

Industry Leading Fashion Apparel Designer Dresses for Success with Acumatica Manufacturing Edition

OVERVIEW

Design Studio manufactures fashion-forward, innovative ladies' wear for its branded D2 and Mila Fashion lines and others. Its fashion goods are sold to UK and European retailers such as Primark, Sainsbury, and Urban Outfitters, and online retailers, such as ASOS and its subsidiary Top Shop, and Next. Design Studio previously managed five manufacturing locations with a home-grown software that hindered growth and hampered production operations, inventory processes, and reporting. Design Studio implemented Acumatica Manufacturing Edition, gaining a single, connected business solution streamlining operations with a holistic view of manufacturing processes across five manufacturing locations.

KEY RESULTS

- Consolidated disparate home-grown systems into a single, connected business management solution for finance, manufacturing, and inventory, increasing efficiency
- Gained real-time, fully transparent inventory management system providing a 360-degree view of production to sales and shipping, accelerating responsiveness to customer needs
- Improved customer experience, confidence, and satisfaction with streamlined inventory while mitigating global supply chain disruptions
- Eliminated spreadsheets and manual reporting with dashboards providing real-time data and insights, streamlining operations
- Maintained costs and lean headcount, reducing errors through automated business processes
- Boosted employee productivity alleviating demand for additional data entry personnel despite increased transaction volumes
- Acquired and deployed a secure and scalable cloud-based platform for growth in just six months

CHALLENGES

Founded in 2009, Design Studio produces and exports quality and innovative, fashion-forward women's apparel from Sri Lanka and Bangladesh for the United Kingdom and European markets. They design and manufacture a vast portfolio of blouses, dresses, skirts, trousers, and outerwear.

The company began manufacturing operations in 2008 with its flagship production facility in Gurunagar, Sri Lanka, employing 750 workers. Five years later, they launched the D2 clothing line expanding staff by an additional 1,300 employees. In 2021, the company launched a new fashion line called Mila Fashion in Valioyo bringing on another 800 employees. Later in the year, Design Studio opened two additional production units with 400 more employees.

Design Studio's five manufacturing locations across Sri Lanka produce more than 6 million garments annually. Its fashion apparel is sold at well-known high-volume retailers such as Primark and Sainsbury, and online through Next, ASOS and its Top Shop division.

The company's mission is to "build a unique portfolio of clothing, striving to surpass our competitors in quality, innovation, and value, elevating our image in the industry, worldwide."

When Covid hit, reduced customer demand allowed Design Studio to take time to upgrade its HR software and replace its home-grown ERP. The homegrown system could not be upgraded and hampered operations with disconnected production, inventory, and reporting functions.

"We had issues in manufacturing workflows that slowed the production lifecycle. We also lacked a good reporting solution to make important decisions for the business," says Devin Samayamanthri, chief of staff.

Because its home-grown software had siloed information, Design Studio relied on spreadsheets. As the business grew, the finance team continually added personnel to manually import and export data causing delays in information and data entry errors. All communication took place through email making it challenging to track and manage information efficiently.



DESIGN STUDIO

Company

Design Studio/D2 Clothing/Mila Fashion
<https://designstudiolk.com>

Industry

Manufacturing: Fashion Apparel

Number of Employees

Approx. 3,200 full time employees

Location

Headquarters: Sri Lanka

Products

Acumatica Manufacturing Edition with:

- Estimating
- Acumatica Financials with Intercompany Accounting
- Fixed Asset Management

Customer Social Sharing Details

 www.facebook.com/designstudiolka

Partner Details



Propylon One
<https://propylonone.com>

“In the previous system, we did not have inventory reports or proper inventory processes at all,” Devin says. “Each report was created manually, and that gave us a lot of human errors. The business was not able to track inventory in real-time, especially when factoring in production schedules, orders, and goods being shipped out.”

Design Studio didn’t have a system to accurately track orders through the manufacturing process, which made it challenging to communicate and update customers on the status of orders since inventory counts were performed manually. The financial module was disconnected and required numerous steps to perform even the simplest tasks.

As the business continued to expand and the transaction volume increased, “information became even more difficult to manage so we had to continually add more employees,” Devin says. “Sometimes it took a week or several days to update financials, invoices were late, and special shipments were delayed making life hard.”

In addition, “From an IT perspective, the previous system had quite a few negatives due to the fact that it was difficult to maintain. Further, there were many security concerns associated with the legacy product,” says Harini Perera, Head of IT & Business Analysis.

Key Need: Robust Manufacturing Solution

The apparel industry is constantly changing, facing ever-evolving fashion trends and increasing omnichannel retailer expectations. To fulfill its mission as a state-of-the-art manufacturer and industry leader, Design Studio knew it needed a robust, integrated SaaS business management solution to connect disparate systems and business processes. Known internally as Project Nova, Design Studio embarked on a major digitalization project to upgrade its IT, manufacturing, and human resource applications.

“A key factor for us is that the new system had to be a Microsoft ecosystem-friendly solution since we are a Microsoft shop in IT,” Harini says.

Devin adds, “It also needed to be cloud-based so that it’s accessible for all our users. Since the number of users changes on a regular basis in our industry based on demand, we also needed a solution with an unlimited-user pricing model instead of charging individual licensing fees.”

The Design Studio team looked at Microsoft Dynamics, SAP, and Oracle NetSuite, and chose Acumatica because of its single integrated platform and unlimited user pricing model. Acumatica’s pricing model allowed the company to continue rapid expansion without the headache of growing technology costs.

SOLUTION

Flexible and Future-Proof

For Design Studio, its choice of an ERP was “mission-critical”, Devin says. “As the world has moved on from bespoke on-premises solutions that are clunky, monolithic and don’t integrate well, to cloud-based ERP systems, Acumatica had everything we were looking for,” he says. “It is fully managed with round-the-clock support, it is modular and easily integrates with our HR & Payroll system, and mobile phones and tablets can be used on the factory floor.”

He also ticked off a list of reasons Design Studio chose Acumatica including:

- Acumatica is a fully managed solution with multiple levels of support
- [Acumatica’s Open University](#) provides free training materials for staff to make the most out of the implementation and their ongoing use of the application
- The unlimited user pricing model is ideal for medium-sized businesses because it is based on transaction volume rather than named or perpetual user licenses
- Unlike the other ERP applications out there, Acumatica is super intuitive and user-centric, meaning you don’t need a mammoth team of ERP experts in-house to get the job done.

Harini praised Acumatica’s Open APIs, which allow the company to integrate with Peoples HR and the company’s entire Microsoft application ecosystem via Active Directory. Since the company wants to create a data-driven culture, “the open API structure will be a great addition to us when using BI and AI,” she says.



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Design Studio

Knowing of other company ERP implementations that took two to three years, Harini was impressed with how quickly Design Studio deployed Acumatica. "It was a quick transition, taking just six months. It was great working with our Acumatica Partner Propylon One who helped us transition from our bespoke ERP to Acumatica without any major issues," she says.

BENEFITS

Improved Data Visibility

Design Studio greatly increased data visibility and access improving every aspect of inventory and manufacturing. "With Acumatica, we are able to track inventory in real-time knowing where each item is," says Devin. "Whether it's in the production flow, whether it's in raw material stores, or whether it's in transit."

"Having real-time inventory tracking and understanding where it is located in the factories is very important to us," he adds. Customers want to know where products are in the manufacturing life cycle and often want to change a raw material or trim, so detailed and timely information empowers Design Studio to be more responsive to customer needs, he says.

In addition, knowing what materials are left over or available helps Design Studio with raw materials replenishment. Further, it shortens production lead times resulting in happier customers. That level of information wasn't available previously.

"We are able to get reports out quicker to our customers. This improves customer relationships," he says. "With accurate inventory and costs, we can see how materials are allocated to orders and styles as well as where it's at in the process. We can also see when items have been shipped."

Data Housed in a Single, Connected Platform

Acumatica's integrated, modular platform eliminated Excel data manipulation for executives to understand various aspects of its business. It also improved confidence in the company's financial performance. Acumatica's intercompany module instantly consolidates data from all its manufacturing sites and divisions saving time when executives need those consolidated reports.

Typically it took days to get a single report. Acumatica also improved the company's ability to catch errors.

"Everything is integrated now," says Devin, "Before only a handful of people could identify if something was missing or if there was a discrepancy, and even then, we often missed it. We no longer miss it. We now have accurate inventory that we can rely on."

Acumatica's dashboards allow executives to instantly view key performance indicators, so they no longer ask the finance team to create reports, which unburdened busy finance staff. Executives pull reports in real time so they can make informed decisions faster. Reports are no longer emailed back and forth because all of the data is managed inside Acumatica, which has improved document management keeping everyone on the same page.

"Acumatica has a number of reports right within the application so we can get what we want versus using Excel and trying to find the information that way," Devin says.

Automatic Workflows

Acumatica's automatic workflows have also saved Design Studio time. "With the integrated workflows in Acumatica, we were able to get all the way from the goods received notes (GRN) into the financial invoicing and the payments; everything's connected. That way a lot of repetitive work was reduced," Devin says.

The team also enjoys working with integrated and automated workflows that cross over the various Acumatica modules. Streamlined business processes eliminated duplicate entries and the need to add more data entry staff.



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Unlimited User Access

Everyone who needs access to Acumatica has access, which is important because Design Studio's employee count fluctuates regularly, Devin says. Since Acumatica charges for resources used, not per-user licensing fees, it is an affordable solution for them and other growing mid-market businesses in the fashion and apparel industries, he says.

The unlimited access means Design Studio doesn't have to worry about per-user costs escalating. Further, the company does not have to worry about, or limit how many employees access the platform, especially when opening new plant locations with hundreds of new employees and users. Acumatica's intuitive design and navigation make it easy for every user to learn the system with minimal training, even for those who are not technically inclined. Devin found it easy to help employees learn the new business management tool because "Acumatica's Open University provided excellent training material that was accessible to everyone."

Seamless Connections to Other Applications and Modules

Harini likes how Acumatica's Fixed Asset module tracks Design Studio's assets.

"The Fixed Asset application helps us manage our costing, and we also know exactly where these assets are located in each organization or branch. So this is quite helpful for us," she says. "Acumatica has made our lives quite easy for IT Services. Acumatica has become a mission-critical business solution for us. It also connects seamlessly with our People HR and other mission-critical systems."

Acumatica's mobile application allowed Design Studio to provide production staff with smartphones and tablets to perform their work more efficiently, Harini adds.

Acumatica Provides Foundation for Future Growth

Harini and Devin look forward to building new reports and dashboards and further streamlining additional manufacturing and operational processes as they expand.

"Acumatica is a great platform with open APIs, a dependable SaaS platform, and it has been very beneficial for our apparel manufacturing business," Harini says. "I highly recommend Acumatica to anyone who wants a similar solution in the manufacturing sector. Acumatica has already helped us save time on reports by using dashboards, and we anticipate additional benefits with improved visibility throughout the company."

"We want our IT arm to be equipped for the future as we expand our digital transformation," she adds. "Just as it is in fashion, the possibilities are endless when it comes to the benefits Acumatica will bring us in the future."

