

Conference Focus: Improving Visibility, Connectivity in Supply Chain

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As apparel sourcing continues its global proliferation and the supply chain becomes more complex, some tried-and-true tenets for success remain the same: quality, efficiency, speed to market and competitive pricing.

This is the verdict of some leading industry suppliers who will participate this month in Tech Conference 2003. Each sponsor of the event reports it will offer up solutions — with a strong technological foundation — to help apparel businesses bring innovative goods to market while mastering these crucial business basics in a more complex global playing field.

This article, which is part two of Apparel's two-part preview to Tech Conference 2003, explores issues and opportunities in apparel manufacturing, sourcing, logistics and transportation. Part one of this preview, which appeared in the October issue and is available online at www.apparelmag.com, focused on solutions for design, development, IT and retailing.

The perspectives shared in this article are those of sponsors of Tech Conference 2003, which is co-produced by Apparel and [TC]2, a leading research, development and demonstration organization and producer of the SizeUSA national size survey.

Heightened focus on visibility

Tech Conference sponsors interviewed for part one of our preview emphasized that effective communication is a vital component of strategies for streamlining design and development. The same can be said for manufacturing, sourcing, logistics and transportation. In these arenas, the word "communication" is almost synonymous with "visibility."

At the conference, FedEx will stress the benefits of using technology-based transportation solutions along with other types of supply chain systems to improve collaboration and communication, says Mark J. Colombo, vice president of strategic marketing for FedEx.

FedEx will demonstrate the capabilities of FedEx InSight, which allows apparel businesses to track shipment status from pickup to final delivery, online and in real time. No tracking numbers are necessary to utilize the system, which can provide a view of clearance delays on incoming international shipments, including the reason for the delay.

Colombo says he sees apparel manufacturing moving toward a "virtual manufacturing" model, in which the core competency of some parties in the "virtual chain" is keeping others in the chain informed of how physical pieces are moving or should be moving through it.

Dr. Kenneth Wang, founder of Alva Products and developer of the Alva Garment Visualization System (GVS), also points to a future with "virtual factories," or technical centers responsible for developing product and simplifying the instructions for production to terms and conditions achievable by manufacturers in developing countries.

Wang says new article numbering initiatives being incorporated by the European Article Numbering (EAN) organization and the Uniform Code Council (UCC) also will produce dramatic results in terms of supply chain visibility and tracking capabilities — from the retail selling floor to the factory to the fabric mill and vice versa.

John Mayer, director of sales for apparel and soft lines at Demand Management Inc., concurs with Wang on the significance of the Global Trade Identification Number (GTIN) and Global Location Number (GLN) initiatives. Mayer says he sees a renewed level of interest in vendor-managed inventory (VMI) programs and other types of collaboration between apparel vendors and retailers, and now with raw materials suppliers.

In early October, Demand Management announced that its store-level replenishment and point-of-sale (POS) analysis tool, Demand Solutions Stores, complies with all data structures for the GTIN and GLN initiatives. (See the "Press Center" of the Online Tech Showcase at www.apparelmag.com for more on this development.) As the firm's president and CEO Mike Campbell stated at the time of the announcement: "The impact of the Sunrise Initiative [GTIN] and GLN is enormous for CPGs, hard lines and apparel. If you want to start down the compliance road today, your company can be utilizing GTIN or GLN within a few weeks' implementation time."

Demand Management also is launching a Web-based version of its Demand Solutions demand planning and forecasting software in response to the need for global collaboration.

Web-based communication and commerce also are at the heart of the technology offered by QuestaWeb, a customs-certified provider of software for managing import clearance, including documentation, classification, compliance with Homeland Security and customs rules and the real-time monitoring of quotas, among other things. Vice President of Sales Wayne Slossberg explains that an apparel importer's global contractors could access the QuestaWeb solution via a Web browser to complete an online commercial invoice template and transportation documents, which in turn would automatically generate and transmit a shipping manifest. For importers who are accepting advance ship notices (ASNs) from contractors, QuestaWeb can accept the ASN and automatically use the ASN data to populate a commercial invoice. Contractors also can log into QuestaWeb to notify their customers of where shipments are in the delivery process. "They can control compliance and visibility," adds Leon Turetsky, CEO, QuestaWeb.

In addition to helping apparel companies ensure that their import documentation complies with government requirements, QuestaWeb's solution provides users with information designed to help them avoid placing production with factories that have been cited for illegal activity, such as transshipping. Another feature of QuestaWeb is its product database, which can house critical compliance and historical information related to firm's imports. This data can be useful if U.S. Customs questions the valuation or classification of shipments, even as late as five years after the shipment was imported, Slossberg says. "This is the ultimate time for [apparel and footwear firms] to take back control of their import/export profit," he emphasizes.

Making it easier to go global

Right up there with "communication" and "visibility," "connectivity" is another buzzword when it comes to apparel manufacturing, sourcing, logistics and transportation. Why all the buzz? It's

because making things happen globally is a lot easier said than done, and you often need technology to make the connections much easier, Tech Conference sponsors say.

FedEx, for example, will discuss how apparel companies can more easily identify global shipping costs. Colombo says information-rich tools such as the firm's Global Trade Manager "take the complexity out of international shipping."

Global Trade Manager, available for free on FedEx's Web site, is designed to help small- to medium-sized businesses identify the documents needed for international shipping and estimate the duties and taxes.

Also related to better understanding costs, Datacolor will demonstrate how its Color Integrated Management System (CIMS) can connect the links in the chain from design to retail. "We're going to look at what it costs to develop color standards and distribute those from a retailer/brand position; what it costs in terms of lead times, i.e., how much [it] costs companies when the color is not right and has to be compromised," says Karen Gaskins, director of strategic accounts, Datacolor. "We may even look further, from a production standpoint, at what color costs the dyer, how much variation really exists, how much it costs to fix the problem and what poor perception by the consumer costs you."

Lectra, which has integrated Datacolor's solution into its U4ia design system, also will be focusing on connectivity in terms of how apparel companies can streamline the color process, says Jill Simmons, vice president, strategic business development, apparel and footwear. U4ia version 7 can read qtx files, or color palettes, directly. In other words, once an apparel firm's quality assurance department gets an approved electronic lab dip from a mill and has a "go forward" color palette, the firm's CAD/design department can pull that color directly into U4ia.

"That's our main mantra — showing [conference attendees] how they can streamline the color process from the trend design or the lab dipping information, directly into their design systems, their technical drawing tools, etc.," Simmons says.

From the raw material supplier perspective, American & Efird (A&E) and Asheboro Elastics will demonstrate their ability to supply thread and elastic, respectively, on a global basis. "As apparel manufacturing is shifting to low-wage areas of the world, we see that the greatest challenges facing apparel companies include: 1) reducing time to market from concept to delivery of the finished product; 2) maintaining consistent quality construction of sewn products; and 3) producing products that are cost competitive," says Kenneth L. Sandow, vice president of market development for A&E.

At the conference, A&E will discuss the capabilities of its Anesyst® worldwide business-to-business order management system; its use of the eWarna Color Communication system for color approval and communication with vendors; and the content of its Web site, which offers "a wealth of information to assist in production of better quality sewn products," says Sandow.

Asheboro president Keith Crisco stresses that the global proliferation of sourcing necessitates that suppliers be flexible and agile enough to supply products around the world. Whereas it used to be a matter of "figuring out Mexico" or another hot sourcing locale, today's marketplace demands "an everywhere strategy," he says. "You can't just dribble one ball. You have to dribble many balls."

To keep pace with the movement of apparel production outside of the United States, Asheboro operates nine warehouses, including four in Mexico. "We're a distribution company as much as a manufacturing company," Crisco says. "Everyone has to be."

Taking on new competencies and process control

Technological solutions are helping apparel companies develop new competencies necessary to compete in today's apparel landscape. As Stephen Lovass, executive director of product management and marketing for Gerber Technology Inc., observes: "Success is tied to operating and sourcing globally."

That said, he notes that Gerber is focusing on supporting the full-package requirements of its customers competing in this arena. For instance, the latest release of Gerber's AccuMark pattern-making system is available in several versions, tailored to the level of expertise of the user. Features include a "pattern conversion wizard," new notching and seam allowance capabilities and, come December, a seamless interface to Browzwear's 3-D visualization software.

Lovass emphasizes that technology such as AccuMark and WebPDM (see part one of this preview for more details on WebPDM's latest release) can be just the thing to assist a company in developing full-package services. "The world has created a complex supply chain process," he says. "But the fundamentals of driving cost out, driving efficiency and cutting out cycle time remain key."

Methods Workshop president John Stern also is positioning his company to assist apparel manufacturers in the development of full-package services. Methods Workshop's Quick Tru-Cost is designed to help companies address their pre-production (style) costing, while the firm's Engineered Tru-Cost program expedites operation-by-operation analysis of labor processes and costs. Quick Tru-Cost is designed to deliver an accurate cost estimate within 10 minutes or less, Stern says. "So many people are trying to produce full packages, and yet they don't know how to do it," he relates. "One of the components of full-package [production] is being able to reply to a customer who [asks] ... 'How much will you charge me to do this package?' People are getting replies in, sometimes, weeks. That's not what the industry is looking for today."

"Some people want an immediate response within the day," he continues. "They give someone an opportunity in the morning, and they're expecting a result in the afternoon."

Quality assurance is another important area with the potential to see great improvements in efficiency thanks to technology. ICICI Infotech, for instance, has released ICICI Quality Audit, a system that enables quality auditors in the field or the distribution center to post the results of their audits via a Web-based application or hand-held PDA device in real time. This data is then automatically synchronized back into the company's server, and may be used for analyzing problems, tracking time spent on audits and monitoring vendor performance.

ICICI Infotech's Vincent Candela, vice president of fashion technology, says he believes the apparel industry has yet to completely "embrace the Web" for tracking WIP, measuring performance and quality and more. With the number of global production sources used by apparel firms increasing, "managing all of these sources is a huge challenge," he says.

Also addressing quality and the challenges of managing a far-flung global supplier base, conference sponsor Shapely Shadow will discuss how it can use 3-D scan data to produce a "reliable, repeatable, symmetrical dress form made of lightweight material," says Ilona Foyer, president. "We have created a superior product by combining modern technology with the traditional trade of dress forms."

Foyer says the global implementation of the standardized Shapely Shadow forms allows the firm's clients to "monitor their vendors around the world for quality control and standards with no excuses for bad quality of sewing."

Ultimately, it's all about the product

After all is said and done, the quality and innovation of the end product is ultimately what makes the sale. Two sponsors of Tech Conference 2003 will be discussing how textile technology fits into this picture.

Cotton Incorporated will be showing the newest fabrics it has developed "with the latest technologies to improve water resistance, wrinkle resistance and soil release," says Dennis Horstmann, director of brand marketing.

Asheboro will discuss its new Ravlok™ knitted elastic, focusing on how the firm's patented process for producing the elastic adds body and prevents raveling (see "Issues & Updates" in this issue for more details).

Cognis Textile Technology will focus on chemistry that adds functionality and performance to apparel, says Brian Francois, business manager for textile coloration and final treatment. "We believe that consumers are looking for garments that are convenient, improve or maintain wellness, offer a safety benefit or provide fun," he says.

With these ideas in mind, Cognis will highlight the following new products at the Tech Conference: Microban®, an antimicrobial treatment designed to provide durable freshness for the life of the garment by eliminating the microbes that cause odor; Repellan®, products designed to provide easy-care soil and water repellency; Skintex®, microcapsules that bring cosmetic active ingredients to garments; and Cyclofresh™, for odor absorption or controlled fragrance delivery.

In conclusion, Francois noted that Cognis believes the key to future success will be in providing garments that can be laundered less often, stay fresher between washing and provide other time-saving or body-enhancing features. "This will require partnerships at levels that do not currently exist," he says. "We are looking to develop these partnerships."

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