



DSV

Fashion Solutions

DSV FASHION SOLUTIONS KEY FIGURES

- We operate 100+ warehouses throughout Europe handling consumer products ranging from footwear, apparel and accessories to lifestyle, sports & leisure, home decoration, DIY and consumer electronics products
- Consumer products supply chain solutions generate more than €300 million in revenue, representing the majority of DSV Solutions' turnover
- Flagship fashion sites at strategic locations in Europe



Dear Supply Chain professional,

Today more than ever, your industry faces a myriad of challenges. The developments in the fashion sector demand an outstanding, agile supply chain that is fully tailored to your customers' requirements and expectations. And that's exactly where DSV can support you.

To secure your competitive advantage within all of your sales channels, from brick-and-mortar stores to e-commerce, we provide:

- Effective, streamlined processes which offer the flexibility to cope with your seasonal peaks.
- Our IT system, ensuring full visibility and control across your operations.
- Experienced employees who understand the dynamics in your supply chain.
- Full-service range including return handling, fiscal representation and customs support, and value-added services such as reconditioning, quality inspection, price ticketing and display-building.
- Commitment to sustainability, including participation in the United Nations Global Compact, whereby making a 'green effort' brings improvements and considerable savings.

DSV strives to deliver an all-encompassing solution to the fast-paced fashion market. We serve customers globally, each with their own unique set of requirements. With the right processes and technology in place, we design best-in-class supply chain solutions with your clients' needs at their core.

We are ready for you. Welcome to DSV!

Best regards,



Ronald Poort
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DSV Solutions
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DO YOU RECOGNISE ANY OF THESE CHALLENGES?

- ✓ **Complex global sourcing**
- ✓ **Multi-channel distribution**
- ✓ **Short product life cycles**
- ✓ **Consumers' environmental awareness**
- ✓ **Online shopping**



SEASONS ARE SO OLD FASHIONED



Increasingly Complex Global Sourcing

Now that fashion brands have been digitalised, the fashion industry requires hybrid business models to stay in the race. Collections, seasons, fashion weeks, buyers, magazine editors – everything and everyone is facing the same challenge. Many processes will be redefined in the near future, with traditional channels set to lose some of their power. In addition, we are seeing numerous mass-market companies blurring the lines between summer and winter; as fashion markets evolve, they are introducing partial or sometimes even entire collections ever-more frequently. Furthermore, we are seeing a dramatic increase in production volumes from Europe and/or the Middle East in an effort to reduce capital tied up in stock and storage costs, and to minimise the risk of obsolete items. Footwear production in countries such as Morocco, Tunisia and Bosnia-Herzegovina, for instance, has shown double-digit growth recently. Meanwhile, some companies are attempting to solve these issues by customising their apparel in response to customer demands; concrete examples of customisation include the on-demand shortening of trousers or reducing the number of different style/colour/size combinations.

At DSV Fashion Solutions, we offer fashion companies end-to-end, real-time visibility through our IT infrastructure, along with an infinite mix of execution models to optimise costs. From consolidating orders for you in the Far East to running efficient and effective central European distribution centres, we ensure that your supply chain creates competitive advantage.

“Over recent years DSV has proven to be a strong partner showing great flexibility in responding to our fast changing business needs”

MARTIN WHITE
SUPPLY CHAIN DIRECTOR
PRIMARK



Multi-channel Distribution

Apparel, footwear and accessories companies recognise that an online presence significantly contributes to their success. Websites are evolving into webshops and single brands are challenging the multi-brand e-retailers. The development of smartphones and social media has increased the momentum of this trend even further. A recent survey shows that one-third of consumers consider it very important that retailers use different sales channels. 30% of the respondents stated that they always check prices online before purchasing and 18% use their mobile phone to research prices and product reviews. This shift has presented many companies with various challenges in terms of order fulfilment, profit contributions, service expectations and return policies.

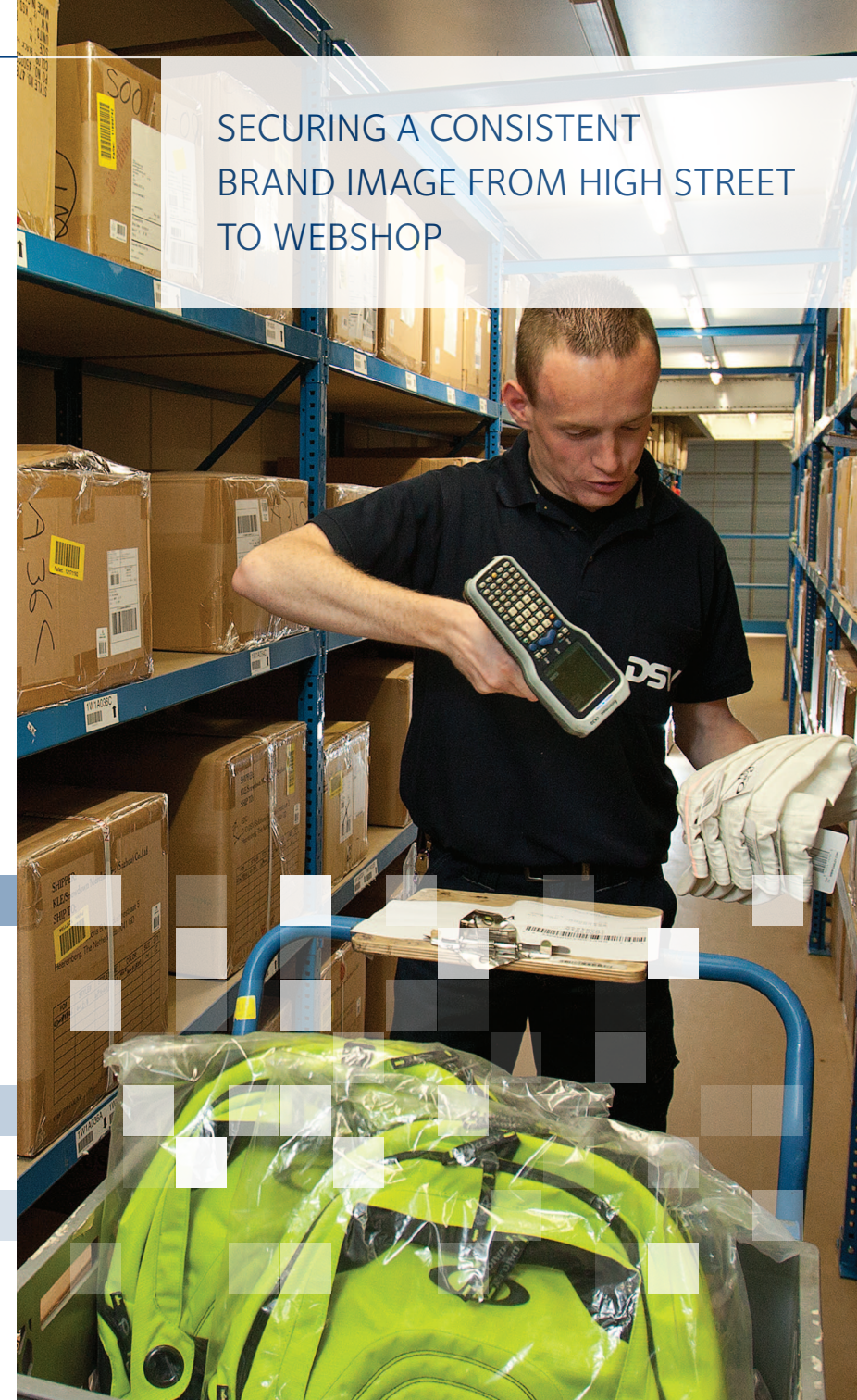
DSV Fashion Solutions supports you in exceeding your customers' requirements, irrespective of the sales channel. Able to cope with both the highs and lows in your seasonal patterns, our operations deliver consistent performance levels all year round. Furthermore, we provide you the insight and visibility needed to give your customers the service they are expecting. When it comes to optimising each of your distribution channels, you can rely on our motivated and knowledgeable employees to make the difference.



"Oakley has enjoyed over eight successful years with DSV and we have been impressed with its ability to constantly adapt to the ever-changing market trends and logistics needs. DSV's 'Lean Programme' is going to be instrumental in the coming years as businesses (including Oakley) learn to adapt to the transition from a mainly pre-book AFA business to also supporting the more dynamic demands of the end consumers switching to the web."

JIM TENNYSON
EUROPEAN OPERATIONS DIRECTOR
OAKLEY

SECURING A CONSISTENT
BRAND IMAGE FROM HIGH STREET
TO WEBSHOP



LOOKING FOR THAT CRYSTAL BALL TO
HELP PREDICT CONSUMER BEHAVIOUR?



Shortening Product Life Cycles

In today's highly competitive market, fashion and footwear companies are under increasing pressure to plan and forecast accurately. On top of the style/colour/size variations and the increasing number of product ranges, it is the short product life cycle that adds most to the complexity in terms of accurate forecasting. The length of the product life cycle is determined by the introduction of the next collection. From the very moment a style is launched, it is only a matter of time before trends have been copied and price erosion wipes out the margin.

Whether focusing on low costs and minimal inventories for off-the-peg collections or quick-response solutions for fast-fashion products, DSV offers you the agile supply chain that enables you to satisfy your customers' needs. Operating pick-pack-ship facilities throughout Europe, we provide a range of value-added services from quality assurance and repacking to musical runs, price-ticketing and gift-wrapping. In close cooperation with selected parcel delivery providers, we can offer a wide variety of last-mile distribution options and speedy reverse solutions. We understand what your customers expect, and we act accordingly!



"DSV Solutions was able to adapt to the dynamics of our industry and continues to offer the level of flexibility which our volatile business requires, at competitive costs."

MARTIJN VAN PARADIJS
OPERATIONS MANAGER EMEA
K-SWISS



GREEN IS A FASHIONABLE COLOUR

Consumers' Environmental Awareness

Sustainable fashion, also called 'eco fashion', is part of the growing design philosophy and sustainability trend emerging throughout the fashion industry. Is this development driven by the philosophy of its founder, is it to satisfy a genuine customer requirement or is it merely being used as a marketing tool? Regardless of the reason, the fashion and sports performance industry is becoming increasingly aware of its carbon footprint, as well as the benefits that a focus on sustainability can bring. While some participate by supporting non-profit alliances such as '1% for the Planet' and 'One for One', others are using more environmentally friendly materials in clothing production.

At DSV, green and corporate social responsibility initiatives are embedded in our operational processes. We take part in the United Nations Global Compact, aiming to promote and practice greater environmental responsibility along with the use of green technologies. Since 2006, despite our double-digit growth, we have succeeded in decreasing our carbon dioxide emissions by over 6%. Since sustainability is also about 'doing things right first time', we have embraced this approach and have adopted principles such as the 'Lean Programme' to ensure that continuous improvement is being initiated, realised, maintained and measured throughout our organisation.



"Our 20% annual growth requires a professional logistics partner. It was DSV's staff who gave us the right gut feeling. We trust DSV to be our representative and take care of our products and our customers as if they were its own, and that they it can resolve the challenges as they arise. DSV is the right partner for Patagonia for the years to come."

HOLGER BISMANN
MANAGING DIRECTOR
PATAGONIA



SEEMINGLY DAUNTING, SURPRISINGLY SIMILAR



The Rising Popularity of Online Shopping

Having started off as a counterpart to brick-and-mortar retail, e-commerce has now become an independent channel in fashion, and one that shows double-digit growth. In just a few years, e-commerce has evolved into an integral retail component for well-known brands, department stores and designers alike. Meanwhile, emerging opportunities as a result of m-commerce' (mobiles/smartphones) and s-commerce (social media) are merely in their initial stages. Recent figures show that 50% of all computers and 40% of all books are sold on the internet, yet only 9% of clothing is currently sold online. Apparel is one of the most difficult categories to sell on the internet. To put the statistics in perspective, online computer sales represented a \$30 billion market while 9% of apparel sales equals \$31 billion in the US alone. Not only is it the largest category in value terms, but future growth for the online apparel market is poised to be quite dramatic too.

DSV Solutions fully integrates its IT systems with your e-commerce platform, offering your customers visibility into inventory, order status, and track and trace data. Consumers are increasingly expecting greater channel mobility, more personalisation and more delivery models. Market analysis has proven that retention rates rise significantly when the logistics requirements are met – with online insight into stock availability, for instance, and a choice between different delivery options. To provide your customers with an optimal delivery experience, we have integrated our WMS with all major parcel distributors, thus enabling your website to host real-time stock and delivery data. Furthermore, we also manage return flows including conducting quality controls on returns and swift repacking to enable the goods to be transferred back into sellable stock.



"E-commerce has boosted turnover for many of our footwear and apparel customers. Our added value, from establishing system-connectivity and very late cut-off to our last-mile distribution partners has enabled our customers to effectively control this sales channel as well"

HARCO EISING
FASHION SITE MANAGER
DSV SOLUTIONS

About DSV

We are a global transport and logistics provider determined to be your preferred partner. Whatever you need to transport, we have probably done it before – and with the care and professionalism that is second nature for us. Our decades of experience in global transport and logistics and a worldwide network of hundreds of offices and hubs combine to make DSV a successful, growing, global transport and logistics business.

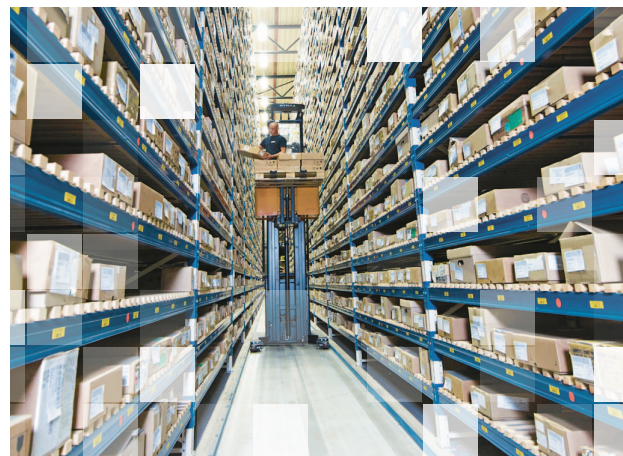
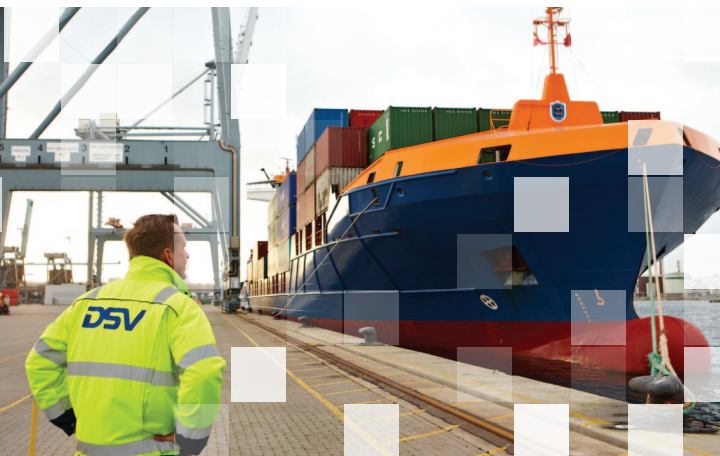
We have countless daily departures by air, sea and road as well as rail to get your cargo to anywhere in the world to the timescale you choose. Very large or unusual cargo is no problem for our experienced teams, who are also familiar with operating in regions without infrastructure and in many of the world's conflict zones.

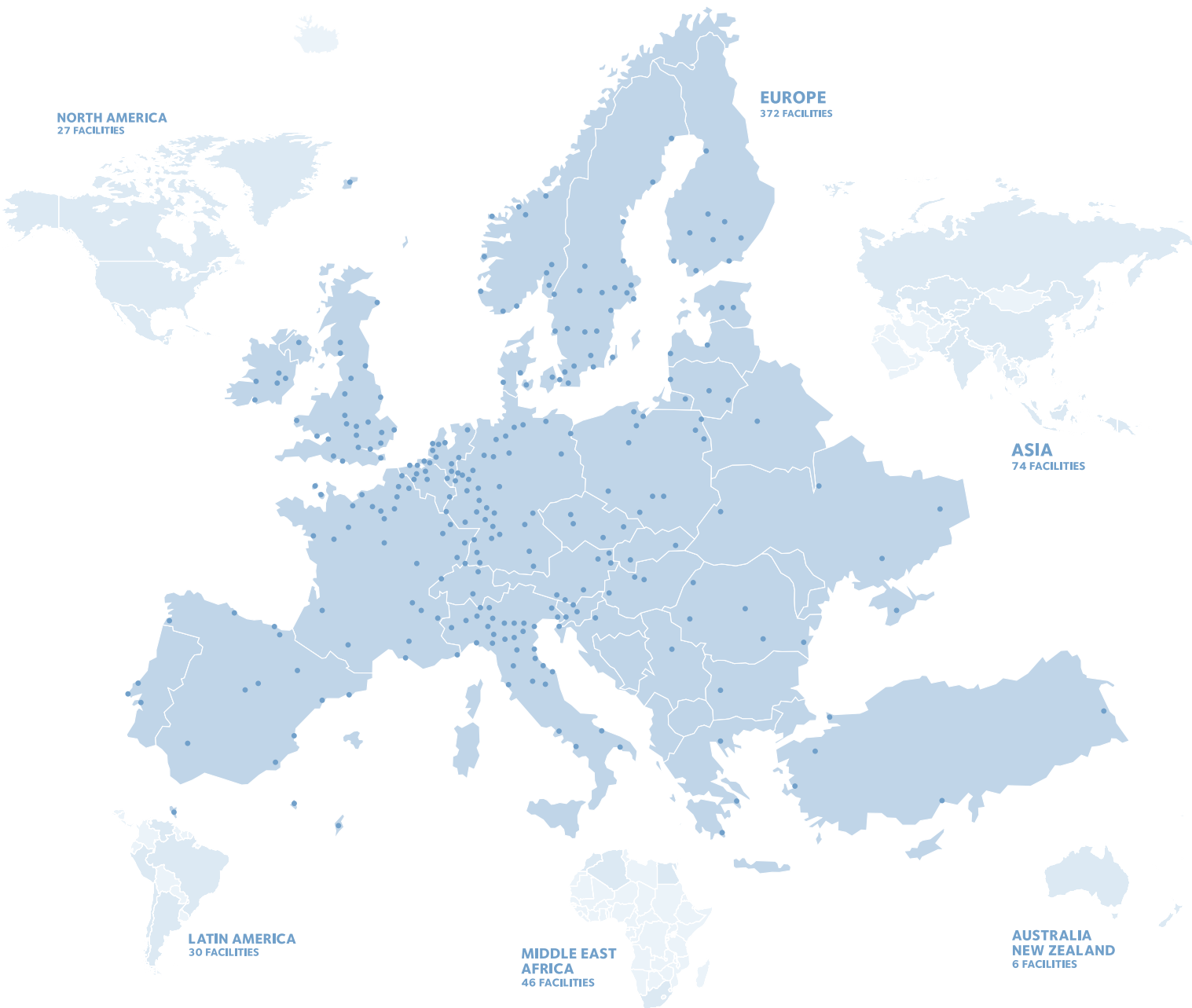
If you have warehousing or supply chain management needs, our experts have extensive experience of tailoring solutions for many different industries. We operate warehouses with a total floor space of over 2 million square metres.

Our strong local management structure allows us to act with the flexibility of a small business, and with our own staff on site all around the world you also benefit from our local knowledge wherever you need it. We can manage your entire logistics process from pick-up, consolidation and shipment up to distribution to the final destination, as well as provide you with our full range of supply chain services. These include inbound logistics, warehouse/inventory management, order fulfilment, value-added services, customs activities and acting as your agent for cross-border VAT and tax issues.

With air and sea transport we can offer you numerous different routings, and together with our flexible scheduling we can meet your most demanding logistical requirements to and from all parts of the world. With staff in more than 70 countries, we look after more than 830,000 TEUs of sea freight and 280,000 tons of air freight a year. When it comes to road transport, we have more than 17,000 trucks available for you, which in Europe puts us in the top three transport providers.

Worldwide, DSV has more than 23,000 employees and is a top five global transport company.





More than 70 countries

560 Locations

23,000 employees

135 warehouses

17,000 trailers on the road

**More than 260,000 tons
of Air freight**

More than 830,000 TEUs



DSV Fashion Solutions

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<http://www.dsv.com/logistics-solutions/consumer-products/fashion>

