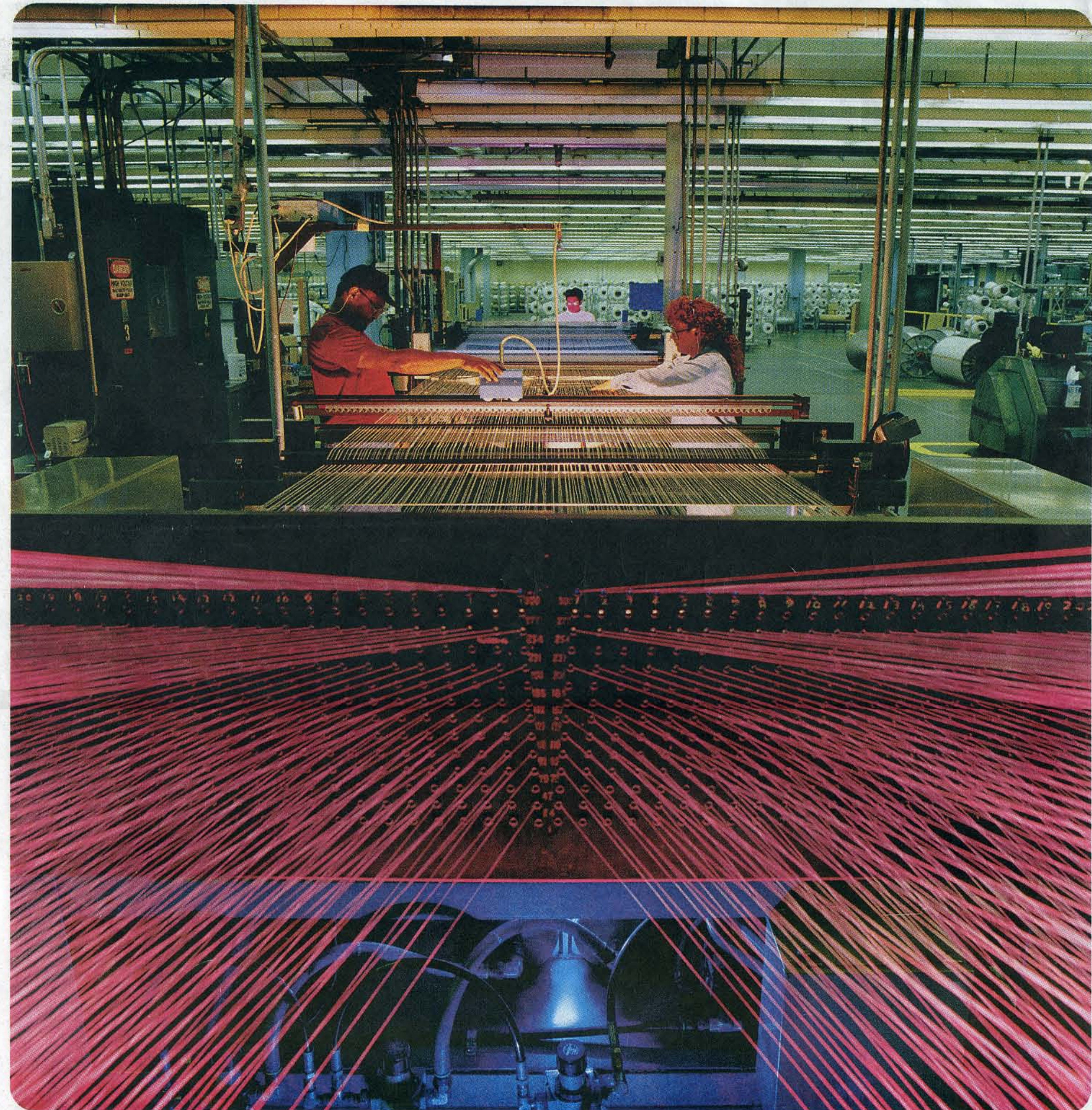


Industry Heavyweights Launch Internet Sourcing Service



Here, a factory produces synthetic fibers. The Fast sourcing service is open to all types of fabrics containing any kind of fiber, so the resource will be useful to mills and manufacturers.

By Cate T. Corcoran

FIBER MANUFACTURER INVISTA AND SOFTWARE maker Freeborders Inc. are launching an Internet service today for sourcing fabrics that has the potential to transform the design and development process in the apparel industry. Think of the system, known as Fast — the Web site is Fasttextile.com — as Google, Microsoft Windows and something like Sabre, the airline-industry reservation system, all rolled into one.

Fast is intended to be a neutral platform open to any fiber maker, mill, manufacturer and retailer in the world — even Invista competitors, which make nylon and span-

dex fibers. It has the backing of some of the biggest names in the industry, including VF Corp., TAL Group and Fountain Set, and a significant number of participants, including some 1,600 manufacturers and retailers and 500 mills in 40 countries.

The core of the service is a search engine that will allow manufacturers and others to quickly locate fabrics they want to sample, such as a 1x1 rib knit fabric with 2 percent nylon. The idea is that designers will request a sample to be sent to them via FedEx, then complete the purchase offline. The service allows participants to set up private areas for information exchange and collaboration. It also lets fiber makers, mills, manufacturers and

retailers manage the sampling process, fabric research and special requests for materials that don't yet exist.

Jeff Streader, VF Imagewear vice president of global sourcing, said VF Corp. will use the service to unite and manage its design and development process across all its groups and divisions, which now don't share information. In addition, he said, the company will use the service to set up private areas to collaborate on new products with its suppliers, all of which it will bring onto the service.

VF Corp. won't just utilize the service for fabric, but also will use it to source buttons, trims, zippers and its other raw materials, he said. The company plans to integrate Fast with all its software systems, so data can be

shared seamlessly between them. (The company does not use Freeborders software.)

The service is free to apparel manufacturers and retailers, and includes free implementation of their textile mill network. Fabric manufacturers pay to be on the service. The list price is \$800 a month for unlimited access and fabrics. In addition, mills that join early on or are invited to join by their customers will receive significant discounts, Freeborders said.

Fast will not be a significant source of revenue for Invista, but the company hopes it will be self-supporting, said John Penrice, Invista director of global marketing. "We're basically a fiber company providing innovation, but to enable our business model to happen, we want to provide a tool to help people do product development quicker," he said.

Invista believes it's important to have a breadth of fibers and fabrics on the site because its customers will use the system to buy Invista-containing fabrics only if they also can use it to buy every other kind of fabric. "By making it more open, we make it more effective, and by making it more effective, it helps us, as well," he said.

Every fabric maker will supply and manage its own content. Freeborders will administer the system, Penrice said. "We want the industry to understand that we're a founding partner, but we're not behind the scenes controlling this thing. We believe in the freedom of the market," he said.

The company hopes to use the site to promote its fibers, possibly by including some highlights about its latest fabrics on the front page. However, the details haven't yet been worked out, and Invista wouldn't be the only provider of such content, Penrice said. The search engine will pull up fabrics that match the greatest number of search criteria, but otherwise in no particular order, said Jani Friedman, Freeborders senior vice president of business development.

The venture is a separate commercial enterprise that is self-funded by the membership fee to pay the costs of running the service, Penrice said. The alliance is made up by the founding partners: Invista, Freeborders, Fountain Set and TAL. It's a marketing alliance, not a joint venture, and the costs and revenues are divided up unequally between the partners. It could potentially be a significant source of revenue for Freeborders, said Friedman, second to its software business but larger than its offshore outsourcing.

The service is not intended to replace in-person meetings or touching and feeling fabrics, participants said. But it will make the process more efficient and may reduce lead times by four to five weeks, increase innovation, decrease the need for travel, cut costs for manufacturers and help mills increase sales and improve customer service.

"This won't replace the need to touch and handle fabric, but it speeds the initial search," Penrice said. "The alternative is running around to trade fairs, visiting multiple suppliers and looking for a needle in a haystack. This brings a powerful search engine to your desk. It enables a trip around the world to be a development meeting rather than a search for a fabric meeting," he said.

"I had to go to Taiwan four times a year when I worked [as a designer]," Friedman said. "It was ridiculous. I'd take my suitcase home, and I'd have fabric lying every-

where. I couldn't remember where I'd got it or the lead time. I'd stick it on a board, the merchandiser would love it and you'd be like, great, but then you'd find out it's out of stock and the lead time is three months."

Dr. Harry Lee, managing director of TAL Group of Hong Kong, said, "Invista has agreed to open this up to everybody, which I think is crucial because if it's only Invista fiber, the site will not be used very often." TAL Group is a private label manufacturer and one of the world's largest apparel makers. It uses more than 100 million yards of cotton a year and is an investor in Freeborders.

"For this to work, you need a critical mass," he said. "Right now, all our customers are looking for newness. So this is very, very important for our customers to be able to go onto the site and be able to search for the type of fabric

choice out there and it can get confusing, so maybe it's a good thing. If it's self-supporting, and Invista is sponsoring it, then I'd call it a marketing coup."

Users can search on country and lead time in addition to fiber content and weave characteristics. Designers may sample from their desks at 10 p.m. and receive samples the next day by overnight mail. If they lose a swatch, they can check the information they need online. Designers are familiar enough with fabrics that they instantly know the feel and drape of a fabric just by knowing the weight, fiber content, mill and finish.

"We're not saying this will do away with swatches, but it will help facilitate the process and get the ones you need," Friedman said.

Fast grew out of Invista's online fabric library, an online searchable catalogue of only fabrics that contained Invista fibers and that was free to mills. Fast design partners VF Corp., Cone Mills and others have been advising Freeborders and Invista for more than a year about what they would like to see in the Fast service.

The old library also featured 500 mills, but the new service will have significantly more fabrics. Fabric maker Pinytex International Ltd. of Taiwan, for example, posted only 19 fabrics in the old Invista library and has 4,000 fabrics in Fast, said Dick Chang, Pinytex director, in an e-mailed statement. More than 2,800 of the fabrics contain no Invista fibers.

Freeborders and Invista have been reaching out to other fiber makers, such as Tencel, which was recently bought by Lenzing AG. Tencel's fibers are complementary to Invista's, and many fabrics on the market combine Tencel and Lycra. The company hasn't yet signed up for the service, "but we're talking and we're interested," said Steve Frankam, business director for Tencel's textile business.

"As a fiber producer, I think we're really right at the start of the supply chain, so anything that can help us move new developments through the supply chain more efficiently and quicker is extremely interesting to us," he said.

The fact that the service is multifiber is a huge plus, he said. "We've got internal systems — fabric listings, fabric libraries — that we use in the same way Invista has," he said. "We've always discussed how we can better leverage that with our customers and are our customers interested. Whenever we speak to our buyers, they say yes, but if we use this system, we want one for all products — not one for Tencel, one for Invista, one for [another]." So I think the fact that several fiber companies are going to become involved is going to increase the value of Fast and get more buy-in from the people buying the fabric, and it will be better for all of us."

The Fast service will work seamlessly with Freeborders' product life cycle management software, such as its software for keeping track of fabric and trims. So, for example, if a designer is creating a shirt, he or she can click on a fabric and all the information will populate into the system and storyboards. But Fast is also a stand-alone system.

"We realize people have other systems, including homegrown systems, that they're not ready to replace at this time," Friedman said. The company believes that Fast could help it sell more software and that existing users of its software are likely to join Fast.

The potential for Fast is large, said Penrice. "Our goal is to make it the number one one-stop shopping fabric sourcing vehicle to the world," he said.



Fast's search engine lets manufacturers and retailers quickly find fabrics that meet their design and scheduling requirements. A textile mill in North Carolina produces fabric.

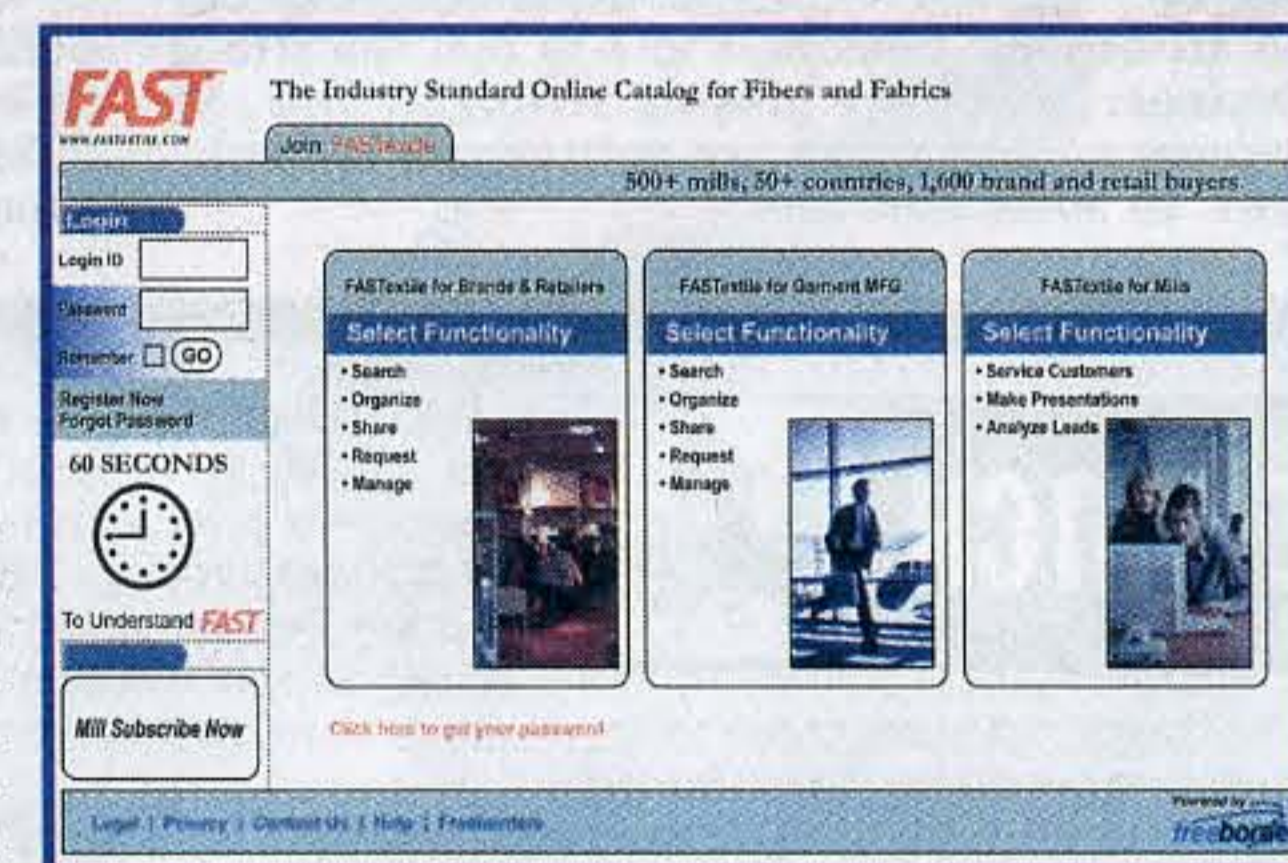


Dr. Harry Lee, managing director of TAL Group of Hong Kong, one of the founding partners of Fast.

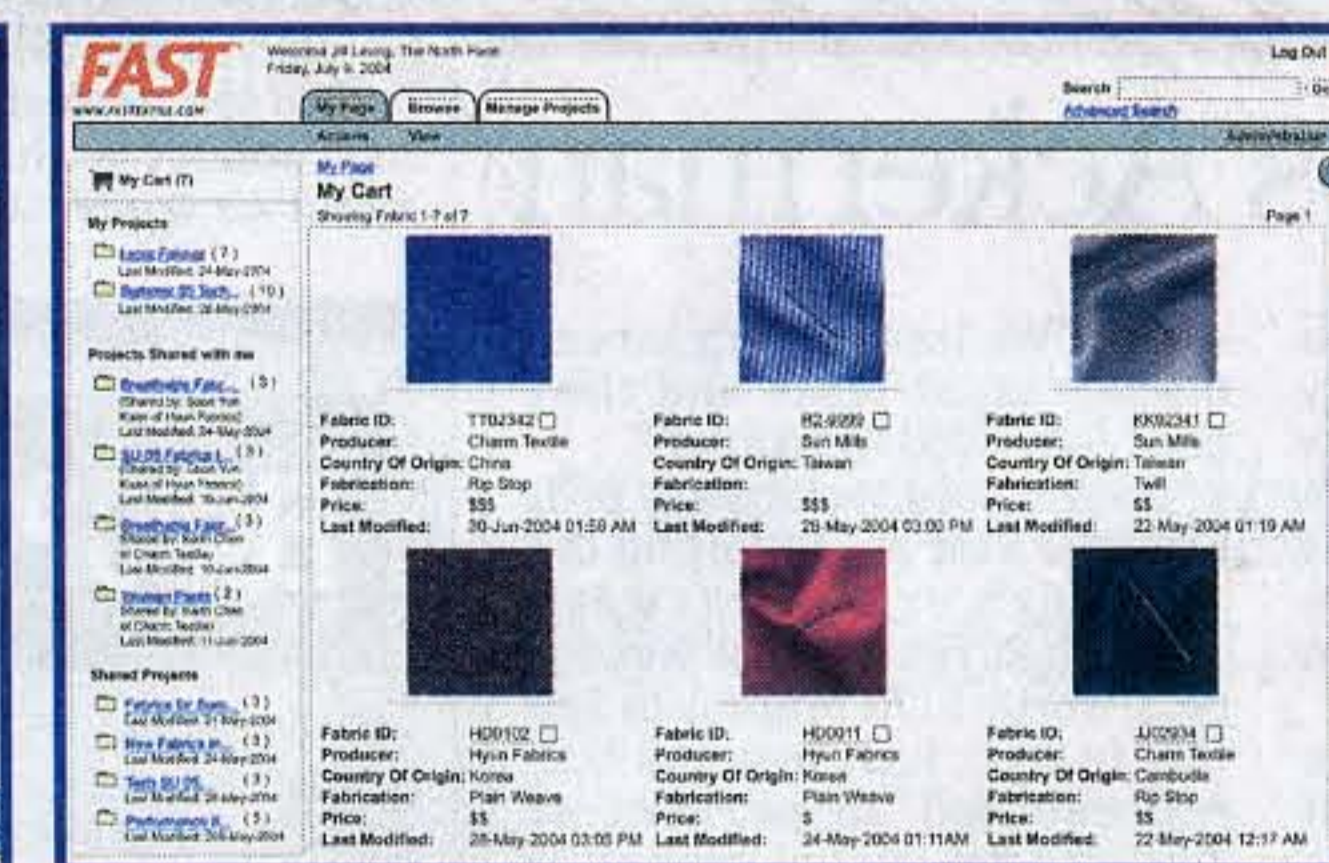


John Cestar, one of Freeborders' two co-ces.

“For this to work, you need a critical mass. What’s good for the industry should be good for everybody.” — Dr. Harry Lee, TAL Group



At left, Fast's first page. The page at right shows the results of a fabric search, with pictures of the material and their descriptions.



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Gordon Yen, assistant to the chairman of Fountain Set (Holdings) Ltd. of Hong Kong, among the biggest makers of knit fabrics, said, "It's not just a one-way presentation tool. We're talking about a pretty big advancement from how things used to work. It gives us a lot more flexibility in how we want to manage our product portfolio. We can specifically cater to the needs of different customers."

Competitors of Invista, formerly DuPont Textiles & Interiors, not familiar with the service cautiously supported the concept. "The more eyeballs, the better," said Dina Dunn, vice president of marketing for fiber maker Nylstar Inc.

"There's a bit of a conflict of interest in any raw materials manufacturer backing this thing, but it sounds like a noble goal," said Bill Gerrier, vice president of sales and marketing at fiber maker Radici Spandex. "There's a lot of