

CASE STUDY:

Viet Vuong cuts fabric wastage to under 2% and realises nearly 3% in fabric cost savings with Coats Digital's IntelloCut

IntelloCut additionally delivered BOM savings of 1.13%; overall wastage savings of 1.23%; optimised productivity and increased customer satisfaction.

About the customer

vietvuong

Viet Vuong is committed to delivering sustainable manufacturing processes wherever possible and reducing its fabric wastage to zero is a top priority. The company has secured recognition - for being a green-friendly factory from WRAP - a charity, working with governments, businesses and citizens around the globe to create a world in which resources are used sustainably; Better Work - which improves global garment industry conditions - and the sustainable building programme, LEED.



Challenges and their solutions

1. Manual fabric assessment processes delivered incorrect data on material consumption.

Prior to implementing IntelloCut, Viet Vuong used Excel spreadsheets to assess and monitor its fabric costing and utilisation processes. This manually executed operation resulted in limited visibility into accurate fabric consumption calculations and unnecessary wastage due to a lack of available data regarding material usage on the production floor.



Solution

Following the implementation of IntelloCut, Viet Vuong was afforded the full visibility and tracking of fabric consumption and wastage it needed to make factual data-based decisions about the fabric it purchased and how it was utilised. By digitising these costing and cutting processes, Viet Vuong significantly optimised its fabric utilisation rate to over 98% - reducing its fabric wastage to under 2%.

2. Management found it difficult and time-consuming to make informed decisions about how to optimise fabric utilisation to reduce dead stock.

With no robust method in place to provide an accurate breakdown of fabric wastage, the management team at Viet Vuong found it difficult to make informed business decisions about how much fabric to buy to fulfil orders. If the company purchased more fabric than it needed, it would lose profit from dead stock; and if it bought less than was actually required, it would lose profit by having to buy in more material at its own expense, as these additional costs had not been factored into initial customer quotes.

KEY FACTS

CUSTOMER

Viet Vuong Trading Co.Ltd

LOCATION

Ho Chi Minh, Vietnam

CHALLENGE

- Limited visibility of cutting room operations
- Disconnected data and time-consuming reporting

KEY BENEFITS

- Fabric savings of 2.98%
- Wastage Savings of 1.23%

Solution

The solution significantly increased production efficiencies which meant shorter lead times for customers, but also greatly reduced the time and effort planning teams required to create capacity forecasts, freeing up more time to enhance customer satisfaction objectives overall.

Fundamentally, however, the implementation had a direct positive impact on the company's bottom line, with Viet Vuong reporting fabric savings of nearly 3% and Bill of Materials (BOM) savings of 1.13%,

Coats Digital's Intellocut is designed to give full control over fabric usage in the cutting room by optimising key processes, including: the generation of cut plans, lay plans and allocation, end bit usage, capacity planning/tracking and reporting. The solution's automated, closed-loop approach to fabric planning reduces the amount of time and effort spent on planning and re-planning and maximises fabric utilisation on the production floor.

CEO, Viet Vuong Trading Co.Ltd *"Before Intellocut, all the cutting data was spread between disconnected spreadsheets and emails, so it was difficult to compile the data to analyse key trends related to fabric consumption and wastage. With Intellocut, we have gained visibility over the entire cutting floor and through the intuitive real-time reports on fabric performance, we now have the ability to make data-backed decisions to optimise fabric utilisation, reduce wastage and ultimately support the sustainable growth of our business."*

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Intellocut helped us to establish an efficient fabric planning and cutting process by providing fast and accurate cutting execution plans, as well as effective fabric tracking and real-time reporting of the cutting floor. This has allowed us to eliminate error-prone manual processes, saving us a huge amount of time and effort.

**CEO,
Viet Vuong Trading Co.Ltd**

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It is great news that Viet Vuong has achieved such significant results since the implementation of Intellocut. The solution has not only increased Viet Vuong's profitability, but also helped it realise a few of its ambitious sustainability targets, by reducing fabric waste and operational costs, which are all factors increasingly becoming uppermost in the minds of more discerning consumers.

**Tan Demir,
Associate Manager,
Coats Digital**

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Key benefits and ROI



Wastage savings of 1.23%



Fabric savings of 2.98%



BOM savings of 1.13%



Improved data visibility and tracking



Wastage reduction in all areas



Identification of wastage breakdown



Correct calculation of consumption



Process automation



Improved fabric utilisation

CASE STUDY: Vietvuong - Intellocut



Adopted by over 150 manufacturers across 15 countries, Intellocut is infused with agile analytics and mobile technology that is designed specifically to help manufacturers optimise fabric utilisation and reduce fabric wastage.

For more information about the features and business benefits of Intellocut, or any of Coats Digital's supply chain solutions, visit: www.coatsdigital.com or email: marketing.coatsdigital@coats.com