

CASE STUDY #12: At the Heart of Apparel Quality Control: Groupe Dynamite Sees Immediate Improvement in Quality, ROI ***“The Right Style, the Right Fit, in the Right Box with the Right Label”***

Executive Summary

The apparel industry is in the midst of a major seismic shift. This \$1.175 trillion dollar industry is facing significant challenges that include:

- a new breed of educated and demanding customer
- multiple overseas countries
- and quality issues arising from sourcing

Groupe Dynamite faced these challenges—and more. Groupe Dynamite needed to make significant improvements to quality control to support their business efforts—and to meet these challenges. They needed a solution that helped them answer the simple question, “Is there a solution that exists that could centralize our quality data, making it easy to access in real-time, so we can finally know what is going on in our factories?” By implementing Pivot88, Groupe Dynamite was able to dramatically reduce cost, reduce returns to suppliers, and prove almost instant ROI—all in 16 weeks.

About the Client

GDI, a Montreal based company, is a leader in women fashion’s retail landscape. GDI’s passionate group creates, designs, markets and distributes a constantly evolving collection to a large network of more than 350 Dynamite and Garage retail stores in North America and worldwide. Its passionate team continues to lead the expansion of the business in new markets, including E-commerce. Groupe Dynamite and its 5,500 employees are a force in international fashion.

Groupe Dynamite attributes much of its historical success to its deep understanding of customer needs and requirements: an exceptionally high level and expectation of quality control. This hadn’t typically been a challenge.



Any shortcomings that emerged from outsourcing to Asian manufacturers were made up for in heavy lifting back home.

The Challenges

Over the years, to achieve an unparalleled level of quality that established it as a respected name in retail, Groupe dynamite had developed internal processes to account for potential quality issues with manufacturing partners.

Groupe dynamite had a robust approval process that insured that the final product delivered exceeded expectation. But to get there, Groupe dynamite often had to approve various samples multiple times.

Given brand and time constraints, Groupe dynamite started facing the question: if our QC sampling isn’t meeting our requirements, do we deliver, hold or ship back? Delivering a poor quality product isn’t an option—it will negatively impact our brand. Further holding and waiting will impact our timeline and make us late. Shipping back results in extra cost—and waste—to Groupe dynamite. Groupe dynamite was put in an unenviable position between suppliers and customers: negotiate with suppliers to ship it back or take it at a discount and pass that along to customers. The latter option results in lost sales and unhappy customers. There was no good and easy answer here.

“We needed a solution that gave us centralized access to real-time quality data at all stages, visibility into our suppliers and third-party inspection firms, and QC analytics to help improve our processes. Pivot88 considerably reduced the point of measure non conformity”

**—Director of Sourcing
Strategy and Business
Process, Groupe Dynamite**

The Solution

Groupe dynamite started looking at alternatives, and had 3 key questions to answer:

1. How do we ensure that any supplier we leverage is going to follow our requirements?
2. How do we make sure that our source partners in different countries maintain the same, consistent level of quality?
3. How do we centralize our data and not have to login to 10 different platforms to get it?

In essence, the need (and solution) could be summed up in the following question:

“IS THERE A SOLUTION THAT EXISTS THAT COULD CENTRALIZE OUR QUALITY DATA, MAKING IT EASY TO ACCESS IN REAL-TIME, SO WE CAN FINALLY KNOW WHAT IS GOING ON IN OUR FACTORIES?”

The answer, of course, was “yes”. Pivot88’s rapid deployment, cloud-based QC solution addressed these needs—and more. Key take aways include:

- Fast timeline: In less than four months (from initial meeting to full implementation), all suppliers and 3rd party QC vendors were up and running with Pivot88.
- All suppliers, vendors and Groupe dynamite’s internal team had digital access to sourcing data, specifications, and details via the cloud, featuring photos and videos—as if they were live and onsite.
- Groupe dynamite has complete visibility into the entire supply chain management system with metrics and scoring.
- Groupe dynamite has immediate insights and answers to questions like: Are they on time? Do they deliver? Is the cost benefit there? Are they following requirements?
- Insight into why quality isn’t right, and how processes can be improved.

Groupe dynamite now has the ability to (before the product ever leaves the factory) view at any time, for every single item, at all stages, the real-time status of progress—and make adjustments.

Results:

While still early in the process (hard historic numbers are hard to track), anecdotal evidence is clear. Aside from a significant reduction in wasted “cost of time” by eliminating redundant activities to accommodate quality issues (like re-inspections, consolidating and converting data, and dealing with defective products), Groupe Dynamite was able to achieve a number of significant results:

1. Instant ROI
2. Improvement on “right style in the right box with the right label” issue
3. Returns to suppliers have been dramatically reduced

Because the data (supported by proof) is available in a click, Groupe dynamite is now tooled to negotiate better deals and justify their supplier decisions. Some suppliers scored so well that they are now performing self-inspection using the Pivot88 tablet.

Start Reducing Errors & Cutting Sourcing Costs Today

Visit: pivot88.com or call 855.979.8889 for a no obligation demo today.

