

Fashioning a new business



NEW TRENDS: Several new design studios have come up in Bangalore

Fashion design studios in Bangalore are getting lucrative assignments from global brands in the US and Europe, discovers **Shivkamal**

India, globally renowned as an outsourcing destination especially in Information Technology, is now heralding a new wave of outsourcing. But there is no complicated technology involved in this. India is now being identified as one of the fast emerging centres for outsourcing apparel and fashion design.

This may not come as a surprise though, since India is among the top five garment exporters in the world, next only to China. And interestingly, the city that fetched India recognition in

the IT sector is driving the new wave of outsourcing. Bangalore, the capital of the south Indian state of Karnataka, which has added a new word to the English lexicon, is now home to some of the new breed of fashion design studios that take up apparel and fashion outsourcing contracts from well-known brands from the western world.

If Mumbai is the centre for fashion modelling, Bangalore is the hub for fashion designing. The city is home to a number of integrated textile and garment firms that are 100 per cent

export oriented. There are several other well-known textile and garment firms that cater to both international brands as well as domestic retail brands.

They include Gokaldas Exports, the largest garment exporter from India, Madura Garments, which is now part of the Aditya Birla Nuvo Group, Himatsingka Seide Ltd (an integrated home textiles company), Indus League Clothing Ltd, Page Industries, and Indus Fila, which recently got listed on the stock markets.

The garment industry in Bangalore

relies extensively on local talent, which is available in huge numbers. This has prompted several companies to launch Special Economic Zones to cater to the international market.

Picking the new trend of fashion design outsourcing, a number of firms have been set up in the city to take care of independent design studios exclusively for outsourcing contracts. Most of these firms have been set up by designers, who have worked for top companies like Madura Garments or Indus League Clothing Ltd. A number of self-styled designers from the apparel design industry too have taken a plunge into outsourcing.

The factors that influence the decision to outsource fashion designing to Bangalore are the same that propelled the growth of the IT industry: a large, English speaking population, an evolved textile industry, and lower costs. The fact that India features high on the design scene internationally contributed towards the spawning of apparel design outsourcing firms.

Bangalore-based Munch Design Worx has been providing design solutions to apparel, accessories and textile industries besides trend forecasting, visual merchandising, accessories and package design. It designs everything for the companies from the colour and pattern of the shirt or trousers to the way their outlets look.

As many as 25 designers in Munch cater to global and domestic clients such as Levi's Workers, John Players, Dockers, Benetton, Invista, Precot, Tom Tailor, Daks and Westside. A majority of the designers are products of the country's prestigious National Institute of Fashion Technology (NIFT). A number of apparel design outsourcing professionals have a NIFT background.

Munch Design Worx was set up by Mumbai-based Phulchand group, which is into trading of commodities and garment making for the domestic retail companies.

"We have the first mover advantage in the fashion design outsourcing segment," says Pradeep Agarwal, managing director, Prateek Apparels, the apparel retail company established under the Phulchand group. "We bank on our

tremendous experience in catering to the domestic retail market. We can considerably leverage the resource pool available in the country."

And with little help from technology, it can provide world-class designs for the global textile players. "We have been very successful with this venture. Many companies are following suit to set up apparel design outsourcing units," he adds.

Though the group is based in Mumbai, it decided to set up the apparel design outsourcing unit in Bangalore, purely because of the ecosystem. "There is a tremendous talent pool and professional designers are available here. In all, we need everything that's required to run an apparel design outsourcing unit," notes Agarwal.

The studio is headed by Karunesh Vohra, the chief executive officer and principal designer. Vohra, who also graduated from NIFT in 1992, set up Munch (which means platform) in 2004 after working for firms such as Weekender and Madura Garments.

He floated the concept of a design firm to the Phulchand group, which was

enthusiastic about the project. "We were excited with the new approach," points out Agarwal. "We are moving in the right direction now. I foresee tremendous growth for our apparel design outsourcing unit. We have lined up plans for its expansion."

Recently, Munch inked an outsourcing deal to design apparels for Orsay, a major European fashion brand for young fashion-conscious women. For the first time Orsay, which has around 420 stores across eight European countries, has outsourced its design requirements to a non-European company.

Experts point out that the Orsay-Munch deal will give a huge push for the nascent fashion design outsourcing industry in India. The new breed of third-party design firms with lower costs and quality design proposition, can pose a huge competition for design firms in Europe.

Munch is not the only one riding on the new wave of apparel design outsourcing. It is inspiring a host of new generation of professionals to take the plunge.

Take for instance, 35-year-old Prithi



BANKING ON EXPERIENCE: There's a vast resource pool in the city



VISUAL PRESENTATION CONCEPTS: Outsourcing firms are offering comprehensive packages

Bangalore,
the hub of
Knowledge Process
Outsourcing, is
becoming the
centre point of
fashion brands.

expected to cross the \$10 billion mark during the current fiscal, according to the Apparel Export Promotion Council of India.

Global players are not the only beneficiaries of fashion and apparel design outsourcing. Indian garment manufacturers can also make use of third-party design outfits to score over other Asian competitors from China, Sri Lanka, Pakistan and Bangladesh, who are primarily into manufacturing.

Indian apparel exporters can demand far better price from their global customers if they include designing and manufacturing operations.

Taking note of this trend, many fashion designers are experimenting with apparel and fashion design outsourcing for domestic players. Fashion designer Nidhi Raj, who worked for nearly five years with Madura Garments as an in-house designer, recently started his own apparel design outsourcing company called Dog Police Design Solutions.

“When you work for an organisation you are confined to one brand,” he points out. “The scope for experimentation is less. In an apparel design outsourcing set-up, you might be catering to two different brands with two very different concepts, targeting two very different sets of consumer profiles at the same time.”

For instance, one could be designing fashion accessories for an Indian brand like Westside, jeans for a brand like Levis and apparel for an international brand like Orsay simultaneously, adds Raj. “The requirements of an Indian customer are completely different from that of an international consumer.”

Pais, a former design head of Levi's. Seeing the potential that apparel design outsourcing offers, Prithi has opened a design firm – Pink Pepper Studio in Bangalore. Pais' outfit offers similar design services like that of Munch and has already signed up global customers such as Esprit and H & M.

Prithi, who is excited with her new venture, says outsourcing is big business now. “I have been in the design business for the last 10 years. This sector is more lucrative,” she points out. “Also you get to do more in terms of creativity as you tend to work with different brands. India is the buzzword when it comes

to outsourcing. The job is tough as we have to tune ourselves to trends, do a lot of research and learn how to package the product.”

But fashion and apparel design outsourcing is an unexplored territory as far India is concerned. It has the potential to emerge as a multi-billion dollar market in the coming years. For instance, the World Trade Organisation (WTO) estimates that India will corner about 15 per cent of the global textile market, valued at \$400 billion, thanks to the end of quota regime last year.

Apparel exports from India touched \$9.5 billion during the last fiscal. It is



TUNING IN TO TRENDS: Fashion design outsourcing will turn into a multi-billion-dollar market

Another player aiming to make a mark in this field is the Grace Group, makers of Sweet Dream brand of relaxed wear. For Hitesh Ruparelia, a computer engineer by profession, it was gut feeling that led him to the apparel design outsourcing business.

Along with his enterprising brother Utpal Ruparelia, Hitesh is working on the apparel design outsourcing model. A design studio is already in place and they have already handled turnkey projects for big retail brands. Talks are on to market the design capability to a client in the UK.

Another company engaged in the outsourcing business is New Delhi-based Bricolage. Its founder too was bitten by the apparel design outsourcing bug. "It initially was an impulse to do something of our own," notes Narinder Mahajan. "Impulse, because it was just a year since my wife and I had passed out of the NIFT, but then we found a huge opportunity in the growing need for design outsourcing in a professional set up."

But it is not just apparel firms, even technology companies are jumping on the fashion bandwagon. They have gone a step forward to integrate technology with apparel and fashion design outsourcing. They take up the technology related work straight from the design board.

For instance, Reach Sewn Technolo-

gies & Consulting, a software products and services provider to the global apparel industry, has set up a centre in Bangalore for computer-aided design to cater to global fashion studios. Its client list continues to grow by the day. Its founder too is optimistic about the opportunities from international brands.

"The moment a hand-drawn sketch arrives from a firm in either Europe or the US, our software starts working," says Shyam Raj, chief executive officer of Reach Sewn. "We apply mathematical

The new breed of third-party design firms can pose huge competition for design firms in Europe.

models to arrive at the exact measurements for various sizes."

According to him, integrating technology with the design aspect provides greater advantage to global players. The first is the reduction in time, the second is reduced investment on technology back home.

"It is done in a matter of minutes," he notes. "We are also selling the licensed product for a fee varying between \$15,000 and \$20,000. Our firm interprets and creates various components of the garment in the computer."

The two-year-old firm employs around 300 professionals and its revenues doubled last fiscal to \$6.15 million. Reach Sewn has invested more than \$7 million in Apparel CAD, a subsidiary.



QUALITY CHECK: The client list of many firms continue to grow by the day



THIRD-PARTY DESIGN OUTFITS: The price factor will drive more global brands to look towards India as a destination for outsourcing apparels

It employs a significant number of pattern masters to evolve the work process. A pattern master does the designing work (through CAD) for parts of a garment. For example, a typical shirt is made of several patterns – such as one for the collar, another for the shoulder, a third for the sleeves. The subsidiary is delivering drawings of garments to global brands such as Levis, Wal-Mart, Gap Inc and Liz Clairborne.

The venture is backed by a private equity fund – Nadathur Holdings and Investments – promoted by N S Raghavan, one of the founders of IT

major Infosys Technologies.

According to Shyam Raj, another factor fuelling the growth of apparel design outsourcing is price. “The opportunities in the computer aided business process outsourcing space for the apparel industry are huge,” he notes. “At a comparable level of skill sets, a pattern master in the US will cost \$6,000 a month, while it would cost just \$500 in India.” The price factor will drive more global brands to look towards India as a destination for outsourcing apparel and fashion designs.

The mother unit of Reach Sewn has

been set up on a five-acre plot on the outskirts of Bangalore and would have several smaller units located in all the major apparel manufacturing centres in India. The mother unit has employed 450 pattern masters in the first phase, while smaller units employing 20 people each will be located in other apparel centres such as Coimbatore, Tirupur and Ludhiana.

The company plans to scale up its headcount to 2,000 pattern masters within 18 months. Raj says at present patterns and markers for the global apparel industry are made at multiple locations leading to inefficiencies in terms of work duplication and version control problems.

“With a centralised pattern and marker making set-up that will work 24x7, global apparel brands can save money and achieve better standardisation,” he adds.

Markers are put together on the final piece of cloth. Here, the CAD software would advise on what is the optimal way to do that to ensure minimum wastage of cloth during cutting. Reach Sewn already has a host of products and service offerings focussed on the apparel segment.

“We will stick to this one domain where we offer products and even ERP solutions and emerge as the largest full-service provider for the global fashion industry,” says Raj. 🌿



SOPHISTICATED UNITS: Bangalore-based firms are able to offer the latest in services