

Dear Readers,

As you are aware that now we are moving towards the next and last phase of the project. In the last year we have focused on a few crucial issues of the cluster like skill development, energy savings, marketing & branding, designing etc. I feel happy to share that project has created many success stories in many of these areas. In the next six months the major focus will be on institutionalization of all these activities so that our intervened areas can become self sustainable beyond the project limits. Sustainable models for mobilization of manpower for the industry & common quality brand “Knitmark” will remain our major areas of intervention in the coming time. We are getting great support from industry associations and other cluster stakeholders & look forward to the similar support in future also.



Best wishes
Sanjeev Chaudhary

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EDITORIAL TEAM

- Pankaj Kumar
- Prerana Kapila



KNITMARK

“Knitmark”, a quality assurance certification specifically for the knitwear cluster, it is a dream cherished by the cluster stakeholders since long. A small step towards this direction was to have a vision document and a roadmap to establish a Trade Mark as a symbol of quality in knitwear products and also for a consortium of firms, initially for Ludhiana Industry, which can later expand to other centers of Knitwear production. The proposed brand Logo, Knit mark, will be positioned as an image for quality, product guarantee, and eco green and fair deal knitwear products. The Knit mark will be registered with the competent authority for registering Trade Mark, The Knitwear Club is providing full support in this endeavor and the vision document has been discussed in length with the office bearers. The club has agreed to become the promoter for the formation of consortium and undertake the preliminary steps for the implementation of the common brand. Once the consortium is formed, it will function under its own independent body. The testing and quality conformation standards are specified in depth to maintain the quality and consistency of the branded product. The brand will be launched very shortly and those cluster members who want to be a part of the consortia or know more about the same can contact our cluster office at the earliest.

STUDIES AND REPORTS

STUDY ON BUYING TRENDS IN EXPORT MARKET

To provide an edge to the exporters, a detailed study on the buying trends of export market was done. The study provides the insight on the buying trends of various exporting countries and major buyers. The strength of the cluster, its competitive advantage as well as shortcomings have been identified and an analysis of the silhouette, fabric, finishes and style trends which the buyers have been looking for has been documented so that the exporters can become proactive and engage the buyer to place bigger quantities of purchase orders in the country. The study also documents the major buyers who have been buying from the cluster and the sustainability and eco friendly issues of these buyers for various product categories. The report specifies that the Ludhiana industry need to work on internal systems to increase business and stay competitive in terms of quality, pricing and service. Internal preparedness in a business is necessary to grab the opportunities coming in the way of the industry.

The report will soon be available on our website. www.ludhianabds.com

VALUE CHAIN ANALYSIS OF CIRCULAR KNITS

A study was conducted to identify the gaps in the value chain of circular knit manufacturers in the Ludhiana knitwear cluster. It was found that the power cost, labour and transportation cost and availability of skilled labour and man power are the major areas where the cluster lacks and efforts are required to increase the cost competitiveness of the cluster firms. There is a potential threat due to change of consumer preferences in the recent times and the cluster has to be highly adaptable to assess the demands of the consumers beforehand so that production process can start a little early and much saving can be made in terms of cost of raw material and labour. The study also identified the best practices followed by the cluster manufacturers. The problem areas observed in the cluster during the study were working method which needs improvement. Poor infrastructure, including bad condition of roads and sewage system. The complete study report will be assessed by the cluster members on our website www.ludhianabds.com soon

STUDY ON POSSIBILITY OF USING SOLAR ENERGY FOR BOILERS IN LUDHIANA KNITWEAR INDUSTRY

An intervention has been undertaken to check the possibility of using solar energy for boiler in knitwear manufacturing. The researcher surveyed 4 dyeing units and a company manufacturing solar products in Ludhiana. Survey was done to understand the dyeing process and use of steam in dyeing processes.

Possibility of Solar Energy was explored by contacting Solar Product Manufacturer but it was found that the continuous pressure required for dyeing the textile material is not possible from solar energy but the technology can get hot water to be fed in the boiler through solar energy. The cost of installing solar energy system for heated water at 80 degree Celsius will be Rs. 210 per liter

PRODUCTIVITY IMPROVEMENT AND WASTE REDUCTION

The cluster Lacks in the productivity of its member firms when compared to similar units of other clusters. With the objective of improving the competitiveness of the manufacturing units in Ludhiana, a productivity assessment study supported by SIDBI was conducted for making the industries aware about the potential of improvement in the firms. The study was conducted by Rajesh Bheda Consulting, a well known firm in the field of productivity enhancement. The study aimed at improving the understanding of the factory team about the current level of rework and rejects against international benchmarks and resultant financial impact. The study also advised the factories about current layout efficiency, potential for workflow and ergonomics improvement and potential for fabric savings. The study shows that the potential for improving the productivity ranges from 10% to 40% in sewing lines and 10% to 50% in finishing. The companies also have potential for saving fabric and they can obtain a lot of benefits by improving the housekeeping of the factories. Current sewing efficiency of the factories ranged from 26.6% to 65% based on SAM estimations and current finishing efficiency of the factories ranged from 40% to 44.4% based on work content. Overall housekeeping and safety standards are low. As most of the garments are non-washed thus the companies can look at introducing layout changes for finishing the garments at the end of the line. This can result in substantial reduction in throughput time as well as better quality. All the participating factories and apparel industry in Ludhiana in general has a labour productivity improvement potential ranging from 10%-50%. Thus the cluster companies can highly benefit from implementation of a systematic productivity improvement program aimed at improving the competitiveness of the organization. Seven firms were selected initially for the implementation of the recommendations of the study.

The results of these firms will be shared with the cluster very soon.



Providing words of knowledge

E- BRANDING – FROM PRINT TO INTERNET ERA

Branding has been around for centuries as a means to distinguish the goods of one producer to those of another. A brand is a “name, term, sign, symbol, design, approach or a combination of them, intended to identify the goods and services of one seller that differentiates him from his competitor. With globalization, foreign markets have become more reachable and available; therefore internet-branding is a tool for an organization not only for domestic markets, but also for international markets.

The most vital significance of branding in small to medium level organizations is to consider their brand as their business’s individuality. The term “branding” as it was used during the mass marketing era will not be relevant in the internet era. At the same time, we cannot totally ignore conventional branding, pertaining to its significance. What we need is an integrated business equity model that combines brand, customer and value equities driven around Internet.

Branding initiatives made to build brand awareness through quality proposition and stability perception. But there is more to be done for the branding in the digital age as branding is not just linear brand promotion any more. The scope of branding has increased, as a lot of brand extensions are becoming increasingly important.

Local garment manufacturers, in spite of all their efforts; have been focusing on value proposition using the value chain approach to branding. Their conventional branding strategies have paid off in the past but not to an extent that they have been able to develop a unique selling proposition of their brand. Traditional branding strategies followed by the local manufacturers like print, packaging, B2B-branding and In-store branding etc are not enough to demonstrate presence to modern-age digital and fashion awarded customer. The E-branding strategy structured around Pay Per Click Brand Management (PPC), Web Video understands this medium can be a great competitive advantage for the local manufacturers. It should be remembered that “Brands are not forever, and brand inertia is no virtue. Brands that cling to the past soon lag behind.”

Abhishek Nakra

www.consultprofessionals.com

CLUSTER COORDINATION COMMITTEE MEETING

With a panel of 14 members, regular CCC meeting have been organized by ACDS to update the members about the latest progress in the project implementation and to get the feedback, identify gaps and challenges faced by the industry and share achievements.

The latest CCC meeting was held with the objective of discussing the proposed action plan for the year 2011 and to take suggestions for exit strategies proposed. The outcome of previous activities and the progress of present year activities were also discussed. It was finalized that Sport king Institute will be linked with Knitwear club more strongly and Design resource center will be supported by introducing more firms for design assistance. In the area of skill up gradation, it was suggested that a vocational training center will be set up to bridge the gap of skilled labour for the cluster. The club decided to provide financial support and land through its members

www.garmentmanufacturersindia.com



The Intervention:- An intervention has been undertaken to conduct an analysis of the Branding strategies followed by Ludhiana knitwear manufacturers and highlight the differential between promoting a Product and a Brand by setting up a common branding internet portal for knitwear manufacturers. The Branding approach followed by local manufacturers revolves around building superior products, being cost competitive, manage the sales and distribution channel, promote the product through point of sale, branding and making the brand recognizable by a suitable logo. The strategy document highlights the strategy behind selecting the domain name as www.garmentmanufacturersindia.com

The document further discusses how this common portal brand can be established through internet brand marketing tool. The strategy selection for the common brand will revolve around Display Advertising, E-mail Marketing, Web Analytics and Social Media Integration. The aim in establishing a common cluster brand portal is to make it economically self sustainable within a period of 5-6 months and act as a benchmark brand for the local manufacturers to understand the significance of branding strategy creation and implementation.

SUCCESS STORIES

WOMAN EMPOWERMENT THROUGH LOCAL ECONOMIC DEVELOPMENT - AN INSIGHT

Lack of skilled labour was one of the most common problems faced by the Ludhiana cluster. The industry was already reeling under the pressure of global recession, unrest among the migrant labour added on to it. Being a labour intensive industry it was difficult for the cluster to meet the production demand. As a result of which the industry started exploring new options.

The project decided to tap the untapped labour pool of local and rural female and decided to train them for working in the factory. Training programs were started in factories and training centers were set up in the villages as well. Under the first phase females in the age group of 18-35 and a minimum qualification of intermediate were selected for training at a factory producing t-shirts and Track suits for a reputed brand.

After giving five days of extensive knowledge on machines and its parts the actual training was imparted on various operations like stitching , flat locking , over locking etc. The training continued for one month during which transportation facility and a stipend of Rs. 1500 was also given to the women along with the training infrastructure and raw material. Industry visits for the girls as well as families were also organized to show them the working atmosphere and make them comfortable in the working environment.

The females who were unemployed or were working as household laborers till only a month back were placed as regular employees of the firm at the salary of Rs 3500 per month plus transportation and perks .The same training program is repeated in more firms in which a total of 600 girls have been trained till now and 50 more girls are undergoing training at a factory. Of the trained girls, almost 98% have received confirmed employment in professional working environment and are extremely satisfied with their new found financial freedom. The girls are now confident and happy of their financially independent status and can look forward to a better future.



ENERGY SAVING – A VITAL ISSUE

The energy saving field, at the time of diagnostic study, was in its embryonic stage with no demand from the cluster and no certified and competent energy auditors available for the consultancy. However, the problem of pollution and high cost as well as unavailability of regular electric power supply was a major cause of concern for the local industrialists. Hence the need to introduce energy saving exercises was identified on the analysis of diagnostic study results.

An awareness workshop was organized and one to one meetings with various industry owners were held to impart information and saving potential of energy saving exercises. As no competent consultants were available in the cluster, Mr Aggarwal, who is based in Jalandhar, was asked to conduct energy audits in 4 industrial units.

Mr Aggarwal was successfully able to identify huge saving potential in the audited units. Another consultant, Forbes Marshall, from Pune, was also called to conduct energy audits in 4 dyeing units of the cluster which has presented a good result. The efforts of Mr Aggarwal has created a market for the service and other companies like SGS and Thermax , who had the expertise in this field but were not working on it due to non availability of market . The field has moved from embryonic to developing stage and is beneficial for environment as well as for the industries and the cluster in financial terms.

UPCOMING EVENTS

Important Forthcoming Activities:

- Female Stitching Machine Operators (SMO) Training Programme
- Workshop on SIDBI Schemes for MSME Units
- Pilots on Innovative Packaging Trends in the Industry
- Consortia Formation of NGOs For Mobilizing Manpower for the Industry

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