

Meeting the Quick Response Challenge: A Winning Solution For Textile Manufacturers

As the textile industry's partner of choice for supply chain management and e-business, Adexa delivers linchpin technology for collaborative commerce both within and beyond the four walls of the enterprise.

With Adexa's iCollaboration suite, a comprehensive toolset for profit optimization, B2B collaboration and business process automation, textile companies such as Milliken & Co., Quaker Fabrics, Malden Mills Industries and Teijin Limited are setting new standards for speed, responsiveness and service.

Adexa's planning tools range from strategic business planning to forecasting and replenishment, supply and production planning, supplier relationship management, and e-procurement.

Innovative companies such as Milliken & Co., Malden Mills, Gulistan Carpet, Quaker Fabric and Teijin Limited are using Adexa's iCollaobration software to set new standards for speed, quality, and customer service within their market niches.

Speed, Quality, Customer Service

Textile executives agree: supply and demand planning, factory scheduling, shop floor sequencing, distribution planning, procurement and related supply chain management functions are the keys to improving customer service, shrinking inventory costs, and expanding margins.

The growing speed and complexity of B2B underscores the need for proven supply chain management and e-business solutions. But until recently the planning technology available to textile companies was grossly inadequate. Many textile companies were forced to use kludges and workarounds or, worse, software developed for other environments. With some customization on the surface, these products were made to look like they could handle the textile industry's daunting planning challenges. In most cases, the software was superficial and failed miserably.

Many executives concluded that there were no real and specific solutions designed for their industry. Some companies resorted to developing their own in-house planning systems based on, for example, spread sheets and customized ERP/MRP-generated reports. Unfortunately, these solutions suffered from a lack of detail, integration, and state-of-the-art optimization technology. They were much too slow and unable to consider "real-world" constraints. As intelligent decision-support and "what if" analysis tools, they were woefully inadequate.

Fortunately, help has arrived. Four years ago, Adexa delivered state-of-the-art supply chain management and e-business software tailored specifically to the needs of textile companies. Using Adexa's tools for profit optimization, B2B collaboration and business process automation, a new breed of textile manufacturer has emerged. Partnering with Adexa, innovative companies like Milliken & Co., Malden Mills, Gulistan Carpet, Quaker Fabric and Teijin Limited are setting new standards for speed, quality, and customer service within their markets.

The Quick Response Challenge

The textile industry faces more pressure than ever to respond quickly to its market demands. At one end of the supply chain, the supply of fiber is controlled by suppliers who, due to their own processing and market constraints, may be compelled to hold or push inventories into the textile market. On the other end, there is a further consolidation of retail forces such as Wal-Mart™ and K-mart™. These retailers require just-in-time responsiveness and goods at the lowest possible cost.

Furthermore, offshore competition is becoming more intensive almost on a daily basis, resulting in faster and cheaper goods. These factors, among many others, are intensifying the industry's need for greater responsiveness.

Consider the following typical scenario. If the needed fiber is not available to a textile manufacturer, the lead-times for fiber purchasing and yarn processing can be as long as eight weeks, perhaps longer. By the time the right mix of yarn is available and the greige is built, it can take an additional two to four weeks. Given that the right greige is made available, the cycle times for dyeing and finishing can be as long as two to four weeks.

The further process of cutting and sewing can take many weeks longer, especially since many of such operations are performed off shore. These kinds of lead times and cycle times can bring this industry's supply chain flow to a crawl when it comes to meeting the needs of their ever-changing market demands.

Billions of dollars lie trapped in the value chains of today's textile companies.

To find and free this captive value, Adexa has partnered with industry leaders to develop state-of-the-art tools for profit optimization, B2B collaboration, and business process automation.

Increasingly, textile executives measure business performance in terms of inventory reduction, shorter cycle times, and reliability of deliveries to customers.

New Processes, New Technology

Quick Response can no longer mean carrying excess and potentially obsolete inventories. The textile industry's large inventories of greige and finished goods and the apparel industry's colossal inventories at the detailed SKU level come at a very high cost to the enterprise. In most cases, these inventory levels are all well above the acceptable range. Also, a good percentage of these inventories are either becoming obsolete or are already obsolete.

Responsiveness today means optimizing efficiencies throughout the supply chain and trimming inventories and cycle times to an absolute minimum. Furthermore, executives recognize the imperative of achieving the twin measures of reliability and responsiveness. "Reliability" is delivering the product your customer requested on the date you promised it would arrive. On the other hand, "responsiveness" is delivering the product on the customer-requested date.

To make your entire supply chain optimally efficient and dramatically improve both measures of reliability and responsiveness, a tremendous change must come about both in process and technology.

Better Tools, Available Now

To address this tremendous need, Adexa has bundled state-of-the-art technology and built-in industry expertise to empower textile manufacturers to become more productive, responsive, and competitive.

Adexa's iCollaboration suite helps textile firms address mission-critical questions like the following:

- How do I adapt to seasonal changes in consumer demand and effectively promote my products?
- How do I minimize lead times and carry-over inventory?
- How do I factor in the complexities of styles, colors and other customer-driven product variations into my procurement, inventory, factory, and distribution planning?
- How do I obtain complete visibility across my extended supply chain?
- How do I provide accurate and reliable order promising and due date quotations for my customers, retailers, resellers, and channel distributors?
- How do I integrate a supply chain optimization solution with my other planning applications while leveraging the full value of my existing investments in people, processes, and tools?
- How do I exploit the power of the Internet to achieve real-time supply-chain responsiveness – within and beyond my enterprise?
- How do I automate key processes to increase the velocity of my business?
- How do I forge profitable “win-win” relationships with my customers and suppliers?

Adexa's planning and collaboration tools harness the Internet to improve textile companies' productivity, responsiveness and competitive advantage.

Besides world-class software, Adexa has close relationships with consulting firms such as Kurt Salmon Associates, Experio Solutions, Accenture EDS, and Arthur Andersen.

Improving Supply Chain Performance

Not only does Adexa understand the challenges facing today's textile companies, we offer solutions, available now, that address these specific challenges. Our knowledge is backed by years of experience in different production environments for yarn, greige, and dye and finishing. Our technical expertise in this industry is reflected in the design of our software solutions. That's why a number of prominent textile companies around the world, such as Milliken & Co., look to Adexa as the most proven solution for optimizing their supply chain operations and improving their bottom lines.

Adexa's iCollaboration suite connects your entire supply chain, providing much greater levels of visibility and control. These solutions dramatically reduce your cycle times and inventories, while maximizing the utilization of capital-intensive resources. You are able to anticipate consumer demand, manage the complexities of styles, colors, and finish, optimize flow of material and capacity, synchronize your supply chain operations, and thereby enhance your overall responsiveness to your markets.

With Adexa's iCollaboration software in place, you can provide your customers with more accurate commitment dates and on-time delivery service. Equally important, we provide "beyond-the-enterprise" collaborative planning applications that link your business seamlessly through the Internet with suppliers, customers and in-the-field sales people.

Bringing Supply Chains Online

If you're in the textiles business, the name of the game is collaboration. Adexa's iCollaboration suite improves your bottom line by giving you the customer responsiveness, factory efficiency, forecast accuracy, and supply chain visibility you need to plan operations well and consistently meet demand.

Adexa's Internet-ready solution is ideally suited to textile manufacturers and subcontractors as well as their highly distributed, n-tier networks of suppliers. With iCollaboration, companies can meet the exact configured requirements of upstream and downstream members of the extended supply chain, including retailers and end-consumers.

Above all, iCollaboration compresses the supply chain pipeline, allowing you to move material and information rapidly throughout the phases of forecasting, raw materials procurement, greige, dye, finished goods production and distribution to customers.

Adexa's textile planning solutions were crafted with the active involvement of industry experts from TC²'s DAMA project, the American Textile Manufacturers Industry (ATMI), and the American Apparel and Footwear Association (AAFA).

Adexa's state-of-the-art software enables the following key industry initiatives:

- Collaborative Planning, Forecasting and Replenishment (CPFR)
- Vendor Managed Inventory (VMI)
- Style/color planning
- Supply planning
- Factory planning and scheduling
- Shop floor scheduling and sequencing
- Web-based B2B collaborative workflows for merchandize planning, order management, supplier relationship management, and logistics

*Adexa's
iCollaboration
integrates
seamlessly with
textile companies'
in-house legacy
systems as well as
leading enterprise
resource planning
(ERP) systems
such as BPICS,
DataTex, SAP and
Oracle.*

E-business Ready

Whatever the scope of your operations, iCollaboration's native Internet planning architecture allows your internal organizations to collaborate effectively within a corporate intranet and keep operations lean and focused. At the same time, iCollaboration provides a secure private exchange environment that connects you in real time with your customers and suppliers through a Web browser, routing inter-company workflow and supporting all B2B messaging standards and protocols.

iCollaboration automates critical shared business processes so that you can run your business at Internet speed and communicate in real time with trading partners. It also supplies the decision support intelligence you need to maximize profitability and customer service.

But there's more to the story. iCollaboration connects your business seamlessly with other exchanges, both public and private. And if you host your own textiles public exchange, you can rely on iCollaboration for the supply chain automation, optimization and collaboration tools you need to support complex, high-volume transactions.

In iCollaboration, Adexa offers a synchronized, end-to-end forecasting, optimization, and collaboration solution that meets the nine critical steps of the CPFR (collaborative planning, forecasting and replenishment) model. Indeed, Adexa delivers the planning intelligence that brings apparel companies' CPFR initiatives to life.

Industry-Specific Functionality

With iCollaboration, textile companies can look forward to record performance in factory efficiency, customer service, sales volume, and inventory management with respect to finished goods, work-in-progress, raw materials and in-transit goods. As needed, aggregate forecast data is dynamically translated into precise bill-of-material (BOM) requirements to drive production schedules and inventory replenishment.

Base Lot Tracking

Throughout the planning and scheduling process, Adexa's base lot tracking capability automatically takes into account all of the process characteristics critical in producing finished goods that meet customer and quality requirements. For example, using base lot tracking, it is possible to specify that two or more separate sections of carpet or fiber undergo the dyeing process in the same dye tank and/or at the same time. This ensures an exact uniformity in the coloring of the different carpet sections during later stages of production and when they are assembled at the customer site. Base lot tracking is also useful in tracking the histories of all of the components and intermediate processes associated with finished goods.

Multi-line Demands

In ERP order entry systems, orders can arrive for multiple products, or for different product variations, associated with a single demand item. For example, a single demand for carpet could include several variations of color, texture, price, or other attributes. Adexa fully captures these attributes and ensures that they are modeled and propagated throughout the planning, scheduling, and order fulfillment process.

Adexa's industry-specific textile planning functionality includes base lot tracking, support of multi-line demands, and strategic inventory management.

With iCollaboration, you can define policies, based on configurable business rules, that regulate how you, your suppliers and other partners regulate work-in-progress, finished goods, and other inventory, including safety stock.

Industry-Specific Functionality (cont.)

Strategic Inventory Management

iCollaboration enables you to formulate safety stock policies, then calculate and immediately view their impact across the entire supply chain. Specific inventory policies can be assigned at either ABC class levels (for example, inventory percentages associated with best-selling products) or per product per location. These inventory policies will be used throughout the planning and scheduling process to determine the safety stock levels needed to satisfy user-defined objectives for lead-time variability, lead time errors, customer service levels (i.e., on-time delivery performance), and monthly replenishment.

iCollaboration also enables you to perform inventory analysis based on the current data model in memory and populate the data model with updated policies. These policies are used to manage the appropriate inventory levels for finished goods. The inventory manager supports some of the more traditional time-tested models needed for inventory management including the statistical fill rate and Weeks Forward Coverage (or time-supply) safety stock models, and ABC classification.

Getting Started

Adexa is committed to your industry. In 1997 we established an office in Atlanta, GA with a dedicated staff of supply chain and e-business experts, software developers and implementation consultants, each with deep domain expertise in the soft goods industry.

As a result we've successfully deployed our solutions at leading textile companies within a matter of weeks, with unlimited scalability, seamless integration with complementary systems and low total cost of ownership.

To find out more about Adexa's solutions for your industry, log on to our website at adexa.com, call us at 888-300-7692 or e-mail us at info@adexa.com.

*The path to supply
chain and e-
business
excellence starts
here.*