

NORDSTROM

Reimagining Our Approach to Supply Chain

December 5, 2019



Our business is focused on serving our customers and is built around our people, products and physical locations. Our people bring each experience to life, our products inspire a sense of newness and discovery and our locations are in top retail markets as well as in our customers' neighborhoods.

Every location should be able to provide customers with what they want and on their terms. To help accomplish this, retailers must abandon the "one-size fits all" approach to supply chain. We're reimagining our supply chain to better enable this shopping experience, while also making the entire process seamless and operationally simple for our employees. The first critical component is connecting inventory across our stores and facilities within a market so customers have access to a larger selection of product, faster. The second component is addressing our approach to the facilities themselves.

On the west coast, we've implemented a combined solution of Attabotics and Tompkins Robotics to modernize the storage and sortation of these products that uses up to an estimated 90% less footprint within our facility. This technology allows us to store and sort our product more efficiently, ultimately getting these products into the hands of our customers faster. It also enables our employees to focus on what's most important for our customers, which is inspecting the product quality, order accuracy and packaging before these orders are shipped.

Attabotics is the first piece, mastering the art of storage and retrieval. The Attabotics structure is able to house aisles worth of products in a compact space and is highly flexible so it can fit into a variety of spaces and can adapt to changes in customer demand. Then comes Tompkins Robotics, which utilizes small autonomous robotics to sort the products by orders, shipping destination and shipping timing.

We've had valuable learnings from implementing this solution in our San Jose facility to fulfill west coast beauty orders and will soon be expanding this solution to our new Local Omni Hub facility in Torrance, California, to further support the LA customers in our largest market. We hope that this technology will continue to get our customers the right product at the right place at the right time as well as reduce out of stocks, extended fulfillment and shipping delays. We look forward to seeing how we can continue to leverage this technology to fulfill customer orders and replenish store inventory even more efficiently.