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FORTE and rue21, Bringing Street Cred to Distribution Optimization Project Achieves 25% Increase in Production with a 15% Decrease in Labor

December 14, 2010 – Mason, OH – FORTE, a leading distribution consulting and systems integration firm, and rue21, inc. (rue21), a major specialty retailer offering the newest fashions for girls and guys, recently partnered on an upgrade to rue21's 189,600 square foot distribution center and office facility located in Weirton, West Virginia. The upgrade, which doubled the facility's store packing capacity, included the implementation of a new, highly automated, material handling pack-to-light system, work platform structure, warehouse control and other system upgrades. The project team was led by FORTE, serving as consultant, project manager, technology provider and systems integrator, with much of the project occurring during peak season. The upgrade went live just after rue21's Initial Public Offering.

"Everyone operated very well under the added pressures and the results have exceeded our expectations," says rue21's Sr. Director of Distribution Services, Tom Winter, "FORTE's experienced team truly understands retail distribution and how to use technology to solve complex issues."

FORTE planned, designed and implemented a solution to convert a manual, paper-based, put-to-store system to an automated environment. The retrofit significantly leveraged FORTE's Automation Director® Warehouse Control & Integration System to accomplish Dynamic Routing. For the put-to-store operation, Automation Director receives allocation information and routes cases through a Put-to-Light area to distribute units to store cartons. The concepts were stress tested and validated prior to implementation using Automation Director's simulation module. The automation itself was built on top of the existing system using a new, second floor work platform which greatly improved accuracy and throughput. After successful go-live of the upper level, the lower level manual system under the work platform was converted to match. Prior to the FORTE solution, two shifts were required to accommodate the existing stores – rue21 is now using only one shift even after the addition of 100 more stores.

"The challenges presented by our partner, rue21, during the implementation, including fast growth, peak season volumes and high visibility due to the impending IPO, were managed collaboratively and effectively to deliver a truly outstanding result," said Andrew Breckenridge, Executive VP of Sales for Forte.

Keith McDonough, Senior Vice President and Chief Financial Officer stated: "Our Distribution Center operates



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continuously as our stores receive new products every day, so the upgrade plan was designed with redundancy to ensure an uninterrupted operational environment under any circumstance.” McDonough added, “The increased packing capacity, new systems and performance metrics have vastly improved the speed with which we can ship new merchandise.”

The two companies are poised to engage in the next phase of supply chain initiatives to further optimize rue21’s supply chain and distribution operations.

ABOUT RUE21

rue21, inc. is a leading specialty apparel retailer offering exclusive branded merchandise and the newest trends at a great value. rue21 currently operates over 600 stores in 44 states. Learn more at www.rue21.com.

ABOUT FORTE

FORTE (www.forte-industries.com) is a leading distribution consulting and systems integration firm based in Mason, Ohio. FORTE’s supply chain expertise and services include network analysis and design, distribution facility and systems reconfiguration, process, labor and systems optimization, new automated facility development and WMS selection, implementation and integration. Contact Darcy Powell today for more information: dpowell@forte-industries.com or 513.204.3004.



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