

Sourcing practices* in the Garment Industry

*simplified process
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Sourcing practices* in the Garment Industry

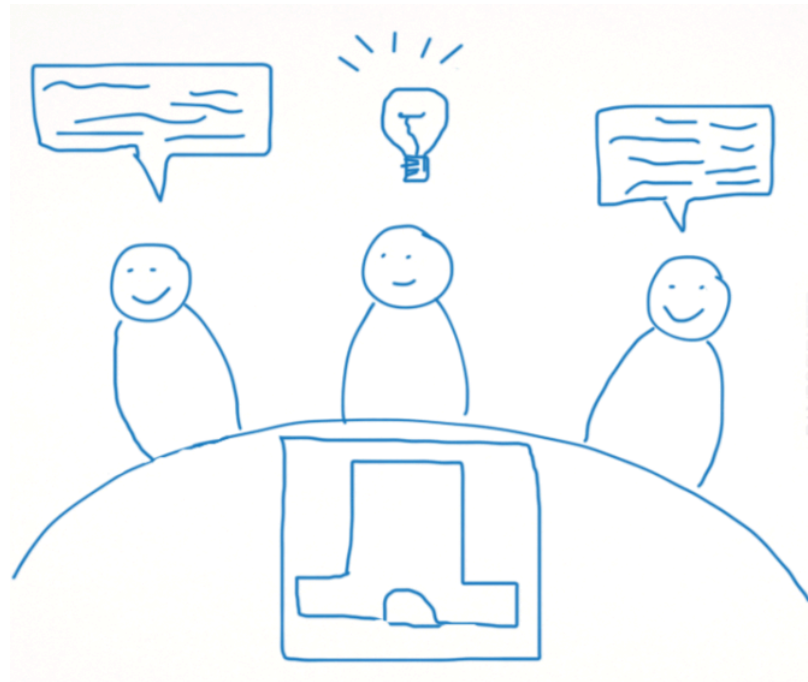
***simplified process:**

This short process simply aims at providing:

- A quick panorama to new comers to the garment industry, and
- Common reference terms and basic process for common understanding between partners from different cultural backgrounds and between different types of actors of the supply chain.

#Brand Head office

The **brand's designer** team creates a new collection



The frequency of the collections depends on the brand strategy.

Usually 2-6 collections per year...

... but some brands can do up to 50 collections per year!

Brand Head office

Designs are put into **style sheets** (inquires) that include fabric details and measurement-size charts



Buyers decide on:

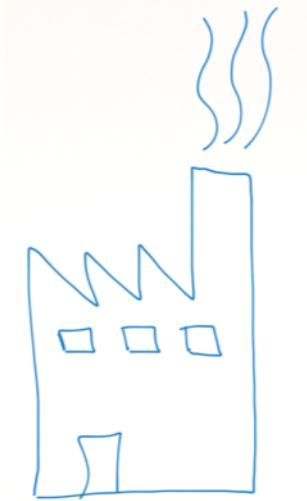
- ✓ Budget,
- ✓ FOB price,
- ✓ sale price, and
- ✓ quantities.

Buyers work closely with the product managers and the marketing/retail departments.

Brand Head office

3 ways buyers can source products:

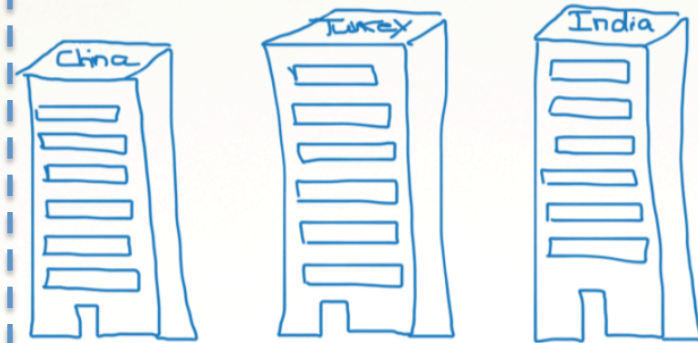
1) Directly from suppliers
producer-garment exporter



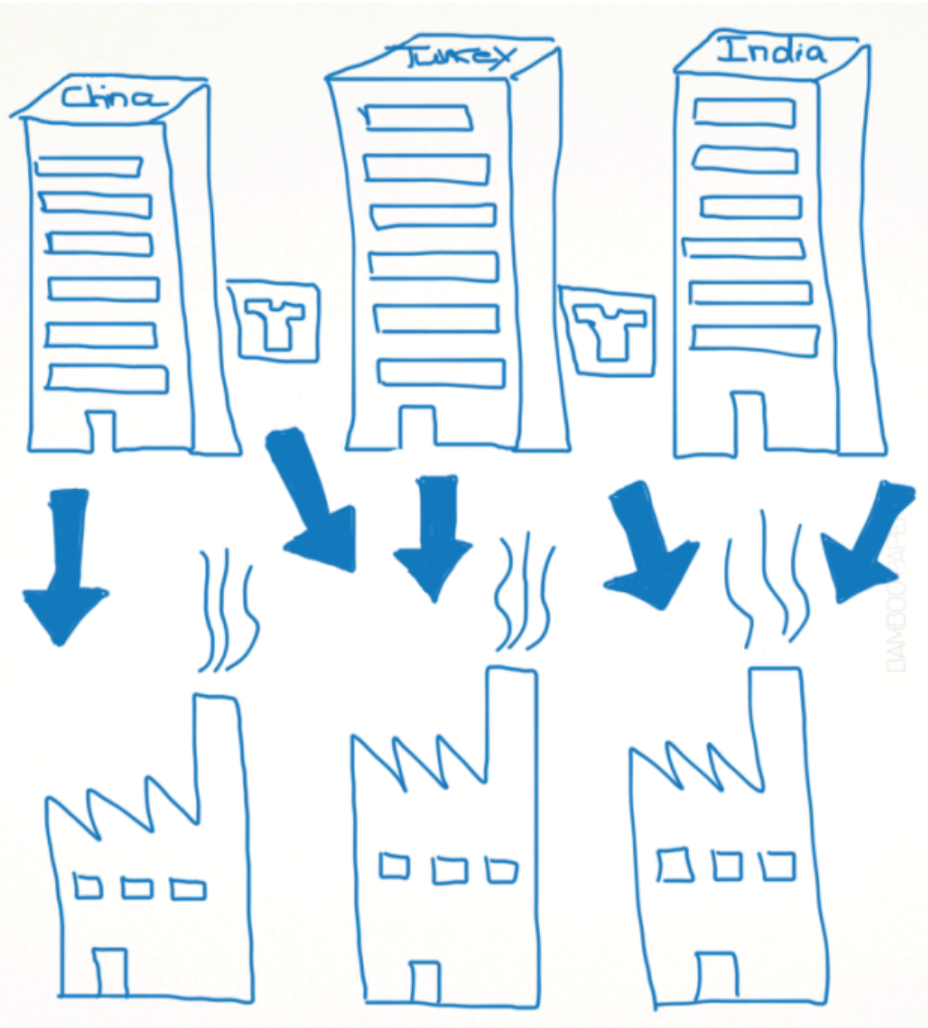
2) Through agencies /
licensees



3) Through brands' own sourcing
office in different countries



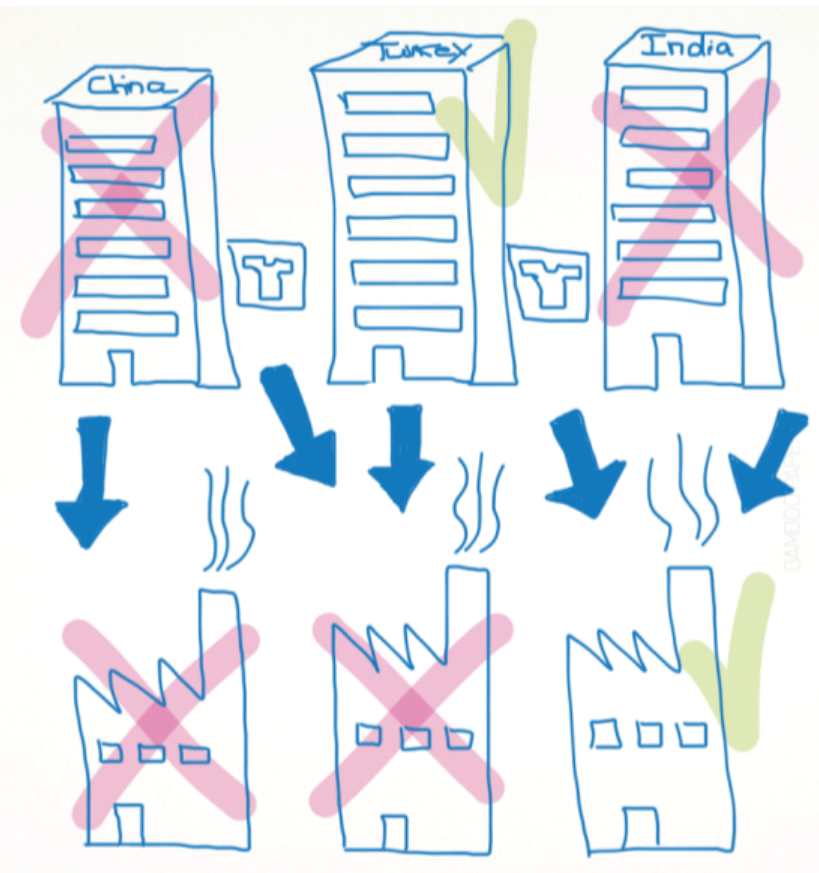
Brand Regional sourcing office



1. Design style sheets (inquires) are sent to all regional offices
2. where merchandisers contact local suppliers
3. to check for lead times and prices for the particular styles.

Brand Head office

The **buyer** collects the information and **decides**:
which country / which office / which particular supplier
gets the order.



It is quite popular to transfer more responsibility to regional sourcing offices which can:

- contribute to the design-style process,
- decide on the supplier's choice,
- or play around the FOB prices,

within a margin given by the head office buyer.

Brand Regional sourcing office



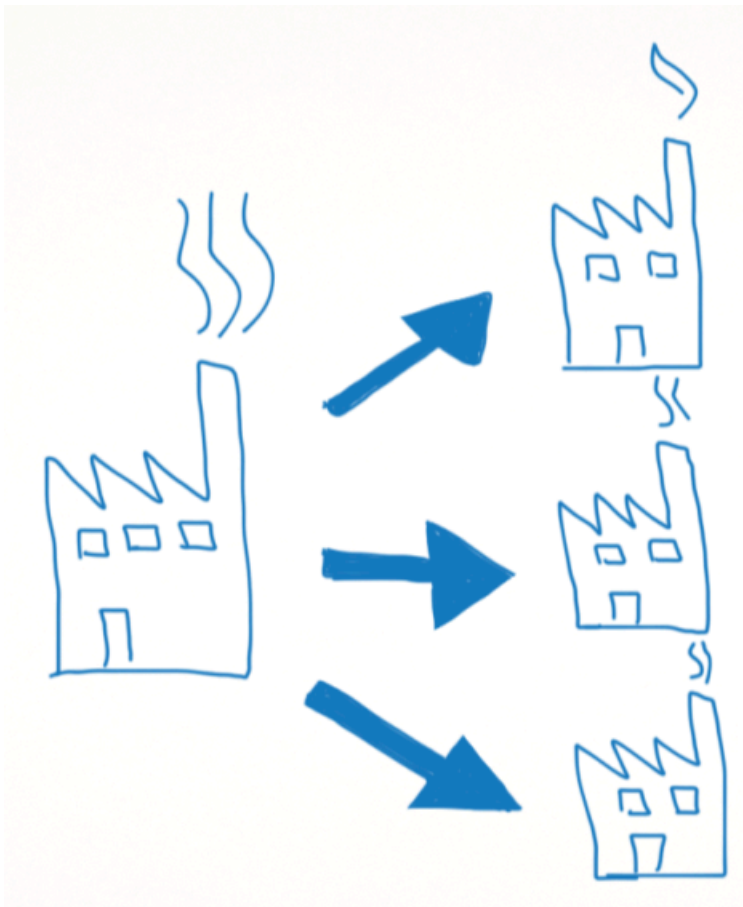
The **local merchandiser** places the **order**.
Production is followed by the **local brand's QA/QC staff**
(Quality Assurance/Quality Control).



Suppliers



Suppliers have to procure fabric, accessories, labels, etc. to sub-suppliers or brands' nominated vendors.



A typical garment factory buys ready made fabric. They may buy

- a. dyed fabric, or
- b. yarn dyed fabric, or
- c. raw fabric.

In the last case, suppliers need to send the fabric to a dye house or print house for the desired color/pattern.

Some production processes (such as embroidery, packing,...) can also be sub-contracted to other factories.

Suppliers



The **supplier gets approvals** for fabric quality, dyes, accessories (zippers, buttons, etc.), and prints on the garment, labels.

The **supplier produces several samples** which need to be approved by the merchandiser and QA/QC people.



During the approvals:

- some tests are run in-house (shrinkage, washing, pilling, color fastness) in the brand office; and
- some tests (heavy metals, PVC) are performed by 3rd party testing labs.

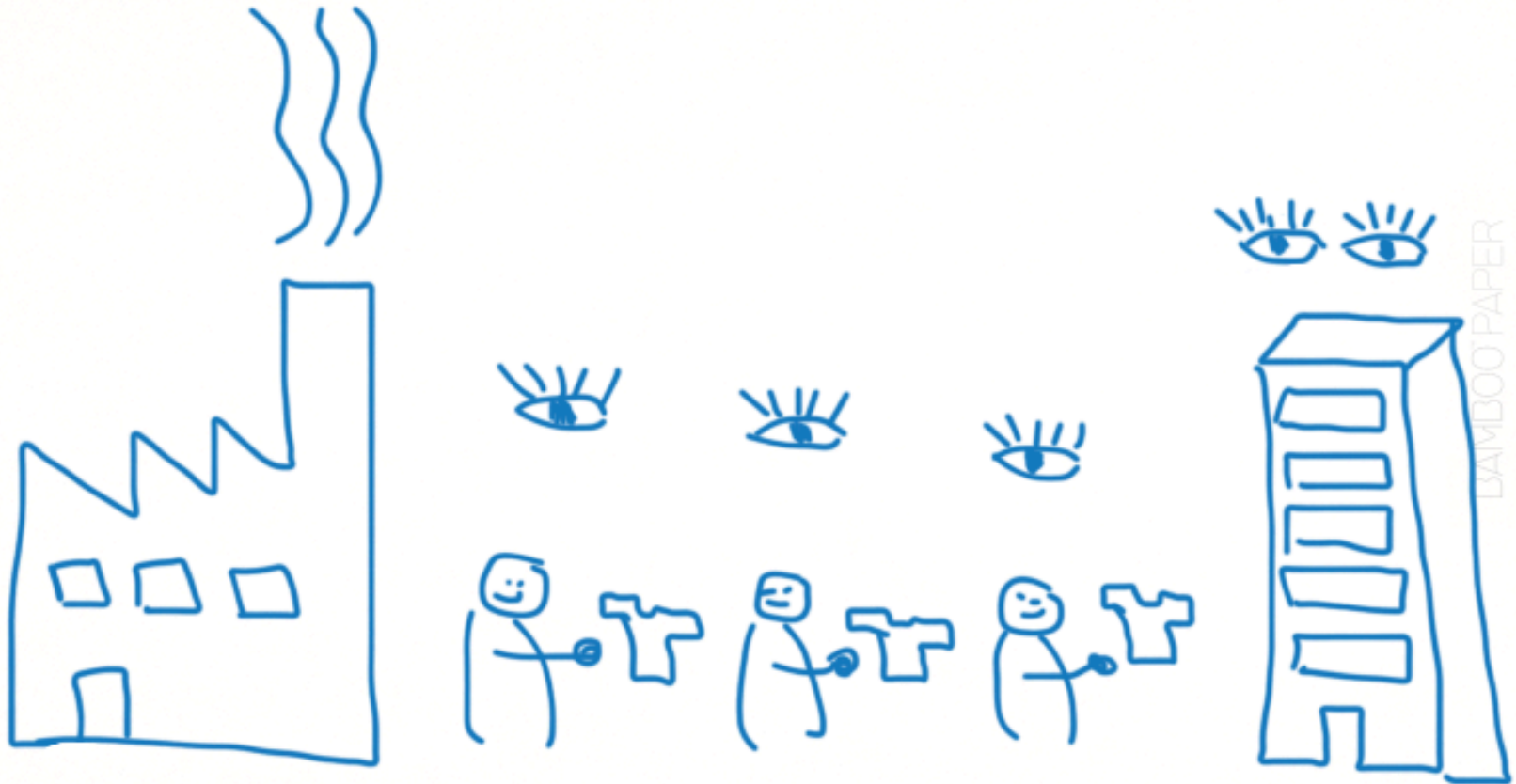
Usually the brands charge the costs of these tests - even travel cost of their own QA/QC staff - to the supplier.

Suppliers



The QA/QC team makes visits:

- of the production units several times, to conduct in-line inspections during the production phase; and
- for a final inspection, before the shipment clearance.





For more information:

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