattan Associates® provides global supply chain solutions to organizations that consider supply chain software, processes and technology strategic to market leadership. The company's software portfolio includes five key Supply Chain Solution Suites: Planning and Forecasting, Inventory Optimization, Order Lifecycle Management, Transportation Lifecycle Management and Distribution Management. More than 1,200 customers worldwide use Manhattan Associates' global supply chain solutions to enhance profitability and build sustainable competitive advantage. For more information, please visit www.manh.com.