

Case Study: End-to-End Footwear Inventory Resale Solution

Background

A premium footwear brand faced an inventory surplus due to evolving market trends, seasonal changes and an upcoming warehouse relocation out of state. They needed a solution that would not only liquidate excess stock but also protect their established distribution channels and brand reputation. HSL Advisory was brought in to provide a comprehensive, end-to-end solution.

Challenge

The brand's primary goals were to offload their surplus inventory effectively while maintaining the integrity of their core sales channels and brand value. Additionally, they wanted a seamless exit strategy for any remaining inventory that might not be sold in the initial stages.

Solution

HSL Advisory offered a fully managed, end-to-end solution that combined strategic resale, channel protection, and inventory acquisition.

Step 1: Collaborative Planning

- **Inventory Assessment:** Our team worked closely with the brand's sales and inventory management teams to analyze the inventory, categorizing products by seasonality, demand, and market value.
- **Distribution Strategy:** To protect the brand's core channels, we developed a detailed resale strategy that outlined where and how products would be sold, ensuring that premium distribution partners remained unaffected.

Step 2: Strategic Resale Execution

- **Alternative Channels:** Our team leveraged non-competing sales channels to resell the brand's inventory, including secondary market platforms and niche wholesale buyers, to avoid dilution of their brand's value in primary retail spaces.
- **Controlled Release:** We implemented a phased approach to selling, releasing portions of the inventory strategically to maintain optimal pricing and avoid flooding the market.
- **Brand Safeguards:** We provided assurances and contractual protections to keep the brand's brand positioning intact, including oversight on where and how items could be marketed.

Step 3: Final Inventory Purchase

- **Remaining Inventory Acquisition:** After the controlled resale phase, our team purchased all remaining inventory at an agreed-upon rate. This ensured the brand could focus on upcoming strategic initiatives without being burdened by unsold stock nor paying exorbitant amounts to ship unwanted inventory across the country.
- **Resale and Disposal Strategy:** We managed the resale and responsible disposal of the remaining inventory, further reducing the brand's involvement in operational complexities.

Results

HSL Advisory's end-to-end approach resulted in:

- **Maximum Inventory Resale:** Over 80% of the brand's surplus stock was successfully resold through alternative channels, with no disruption to their core retail partners.

- **Channel Integrity Maintained:** The core distribution network and retail partners were protected, with the brand image fully intact.
- **Cost Reduction and Simplified Operations:** The brand saved time and resources by relying on HSL Advisory as a one-stop solution provider for both inventory liquidation and acquisition.

Conclusion

This successful partnership with this brand demonstrates HSL Advisory's capability as an end-to-end solution provider. Through collaborative planning, controlled resale, and inventory acquisition, we delivered a seamless inventory solution that safeguarded the client's brand equity and distribution channels.

Contact us today to learn how HSL Advisory can provide seamless transitions and maximize asset recovery for your business.