

# **CASE STUDY**

Luxury Apparel Company Boosts Productivity and Prepares for Growth with NetSuite.



#### Client

Leading Manufacturer of High-End Apparel

#### **Services Provided**

Digital Transformation Roadmap ERP Selection & Implementation

#### **Industry**

Direct to Consumer Wholsale - Ecommerce - Retail

## Project Overview

This established luxury apparel brand designs, produces, and distributes high-end garments across retail stores, wholesale partnerships, and a thriving e-commerce platform. They leverage a network of co-manufacturers in Los Angeles for the "cut-make-trim" (CMT) processes, prioritizing quality and local production. However, despite their success, their operational foundation – a complex web of spreadsheets and manual tasks – began to strain under the weight of rapid growth.



"LIDD's assessment provided crucial, quantifiable insights that revealed immediate opportunities for improved planning and substantial savings for our business."

- VP of Operations

**Solution:** LIDD, a trusted partner for supply chain optimization and business solutions, was engaged to develop a digital transformation roadmap.

**Results:** LIDD created a comprehensive roadmap for the client's transition to a modern technology ecosystem. This new system will scale alongside their growth, streamlining operations and enabling future success.

**Impact** 

**27%** 

OPEX Savings
Captured

**20**%

Increase in SLA Improvements

## Challenge

As the brand's popularity surged, the limitations of manual processes became painfully clear. Disparate data scattered across spreadsheets made inventory management a significant challenge. Order fulfillment was a labor-intensive and error-prone activity. Their quality control system, lacking a robust framework, hindered consistency. Scaling operations with this manual approach posed a significant barrier to future growth.

- > A poorly implemented, apparel-specific ERP left users questioning its full capabilities.
- > Fragmented software complicated QuickBooks reconciliation, requiring extensive data manipulation.
- > Lacking proper organization tools for efficient produt development, the design team hampered production with challenges and tight deadlines.
- > Without clear tasks and real-time inventory updates, warehouse operations suffered delays, errors, and increased customer service inquiries.
- Reliance on manual workarounds to deliver white-glove service strained staff as the company grew, due to a lack of supporting technology. This created increasingly complex back-end processes.

## **Project Approach**

LIDD conducted a comprehensive analysis to understand the client's challenges. Our recommendations focused on streamlining workflows and leveraging technology for improved efficiency.

#### **ERP Transition**

LIDD's analysis revealed the need for a robust ERP system to streamline workflows and unlock growth potential. We helped the client make the move to a new ERP with an extensive implementation partner network, ensuring through a selection that their new partner could support them through training and post go-live continuous improvement initiatives.

#### Internal Processes Optimization

All operational processes would be migrated to the ERP for automated account mapping, reducing reconciliation work. Additionally, a user-friendly PLM system would be implemented to facilitate collaboration between design and production teams.

#### Strategic Warehouse Management

We proposed implementing basic warehouse management features within the ERP for streamlined tasks and inventory tracking, striking a balance between functionality and simplicity to avoid unnecessary complexity.

#### Customer Centric Focuses

We emphasized prioritizing customer-facing initiatives based on impact analysis and careful consideration of underlying technology costs.

#### LIDD recommended NetSuite ERP

Fitted to the business's operations and future state

LIDD recommended NetSuite, a versatile ERP well-suited for small and mid-sized enterprises. This solution offers several key advantages:

- > Centralized Data & Streamlined Financials: NetSuite provides a single source of truth for data and simplifies financial analysis.
- > Seamless Operations & Scalability: The integrated system facilitates collaboration and adapts to the client's growth.
- > User-Friendly & Supported: The intuitive interface and extensive support network ensure ease of use and long-term success.

### Results

- > Within 4 weeks, LIDD identified key process gaps in the distribution center leading to missed SLAs and personnel risks. We then implemented NetSuite in just 6 weeks, achieving a successful go-live.
- > A 27% reduction in total operating expenses (OpEx) for 2024 and a **20% improvement** in fulfillment service level agreements (SLAs). Outlined capacity requirements for future demand to enable growth over a 3-5 year period Need one more awesome result here we are thinking about.

After leading this customer through requirements definition and a software selection process, they are now confidently on their way to a better technology ecosystem.



+1 (844) 215-7244



contact@lidd.com





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