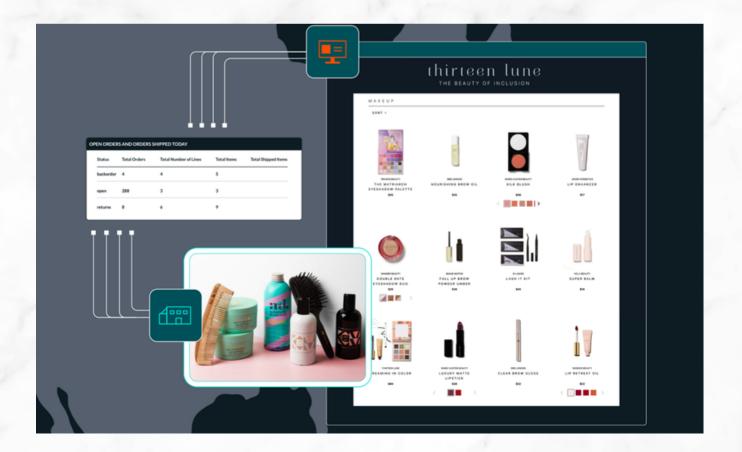
Omnichannel From Day One: How MasonHub Helped Thirteen Lune Launch

Inclusive beauty marketplace Thirteen Lune launched its DTC business and an in-store and online partnership with JCPenny in its first year



During the summer of 2020, amid the beginning of the pandemic and the wake of George Floyd's death, Thirteen Lune cofounders Patrick Herning and Nyakio Grieco came together to launch a first-of-its-kind beauty marketplace curating and celebrating BIPOC-founded brands.

Grieco, who launched her beauty line Nyakio 19 years ago using ingredients and recipes from her Kenyan grandmother (the brand has since been acquired by Unilever), was passionate about creating generational wealth for a new wave of BIPOC founders. Herning, who spent 10 years in tech and 10 years in fashion marketing and communications, launched his first startup, plus-size designer fashion marketplace 11 Honoré, in 2017. Both recognized the opportunity to build a game-changing new brand.

Building On An Existing Partnership

Herning's first startup, 11 Honoré, was also MasonHub's first client, but the relationship between the two companies goes back even further.

Says Herning, "When I was launching 11H in the summer of 2017, my investors strongly encouraged me to find the operational expertise that was missing on the team. Donny [Salazar, MasonHub's founder and CEO] was consulting at the time and at capacity with his client count, but he got his hands dirty with the nuts and bolts of our logistics operations, grew into my COO and ultimately left to start MasonHub." "My way of dealing with what we were all experiencing in the summer of 2020 was getting into a place of action. We are not moving seats around on the Titanic, we are building an entirely new ship, one rooted with the message of inclusivity, and doing good. We get to do it right today without having to remodel the business tomorrow."

- Patrick Herning, Cofounder & CEO, Thirteen Lune

"The impetus for starting MasonHub was having worked in retail for most of my career, I saw a huge gap in the market for operations," says Salazar. Not only do we provide the customization and hightouch fulfillment service for our brands, we also give them the technology to be able scale into wholesale and various other channels as they grow."

According to Herning, "From a logistics perspective, already having a partnership between 11 Honoré and MasonHub made the back-end logistics piece so seamless that it allowed us to focus on building the brand and the assortment. Where MasonHub's value add comes into play, outside of having operations expertise, is the infrastructure and cutting-edge technology that they provide. It allows brands to focus on what they are trying to sell."

Approaching Omnichannel From the Start

"When you throw the launch of a new brand on top of a retail partnership on top of Holiday, that's when it gets very complex, but I didn't think twice about my back-end piece because I knew MasonHub had it under control."

- Patrick Herning, Cofounder & CEO, Thirteen Lune

Thirteen Lune's ecommerce store had only been live for 90 days before the company started talks with America's oldest department store, JCPenney. It may have seemed wildly ambitious to launch in 10 doors and online with a wholesale partner within 10 months (for Holiday, no less), but that's exactly what happened.

"There's a tremendous amount of opportunity when you approach your business as omnichannel from Day One," says Herning. "We are setting up multiple levers that we pull at different times. But more importantly, we are developing and amplifying our beauty brands. Fifty percent of them are on the smaller side, so when you think of what is required from the back-end, to partner with a retailer like JCPenney is incredibly complex. What we've been able to do in a very short amount of time being the funnel in which everything comes in and out of via MasonHub, is create the opportunity for our brands to scale very quickly."

Multichannel Experience Matters

A huge amount of work is required from a fulfillment partner to be able to execute well in multiple channels, but Salazar and MasonHub were up to the task. "When Patrick came to me in the fall and said, 'We are launching this new online marketplace in weeks,' it wasn't stressful because we have a seamless integration with his e-commerce platform, which happens to be Shopify. We can literally integrate with a few clicks," says Salazar. But a few months later, Herning told him, "We are launching in JCPenney and there's EDI and vendor compliance and all these requirements." Wholesale distribution requires more than a few clicks, and while some fulfillment providers aren't equipped to meet the complex needs of a fast-growing omnichannel brand, MasonHub was built from the ground up to do just that.

While fulfilling wholesale orders requires the physical act of shipping thousands of units from fulfillment centers to retail distribution centers, the real complexities arise from tapping into a retailers' system and complying with all of their requirements correctly.

Notes Salazar, "First, you have to be capable of connecting your data with a department store's data, which we do through a partnership with one of the leading wholesale EDI providers. Then, you have to be well-versed with a retailer's requirements for each vendor – because they are all different – and finally, you need systems in place to meet those requirements," said Salazar. "What makes Thirteen Lune unique is that they're enabling smaller brands to get exposure in big-box stores, and we are creating an ecosystem that helps brands go into stores they otherwise wouldn't have access to. The key to all that is logistics. It's a great example of how we are true partners to our clients to help them achieve the goals they set out to achieve."

- Donny Salazar, Founder & CEO, MasonHub



Not only are experienced team members critical, but so is the technology to enable the real-time inventory visibility that is crucial when fulfilling orders in multiple channels. Often, young companies aren't equipped to conquer all the technological and logistical hurdles on their own, and can wind up facing costly penalties, or "chargebacks," from retailers if they can't comply. "Omnichannel is very different from DTC, and success relies heavily on operations because you have to be able to get your product into multiple areas," he explains. In Thirteen Lune's case, that included launching a beauty marketplace practically overnight, bringing on hundreds of brands in a few weeks, and selling product into a department store in a few months.

Scaling Into the Future

Despite the warp speed of Thirteen Lune's trajectory, Herning refers to his experience with JCPenney as "walk before you run" saying, "In Q4 of 2021 we launched shop-in-shops in 10 doors. I consider it my Holiday gift to get those 10 doors down, understand the technical challenges with EDI, get our flows in place, understand the account management needs on MasonHub's side and the support needs on our side. It's been an awesome case study to set us up so that when we do hit scale, we are optimized for efficiency. MasonHub did the heavy lifting to get the product on the shelf so we can focus on marketing and messaging, which is where we excel."

Herning says Thirteen Lune's goals for the next 12 months include expanding into 600 JCPenney doors, continuing to build the DTC business and launching two private label brands. "I am playing a small part in this movement, but that's my job as an ally: stepping up, doing the work, and the rest just falls into place."

Echoes Salazar, "That's ultimately our vision for our clients. We're their partner, providing the technology and the services they need to grow their businesses. People ask why I do this, and the reason is I enjoy watching brands flourish and being with them along the way. That's what I've always loved about operations."

