



VICS AsiaPacific Conference

Hong Kong

June 19, 2008

A conference was arranged for a retailers, suppliers and service providers by VICS AsiaPacific, GS1 Hong Kong and eBizprise. The purpose of the conference was to provide the history of VICS and explain the various initiatives that have influence on global commerce. The list of attendees is attached.

There was significant interest in VICS and the guidelines that are in the process of being developed. It was clear that many of those in attendance had little or no understanding of the work that was being performed by VICS committees in the USA. This presents a significant opportunity in areas such as; CPFR®, packaging, direct to consumer, distribution center by pass and CMSS.

It was decided that VICS AsiaPacific would begin with a CMSS implementation roadmap, which will be facilitated by a survey that will be distributed early the week of June 30. The results of the survey will be used to determine companies that are interested in engaging in a pilot and contributing to the enhancement of the CMSS platform.

VICS AP will also create a roadmap that will identify the critical path to successfully landing product at retail in the quantities and dates specified. This roadmap will consider all of the supply chain entities, lead-times, logistics and customs implications. The combination of the survey results and roadmap will have a significant impact on moving CMSS forward toward an industry guideline

A meeting was held with the executive team of the China Textile Information Center, who expressed interest in collaborating with VICS in the development of CMSS. It was agreed that the critical path begins with material standards, and then on to quality standards for material, color and other specifications. CTIC is very interested in the CMSS model as it simplifies the selection of material and substantially improves the communication process between the buyer, manufacturer and upstream material and component suppliers.

It is clear that there is a need to identify the supply chain network for the various products, with critical lead-times and connectivity. A review of communication techniques and standards is essential to ensure that available tools and capabilities are contributing to supply chain efficiency. On the other hand, there appears to be the strong possibility that communication is being managed through the use of email, fax and phone, which leads to errors and protracted supply chain cycles.

“Entering 2008, the textile & apparel industry in China and the world is facing greater challenges than ever. Prosperity index of China’s textile & apparel industry is declining due to the slowdown of global economy, continues appreciate of the RMB (China Currency) prices, increasing labor cost and the government’s appropriately tight monetary policy. A severe problem faced by all practitioners is how to construct a more harmonious textile & apparel supply chain around the globe”.



This quote was taken from the agenda for the CTIC 2008 Conference on color technology for best practices and sustainability in the global textile supply chain. It echoes the case for action that has been developed for CMSS.

While we are at first engaging the apparel and textiles industry, this should be considered our prototype for involvement in other industries, e.g. electronics, hardlines and other products. There will be common business practices across each vertical that can be applied, which will be beneficial and expedite the process of enhancing supply chain efficiency.

Additional information will be provided at the conclusion of this important trip.