

RESILIENCE WILL ALWAYS BE FASHIONABLE

Seamless Solutions for Overcoming
Apparel Supply Chain Challenges



A PATTERN OF DISRUPTIONS, AN ABUNDANCE OF OPPORTUNITY

The pandemic wasn't the first global phenomenon to create turmoil in the apparel industry, and it certainly won't be the last. Whether it's addressing an increasingly aggressive regulatory environment, growing consumer demand for sustainable operations, accelerating new product development and delivery, or the need for a data-driven approach to supply chain collaboration, there's much for fashion and apparel to tackle as the world economy walks an uneven path toward recovery.

Proof Required. The pandemic saw consumers increasingly shun fast fashion businesses with weak sustainability records in favor of brands with relevant social messages. Governments got involved, too, placing new restrictions on imports from regions in China. As a result, the apparel industry must adopt supply chain traceability in order to deliver an accurate picture of the extended supply network to customers, partners, and stakeholders.

CSR Matures. Corporate social responsibility (CSR) is a strategic initiative that can enhance a brand's financial performance and reputation while strengthening its supply network. As such, CSR programs should be tightly integrated into a company's operating model and supply chain management disciplines. Once considered a form of voluntary self-regulation, over the last decade CSR has become increasingly subject to mandates at the regional, national, and international levels.

What's New? The long-term viability of your company depends on the ability to deliver a steady stream of profitable products. A modern product lifecycle management (PLM) solution helps optimize your product portfolio, providing the ability to meet customer specifications and comply with industry regulations and standards at the lowest cost.

Data is the New Oil. Your organization cannot make confident decisions without accurate data. From understanding customer preferences to real-time supply chain constraints to outlining product demand patterns, apparel companies must have access to advanced decision-support technology.

In this e-Book, you'll learn about three digital supply chain solutions that can help your business improve strategic focus and thrive despite market volatility.



FACTS, FIGURES, PATHS TO SUCCESS

The fashion industry faces challenges on multiple fronts: increasing pressure to perform, shifting consumer behaviors, a continued emphasis on sustainability and accelerating demand for digital transformation. The numbers below make it clear why governments, investors and consumers are increasingly scrutinizing the industry.

The fashion industry by the numbers



\$2.5
TRILLION INDUSTRY



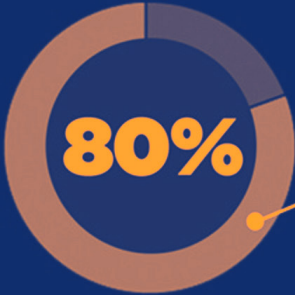
2nd
HIGHEST USER
OF WATER



2nd
HIGHEST POLLUTER
Responsible for 10%
of global carbon
emissions



1 IN 6
PEOPLE IN THE WORLD
work in fashion & related
industries.



WOMEN throughout the
supply chain.



85%
OF TEXTILES
are sent to landfills

An estimated,
21B
TONS PER YEAR

Numbers sourced from: World Economic Forum; Instead; Close the Loop; C&A Foundation; International Center for Research on Women; U.S. Environmental Protection Agency.



The good news for forward-thinking apparel companies is that by adopting modern technologies that support supply chain transparency, trends that might appear to be barriers to success can instead be leveraged for sustained growth and increased resilience.

By modifying their business practices, companies can tap into the emerging trends of the new apparel world.



Source: A. T. Kearney analysis



SUPPLY CHAIN TRACEABILITY

Supply chain traceability is a strategic initiative for fashion companies that want clearer visibility into every level of their multi-tier supply network in order to share more information with customers, partners, and stakeholders.

Recently, supply chain traceability has become the primary concern for every fashion brand that sources products from China. Due to forced labor allegations in the Xinjiang Uyghur Autonomous Region of China, legislation by the U.S. government prohibits the import of merchandise that includes any inputs manufactured, wholly or in part, using forced labor.

Modern traceability solutions use a private blockchain to ensure that your company can track chain of custody throughout the supply chain by storing and managing all supporting documents related to every transaction between all supply chain trading partners at every level. Every product essentially creates a 'digital thread', generating a compliance certificate that summarizes each exchange of products and materials from fiber origin to final destination.



Centralize supplier information for all tiers

Create and maintain comprehensive supplier profiles, certifications, and evaluations, including supply chain hierarchies, geolocation maps, and digital threads.



Track material chain of custody

Verify the origin, supplier, and consumption of all materials used in finished products before shipment.



Document every supply chain transaction

Collect, organize, and distribute supporting documents – such as purchase orders, packing lists, and invoices – for every transaction in each tier of the supply network.



Create a compliance certificate

Use transactional data to generate a compliance certificate and incorporate it with shipment paperwork to prove the finished good was not produced with forced labor.

CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility (CSR) enhances your brand's financial performance and reputation while strengthening its supply network. With the right corporate responsibility technology in place, you can surface variances between a supplier's self-reported scores and audit findings, as well as analyze results, issue corrective action plans and adjust sourcing plans in real time based on a supplier's progress towards their own sustainability goals.

Your brand can then confidently publish plans, practices and findings to stakeholders with full transparency and confidence.



Foster a strong supply network

Set clear expectations and foster better communication and collaboration with suppliers using a fair and open approach to supplier scorecards and sourcing decisions.



Enhance corporate reputation

Strengthen brand equity through the thorough, consistent and fast sharing of information. Give customers a comprehensive and unbiased view of your Corporate Social Responsibility practices.



Manage CSR assessments

Manage all assessments and audits related to working conditions – SLCP, Better Work and ABVTEX; and environmental impact – HIGG and FEM.



Improve sourcing metrics

Make data-driven sourcing decisions by leveraging a single repository for all types of audits and scores.



Reduce misinformation risk

Ensure proactive, quick and consistent reporting of assessment results to reduce any risk of misinformation being generated.



Collect and share information efficiently

Full automation of assessment information enables collaboration using standard workflows, definitions, and form templates.

PRODUCT LIFECYCLE MANAGEMENT

The long-term viability of your company depends on your ability to deliver a steady stream of profitable products to market. The current pace of change in the apparel industry has created a growing challenge to compress development cycle times and get products to market quicker. A disjointed product development process scattered across multiple enabling systems can no longer keep pace.

Product lifecycle management (PLM) solutions must be intuitive, easy to deploy, user-friendly, and cloud-based, ensuring all stakeholders have proper visibility throughout the product development process. Workflow calendars allow you to track progress, predict unexpected delays and keep all departments on the same page in real time. With critical path management processes and the ability to create role-specific dashboards, PLM systems provide accurate information at your fingertips to ensure products are delivered on time, on trend and on budget.



Increase speed to market

Manage workflows in a global, collaborative environment. Capture market share by being first to market. Compare product performance to expectations, as well as expected vs. actual costs and material usage to conserve resources, drive sustainability improvements and gain a competitive advantage.



Track progress

Enhance efficiency by using product development calendars to monitor on-time schedules and performance.



Monitor performance

Monitor performance through standard reports and advanced analytics-infused dashboards



Maximize profitability

Create multiple cost sheets per product and perform “what-if” scenarios to determine which items hit financial targets. Break down costs at various levels and compare by line item.



Reduce inventory inefficiencies

Manage 15 exception types as well as maintain exception history to see what processes are improving or worsening.



Line planning

Use interactive planning capabilities to view and manage the line development process. Create configurable views to have real-time visibility and synchronize teams to facilitate an on-time product launch.

RESILIENCE TAILORED FOR A POST-PANDEMIC WORLD

As the speed and complexity of change continue to accelerate, apparel supply chains must step up to satisfy customer demand in reliable, responsible and resilient ways.

Apparel companies can strengthen the resilience of their supply chains by digitally transforming three key areas:

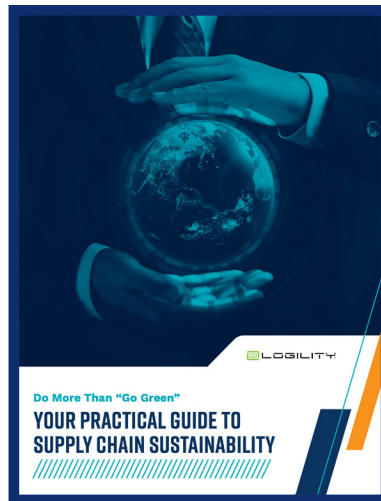
- » **Supply chain traceability**
- » **Corporate social responsibility**
- » **Product lifecycle management**

Logility is uniquely positioned to help fashion companies like yours rethink these supply chain strategies with the Logility® Digital Supply Chain Platform. The platform provides a comprehensive set of solutions that can enable you to plan and execute your operating strategy based on a clear view of your global supply chain and emerging disruptions. Best of all, you can position your business to thrive in a climate of stricter regulatory burdens, increased demand for sustainability, and ever-evolving commerce expectations.

ADDITIONAL RESOURCES



The Future of Fashion is Digital



Do More Than "Go Green": Your Practical Guide to Supply Chain Sustainability



AI and Analytics: The Importance of Visualization and Data



ABOUT LOGILITY

Accelerating the sustainable digital supply chain, Logility helps companies seize new opportunities, sense and respond to changing market dynamics and more profitably manage their complex global businesses.

The Logility® Digital Supply Chain Platform leverages an innovative blend of artificial intelligence [AI] and advanced analytics to automate planning, accelerate cycle times, increase precision, improve operating performance, break down business silos and deliver greater visibility. Logility is a wholly owned subsidiary of American Software, Inc. [NASDAQ: AMSWA].

To learn how Logility can help you make smarter decisions faster, visit www.logility.com.

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