

CUSTOMER INNOVATION STUDY

V.T. Garment Co., Ltd.

achieves positive ROI in one year with
Infor SyteLine

“ Infor SyteLine® allows us to create the same amount of finished goods with less of the costs associated with raw materials. **By factoring in those savings alone we've seen positive ROI within one year.**”

Chalumpon Lotharukpong
Group Managing Director, V.T. Garment Co., Ltd.



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infor.com/customers

Table of Contents

3 Facts at a glance

4 Executive overview

5 Situation analysis

Growing outsourced apparel production

6 Innovation strategy

Seeing results in real time

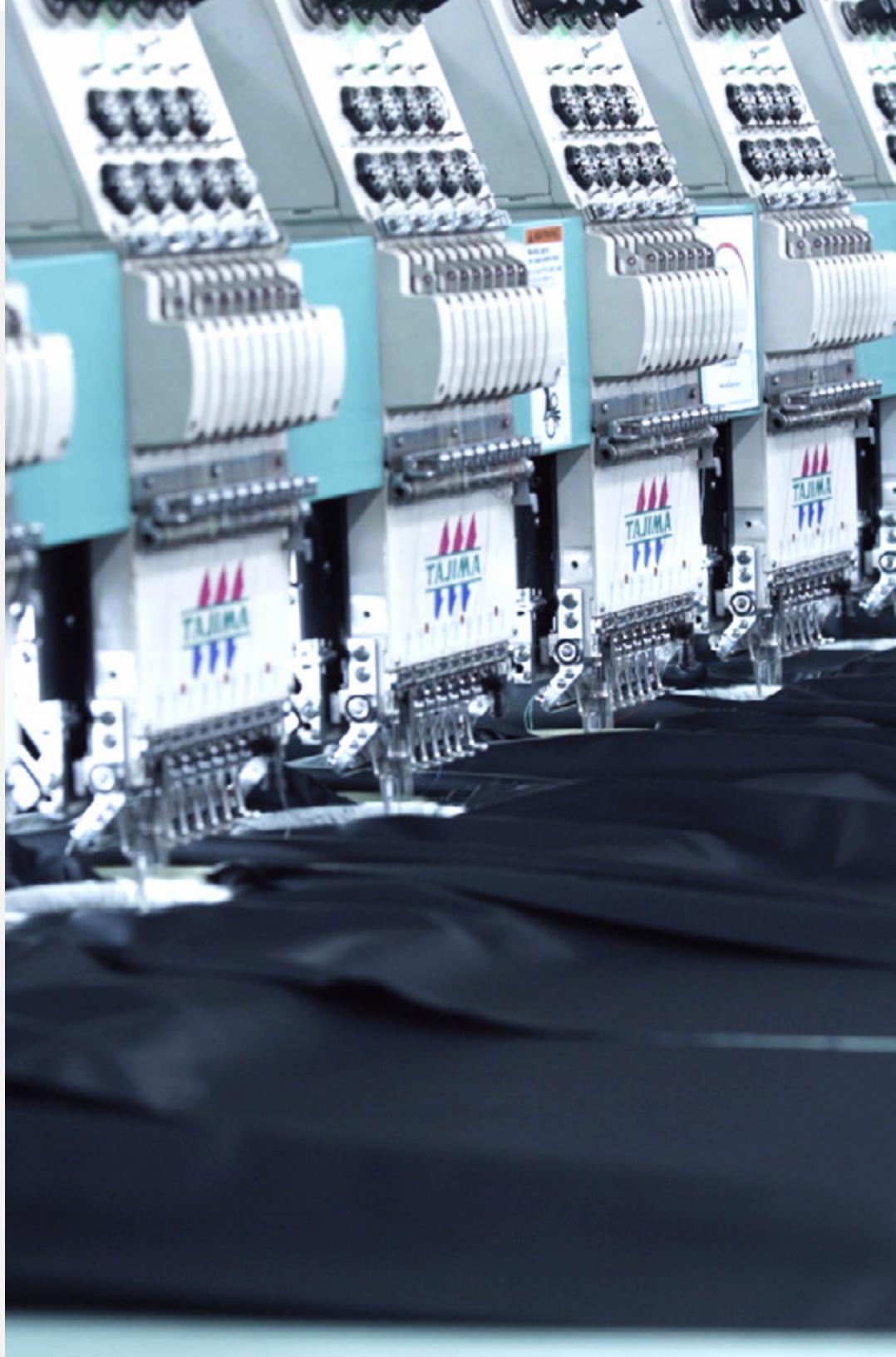
8 Results

Reducing costs and improving customer satisfaction with inventory optimization

9 Looking ahead

Next generation of management

10 Learn More





V.T.GARMENT
TEL. 0-2294-0921

Facts at a glance



HEADQUARTERS

Bangkok, Thailand



INDUSTRY

Fashion



EMPLOYEES

Approx. 3,000



PARTNERS

On2gether Consulting Co., Ltd.



WEB SITE

vtgarment.com



INFOR PRODUCTS AND MODULES

Infor SyteLine

Executive overview

Situation analysis

- Modernize and standardize operational processes to keep up with demand that has grown from foreign outsourcing decisions by apparel brands.
- Select and implement an enterprise resource planning (ERP) system to gain efficiencies and further grow the business for a differentiated production operation with strengths in flexible garment production with technical features such as seam sealing, welding, no sew, and laser cutting.

Innovation strategy

- Improve customer service and strengthen competitive positioning with Infor Syteline's ability to help decrease material costs per garment and increase visibility into inventory and operations.
- Minimize cash-flow requirements by optimizing raw materials, work-in-progress, and finished goods inventory with centralized purchasing for the entire operation rather than separately for each customer order.
- Drive down inventory and purchasing costs and shorten lead times for customer orders.

Results

- Centralized purchasing and rationalized inventory resulting in lower cost production, while increasing the percentage of on-time-in-full deliveries to customers.
- Organized warehousing with a standardized inventory management system that increases inventory accuracy and reduces the time required to locate a row of fabric for a production run.
- Enhanced visibility into all aspects of the business, allowing for more efficient decision-making supported by streamlined, standardized processes.

High level impact

1

year to achieve positive return on investment of Infor Syteline

30%

quicker customer order confirmation, minimizing missed revenue due to delays

5%

reduction in raw material costs as a result of sharing inventory across all customer orders, which made a material difference in gross profit

SITUATION ANALYSIS

Growing outsourced apparel production



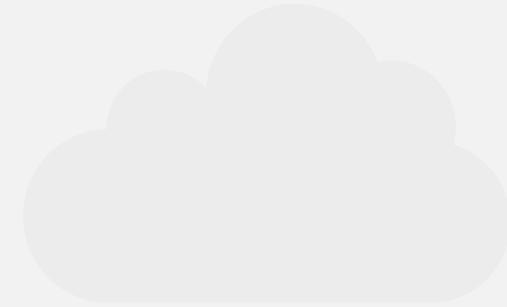
Staying agile in the fashion industry

V.T. Garment Co., Ltd. is a family-owned and operated apparel manufacturer headquartered in Bangkok, Thailand. V.T. Garment specializes in the manufacture of outerwear, casual wear, and sportswear ranging from jackets, functional clothes, and ski wear to jogging suits, shorts, and vests for brands such as Adidas®, Patagonia®, Jack Wolfskin® of Germany, Decathlon® of France and MontBell® of Japan.

The company has more than 3,000 employees across its operations in Thailand and Myanmar and produces 2.5-3 million pieces each year. Rather than produce only one product through its operations, V.T. Garment Co., Ltd invested in advanced production equipment to allow flexible garment production with technical features. With growing demands from apparel brands that are outsourcing their manufacturing, V.T. Garment needed a tier-one ERP system to modernize and standardize its operational processes.

V.T. Garment wanted a solution that could help organize the four Ms of production: man, method, material, and machines. The company needed to improve its processes for purchasing raw materials, tracking, and locating inventory within facilities. By collecting and analyzing the real-time data generated by these processes, V.T. Garment can make quick decisions about its forecasted lead times, inventory, and production capacity allowing V.T. Garment to be agile and focused on the end customer in the fast paced fashion industry known for its constant change.

Seeing results in real time



Out of seven ERP solutions, Infor SyteLine was chosen because of its ability to support the future state processes the company wanted to achieve. V.T. Garment is now able to accurately plan, buy, track, and cost products by customer order and enjoy automated centralized purchasing. V.T. Garment can also take real-time actions because its processes are now tracked, giving decision makers automatic notifications when specific demand/supply conditions occur.

The company can also track its inventory through all of the stages involved in producing finished goods. In addition, each item is tagged with a barcode that is tied to a specific location within the warehouse, making it easier to locate a row of fabric, for example.

“ Having real-time visibility into the status of all our processes from order to cash is invaluable to our business.

Nowadays we cannot live without Infor SyteLine.”

Chalumpon Lotharukpong
Group Managing Director,
V.T. Garment Co., Ltd.



Infor SyteLine helps
V.T. Garment deliver

98%

of its deliveries on-time
and in-full.

Delivering better value to brands

Infor SyteLine is used at all locations in Thailand as well as via a private cloud that provides the ERP software to users in Myanmar. By decreasing material costs per garment and gaining visibility into inventory and operations, the company now delivers greater value to its customers. By shortening lead times for each customer order, V.T. Garment can also reduce the time it takes apparel customers to deliver a new design in the right size and color to consumers which helps them avoid missed sales.

In a seasonal business where monthly sales often represent just 33% to 50% of on-hand inventory, minimizing cash-flow requirements by optimizing raw materials, work-in-progress, and finished goods inventory is critical. Infor SyteLine helps V.T. Garment to centralize purchasing for its entire operation rather than separately for each customer order.

RESULTS

Reducing costs and improving customer satisfaction with inventory optimization

Value realized

With Infor SyteLine, V.T. Garment has improved the efficiency of its production, purchasing, and planning processes, while enjoying the ability to make prompt and informed decisions. The company benefits from 97% inventory accuracy and delivers almost all of its orders on time. By planning its inventory needs more effectively for the complex bills of materials (BOMs) that comprise 10,000 items across all its purchase orders, V.T. Garment reduced the amount of material required to fulfil an average order by 5%, creating a positive return on investment within a year from that savings alone. The company saves \$600,000 USD each year through an efficient and accurate inventory management practice supported by Infor SyteLine a system that reduced the average search time for a particular row of fabric from minutes to seconds.

Increasing efficiency and accuracy, while improving customer service

Through more mature production planning practices, V.T. Garment schedules production runs to ensure customer delivery dates are met on-time and in-full. With automated purchasing, V.T. Garment ensures that raw materials needed in production runs are available but not held as inventory for extended periods of time in advance. With Infor SyteLine customer order confirmation lead-time was reduced by 30%, while raw materials inventory and finished goods inventory decreased by 5% and 10% respectively.

Detailed impact

\$600,000

USD saved each year in lost opportunities to convert and sell obsolete raw materials inventory

98%

on-time and in-full deliveries

10%

reduction in on-hand finished goods inventory

97%

inventory accuracy

90%

reduction in time required to locate a row of fabric for a production run



LOOKING AHEAD

Next generation of management

Over the last few years, V.T. Garment founders Somchai and Orasri Lotharukpong have begun to relinquish their day-to-day business responsibilities to the next generation of management—their son and daughter Chalumpon and Mingkwan. Chalumpon was the main point of contact with On2gether Consulting Co., Ltd.—Infor’s implementation partner on this project—and led the selection and implementation of Infor SyteLine, however, the whole family is involved in increasing user adoption and realizing value from the software.

“

Infor SyteLine will create a happier workplace and help the company be more successful.

People will appreciate the uniformity, transparency, and visibility that the system brings. We expect increased user adoption and more efficiency gains as that happens.”

Orasri Lotharukpong
Vice President,
V.T. Garment Co., Ltd.

Learn more

About V.T. Garment's

Innovation story and how the organization reduced costs and streamlined operations with Infor SyteLine.



[V.T. Garment video ›](#)

Meet customer demands

With Infor SyteLine, you can meet escalating customer demands. This fully integrated, industry-specific solution suite can be easily deployed in the cloud so you can manage complex value chains, fast-paced product launches, shorten cycle times, and manage product configurations. Infor Syteline also gives you advanced functionality that's backed by decades of practical application and relied upon by over 5,500 customers worldwide.

[Infor Syteline ›](#)

Join the new community page for Infor SyteLine

We're excited to introduce the new customer community page for Infor SyteLine customers. Here, you'll find the most recent information on the latest release and other resources to help you access support and education, get involved in customer events, upgrade your solution, and more.

[Infor SyteLine customers ›](#)

Respond to change

Infor SyteLine helps manufacturers and distributors of all types improve productivity and respond faster to change. This robust enterprise resource planning (ERP) solution provides organization-wide visibility, so you can respond faster to everything from selling and sourcing to production and fulfillment.

[Infor SyteLine ›](#)



Infor builds beautiful business applications with last mile functionality and scientific insights for select industries delivered as a cloud service. With 13,000 employees and customers in more than 200 countries and territories, Infor automates critical processes for industries including healthcare, manufacturing, fashion, wholesale distribution, hospitality, retail, and public sector. Infor software helps eliminate the need for costly customization through embedded deep industry domain expertise. Headquartered in New York City, Infor is also home to one of the largest creative agencies in Manhattan, Hook & Loop, focused on delivering a user experience that is fun and engaging. Infor deploys its applications primarily on the Amazon Web Services cloud and open source platforms. To learn more about Infor, please visit www.infor.com.



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