

AN APPAREL MAGAZINE
THOUGHT-LEADERSHIP REPORT

Apparel

WHEN PLM BECOMES YOUR SYSTEM OF RECORD

Product lifecycle management (PLM) software has long been touted for the efficiencies it brings to design and product development. Now some fashion brands and manufacturers are realizing even greater benefits by leveraging PLM data in sourcing, production, quality assurance, fulfillment and sales.



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In a retail world of almost unlimited consumer choice and anytime-anywhere fulfillment, fashion apparel and lifestyle brands have to offer compelling product at competitive prices. Anything less, and the very sustainability of their businesses could be in question. But how can companies squeeze more time out of their supply chains even as they add more styles and distribution channels?

This report will explore how having PLM, as a well-integrated “system of record,” can help apparel businesses to execute their most important business strategies, even amid the pressures of today’s competitive fashion market. Maybe you have a Product Data Management (PDM) or PLM solution and want to get more out of it? Or, you are looking for a new system and want to restructure your approach to PLM? There’s no better time than now to start!

In this report, you’ll learn about hands-on PLM experiences from:

- **Stephanie Greenfield, design manager of product development for Dan Post Boots**, a leading producer of western, fashion and work boots across multiple brands, each positioned to reach a different customer in terms of style and price. The company’s products are sold in retail channels ranging from Zappos.com to specialty stores to chain stores such as Boot Barn.
- **Jack Nestell, CIO of MyDyer**, a global full-package apparel manufacturer handling design through fulfillment of contemporary women’s wear, men’s wear, children’s wear and juniors fashions for such well-known brands as The North Face, Abercrombie & Fitch and Urban Outfitters. The company does business across approximately 60 factories around the world.
- **Darioush Nikpour of StycheCo**, a management consulting firm that works in the trenches with apparel and retail professionals on their PLM and digital transformation strategies. The firm’s mission is to modernize and align the product creation process so that apparel lifestyle brands and retailers can achieve sustainable success in strategic, human and environmental initiatives.
- **Molly Puckett, who recently joined software company CGS from Ellery Homestyles**, where she held numerous positions from design/product development to operations leadership. Ellery, now part of Keeco, produces a portfolio of proprietary brands as well as home goods under licensed brands such as Beautyrest and Waverly.

PLM as a System of Record

What does it mean to have PLM as a system of record? It means that your business is using a PLM software solution as the foundation for product information — that all core product data resides in the PLM system rather than in isolated “silos,” such as spreadsheets or various software programs used by different

departments or individuals. When PLM is your system of record for product information, it is the birthplace of that data, and your processes keep in touch with it throughout the product lifecycle.

Organizing and Managing Product Data. For Dan Post Boots, the BlueCherry® PLM solution from CGS has allowed the company to organize all of its product information, make product specifications available to different teams and track samples, among other benefits. Now, the company has visibility into when samples were requested and in what materials. As samples arrive, Dan Post Boots can clearly track which are delivered on time and which material choices were good or bad. Designers and product developers frequently use the system’s “Notes” functionality to leave remarks about specifications, materials and vendors. Greenfield says she appreciates the ability to access this information and view the status of what her team is working on, regardless of where she and the team are located. “It’s an ongoing dialogue, whether you’re in China or here in the office,” she says. “I’m able to see things at a high level via reports, but I also can drill into brand categories and view each spec, which is very beneficial. When I want to dig deeper, I can see each design that every designer has in the works.”

Connecting PLM across Departments. Big benefits accrue when PLM data is available to team members with different roles and responsibilities throughout your business. There is power in having PLM information continuity for reporting, quality control, chargebacks, cost control and more. With consistent master product data, integrated across multiple functions, teams can use business intelligence tools to analyze that data, see trends and make better decisions. In general, it gives them greater visibility.

“We’re able to be smarter about how we proceed with materials and vendors,” Greenfield says. For example, Dan Post Boots





An Interview with Ajay Chidrawar, Vice President, Global Product Management and Customer Success, CGS

Q : How are fashion apparel and lifestyle brands and manufacturers using PLM as a system of record to help them achieve their most important business strategies?

AJAY CHIDRAWAR: The process of managing the entire lifecycle of a product from inception through design and manufacturing can be complex for any brand. PLM affects multiple departments, resources and components, including design, product development, merchandising, sourcing, raw materials and production. It also relies on collaboration with regard to global manufacturing and materials.

Brands, manufacturers, wholesalers and retailers are using PLM to help gain strategic alignment within their teams. Speed to market and process efficiency have become increasingly important to companies. Data is accumulated throughout the PLM process. When data isn't centralized, teams will spend more time piecing together data points and analyzing the problem than finding the right long-term solution that aligns with company objectives. In short, without PLM you can only take the business so far. You encounter issues with slowing sales growth and talent retention. With PLM being the central, shared repository (system of record) for all data across the process/groups, users can spend more time doing value-added work and focus on making decisions, rather than chasing information. PLM gives teams the structure and visibility into a process that counters what has often been considered a barrier to entry when looking for significant growth.

Q : What are some best practices for apparel businesses to keep in mind when it comes to leveraging their core PLM data across their supply chains?

CHIDRAWAR: A best practice when implementing PLM is to consider how PLM data can be leveraged by all core functions of the business. Implementing a PLM system/solution will impact your design, product development and sourcing teams, but the same data could be accessed by customer service teams to answer product-related questions from the consumer or by inbound quality control to obtain tolerances and standards to increase speed and build confidence in product inspections. Rich product data, including attributes that come out of the PLM system, are important to publish to retailers and eCommerce sites. Best practices can also be leveraged to decide what data to store, track and share as it pertains to collaboration with vendors that become a core part of the supply chain. Configuring a PLM solution takes time, but it can pay dividends over and over if you consider the long range of exposure you can provide employees throughout an organization.

Q : In what ways are your customers using PLM as a system of record to improve speed to market?

CHIDRAWAR: One of the most effective ways in which our customers are using PLM to improve speed to market comes in reviewing and organizing their operational processes with their vendors. Because PLM is the keeper of product records and the processes that surround them, it provides rich insights and allows a company to identify bottlenecks, gaps or lack of resources that will significantly improve the time it takes for a design to move from concept into the customer's hands. Before a PLM implementation, speed-to-market metrics are often anecdotal at best. PLM allows you to create best-practice metrics and measure key performance indicators (KPIs) easily and with confidence. Some of these metrics that can be effortlessly tracked with PLM include: Design efficiency (percentage of design changes/rework); product quality (percentage of sample changes/rejections); quotes received on time; adoption rates for development; a vendor's on-time delivery rate or average sample turnaround time; and sample efficiency (vendor sample approval vs. rejection ratio). These KPIs can often shine a light on problems that can be resolved by further leveraging the PLM solution and improving overall speed to market.

About CGS

For 35 years, CGS has enabled global enterprises, regional companies and government agencies to drive breakthrough performance through business applications, enterprise learning and outsourcing services. CGS is wholly focused on creating comprehensive solutions that meet clients' complex, multi-dimensional needs and support clients' most fundamental business activities. Headquartered in New York City, CGS has offices across North America, South America, Europe, the Middle East and Asia. For more information, please visit www.cgsinc.com and follow us on Twitter at @CGSinc and @BlueCherryCGS and on Facebook.





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now has clear visibility into how much of the same leather is used across different styles and brands. With this information at its fingertips, the sourcing team has a stronger position for negotiating costs with tanneries; adding, “You’ve got to have the knowledge to be able to negotiate.”

Companies like Dan Post approach their PLM investment with a game plan for how they want to optimize PLM data across their business, from planning and product development to sourcing, Supply Chain Management (SCM) and sales. From the outset, they recognize that the very same data entered about a style at its inception needs to carry over into sampling, purchase orders and many downstream reports.

By using the “Design Development Stage” field in BlueCherry, Dan Post Boots team members can follow a product through its entire lifecycle, from design/product development through sales. When one employee finishes a task associated with that product, he or she changes the product in the system to the next stage, automatically alerting others of pending tasks now in their court. This feature helps the company keep work moving efficiently, especially when it’s time for a style to be set up for its production run. “For that to happen, it has to go through a lot of different hands,” noted Greenfield.

These “hands” belong to co-workers in sourcing and sales, who are responsible for tasks such as setting up UPC codes that ultimately will be associated with each item and assigning orders to certain factories. “We utilize the reports in BlueCherry for this,” said Greenfield. “Different departments and teams know what their duties are for each day. We have set up the report to run each morning, which is nice because it informs each individual of their daily ‘to-do.’”

Using One Platform for ERP and PLM. Some apparel businesses choose to invest in the same software platform for both PLM and Enterprise Resource Planning (ERP) so that there is a native integration — a built-in connectivity and seamless information flow — across processes managed within the system.

When it implemented CGS BlueCherry PLM and ERP in 2017, MyDyer wanted to achieve process consistency and control costs. In everything it does, the company comes back to a guiding rule: Every business transaction generally results in an inventory shift and/or a change in dollars. “So, it’s really important to utilize your ERP system to help you manage your business processes and understand where your dollars are,” said Nestell. “When you know where your dollars are, you know where your operational costs and profits and margins are and how you can improve. PLM is where it starts. It’s where you start to identify the costs associated with the product and your potential margins. For example, you can create your bill of materials and cost sheet before you promote a style to your production environment.”

Nestell underscored the importance of investing in an ERP



solution with built-in PLM so that the integration between the two is seamless for end-to-end traceability. Then, for example, a company can compare anticipated, or standard, costs with actual costs. It also can keep tabs on what apparel themes and styles are selling and which are not. The business can trace this information back to the individual designer, if desired. “CGS does a great job of allowing you to have complete visibility of the entire PLM lifecycle, so you don’t have any disconnects or gaps in that process or lost time,” he says.

The solution also gives MyDyer associates across multiple departments access to product information helpful in their day-to-day responsibilities. For example, a customer service associate can see what the design team is working on so that he or she can start planning promotions. Members of different functional teams can message each other about workflow issues or questions. Managers easily run reports to see where products are in the process and how long they’ve been at a certain stage. “It makes it easy to see the status of where the ball is, so to speak,” adds Nestell.

Leveraging PLM Data across Multiple Systems. While there are many advantages to having PLM and ERP all in one, not every apparel company has a single end-to-end solution or chooses to take this approach. A company may have line-of-business applications dedicated to managing functions such as planning, SCM or point of sale. Still, there are some best practices they can use to get the most from their PLM system of record.

“Every time there is a different line-of-business tool, there is often this break or gap in the data where integration is required,” noted Nikpour. “The challenge for apparel brands and retailers is not to have those breaks. They want to really see their business holistically and have deep functionality across every one of those business applications. They need one clear digital pipeline of data.”



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To avoid breaks in that digital pipeline, here are a few questions to consider:

- What is the best process to set up your product data hierarchy (the way product data is organized in the system), bearing in mind potential expansion and growth goals? For example, where might you position future licensed brands?
- Which product attributes do you need to capture in the system? Who is responsible for that data? How much data should be associated with your product in development and then when it's adopted and in the item master (the information related to an individual style)?
- What key words and terms (sometimes called "lexicon") does your business use to describe products, processes and business rules in your day-to-day communications and in your line-of-business systems? How might these word choices be the same or different from those used by customers and supply chain partners? Are there opportunities to reconcile key differences for greater alignment?
- What common ground is there between the fields of data (the places in the software program where data resides) of your PLM solution and other applications used by your business? If there are not common fields, how will you get data to flow from one to the other?
- Is there an existing application programming interface (API) between different software programs, or will you be starting from scratch to connect programs?

"Within the four walls of a company and the extended enterprise, people don't always understand and share the same terminology," said Nikpour. "For example, a 'spec' could mean one thing to an auditor and something totally different to a technical designer or a fabric specialist. It's important to be sure that terms and data definitions are clear and well-communicated."

Nikpour believes that companies might be able to coast along with some ambiguity in their business communications and misalignment between systems, but when faced with growth opportunities, they can struggle to keep up. He adds, "Then it becomes a paramount issue. When you have these differing hierarchies and product attributions to address, you really need to find a way to create synergies to bridge the line-of-business applications and allow them to talk with each other."

Ultimately, all of the work to organize, align and seamlessly share this product data is a means to an end. "People don't really appreciate that this type of endeavor isn't about the data. It is. But it isn't," noted Nikpour. "It's really about how cross-functional teams depend on that data; not only to perform their own business functions, but to service those who are recipients of that information after them in the value chain."

In its approach to PLM, Ellery Homestyles took a hard look at how its data was organized before PLM and how it wanted the data to be set up for the future. Puckett sought input from multiple teams, from finance to the warehouse, regarding what information and reports would help them with their responsibilities. Then the company worked with CGS to configure the PLM tool to meet its needs. "If you make those changes in the beginning, you can help a lot of people down the road," said Puckett. "It extends all the way to sales. All of a sudden, people have data at their fingertips to do their jobs more efficiently. If you set up PLM correctly and leverage it to its fullest, it affects everyone in your company in a positive way."

Dan Post Boots also put a lot of emphasis on planning for precisely what information needed to be captured in PLM and how it would need to be accessed and used by different teams. "You can have a great system, but ultimately any software is only as good as the data you give it," Greenfield remarked. "It's really important to put in the data that you want to have come back to you."

Business Strategies and PLM

Ultimately, any investment in PLM as a system of record should support your top business strategies. Here is a quick look at how it applies to several strategies that are priorities for many fashion apparel businesses.

Speed to Market

Speed to market has a clear relation to success. It's a key variable in deciding which companies continue to be suppliers of choice for retailers and brands of choice for consumers. Retailers want more frequent, fresh infusions of products, and consumers can be motivated to shop by quick-developing trends they see on social media, not to mention all the usual seasonal drivers. Everyone knows time is money, but it can be practically impossible to accelerate a complex supply chain without PLM to help. How



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else can companies simultaneously develop multiple-branded collections for different retail channels — rapidly — while controlling costs? PLM enables:

- Greater speed in developing products that are in fashion;
- Quicker access to data needed to complete tasks;
- Better ability to promise earlier delivery times;
- Faster replenishment of hot-selling styles;
- Easier access to answers to customer inquiries;
- More agility in reacting to trends;
- Reduction in time spent requesting or searching for information; and
- Clearer real-time visibility to status of designs, samples, styles, orders and deliveries.

Like many apparel and footwear manufacturers and brands, Dan Post Boots has experienced a sharp increase in the number of collections it produces each year. Whereas it previously created two lines per year, now it generates six. If you multiply that times six boot brands, you can imagine the quantum leap in product data the company must control. “PLM makes sure that we keep all of these designs going and keep them organized,” said Greenfield. “The system also helps to ensure we’re in great contact with the sourcing department and sales department and that we’re all jibing together.”

MyDyer also is making more products for more seasons, responding to fast-fashion trends. “With PLM you can manage your workflow and have visibility of your processes, and that allows you to move your product and design much more quickly,” remarked Nestell.

Here are examples of how Ellery Homestyles uses PLM data downstream from design and product development. In all of these cases, associates gained the ability to “self-service” their information needs, thereby doing their work more efficiently and improving speed to market.

- Customer service representatives (CSRs) can see detailed product information directly in the PLM tool. This includes material content and the full range of colors in which a product is available. All of this data originates in PLM early in the product lifecycle. By having access to it, CSRs are empowered throughout the product lifecycle to answer inquiries on the spot from retailers or consumers and potentially book more orders.
- eCommerce team members can also access rich product information from

PLM to enable them to write online product descriptions. They do not have to request physical samples or ask colleagues in other departments to supply the information.

- Quality control (QC) inspectors at Ellery Homestyles’ North Carolina distribution center can access specifications in the PLM solution and use them as a reference for determining whether actual measurements of incoming products fall with acceptable tolerance levels.
- Warehousing and logistics associates can access PLM data regarding the packaged product’s specified dimensions, estimated outbound shipping weight and carton or soft-pack size. They use this data for advanced routing and to verify whether incoming products meet expectations and to apply chargebacks to suppliers if goods are significantly off the target.

Sustainability

Environmental sustainability and corporate social responsibility are increasingly important priorities for many apparel brands. In a recent survey of 1,000 consumers, CGS found that 68 percent of respondents said sustainability was important to them. Compared with other age groups, Generation Z respondents put the greatest premium on sustainability, with some saying they would pay 50 percent to 100 percent more for sustainable products. Having PLM as a system of record can help apparel brands to enhance data transparency and better achieve their sustainability objectives.

MyDyer is serious about environmental sustainability. The company’s California factory runs entirely on solar power and has gold certification from the Worldwide Responsible Apparel Production (WRAP) program for energy and environmental design. On its





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website, MyDyer states that it is committed to setting an example and building a sustainable infrastructure globally.

With regard to PLM's role in sustainability, Nestell says designers can use the software to more efficiently keep track of material vendors who offer eco-friendly fabrics. Nikpour also points to the importance of having shared visibility to sustainable materials, from fabrics to packaging. PLM can be particularly helpful in enabling this visibility for companies in which teams of designers are working on different brands or product categories. Nikpour added, "The PLM system can hold all of your information about organic cotton suppliers, for instance."

Also, when companies use 3D design and development technologies, they can create digital samples without consuming any physical materials. In addition, there is no need to use fossil fuels for transportation of materials, components and finished samples between design/development teams and their suppliers. With 3D solutions integrated into PLM, there can be a fast and seamless transition of information from the virtual to the physical arena when it's time to create a physical prototype.

"The goal is for the assets inside the 3D system to be easily communicated to other members of the cross-functional team and to other line-of-business applications, specifically PLM," says Nikpour. "Companies can actually design more and experiment with more concepts while reducing unwanted physical samples, creating more fit-accurate samples and decreasing rejects. ... If you're going to have a sustainability strategy, you've got to have systems like 3D and PLM as the backbone of that strategy."

Product Differentiation and Customization

Apparel and footwear brands are responding to consumer thirst



for customized products. The ability to build your own sneakers or tailored suit is just a few clicks away. Advances in 5G networks, 3D printing and smart factories no doubt will propel mass customization. But while this reality may be a bit around the corner, a form of customization is right here, right now. Many companies are challenged to meet their wholesale and retail customers' expectations for product differentiation.

PLM as a system of record can help apparel businesses to tailor unique styles and collections for customers while controlling processes and costs. At times, Dan Post Boots works with retail customers on short-run private label collections of as few as 24 pairs of boots. In other cases, it may tweak a boot style to differentiate it for a specific customer. "Everyone's trying to have that little something different to entice the consumer to buy," remarked Greenfield. "Retailers have to find ways to stay current and to build their presence with the consumer, and so we help them have their own unique look to help build up their own brand."

MyDyer is constantly customizing product for apparel brands and retailers as it helps them to achieve the unique looks they desire within the target price point. Sometimes, this customization takes the form of helping them execute a brand-new concept. In other instances, MyDyer may do some "tweaking and tuning" to make a fresh look come to life, says Nestell. He added, "Definitely a value of PLM is that it allows you to track those changes and those different versions of the same product. We also have that historical visibility to see what we've done and what we've tried with different products and designs."

Conclusions

PLM technology has proven to be an invaluable tool for managing product data in fashion's fast-moving design and product development stages. When companies approach PLM as a system of record, with a plan for using the data across their organization, the benefits they accrue from the technology can expand exponentially.

To open the door to PLM's full potential, it's important to:

- Engage people from multiple functions (i.e., finance, sourcing, warehousing, sales) in PLM implementation planning, so that their information needs can be anticipated and accommodated;
- Delve into the details of how data will be set up in the PLM system and how it will flow between users and potentially other line-of-business software applications (if the business is not operating on a single, integrated platform); and
- Plan for the way you want your business to grow and perform in the future, so that the technology can evolve to support your most-important strategies.

With integrated PLM as your system of record, you'll be well on your way to record-setting productivity and sales — keeping products fresh, costs down and speed to market faster than ever. **APP**