

What is an Apparel Innovator? It's a company that's producing a new product or service, or one that's creating value for consumers in new ways. An Apparel Innovator has developed faster, more efficient and cost-saving ways of doing things. It's a company that's turning ideas into commercially viable opportunities. It's a company that's creating jobs, improving the environment and making the world a better place to live.

What is an Apparel Innovator? It's a company that's leading the way instead of following. You can read about 39 such companies in the following pages.

To all of our Innovator Award Winners, **Apparel** salutes you for your vision and determination.

Apparel's 2011 TOP INNOVATORS

By Jordan K. Speer, Jessica Binns and Deena M. Amato-McCoy

With a factory optimized for efficiency, Joseph Abboud is able to manufacture its tailored JA Collection entirely in the United States, turning product in as few as seven days.

Perry Ellis International Inc.

Miami, FL | www.perry.com

NOMINATED BY: Management Dynamics Inc. | www.managementdynamics.com

Perry Ellis International credits much of its success to developing and maintaining a strong global brand and a loyal customer base. An important element of this success is its effective use of technology to automate key areas of its business.

Whether at the manufacturing level or as part of the customer shopping experience, Perry Ellis recognizes the importance of how innovative technology plays a significant role in a company's competitive strategy. At the heart of Perry Ellis' strategy is a new transportation management system that scales to the growing company's needs and creates more cost-effective shipment plans.

Perry Ellis is a powerhouse manufacturer that features a portfolio of more than 30 brands, including licenses of brands such as Pierre Cardin, PGA Tour, JAG, Nike Swim, and Callaway. Four years ago when the company embarked on its growth plan to reach this point, it relied on aging software to move freight and handle exceptions worldwide. After evaluating its current needs and anticipated growth, it was time to look to a new, more innovative process.

The company wanted a solution that could precisely calculate bottom-line shipment costs and compare multiple routing and service options for its service contracts, provide sophisticated audit controls over carrier billing, deliver a quick and user friendly system implementation, and offer the ability to seamlessly add new functionality as the company's needs grew. Another major requirement was end-to-end freight audit capabilities for all of its carrier transactions. The solution also had to be plug-and-play so the company could build redundancies and if there was an issue, it would be simple to make revisions.

"Previously, we were using a third-party vendor to audit all of our freight bills," said Marvin Leto, the company's vice president of corporate logistics. "It took a long time for us to get refunds and we found the process to be very inconsistent. We were losing literally thousands of dollars per month in carrier overcharges and this was just not acceptable."

The manufacturer selected International Transportation Solution from East Rutherford, N.J.-based Management Dynamics, a global trade management software system. The solution simplifies the complexity of carrier service contracts with business rules, then it links contracts with the carriers based on rules tariffs. The solution automatically calculates the total bottom-line cost of a transaction, including all surcharges, and for any timeframe. The solution's freight audit feature is also key in helping Perry Ellis quickly identify and eliminate freight overcharges.

"Using the system's powerful search engine, the logistics team is able to search across multiple service contracts in real time, identify all routes and service options based on specific criteria, and select the best price and service combination — all within seconds," he explained. "It provides detailed side-by-side rate comparisons across multiple carriers — exactly what we need to make more informed carrier selections. Since it is an on-demand, web-based solution, it's fast, accurate and enables us to operate more effectively in an environment of higher freight costs and tightening budgets."

Simultaneously, the company's integrated supply chain financial system from TradeCard kicks in and processes all completed purchase orders for vendor payment. (See "Getting Financing on Your Customer's Good Name" in the April issue of *Apparel* to read more about how Perry Ellis' uses the TradeCard platform to facilitate financial transactions.)

The transportation software produced a \$220,000 savings in overcharges in the first year, "as well as other immediate benefits, such as lower transportation costs," he said. "We look forward to further taking advantage of the other many features and functionality that we have yet to explore." ◀

— Deena M. Amato-McCoy

