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## Latest Procurement News

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### Apparel companies urged to get procurement sewn up

Apparel companies have been advised that basic changes in purchasing practices can deliver "substantial" cost reductions.

Amy Galland, author of *Best Current Practices in Purchasing: The Apparel Industry* and research director at *As You Sow*, stated: "After years of turning to suppliers to reduce factory compliance violations, brands are now looking inward to learn how their corporate practices have a negative impact on suppliers."



The study features analysis of purchasing practices by companies including Gap, Inc., Timberland, Nike, Levi Strauss & Co., Nordstrom, Jones Apparel, and Phillips-Van Heusen.

According to Galland, decisions made at headquarters "ripple through the entire supply chain". For example, one company reported that it reduced its air-shipping charges 80% due to improved purchasing practices.

"Brands have historically made last-minute changes that forced factories to use excessive overtime and pay insufficient wages. By installing procedures that reduce these changes, companies have improved factory working conditions and increased speed to market," said Patricia Jurewicz, director of *As You Sow's* Responsible Sourcing Network.

"Nike understands that in order to make systemic, long-lasting, positive changes for contract factories and workers, we need to emphasise our internal decision-making processes in collaboration with the factories. The work we've been doing for the past few years is definitely starting to show rewarding results," said Hannah Jones, Nike VP sustainable business and innovation.

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