The Case for Next-Generation PLM in the AFA Industry

As the fashion industry grapples with a difficult market, shorter product line life cycles, and an urgent need for increased efficiencies, a new approach to PLM is needed. Can PLM deliver on its promise? The answer is a resounding “Absolutely!”

The apparel, footwear and accessories (AFA) market is as aggressively competitive as any industry, yet the fashion industry is also unique and requires a different way of looking at product development. Until now traditional, off-the-shelf Product Lifecycle Management (PLM) solutions did not fit the AFA environment. However, recent advancements in PLM have enabled the development of a next-generation PLM platform specifically for the fashion industry, designed to address the unique challenges in AFA product development and give those companies a competitive advantage. With these improvements in PLM, it is time for the AFA industry to take another look at PLM, a key technology that can help apparel makers speed the entire concept-to-in-store process, while improving product quality, managing costs, and improving efficiencies. This white paper will outline the challenges specific to AFA companies and explain how these issues are addressed by a new generation of PLM technology.

Product Development Challenges for AFA Companies

Time to market, cost control and gross margin preservation, improving efficiencies, the need to assure consistency of product information, and enabling secure global collaboration are some of the greatest product development challenges facing AFA companies today.

Time To Market, Costs, and Process Efficiency

AFA companies need to accelerate product cycles and bring new products to market faster to meet continuously shifting consumer demand, capitalize on brief seasonal market windows and short-lived fashion trends, and gain maximum market share. Design and business decisions must be made rapidly, which means product information must be readily accessible. Processes must be streamlined and automated, and errors must be minimized.

Additionally, apparel companies are constantly looking to lower product development costs to improve margins, and increasing efficiency is a major factor toward this effort. AFA development processes offer many potential opportunities to increase efficiency by automating manual processes. The right PLM solution can optimize operations and boost productivity.

“If you want to bring apparel products to the market in 6 to 12 months from creation until delivery to the shop, you need to be very efficient,” confirms Nicolas Mennrath, vice president for operations at Le Coq Sportif, an apparel and footwear company designing and producing up to 1,500 new items each season. “Running a business with Excel spreadsheets is impossible.”

Data Consistency

Product specification, sourcing, sample development and other product information must be consistent, current, and available in detail to all departments and roles, including designers, product managers, suppliers, and others. Manual document management processes result in inconsistencies and lead to errors and product quality issues that require rework, waste resources and time, increase costs and erode margins.

“For example,” explains Mennrath, “if a factory is working on a prototype, and they are working on an outdated version of the technical spreadsheet, they will develop the wrong prototype. When you work on very short timelines, if you are not able to align all the people on the same data, you are wasting money and putting the company at risk.”
“With Centric I now know where my collection is at all times. I can check what is happening in a factory in Vietnam, or in any other location in the world, and I don’t need someone to come train me for hours every time I want to use the system.”

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Vice President for Operations
visibility into product costs and gross margin targets, enabling an AFA company to understand and control costs, and ultimately improve margins.

“Centric allows us to standardize on the best processes, and bring a lot more efficiency and control to our process, when everyone uses a consistent interface and deals with the information in a consistent fashion,” Mennrath says. “Centric Calendar Management helps our team prioritize, to focus on the tasks that are more important and more urgent.”

Data Consistency
Centric centralizes all product information and ensures that all parties access consistent product data across the global product development network.

Mennrath underscores the value of consistent information: “The most important benefit of Centric Software is the fact that everyone has access to the same information around the world, and everyone is updated at the same time.”

Global Collaboration
Centric replaces disconnected systems with a single solution that supplies real-time data across the global supply chain, enabling collaborative creation, review, and management of the technical specification. With Centric, the entire apparel product and management team is connected to the product development process.

Centric Advantages
Centric Software is differentiated from traditional PLM vendors in several ways that deliver significant advantages to apparel companies.

Inherent Domain Functionality
While other PLM vendors offer their repurposed, “apparel-ized” versions of the traditional PLM solutions they sold to the aerospace and automotive industries, Centric Apparel Suite was built to address the unique requirements of the AFA market, and support the distinct processes of AFA product development with a complete solution that includes Product Specification, Global Sourcing, Line Planning, and Calendar Management modules.

Extensive Domain Expertise
The Centric team brings rich experience in apparel industry processes, and understands the business needs of apparel companies. Mennrath confirms, “Centric knows our business. We didn’t want to spend six months educating our PLM vendor about our business. But Centric has experience in the footwear and apparel business, so they understood and anticipated our needs, which was very critical for us.”

Fast Deployment
Centric solutions are typically deployed in one design cycle and deliver returns in the next, while traditional PLM implementations re-engineered for the AFA industry can take years, and may never deliver the promised benefits. Le Coq Sportif started using its Centric system within 6 months after beginning its implementation. Within one year, Le Coq Sportif was utilizing all Centric modules—Product Specification, Global Sourcing, Line Planning, and Calendar Management—and had integrated Centric to its other critical systems such as ERP.

“I was skeptical at the outset that we could complete what we set out to do at the time,” explains Mennrath. But I’m not a skeptic anymore. An on-time, on-scope PLM implementation is possible, and we did it with Centric.”

Ease of Use
Centric Apparel Suite presents the user with an interface that is as easy to use as a spreadsheet, which increases user adoption, with little or no training required to use the application. Highly configurable and easy-to-use dashboards meet the needs of individual users and managers alike, highlighting problems so they can be resolved quickly.

“Centric’s approach is very pragmatic and easy to understand, which is definitely not the case with other competitors,” Mennrath notes. “The tool is quite flexible and very user friendly.
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Product managers and others who were used to working with spreadsheets find Centric approachable and easy to understand. And for me, with Centric I now know where my collection is at all times. I can look for myself and check what is happening in a factory in Vietnam, or in any other location in the world, and I don’t need someone to come train me for hours every time I want to use the system.”

Conclusion
The AFA industry is struggling to simultaneously control costs, preserve gross margins, improve efficiencies, enable global collaboration, and assure consistency of its product information to all participants. As if this weren’t difficult enough, AFA makers must also dramatically cut time to market and bring increasing numbers of product lines to consumers.

Clearly, PLM technology holds great promise for the AFA industry and can help to meet all of these challenges. Yet the wrong solution will leave AFA companies mired in long, expensive implementations, and force apparel companies to change their business practices to meet the software’s legacy.

Instead, Centric offers a new generation of PLM, designed specifically to meet the requirements of apparel companies. Centric Apparel Suite is a comprehensive solution including Product Specification, Global Sourcing, Calendar Management, and Line Planning in an easy-to-use, rapidly implemented solution.

The next-generation of PLM is here. And, as Le Coq Sportif discovered, the concept of an on-time, on-scope PLM implementation becomes reality with Centric.