

# Stevenson's garment dyers case study

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## **Stevenson Garment Dyers**

Stevensons Garment Dyers was established in 1865 and it has been in operation since then. It is located on Amber River in Derbyshire on a 17-acre piece of land. To-date, it is among the top dyeing facilities in Europe. For a good number of years it was part of Coats Viyella (CV) Group. Initially, the company mainly dyed knitwear, woven fabrics, and hosiery. Recently, the company focuses on the technical knitwear requirements perhaps because this CV business area seemed to be difficult in moving offshore. However, CV pulled out of manufacturing garments in 2011 selling off its knitwear interests. This led to a significant decrease in Stevenson business as well as their workforce which made them to lose their clients to the offshore suppliers.

### **What were the circumstances that led to Stevensons' retail customers moving to offshore suppliers?**

As mentioned above, Stevenson was part of Coats Viyella. One of the reasons why Stevensons lost its customers to offshore suppliers is that it became difficult for Coats Viyella to move to offshore as it became difficult for it to meet the technical requirements of knitwear; hence, Stevensons had to concentrate on this area, (Rose, 1997). In 2001 Coat Viyella stopped manufacturing garments and sold its rights and interests in knitwear. Being the leading supplier to the chief street retailers, it was a big blow for Stevensons when Coat Veyilla went out of business. The Stevensons was not in a position to meet the increasing demands for supplies from the retailer; hence, the retailers had to seek supplies from elsewhere to be precise from offshore suppliers through other intermediary suppliers. According to Roy

(2006), it is estimated that Stevensons' business declined by approximately ten million dollars per annum. Another indicator of a decline in Stevensons' business is the cut down of the workforce from 500 individuals to about 100 so as to cut down its costs in order to remain in operation.

### **How did this strategic choice impact the retailers' performance?**

The retailers also experienced delays in receiving products from the offshore producers or rather suppliers. A study that was carried out indicated the longer lead time that was experienced by the retailers was attributed to the low worldwide supply routes. This made it difficult for the retailers to respond appropriately to uncertain colour demand due to the fact that, the retailers were compelled to be committed to colour at the beginning of the season. Undeniably, using air transport the offshore lead times could be reduced but there was a price to be paid. Consequently, retailers usually make orders as early as by 20 weeks, (Roy, 2006). This makes it difficult for the retailer to accurately forecast the market trends, (Institute of Textile Technology, 2001). Although the retailers are in a position to estimate the cost of markdowns, it is not easy to quantify the direct and long term effect of stock-outs. Another observable impact of adopting the strategies of acquiring supplies from offshore suppliers on the retailers is the operating costs. As compared to garment dyeing, yarn dyeing seemed to be relatively more expensive.

Outline and evaluate the strengths and weaknesses of Stevensons' offer to the retailers and how it might have been developed to exploit specific markets.

After realizing the gap that exists between the retailers and the offshore suppliers, Stevensons saw it as an opportunity to reestablish again as the market leader in the garment dying industry. Stevensons offered the retailers to provide the retailers with products based on the garment dying strategy, (Roy, 2006). This offer aimed at establishing a fractional disconnection of the two conflicting requirements; it implied that there will be a partial need for the producer to demand for longer lead-times and on the other hand the need for reduced lead-times for the part of the retailers. One of the strengths of this offer is that it enabled the producer to start producing garments immediately upon agreeing on the styles without the need to wait for the dying decision to be made and the supply of dyed yarn. It also meant that there could be a possibility of fewer set-ups as well as longer production runs, (Roy, 2006). Moreover, with the garment dying strategy there will be reduced wastage of yarn as well as shortages due to the fact that there are no chances of running out of definite colours at one given time. However, this offer had some weaknesses. The most significant one is that, satellite factories will be forced to cut down their work force at a given time and then reemploy them later in the attempt to respond to major demands; due to the fact that garments were usually prepared for the beginning of the season.

Finally, in order to exploit the specific markets and reestablish themselves in the market, Stevensons had to make best use of the dyeing and finishing opportunity at their disposal. The finishing process to be offered included labeling, stem pressing and packaging services.

## **Reference List**

Institute of Textile Technology. 2001. Textile Technology Digest. Boston: John Wiley & Sons.

Roy, S., 2006. Stevensons Case- When to dye? Nottingham: Nottingham Trent University Press.

Rose, S., 1997. Skills in textiles Technology. Boston: Heinemann Press