PLM Vendors That Can Change the AFA Landscape

Peter Bambridge, Marc Halpern

The most interesting software innovations often come from the smallest vendors. This report provides an overview of vendors that did not meet the criteria for the March 2008 "MarketScope for PLM in Apparel, Footwear and Accessories, 2008," yet deserve attention considering the interesting product life cycle management (PLM) solutions they offer to apparel, footwear and accessories (AFA) manufacturers and retailers.

Key Findings

- Small but growing vendors with innovative solutions provide capabilities not available from the larger, more-mature PLM vendors.

- The six vendors we describe here stretch beyond what the market traditionally thinks of PLM offerings for AFA manufacturers and retailers. For example, several include global sourcing as part of PLM.

- Most of the vendors covered in this note carry more risk than the vendors that Gartner included in the MarketScope for PLM in Apparel, Footwear and Accessories.

Recommendations

- Although vendors in this report carry greater risk than those in the MarketScope, manufacturers and retailers seeking a PLM solution should consider these vendors when the extra functionality they provide delivers real benefits.

- Because these vendors carry higher risk, manufacturers and retailers should confirm that the value that differentiates them from competitors in the MarketScope makes a compelling business case to adopt them.

ANALYSIS

Six vendors that were not included in our March 2008 "MarketScope for PLM in Apparel, Footwear and Accessories, 2008" for various reasons still have strengths that may be relevant depending on an organization's PLM needs. Some of these organizations failed to meet one or more of the criteria for MarketScope inclusion. Some of these vendors are quite small, and while this might be viewed as a potential weakness, their agility, flexibility and commitment can be seen as a real benefit, especially when combined with unique capabilities and a higher rate of product innovation.

Software-as-a-service (SaaS)-based products are offered by some vendors; this approach helps to ensure that minimum upfront investment is required by organizations seeking a PLM solution. SaaS-based solutions can accelerate adoption among small to midsize retailers, as well as apparel and footwear manufacturers.

The PLM market, especially for the growing sector of AFA, continues to consolidate, and Gartner anticipates this trend will continue. This means that some of these small players are likely to be acquired and their innovative technology included in mainstream PLM solutions.

Before choosing any of these suppliers, risks must be considered, including:

- The vendor may be acquired and absorbed into a larger player.

- The vendor may not have the scale and infrastructure to meet customer demand in all required locations.

- These solutions are not as mature and robust as some of the cross-industry solutions with their broad customer bases.

These smaller players are delivering solutions to meet PLM requirements in AFA. The bottom line is whether the value of their innovative capabilities offsets the potential risks. If so, they are worth considering as alternative solutions to the more-mature vendors addressed in the MarketScope.

Axind

Based in Gurgaon, India, the company is a software and services vendor with a flexible Web application framework that is focused to meet the needs of the fashion industry through a product suite called ChainReaction. Axind is unique in its ability to configure the flexible framework to meet the workflow-driven business processes that are specific to the needs of fashion customers. The suite of products (ChainReaction Source, Make and Sell) is seamlessly integrated to cover all major business processes from concept to sale. Axind exploits the workflow capabilities and strong collaboration features to model product development critical paths — not only to manage activities and tasks both internally and externally, but also to provide an effective decision support tool to model "what-if" scenarios and address the challenges as business changes impact the critical path. Examples of the built-in, industry-specific capabilities include the underlying comprehensive fashion data schema, management of the complexities of product style/color/size, detailed product bill of materials and material requirements planning, sample management, integrated visuals/image management, and e-mail distributed smart forms to enable direct data capture for processes such as request for quotation and compliance.

The unified architecture, built on Microsoft .NET, provides a familiar Windows-like interface over the Web, and the configurable application framework also enables simplified upgrades. Typical implementations are swift, with an emphasis on mapping the applications to existing systems using XML tools, as well as configuring the business processes, models and forms to meet

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specific customer requirements. The solutions are offered in a traditional licensed model or through SaaS; this dual approach is scalable and designed to enable adoption by companies with small user communities, as well as by larger enterprises.

Manufacturers and retailers looking for a flexible framework within which to deliver their PLM capabilities should evaluate ChainReaction, especially where workflow-driven activity and driving the business through critical-path management are key. As with any small software vendor, organizations considering Axind's solutions will need to ensure that sufficiently experienced and trained resources are available from Axind and its partners to implement the solution at the required locations.

Axind was not included in the most-recent MarketScope because at the time it did not meet the revenue criteria.

Centric Software

Based in Campbell, California, the company was founded in 1998 to provide collaborative "product intelligence" and "project intelligence" enterprise applications. Centric has combined product data management (PDM), workflow and analytics to deliver a comprehensive PLM solution to the AFA industry; it also has applied its technology to other fast-moving consumer industries such as consumer packaged goods, life sciences and consumer electronics. Centric targets retailers, wholesalers and manufacturers with an integrated PLM solution that combines line planning, product specification, calendar/workflow management and global sourcing.

Unlike many other vendors, Centric's PLM solution is tightly integrated to its global sourcing solution, so the products can be managed from original design idea right through to delivery to the store, and also integrated to Centric's new product development/introduction capabilities so that a broad range of consumer products — not just AFA products — can be managed through to launch. Centric integrates specification management, line planning and calendar management within its PLM capabilities. Managers and other decision makers are provided with customizable dashboards to monitor a configurable range of key performance indicators (KPIs) to spotlight and fix trouble areas, whether they affect a specific item, a product line or an entire group. Centric's InSight enterprise search capabilities discover and classify information, and enable a level of search capabilities covering PLM, enterprise resource planning (ERP), office applications and computer-aided design to ensure that all possible information sources are integrated and highlighted through embedded dashboards and business-process-specific analytics. Centric also features a portfolio of connectors that are designed to simplify and speed up the configuration of interfaces to external systems from spreadsheets to ERP so that existing information investments in a broad range of external information sources can be leveraged. Centric's user interface is simple to use and easy to understand, which is an important issue for remote users who are unable to access standard training or support staff. Implementations are relatively fast and easy — typically completed in one to two quarters.

The company provides its PLM solution through a traditional licensed approach. Centric also has a hosted managed service for organizations that want to adopt a solution rapidly without the upfront investment required in hardware, software and skills necessary to set up and manage the solution.

Centric closed its second round of venture capital investment totaling $14.3 million in January 2008. The investment is being used to expand product development capabilities and invest in global sales, marketing, services and support operations.

Retailers and manufacturers looking for an integrated PLM and global sourcing solution should consider Centric as a potential vendor, especially where product categories are not limited to

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traditional fashion items of AFA, and where easy access to product intelligence is a key requirement.

Centric Software was not included in our recent MarketScope because, during the research phase, the company was still in the process of securing funding and increasing its focus on the apparel and consumer goods industries.

ecVision

Based in Iselin, New Jersey, the company was founded in 1998 to focus on the AFA product life cycle execution for retailers and manufacturers. ecVision does not offer solutions for the early plan and develop stages, as these are addressed by its partnership with Gerber Technology in a co-developed solution called Fashion Lifecycle Management (FLM). ecVision has offices in Hong Kong and Shenzhen, China, which enables the provision of support across all time zones to retailers and suppliers — a significant benefit for organizations sourcing internationally.

ecVision's XpressCommerce is a role-based, workflow-driven collaborative application combining PLM and supply chain execution capabilities. This includes modules that address supplier capacity and raw material reservation, sourcing and costing negotiations, executing the purchase order, monitoring production, and managing quality processes. These capabilities are enabled by a common platform for data consolidation, collaboration, workflow, calendar and event management, and shipment and trade document standardization that delivers visibility and analytics across the supply chain. The solution is an Oracle- and Java-EE-based, multitiered distributed object architecture integrated to other systems through Web services and service-oriented architecture.

In addition, ecVision provides integrated electronic data interchange management solutions for exchanging documents and information between retailers and their manufacturers/suppliers.

Manufacturers and retailers that already use Gerber's WebPDM to address their PLM requirements should consider adding XpressCommerce to provide effective workflow-driven collaboration capabilities, especially if they seek to integrate supply chain execution capabilities. ecVision has been integrated with PDM, ERP, warehouse management systems and purchase order systems across multiple client sites.

ecVision was not included in the recent MarketScope report because, without its partnership with Gerber, it did not offer sufficient functional modules.

Fashionware

Founded in 2003 and based in Suffern, New York, the company focuses exclusively on delivering SaaS-based visual solutions to manage product information across the fashion supply chain. The scope of the company's Fashionshare solution includes the following core modules: event management, color management, products and materials (including bill of materials), and share management. The share management module includes line sheets, storyboards and palettes. Fashionshare's approach is to deliver industry best-practice business processes on top of the Web-based central database, which enables secure global collaboration and improved visibility across the supply chain. The solution is based on Microsoft .NET technology and targeted at small to midsize enterprises. The low monthly subscription costs help to avoid the potential delays of adopting larger systems.

Fashionware uses workflow templates to help manage the complexities of the overall business process, along with event tracking and detailed audit trails to complement the modular functionality. Together, these features deliver an intuitive, easy-to-use, Web-based system that can be rapidly implemented.

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Manufacturers and retailers looking for a SaaS-based solution to their PLM requirements should evaluate Fashionware as a potential vendor. This is especially true for small to midsize enterprises, as well as when taking a visual approach is a key driver.

Fashionware was not included in the AFA PLM MarketScope report because at the time it did not meet revenue criteria or have the required breadth of customers.

Oracle

Based in Redwood Shores, California, the company has been delivering information management solutions for 30 years. At this stage, it does not directly market a PLM solution for the AFA market. However, with the acquisition of Agile Software in May 2007, Oracle now has a wide portfolio of capabilities in and around PLM applications that can address the requirements of certain organizations.

An Oracle-based approach is best when manufacturers and retailers are looking to adopt an Oracle-based solution to their PLM requirements that extends an existing Oracle enterprisewide business solution approach. This is where the custom project approach might fit best, as an extension of an existing Oracle infrastructure, to deliver a tailored integrated solution. Given Oracle's extensive solution set for the retail and the manufacturing industries, combined with the broad capabilities of the Agile solution set, Oracle has the power to develop a more-focused PLM solution for AFA at a later date, should it decide the market warrants such a solution.

Oracle was not included in our MarketScope because at the time it did not market a packaged PLM solution for the AFA industry.

RockBlocks

Based in North Billerica, Massachusetts, the company provides global sourcing and trade management solutions for its own label and branded apparel, footwear, electronics, grocery and consumer packaged goods industries. In the early 1990s, the company was part of Rockport Trade Systems; in December 2007, it was spun out from Tourtelotte Solutions. RockBlocks enables retailers to accelerate, automate and optimize their supply chains from design to delivery. The company received venture funding in December 2007 to accelerate the development of its platform, sales and services operations.

The RockBlocks solution is a Web-based collaborative platform that provides visibility into the entire sourcing pipeline. RockBlocks is positioned as a global sourcing solution provider rather than as a PLM solution provider; however, much of its functionality overlaps with the core functionality of leading PLM solutions. Examples of such functionality include Web-based collaboration throughout the supply chain, product management, specification sharing, component and product cost modeling, exception and event management, business process workflow, e-mail and Short Message Service alerts, vendor management, and a single central Web-accessed database. RockBlocks offers its sourcing platform on a traditional license basis for large enterprises, and also as a SaaS solution.

Manufacturers and retailers looking for an advanced global sourcing solution with core PLM capabilities should evaluate the RockBlocks solution against their requirements. This is especially true for organizations that are seeking to source and manage a wide range of product categories where the emphasis is more on tightly integrated sourcing, and less on advanced PLM capabilities.

RockBlocks was not included in the MarketScope report because at the time it didn't offer sufficient functional modules.

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RECOMMENDED READING

"MarketScope for PLM in Apparel, Footwear and Accessories, 2008"

"Market for PLM in the Apparel, Footwear and Accessories Industry"

"Critical Requirements for PLM in Apparel Footwear and Accessories"

"Fast Fashion Demands PLM"

REGIONAL HEADQUARTERS

Corporate Headquarters
56 Top Gallant Road
Stamford, CT 06902-7700
U.S.A.
+1 203 964 0096

European Headquarters
Tamesis
The Glanty
Egham
Surrey, TW20 9AW
UNITED KINGDOM
+44 1784 431611

Asia/Pacific Headquarters
Gartner Australasia Pty. Ltd.
Level 9, 141 Walker Street
North Sydney
New South Wales 2060
AUSTRALIA
+61 2 9459 4600

Japan Headquarters
Gartner Japan Ltd.
Aobadai Hills, 6F
7-7, Aobadai, 4-chome
Meguro-ku, Tokyo 153-0042
JAPAN
+81 3 3481 3670

Latin America Headquarters
Gartner do Brazil
Av. das Nações Unidas, 12551
9° andar—World Trade Center
04578-903—São Paulo SP
BRAZIL
+55 11 3443 1509

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