

# Fast React Systems - Specialist Planning & Sourcing Solutions for the Apparel, Textile & Footwear Industry

## *Effective Planning in the Corporate Clothing Industry*

### Background

The UK Corporate Clothing market is regarded as being the most advanced and sophisticated in Europe in terms of the use of clothing for brand-reinforcement. The market is established and well developed with a strong network of suppliers serving customers needs through complex service packages including design, supply chain, distribution and maintenance.

Despite the value of the market remaining steady at around £425m, there has been a reduction in the number of wearers in the last 10 years from 11m to around 8.5m. In addition, there have been distinct changes in the market, not only the shift from formal to more casual attire but also to sales channels with a decline in garment rental and an increase in mail order. Mail order is now the second largest channel in the UK, with corporate contracts still being the largest.

The UK market has become saturated and fiercely competitive with low growth potential but with the increasingly international nature of the customer base, this is prompting suppliers to consider overseas development and expansion. The value of the European market is around £2.2bn with some 51m wearers.

Customers are increasing their demands for good design, quality products and an efficient service but

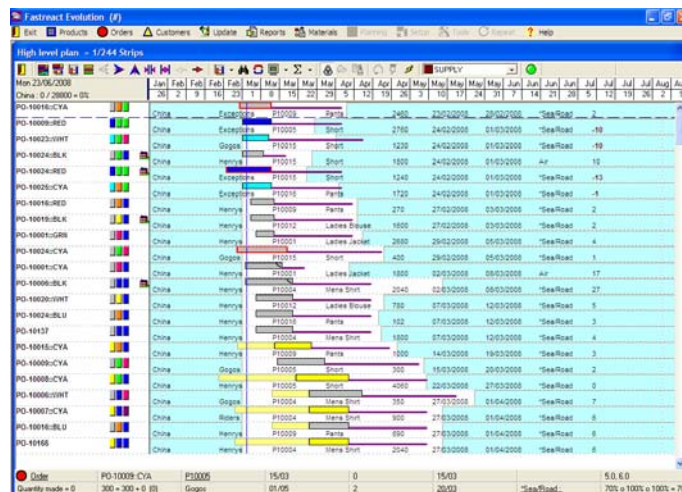
they want to further reduce cost and are therefore putting more pressure on their suppliers to provide better but cheaper products with shorter lead times. This will reduce their exposure to large stocks being held on their behalf. Pressure on lead times is nothing new, but the changes demanded by customers are not minor adjustments and in some cases can be huge. Fundamental reductions representing a 50% cut in the available lead-time to supply garments are not uncommon.

### The Challenges of Off-shore Sourcing

In order to meet these demands, most corporate clothing is now manufactured overseas in less developed Eastern European and North African countries with lower labour costs, but the industry is now being forced to source much further afield in the Far East. Corporatewear

has been relatively slow to follow the retail sector in this move, and is naturally cautious about sourcing from more distant areas due to the volumes, transportation times and the need to maintain quality and consistency of delivery. China is at present used by some companies but following the removal of quotas in 2005, we expect to see this rise steeply. India is some way behind China but is expected to grow within the sector over the next 3-5 years.

The elimination of quotas will invariably provide your Supply Chain team with more freedom in where they place their orders. However, price is not the only factor to be considered to ensure sound purchasing decisions. The reliability of delivery together with good communication, quality, social & environmental compliance and flexibility are critical. It is widely expected that the number of



This screenshot shows the high level planning board where each PO is represented by a strip showing total order lead time and current order status

To find out more about how Fast React Systems can help your business, contact:

UK, Europe: [info@fastreact.com](mailto:info@fastreact.com)  
 USA: [Info@fastreact-usa.com](mailto:Info@fastreact-usa.com)  
 ASIA: [info@fastreact-asia.com](mailto:info@fastreact-asia.com)

WEBSITE: [www.fastreact.com](http://www.fastreact.com)

**FR**  
**FastReact**

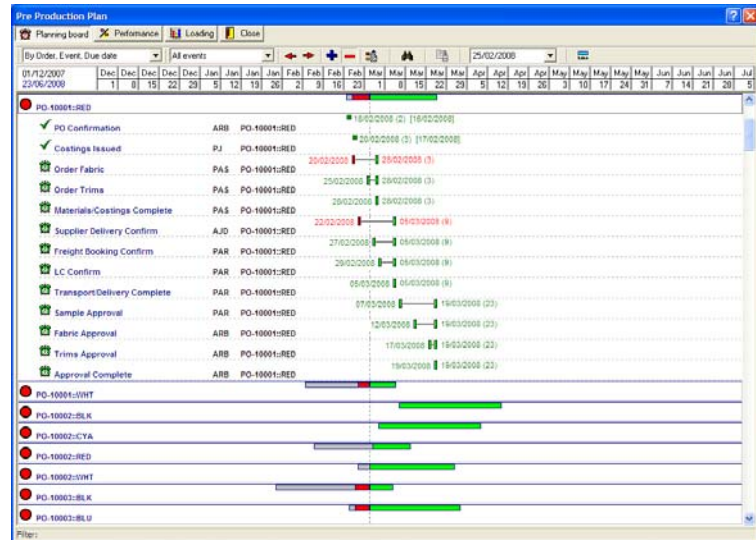
companies in the apparel supply base will reduce dramatically as companies competing long-term will require a leaner and more agile manufacturing base. Supply Chain professionals will therefore be searching for progressive manufacturers that can demonstrate they have the facilities, systems and staff to do much more than just achieve a price and quality standard but with the capability to remain competitive in the future as the cost advantage is eroded by inflation and economic progress.

To get ahead in the corporatewear market, companies will need to provide what the customer wants in the most economic and cost effective manner possible, be able to react to changing demands and demonstrate that they are striving for continuous improvement.

### The Solution

Against this background of change, most businesses have 'managed' with a variety of, often unconnected, systems. These may include a business (ERP) system, which means transactional activities such as finance, inventory management, purchase orders, etc. Typically these systems are supported by numerous spreadsheets, each of which cover different elements of the supply chain process (planning, critical path, materials, supplier updates) and are not linked together. These methods will not be adequate tools to meet the demands of the current and future environment.

FastReact offers the opportunity to bring together the numerous, separate spreadsheet based functions relating to planning, critical path, materials (where appropriate) plus interaction with remote sites/



This screenshot shows completed and outstanding critical path activities for a particular order, overdue activities are highlighted in red

suppliers in a single, highly visual and easy to use system. FastReact provides multi-user access to facilitate excellent communication and awareness and can be linked to existing business systems to minimise duplicate data entry. Combining all key planning functions in one package, FastReact allows the impact of changes in any one area such as sample approvals, fabric deliveries, capacity availability and current production performance to be immediately reflected in other areas, providing clear notification of priority changes and a clear warning of potential problems.

### Typical Benefits from the implementation of FastReact:

- Increased Sales
- Reduction in Late Delivery Penalties
- Reduction in Freight & Reprocessing Costs
- Reduction in Stock Levels (raw materials, work in progress, finished goods)
- Improved Decision Making

### The Conclusion

As the corporatewear and apparel industry becomes more complex, not only in terms of products but also with increased globalisation and the need to respond much more quickly, improved visibility and co-ordination is essential. Existing manual systems simply will not cope.

FastReact provides an effective and integrated planning environment, where all the elements required to achieve a realistic plan can be closely monitored, including: capacity and materials planning; remote supplier collaboration and proactive critical path tracking that ensures all development and pre-production activities are managed on schedule.

FastReact will be essential for corporatewear companies aiming to achieve competitive advantage through improved customer service, speed of response and lower stock holding at the best possible price.

To find out more about how Fast React Systems can help your business, contact:

UK, Europe: info@fastreact.com  
USA: Info@fastreact-usa.com  
ASIA: info@fastreact-asia.com

WEBSITE: [www.fastreact.com](http://www.fastreact.com)

