

STYLE, ELEGANCE AND QUALITY OF SERVICE

VALUE OPPORTUNITIES

- Increase service level
- Improve synchronization between production processes and supply of materials and accessories
- Optimize company assets management

TXT E-SOLUTIONS RESPONSE TXT SC&CM

- Production & Procurement Planning

RESULTS

- Reduction in production and procurement planning time
- Greater integration and collaboration with suppliers and subcontractors
- Reduction in overstock and stock-out of raw materials
- Optimization of warehouse flow through better use of raw materials
- Greater punctuality in delivery

Corporate Profile

No better concept exists to express the identity of Lubiam than neo-sartorial. Founded in 1911, Lubiam is really large-scale tailor's shop committed to going to market with personalized clothing, meaning pret-à-porter but not serialized, and with stylistic expression across the various lines. As early as the 1930's, Lubiam was a consolidated and successful outfit with over 500 workers in the Mantua facility. In the late 60's and early 70's, the company made an all-out effort to penetrate markets abroad. Lubiam today is an internationally recognized beacon for Made in Italy apparel. Lubiam has been continuously present in the US market since 1974 with a subsidiary in New York and over 170 points of sale throughout North America.

The company is a reliable partner, dedicating proper care to every customer.

Supply Chain Context

In producing over 220,000 garments, Lubiam has to manage a complex logistics chain. All phases of the process, from the creation of each model to the selection of fabrics and actual production, are managed internally. Lubiam has its own production lines, in Mantua and Tunis, and a network

of suppliers and sub-contractors who provide accessories and handle the less technology-driven packaging phases. Production itself requires great efforts to optimize resource use, meaning a very high level of saturation for all production lines. Constraints typical of the fashion industry make the management of this logistical-production system even more complex. Endemic volatility of demand, along with customer needs inherently tied to personal pleasure, and a broad product mix all require particular speed in the synchronization and coordination of all processes involved in the manufacture and sale of each new Lubiam collection.

Lubiam's Challenge

"Service is our company strategy" is the slogan that has always accompanied Lubiam and it represents one of the company's strengths. With this goal of maximizing customer service, Lubiam undertook an ambitious re-engineering program aimed at creating an information system for the integration of all company functions and processes. Within this initiative is a project for optimizing planning, scheduling and launchability – powered by TXT e-solutions

technology. The objective of this project is to define a production and procurement plan that can optimize production line saturation while safeguarding product mix and service levels vis-à-vis the final customer.

Why TXT?

The choice was influenced by TXT's established presence - demonstrated by numerous successful implementations - in the fashion sector, in addition to the offer of a complete and innovative vertical solution for fashion that encompasses the industry's best practices. The effectiveness of the suite they developed, TXT SC&CM® for Fashion, plus their continued commitment to customer satisfaction make the TXT offer highly competitive.

The Solution

To meet Lubiam's specific needs, TXT e-solutions recommended the implementation of the TXT-Production & Procurement

Planning module of the TXT SC&CM® for Fashion suite. This is an interactive Supply Chain Planning solution that enables companies to keep multisite production contexts in balance, including the activities of subcontractors. The application supports Lubiam in its medium/long-term planning activities including the planning phase preceding sales campaigns. The application enables the formulation of a main plan for issuing purchase orders for fabrics: during this phase, "demand" is composed solely of the sales forecast. The selected time frame is weekly, with data calculated every 15 days. This plan respects production capacity restraints and typically extends for one fashion season. Once the sales campaign is launched, and a fabric purchase plan developed by the buying office is in hand, the application checks coverage of production capacity guaranteed by the acquired fabric. If necessary, it also proposes a plan for

soliciting delivery. In this second phase as well, the time frame is weekly and the outlook seasonal. Sales efforts are already under way at this point, so demand planning considers incoming orders as well as sales forecasts. The TXT module now enables the creation of a production plan that is feasible with respect to fabric delivery dates, the product mix and line capacity. This plan has a seasonal time frame but with daily data calculation. To have demand planning activities organized on a seasonal basis assures the company better visibility of production and procurement plans.

TXT-Production & Procurement Planning is thus an important decision support tool, whose benefits for Lubiam can be quantified in terms of better resource allocation, decreased planning time, reduced overstocks and stock-outs of critical components and higher levels of customer service.

Given that TXT can boast great experience in the fashion industry, Lubiam opted for TXT-Production & Procurement Planning from the TXT SC&CM® for Fashion vertical suite. Now our planning is faster and more precise, and our use of production resources has been optimized.

LUBIAM - Moda per l'Uomo S.p.A.

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