

FORTNA

Customer Success Series

Efficient Omnichannel Processing Increases Capacity of TFG Limited in South Africa



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TFG has selected FORTNA as its strategic partner to optimize omnichannel fulfillment through intelligent automation and software—setting new benchmarks for efficiency,

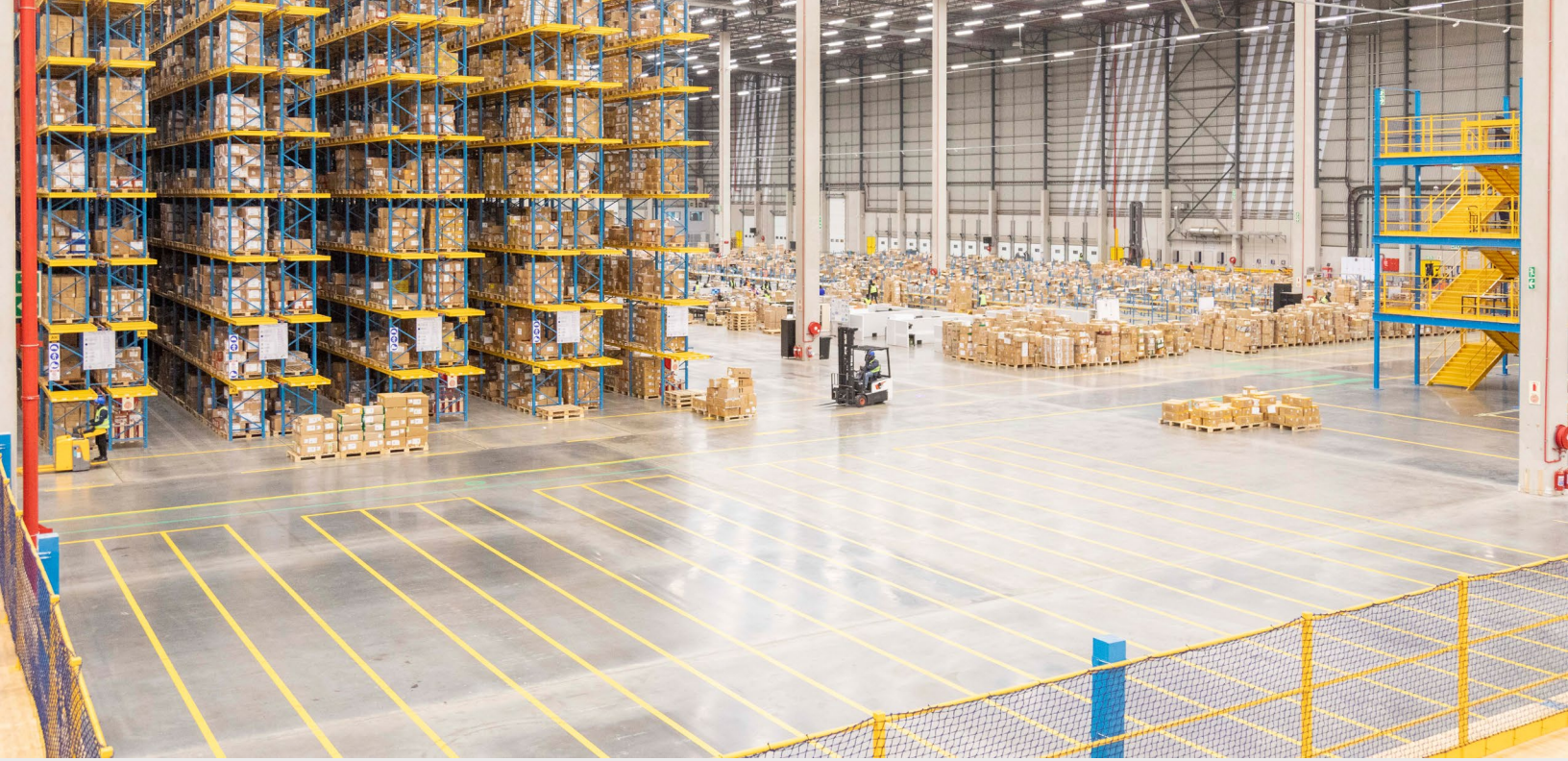
Reduced transportation costs strengthened omnichannel and e-Commerce capacities and accelerated responsiveness: ambitious goals that are being achieved by [TFG](#) (The Foschini Group) with the new state-of-the-art Riverfields distribution center in Gauteng, South Africa. With the automation of picking processes, TFG has set another milestone in its strategic expansion plan.

As a global design and system integrator, FORTNA, with whom the South African retailer has been successfully collaborating for years, is responsible for the successful design and implementation of advanced automation technologies and intelligent software to enhance e-Commerce performance and optimize inventory management on this project.

About TFG Limited

Founded in 1924, TFG Limited (TFG), headquartered in Cape Town, South Africa, specializes in the omnichannel distribution of lifestyle and apparel sectors across 37 retail brands.

TFG has significantly expanded its portfolio with well-known premium brands through strategic acquisitions both locally and abroad in 27 countries across 5 continents.



The project

A key focus for TFG is rapid response throughout their supply chain. Their top priority is fast, efficient transport to both stores and e-Commerce to enable an optimal customer shopping experience. To ensure optimal availability of their product range at their point of sale, TFG operates several distribution centers (DCs) across South Africa.

The state-of-the-art Riverfields DC was commissioned in September 2024 and is part of a multi-phase supply chain optimization initiative that targets the continued increase of the site's capacity to centralize the stock for both store and e-Commerce fulfillment.

TFG needed to significantly strengthen their central fulfillment and distribution capabilities in closer proximity to their biggest market in Gauteng and, above all, optimize operations by implementing consolidated processing. The Riverfields facility enables the strategy to consolidate 13 smaller distribution centers to 7 to meet continuously growing demands for speed and efficiency.



Our Riverfields distribution center successfully went into operation with the support of FORTNA in 2024. It is the heart of our centralized omnichannel strategy and key to significantly improving on multiple levels.

Michael Rhategan
Head of Logistics at TFG Limited

The solution

With an impressive footprint of 75,000 sqm, the integration of advanced software and state-of-the-art technologies allows for automated order consolidation of over 22 brands. This increases the centralized processing of all e-Commerce orders targeting 70% central fulfillment. Rapid demand response capabilities enhance the availability of individual clothing sizes in the stores. In addition, order fulfillment costs are significantly reduced through a reduction in parcels per order, which also improves the customer experience with fewer “doorbell” rings.

Centralization of both store fulfillment and e-Commerce further adds opportunities through shared transport networks for both click-and-collect deliveries and home deliveries. The new supply chain and intralogistics design support the development of resilient, flexible scenarios for supplying retail in response to changing requirements and thus facilitate all strategic sales initiatives.

Technology and processes – the highlights

FORTNA's design approach is data-driven and tailored to the customer's requirements. To more efficiently handle an average of 450,000 shipments per week, automation was introduced in the receiving, picking, and dispatch processes. [FORTNA WES™](#), the warehouse execution system software, now dynamically assigns tasks, balances loads and enables an optimal utilization of available workforce and technical resources. It is the central platform that



allows TFG to monitor and control all processes in real-time, empowering them to respond rapidly to changing requirements and unexpected events.

In the receiving process, as well as in storage, retrieval and picking, TFG uses RFID tunnels for automated, precise identification of items, which in turn allows significantly accelerated, more accurate inventory management. With the new demand-driven retail supply, global best practices of the fashion supply chain could be adopted: a demand-driven “pull strategy,” which is very responsive in allocating inventory to current demand, replaces the previously applied forecast-driven “push model.”

The exact mapping of inventory in the stores and current demand reduces the need to discount assortment in the stores to relieve the limited storage capacity.

In dispatch, orders are differentiated by order type, order volume and shipping destination to ensure maximum efficiency and accuracy. For larger orders, items are sorted according to the “put-to-store” model and directly distributed to the respective points of sale. Smaller B2C orders are manually picked in a new 4-story shelving system with 190,000 picking bays. To further increase efficiency, especially during promotional periods and seasonal peaks,

Increased efficiency and accuracy

a put-wall system was implemented to support batch picking and the consolidation of multi-order processing. The advantages of this system are its modularity and scalability. It can be flexibly adapted to different product sizes and order profiles without much effort.



All initiatives that we have successfully implemented, supported by the strong partnership with FORTNA, directly contribute to our goal of offering our customers a seamless, unique omnichannel experience across all platforms. This positions us well to maintain and further expand our competitive advantage in the future.

Michael Rhategan
Head of Logistics at TFG Limited

Success and future outlook

The Riverfields DC has enabled additional marketplace opportunities for TFG's Bash division.

The operational requirements to support this sales channel have already been taken into consideration within the distribution center expansion design.

FORTNA

FORTNA Can Help

Are you looking to optimize your omnichannel fulfillment? FORTNA can help your organization set new benchmarks for efficiency, scalability and service levels by designing and implementing advanced automation [technologies](#) and intelligent software.

Contact us today at www.FORTNA.com