

Pioneering Internet marketplace for the textile industry powered by IFS Applications™

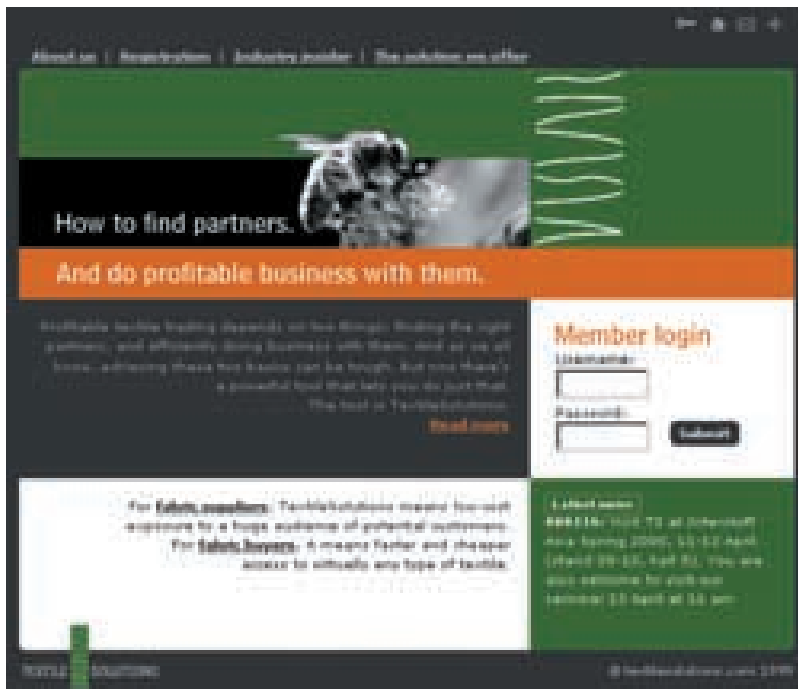
The textile industry is extremely fragmented, with more than 120,000 companies in Europe alone. At any one time, several parties can be involved in a transaction, making it very complex and difficult to overview. And the absence of standardized products in the industry introduces further difficulties. Moreover, as the rate of uncertainty is very great, an enormous amount of double-checking and duplicated work can be required. Obviously, administrative costs are significant. TextileSolutions, established in 1999, was set up to provide a one-stop marketplace where buyers, sellers and producers in the textile industry could meet to conduct business. IFS Applications was chosen to provide the backbone for the site. And by outsourcing the operation to @IFS, TextileSolutions is free to focus entirely on its core business.

The problem

Alexander Helm, Ann-Charlotte Wennergren, Johan Eckerstein and Mats Palmquist started the business project in 1998 in response to the textile industry's need for standardization in the ordering process, improved effectiveness in trading and increased access to relevant information. After extensive research in Europe and Asia, it was obvious that the solution they presented was strong, competitive, and urgently needed. What they needed, therefore, was a business applications backbone that would support huge transaction volumes simultaneously while still being easy to use. In a dynamic, volatile industry like the textile business, flexibility and agility were two further system requirements.

The solution

Initially, 10 vendors were assessed. The final choice went to IFS, for a variety of reasons. Johan Eckerstein, CTO for TextileSolutions, explains: "The strongest point in IFS' favor was the clear, cogent manner in which its offering was presented. We were convinced they could deliver what they promised." The IFS project team also impressed Textile -Solutions, which realized the benefits of the flexibility inherent in the component architecture of IFS Applications. Finally, but not least, IFS has had over 15 years' experience of implementing complex order handling systems.



Implementation

The implementation process was very smooth, thanks in no small part to IFS' e-business components. Despite the complexity of the web applications, with very stringent demands on accessibility, the system went live on time and met the rigorous cost parameters demanded by TextileSolutions. Following typical IFS methodology, the system was implemented in two phases, the first of which was completed in December 1999. In February 2000, the second phase was complete, and customers now have access to the site. TextileSolutions was intimately involved in all stages of the implementation, attending specification meetings at IFS and making its requirements known immediately. This way, delays were minimized. Another timesaving strategy was to approve delivery at IFS, again with the direct involvement of people from TextileSolutions. Johan Eckerstein again: "The IFS team was very flexible, very accessible. And, more importantly, IFS had a clear understanding of our business needs."

Benefits

As a customer-oriented enterprise, TextileSolutions measures the benefits of the system primarily in terms of the savings it will entail for its customers.

Buyers, given a comprehensive overview of the market, will be able to compare products and prices immediately, which was previously unimaginable. And total integration with TextileSolutions' logistics partner, TNT, enables next-day product delivery in most cases.

Manufacturers also benefit since buyers can book production capacity on-line, allowing manufacturers to plan production more accurately. The track-and-trace functionality allows buyers to follow their orders throughout the production process.

Suppliers, too, can profit from the application because now they can reach a much wider market without making major investments in marketing capacity. And instead of having to rely on trade shows, agents, etc., they have direct access to their target groups. Estimations have shown that those who use TextileSolutions' Internet marketplace can cut order administration by 30% because orders made on-line need only be entered once. Fax messages, e-mail, phone calls, worries about different time zones, etc. are all eliminated. The site enables 24x7x365 availability and, perhaps most important of all, standardized orders. The result is less administration, clearer documentation, and fewer errors.

And by using IFS' ASP, @IFS, to run the system, TextileSolutions is free to concentrate on its core business while always being ensured optimal capacity. Mats Palmqvist, marketing manager and one of the founders of TextileSolutions, concludes: "Thanks to IFS Applications, we can help suppliers and buyers of textiles to stay on top of all the relationships and transactions that occur during procurement. That includes everything from searching through the product catalog and ordering samples to final negotiations and call off."

Software

IFS/Accounts Receivable™, IFS/General Ledger™, IFS/Accounts Payable™, IFS/Purchasing™, IFS/Invoicing™, IFS/Customer Orders™, IFS/Sales & Marketing™

Hardware

HP LH4, NT – situated at, and operated by, @IFS