



IMB 2009: Apparel firms seek fast returns from technology

27 April 2009 | Source: just-style.com

Troubled economic times are forcing apparel retailers, brands and manufacturers to re-evaluate their investments in technology, according to exhibitors at last week's IMB – World of Textile Processing trade fair in Cologne, Germany.

While a number of suppliers of production software told just-style their customers are turning to new technology to prepare themselves for an eventual uptick in business, it is also apparent they are looking for fast results too.

"Companies are looking for quick projects to give quick benefits – for example, they're investing in PLM (product lifecycle management) to get time to market down and improve agility," explained Andrew Dalziel, marketing director for fashion at Lawson Software.

To this end, the company has launched the Lawson M3 Analytics solution, which helps clothing manufacturers manage their businesses more strategically by providing them with a complete, measurable view of their operations in only a few weeks.

And a new Service Pack for the Lawson Fashion PLM tool offers 20 new features to manage products more easily and efficiently, from design through production.

Over at PTC, "companies are looking to do more with what they have," explains Kathleen Mitford, VP of vertical market strategy at PTC, who adds: "PLM adoption is becoming broader in both our existing customer base and new prospects.

"We're a trend based industry and PLM is a trend-based product. Reducing cycle time, getting closer to customers and improving margins cannot be done without technology.

Jérôme Bergeret, director of industry consumer goods at Dassault Systemes, notes that many companies in Europe have a recovery plan to keep basic production in Asia but also make locally to take advantage of fast fashion trends.

"You cannot increase the speed of a boat," he says, adding that fast fashion companies have no other option than to optimise the end-to-end fashion chain and accelerate the time it takes to get garments in store.

"So they must make sure that if they take a decision it is the right decision."

Back to basics

Andrew Brown, managing director at Fast React Systems, which provides planning software for manufacturers, sourcing and retail, believes the challenge for many companies is getting control of the basics.

"Everyone is being told they need PLM, but it's a devil to get off the ground if you haven't got good centralised systems to manage."

He believes FastReact offers a step into IT for firms with "relatively fundamental systems" since it brings together available capacity, critical path and materials availability – and the

knock-on effect between them – in one system.

“There is so much pain in the industry at the moment,” Brown says.

Not only are retailers being aggressive on price at the front end, but manufacturers are under-booking orders to ensure they make delivery deadlines.

“This is not sustainable, Brown notes, adding: “Many firms are avoiding late delivery but are taking the pain somewhere else. So they’re fire-fighting on delivery but creating excess cost. Many companies simply can’t cope; they’re not co-ordinating or planning well and are losing efficiency.”

The solution, he believes, is collaborative planning between buyers and vendors (factories and textile suppliers) for better visibility, faster response, and reduced manual work and errors.

Cash concerns

However Daniel Harari, CEO at technology supplier Lectra, points out that for companies who are focused on staying in business, concerns about cash and improving the bottom line come ahead of new technology.

The Paris-based firm says it intends to invest EUR17m this year in R&D, but will focus its new developments on helping manufacturers become more efficient and improve productivity.

“It’s all in the details,” Harari says. “It’s not about cutting, it’s about saving fabrics. We’re in the game of helping people save money.”

He notes the latest release of the company’s core Modaris pattern-making software can help reduce a garment’s development cycle by a factor of two – so instead of six weeks it takes three weeks.

The company is also focusing on reduced time-to-market with its Kaledo design suite, new software for its Vector cutters, and Mosaic pattern recognition system.

Software firms also believe apparel retailers, brands and manufacturers will look towards other areas from their technology investments as they come out of the recession.

These include e-commerce, and the need to incorporate compliance issues along the supply chain so they have visibility of everything from the REACH chemicals legislation in Europe and the Consumer Product Safety Improvement Act (CPSIA) in the US.

“PLM addresses the backbone of a company, and we believe it will start to play a new role in sustainability so that all along the supply chain everything will be tracked according to the objectives set by the company,” Bergeret explains.

Exit strategies

Looking ahead, Harari notes that companies will exit the current economic crisis in very different ways.

Some will invest in design to sell more, while other will focus on developing their own brands.

“I believe this will shape the fashion market more than the end of quotas,” he says. Companies will have to revisit everything they do. When there’s a shakeout there are winners and losers.”

Ed Gribbin, president of Alva Insight, a division of size and fit specialist Alvanon, agrees.

“Companies need to position themselves to get through the economic slowdown,” he

says, adding that getting to know their customers better is key.

He gives the example of three US specialty retailers who are all developing new brands focusing on the boomer market – not to replace current brands but to supplement their existing ones in the future.

Other brands are looking at global and regional expansion, and are working with Alvanon – which last year carried out China's largest ever body measurement study – because they don't know their customers in these new markets.

Gribbin adds: "There has been a natural culling of excess in the market; a natural survival of the fittest purge. The strong will get stronger and consolidation is already happening. The apparel industry will come out of this in better shape."

By Leonie Barrie.

© 2009 All content copyright just-style.com . Published by Aroq Ltd . Seneca House ,
Buntsford Park Road , Bromsgrove , Worcs , B60 3DX , UK . VAT No: GB785642391 .
Registered in England No: 4307068 . Tel: Intl +44 (0)1527 573 600 . Toll Free from US: 1-
866-545-5878 . Fax: +44 (0)1527 577 423 . Email: info@aroq.com .