



PRESS RELEASE
London, 25th September, 2009

Loewe targets operational excellence with TXT e-solutions

*The first results achieved include a marked improvement of service level indicators:
time to market and stock-outs reduced by 10 and 50% respectively.*

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TXT e-solutions, a leader in Demand & Supply Chain Management solutions, and Loewe, an international Brand in the leather goods and luxury accessories market, are pleased to announce the first results achieved by Loewe following a successful project bridging PLM and Supply Chain Management.

TXTPRODUCT, TXTDEMAND and TXTPLAN, part of the TXT e-solutions TXTPERFORM suite, were selected by Loewe to support all of its critical processes from design to shelf.

Established in 1846 and part of the LVMH Group, Loewe is a key player in 35 countries, with over 150 stores. The move to an end-to-end solution for the management of collections is the result of Loewe's "Excellence in operations" project, which aims to turn their supply chain into a source of competitive advantage. With a strong vision for combining traditional values and innovation, Loewe has decided to tackle the challenges of shorter product lifecycles and complex retail models by investing in new PLM (Product Lifecycle Management) and SCM (Supply Chain Management) solutions.

More specifically, the project with TXT covers the collection lifecycle from end-to-end, going beyond collection planning and development (PLM) to include SCM aspects such as production planning, allocation and replenishment at stores. Results obtained in the PLM area have been a launching pad for subsequent SCM initiatives. These have improved forecast accuracy and allocation of products to the stores as well as reduce out of stock by 50% and time to market by 10%.

Loewe selected an implementation method that allowed return on investment to be obtained as part of a series of business releases. This also guaranteed ongoing exchanges between TXT and Loewe's consulting teams.

"With PLM – says Marcelo Baltzer Director of Systems and Logistics at Loewe - we now have a collaborative product development environment, giving the 25-30 users the ability to easily share product and cost information both internally and externally. This has had positive effects on the quality and speed of product development. Other



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aspects of the project, specifically allocation, have helped us improved our service levels: time to market and replenishment to stores have both been improved thus reducing out of stocks situations. The last process implemented has been the planning of production and raw materials procurements which will allow us to further enhance delivery plans and service levels”.

“And our journey continues – added Jose Luis Fernandez, Project Manager at Loewe Excellence in Operations Project. “The next steps will include the re-design of the logistics network as well as the distribution planning of raw materials and finished products all along the supply chain; we expect further benefits in terms of resource optimization across the board”.

“I am delighted with the results of TXT’s implementation at Loewe. A project of this scale, with a company of this calibre, further highlights our commitment to the fashion sector and to delivering the ideal solution with a fast ROI and real value.” says Natalia Fernandez, TXT Sales Director, Spain - “TXTPERFORM combines fashion-specific PDM and PLM capabilities with rich supply chain management functionality developed over 20 years of working side by side with industry leaders.”

ABOUT TXT GROUP

***TXT e-solutions** is an international software products and solutions vendor and leader in “Strategic Enterprise Solutions” in the industrial and media sectors. The principal business areas in which it operates are Demand & Supply Chain Management (DSCM) with TXTPerform offer and Media & Channel Integration with TXT Polymedia company (100% subsidiary); advanced software systems for the Aerospace & Defence and Banking & Finance industries with the TXT Next offer. The company is listed on the Star segment of the Italian Stock Exchange (TXT IM). TXT has approximately 600 employees. The Company has headquarters in Milan, with offices throughout Italy, in Paris, Lyon, Barcelona, Chemnitz (Dresden), Halle (Leipzig), Bussum, London, Wynyard and New York.*

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