



Full conference report, October 2022

ASBCI Fashion Re:Set Summit 2022

A collective response to global challenges

‘From crisis comes opportunity,’ said **Jason Wang** COO of **Alvanon** at the ASBCI’s Fashion Re:set summit on 11 October in York. After a period of unprecedented disruption, the fashion industry must adapt to survive, and it will take collaboration up, down and across the supply chain and buy-in from the very top to achieve a more sustainable future. ‘The days of huge production models and huge wastage are over,’ said Jason. ‘The question now is whether we can produce and sell less and be more profitable. The answer should be “yes”.’

That technology must form the backbone of this response was a central theme at the summit, which brought together speakers, panellists and delegates from across the fashion industry with the express aim of fostering collaboration. The day saw animated debate and engagement from all sectors, and strong consensus on what needs to happen and how to get there.

Collaboration.

‘The industry needs to collaborate around the idea of a reset,’ said **Ben Hanson** from **The Interline** in his keynote presentation. ‘This can’t be done independently.’ It was a theme that many speakers and panellists returned to, whether the topic was sustainability, sourcing or digital transformation.

However, as **Jenny Holloway** from **Fashion-Enter** underlined, it must be ‘truthful collaboration’. The issue is often that collaborative initiatives don’t happen on a level playing field – not all voices are heard equally.

Anne Peirson-Smith from **Northumbria University** highlighted the importance of the pre-competitive space where key stakeholders can come together to identify what needs to be done. She pointed to the multistakeholder initiatives that are happening all over the world. ‘These could drive real change but there are also challenges. Who is invited to the party? Suppliers and manufacturer voices are often not represented.’ ‘It isn’t a level playing field,’ agreed **Stella Claxton** from **NTU**. ‘Collaboration often takes place within an uneven distribution of power between parties; it can feel tokenistic.’

Collaboration is also the key to solving sourcing challenges, said **Angela Gaskell** from **N Brown**, and building a strong, transparent supply base requires open and honest, two-way communication. ‘Suppliers are the heart of the business,’ she said. ‘If you don’t have suppliers, you don’t have a product.’

She also called for fairer peer-to-peer collaboration. ‘We need to make sure we all have a voice and that big brands don’t railroad smaller ones. Supporting up and coming brands is so important – the

more we share, the more we collaborate, the stronger we become. And if you know who you are as a brand, you can maintain your point of difference. Trying to keep everything to yourself is the worst position.'

Suppliers are also central to meaningful digital transformation, said **Richard Jessup** from **Optitex**. 'It's not just about individual companies on their digital journey; you need to take the whole supply chain with you. It must be driven from both ends and that requires collaboration.'

Sustainability

'The World Bank estimates that 10% of overall global carbon footprint are down to the fashion industry,' said **Suzanne Ellingham** from **Hyve Group** as she opened the discussion on ESG and how the industry should respond.

To an extent, consumer behaviour is driving sustainable transformation, but the industry shouldn't wait for consumers to demand action, said **Dr Andrew Hudson** from **Eurofins | BLC**. **Stephen Taylor** from **IBM** pointed out that although sustainability is an increasing concern for consumers, this does not always translate into purchasing behaviours. IBM surveyed 20,000 consumers globally to see how their shopping habits have changed. 'Only a third are changing their behaviour to align with their concerns,' said Stephen. However, he highlighted the rise of the purpose-driven consumer who thinks about which brands align with their personal values. 'This will be a key customer segment going forward.'

'How does the industry explain and promote its hard work to these consumers so they can make the right decisions?' asked **Helen Colebourn** from **Bureau Veritas**. 'Until the person who buys the product understand what they are buying, they can't make an informed decision.'

One barrier is a lack of definition of terms such as sustainability. 'Consumers don't know what it means,' said **Stella Claxton**. 'Maybe we'll see more definition in legislation, but even that is challenging. For example, durability will be a key aspect of circularity, but this is difficult to define in an objective and consistent way because you would need a benchmark that sits across all markets and product types.'

Differences in consumer behaviour across markets also makes definition of such terms difficult, said Helen. And **Peter Hughes** from **Eurofins | BLC** argued that we cannot put too much emphasis on the consumer making the right choices. 'We should supply them with the product that is the right choice.'

Sourcing

If sustainability was an overriding concern at the summit, it was acknowledged that sourcing models must change to achieve it. 'Consumers want a different model,' said **Angela Gaskell**. 'They want newness but there are different ways to interpret this. We need to give them what they want in the right way, and if we understand consumer behaviour, we are better placed to work with our supply base to deliver it. We also need to understand quantities so we are not creating waste.'

One way to avoid waste is to shift to new models such as on-demand, and much of the sourcing discussion centred around this. These models are being embraced by nimble SMEs and microbusinesses but are still largely ignored by the major brands. Such models could, as **Jenny Holloway**, pointed out, 'blow away issues such as overstock', but she added that **Fashion-Enter** has had the facilities for on-demand production for a year, and no one has used it. **Kornit Digital's Phil**

Oakley described the transition as ‘trying to drag brands through a hedge backwards’, adding that there ‘is no rulebook for the complete supply chain change that has come about during the pandemic’.

Kate Hills from **Make It British** pointed to the opportunities of UK manufacture but said its vital people play to their strengths. ‘The average UK garment manufacturer has fewer than 10 people – we need to use these factories in a way that makes sense, for example, for made on demand that requires product to be made as close to the consumer as possible.’ Phil agreed, adding there are thousands of social media brands out there selling direct to the consumer. ‘They don’t need to compete with the mass production models. We’re never going to have a model [in the UK] that replicates what we do in the Far East. We need to do things differently.’

Digital Transformation

On-demand is the real meaning of near-shore and in-country production argued **Ben Hanson** as he laid out the case for how technology can deliver the change the industry is looking for. ‘Technology can componentise patterns to drive production from the e-commerce backend. It can facilitate printing and cutting in synchronisation, create a network of micro-factories and distribution hubs, eliminate minimum order quantities, and connect consumers to the manufacturing process. It could transform brands’ relationships with consumers.’

It is happening. **Phil Oakley** from **Kornit Digital** related several examples of brands using Kornit’s technology to transform significant proportions of their blank-space category into on-demand. **Michael Lock** said **Lectra** is seeing more interest in the micro-factory concept. ‘Lectra currently has around 40 micro-factories worldwide, usually small companies, but there is increasing interest from larger companies who want to explore what this model can offer them. They want to offset risk and ensure future success through technology, and on-demand is one way of doing this.’

Facilitating the shifting to new production models is far from the only way digital tech can advance sustainable practices, however. As **Ben Hanson** pointed out, tech can help businesses make confident disclosures about product and trace materials down to the raw fibre. **Dr Andrew Hudson** from **Eurofins | BLC** explained that using technology to map supply chains can provide brands and retailers with a clear idea of where materials come from, which leads to a better understanding of impact and risk.

One of the most impactful moments of the summit came he showed dramatic images of the pace and scale of deforestation, for which the meat industry is responsible for around 40% globally. ‘Leather is by-product of meat industry so we can have some influence on this,’ he told delegates. For example, by tracing raw materials, brands can assess whether the slaughterhouses in their supply chains are linked to deforestation and take action accordingly.

Lyle & Scott has been using technology in a similar way for cotton, **Will Verdon** explained in a conversation with **Nigel Read** from **DeSL**. At the start of lockdown, the brand made the decision to switch to organic cotton for its volume products and has used DeSL’s PLM system to trace cotton through its supply chain to achieve GOTS certification. ‘We have even talked about having digital passports for products in the future, so customers can see where and how products are made.’

‘Consumers want to see this,’ said Nigel, adding that companies will start to be named and shamed when actions do not match up to words. Legislation is coming that will put greater obligation on businesses to be transparent with customers and make improvements in their sustainability profiles.

This is where technology can help businesses balance sustainability initiatives with their bottom line, added Nigel. 'Technology can improve efficiency and speed to market while also providing the data to monitor initiatives and provide that audit trail that allows you to be transparent with customers.'

Sue Mardon from **Alison Hayes** highlighted the efficiency advantages of 3D sampling in her presentation that charted the company's journey to implement **Optitex's** 3D software. 'For us the decision was about reducing operational costs and improving efficiency. Costs were rising and we had to be more agile. That couldn't happen by pushing people to work harder or faster – we needed the tools to help. We needed quick turnaround, good samples, right first time, and we needed to reduce waste.'

The software has resulted in a saving of 40 to 50 physical garments per week, said Sue. 'Development time has also improved by 50% from sketch to cut sample and pattern cutting efficiency has improved by 29%.' The 3D samples are so good that Alison Hayes has sold some ranges entirely from 3D.

Who is driving digital transformation? This is the question panel moderator **Ton Wiedenhoff** from **Alvanon** put to each panellist. The answer was that it must come from the top. True transformation, in any sense, requires commitment at the most senior level if it is to have any hope of success.

'It is very important that the top level is bought into digital transformation or it won't get very far,' said **Stephen Taylor**. 'There are lots of different ways to invest in digital; you need a clear vision.'

What about the metaverse? This is a contentious one, said **Ben Hanson**, and it is not inevitable that brands should embrace digital fashion. 'However, even if you don't want to sell digital fashion, a lot of the processes are the same. There is a lot you can do with digital assets even if you don't intend to sell them.'

'There are no rules for web3,' said **Morgane Lopes** from **Printemps**, which has just opened its first metaverse store. 'You need to be true to your audience and create an experience that speaks to them.' For Printemps that was a virtual store selling physical products in an aim to engage in different ways with existing consumers and attract new ones. However, the French department store has just launched its first digital fashion collection selling 'skins' for customer avatars. 'What you do depends on your strategy and what you want to achieve,' said Morgane. 'Don't compare yourself to others.'

Skills and people

The industry needs to invest in both new and traditional skills to support its transition. **Ben Hanson** pointed to the need for 'hybrid skills' for digital transformation. 'You need people with traditional fashion industry experience who also have other skills that allow them to slide into workforces that can pivot and do things differently.'

However, to take advantage of new sourcing models such as on-demand for UK consumers, traditional skills are also required in more depth, as **Jenny Holloway** and **Kate Hills** discussed. 'There are 4,000 garment manufacturers in the UK employing 88,000 people. We need another 25% on top of that in the next five years to keep up with demand.'

One barrier is that garment workers are not on the Shortage Occupation List – though that might change. Another is the persistent impression that these are low-skilled roles, reinforced by minimum

wage pay. Jenny explained how Fashion-Enter attracts stitchers with performance related pay. 'We pay between £11.50 and £19 an hour – the more they make the better they are paid. Why aren't others doing this?'

Whatever the role, however, employee wellbeing has never been more important. **Sean Liddell** from **Mindful Training** closed the conference by reminding delegates of the business and personal cost of mental ill-health and providing some advice on coping with stress, depression and anxiety. 'One in four people suffer from mental illness and employers won't know who they are. People in the fashion industry are 25% more likely to experience mental illness than other industries.' And all the changes of the last few years have made things worse. 'Brexit, Covid – we've never experienced a pandemic before... It is important to have conversations to help us recover.'

Sean's advice for individuals: you are the most important person in your ecosystem. 'Control the controllables and don't worry about the things you can't control. Building a positive mindset can be hugely beneficial. Accept what has happened and where we are. Protect against anxiety and poor wellbeing, and create new sustainable opportunities to become more resilient and empowered.'

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