IBM

Duck Head boosts sales and enhances B2B relationships with help from IBM.

Overview

- **Application**
  B2C and B2B Web storefront selling casual clothing for men and boys

- **Business Benefits**
  100% ROI within 6 months; 25% increase in sales every month; 50% reduction in shipping time
  For resellers:
  20% expected reduction in order processing costs

- **Software**
  IBM WebSphere® Commerce Suite; IBM DB2® Universal Database™ for AS/400®; IBM WebSphere Application Server; Lotus® Domino™; IBM Net.Data®

- **Servers**
  IBM AS/400

- **Services**
  IBM Global Services

Innovation and a dedication to quality are what make Duck Head one of today's most popular clothing lines.

It's been over 100 years since the O'Bryan Brothers set out to develop clothing for the young men working to rebuild America after the Civil War. The challenge? To produce a line of men's clothing durable enough for the task, yet affordable to the men who would labor in them.

The brothers found their answer in a closely-woven fabric called "duck"—a material traditionally used to make tents. The khaki-colored pants made from duck didn't look or feel like any other clothing. Soon, demand exploded, and the brothers rushed to patent both the design and the Duck Head brand.

"In these difficult times for Web-based companies, our IBM e-business infrastructure is setting us up for long-term revenue growth, market expansion and a better way of doing business with our partners."

–Henry Greene, Chief Information Officer, Duck Head

e business

Today, this spirit of innovation and customer value continues at Duck Head—a $53 million-a-year clothing manufacturer with headquarters in Winder, Georgia. From the beginning, Duck Head's success stemmed from its ability to adapt to the changing demands of its primary market—18-to-24 year-old males. These days, young men are more likely to be at ease operating a computer than a plow, yet their interest in Duck Head's khaki pants continues as before. They are attracted to the product's rugged good looks and durability.

With more and more young people shopping online, Duck Head found itself among thousands of businesses vying for the attention of young, male consumers. But grounded by years of business experience, Duck Head quickly recognized that merely implementing a catalog of products online was not enough.

Duck Head khaki pants are a mainstay with young men across the country.

Duck Head knew that being an e-business meant integrating an online channel with backend business processes, such as inventory management, shipping and fulfillment applications. The company saw many of its competitors' new revenues quickly being absorbed by the costs of building separate systems for the new channels. Duck Head also saw the Internet as an opportunity to establish new, more efficient business relationships with its partners—bringing unprecedented savings and new opportunities for growth. To achieve these goals, Duck Head initiated a search for a vendor who could provide the expertise and comprehensive, end-to-end solution the company was looking for.

After reviewing multiple offers, Duck Head chose IBM because of its ability to plan and develop a truly integrated solution. "All of the other vendors kept adding more and more products to the mix to create the integration," says Henry Greene, chief information officer, Duck Head.

"Our challenges are to continue to build customer loyalty, provide better services and offer high-quality products at a moderate price. Our WebSphere and DB2 solutions give us the foundation to do this now and long into the future."
–Henry Greene

"Our IBM infrastructure seamlessly integrates all of our core business processes and also opens up far more efficient ways of doing business with our distributors and shipping partner."

Duck Head's new Web storefront integrates all front-end transactions with the company's warehouse and shipping applications. Customer orders are automatically routed to the company's shipping carrier—creating a far more efficient process. Soon, a new B2B procurement process will allow resellers to replenish their inventories through customized Web portals linked to the site.

The online store was developed with IBM WebSphere Commerce Suite, IBM WebSphere Application Server, IBM DB2 Universal Database, Lotus Domino and IBM Net.Data. The entire solution resides on three IBM AS/400 servers. IBM Global Services helped Duck Head design the architecture, install the software and develop the electronic catalog. IBM Global Services also provided educational services to Duck Head IT personnel to help them maintain and manage the site.

Duck Head's IBM e-business infrastructure has set the stage for extraordinary growth.

The entire development cycle for the new site took only six weeks, and results so far have been impressive. Duck Head achieved a full return on its investment within six months and is currently seeing online sales rise by 25 percent each month. Moreover, the new B2B distribution process will slash order costs for its resellers by 20 percent. By integrating with its shipping partner, customers are receiving their orders 50 percent faster.

Says Greene, "In these difficult times for Web-based companies, our IBM e-business infrastructure is setting us up for long-term revenue growth, market expansion and a better way of doing business with our partners."

Complete enterprisewide integration
Duck Head's electronic catalog was developed with WebSphere Commerce Suite and stores product information using DB2 Universal Database running on an AS/400 server. When a customer fills out a purchase form online, Net.Data transfers the information to a backend installation of DB2 Universal Database, which manages the company's core inventory system. Here, Duck Head's order management application accesses the new order, generates an order control number and routes both to the warehouse management system. Employees working in the warehouse can then pull the order, package the product and prepare it for shipping.

The warehouse management application triggers a Java™ technology-based shipping application, powered by WebSphere Application Server, that automatically generates a tracking number, pulls out product and customer information from DB2 Universal Database and routes the information to Lotus Domino on an AS/400 server. Domino generates an automatic e-mail response that includes the order information and a tracking number so that customers can check the status of their shipments.

Better B2B relationships
One of Duck Head's major distribution channels is small, specialty stores in lightly populated areas. But many of these stores are meeting intense competition from larger, mass merchants. Duck Head wanted to establish an online store that would not only drive sales in the consumer market, but also provide a more cost-efficient process of selling its products to these retail outlets.

WebSphere Commerce Suite offers Duck Head the ability to create defined user groups, such as a group of retailers, each of which can be assigned a discount code. Duck Head will soon be developing separate B2B storefronts that will allow retailers to enter a code, receive a wholesale price and have their new inventory delivered within a few days.

Greene says, "WebSphere Commerce Suite is pivotal in enabling our smaller customers to leverage today's cutting-edge, e-business technology in the face of increasing competition. We feel that this new solution actually helps boost growth among the smaller stores."

Personalization features for future growth
Duck Head also plans to develop data mining applications to help analyze the extensive data it has collected on customer purchasing habits. "The data mining capabilities in DB2 provide a great way to integrate business intelligence with customer-focused e-business," says Greene.

WebSphere Commerce Suite will allow Duck Head to easily refine its site based on new findings to provide a more customized shopping experience. "Our challenges are to continue to build customer loyalty, provide better services and offer high-quality products at a moderate price," says Greene. "Our WebSphere and DB2 solutions give us the foundation to do this now and long into the future."

For more information
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