Internship Report
Submitted for the Fulfillment of the requirement of the
Degree of
Master of Business Administration

“Comparative Analysis of Supreme Stitch Limited with its Competitors”
Internship Report

On

Comparative Analysis of Supreme Stitch Limited with its Competitors

Submitted to

Dr. Salehuddin Ahmed
Professor
BRAC Business School
BRAC University

Submitted by

Md. Raisul Islam Khan
Student id: 16264060

Date: December 23, 2018
Letter of Transmittal

23 December, 2018

Dr. Salehuddin Ahmed
Academic Supervisor
BRAC Business School
BRAC University

Subject: Submission of the Internship report on “A Comparative Analysis of Supreme Stitch Ltd. With its Competitors”.

Dear Sir,

With due respect, as student of BRAC Business School, I have prepared my internship report on “A Comparative Analysis of Supreme Stitch Ltd. With its Competitors”.

Your valuable advice, suggestion and guidance have helped me to prepare the report with ease. I hope you will appreciate my effort. I have done the study in a complete form and I have tried my level best to conduct this in a professional manner. It is true that, it could have been done in a better way if there were no limitations. I hope you will assess my report considering the limitations of the study. I will be very glad, if you kindly accept this report.

Yours sincerely

Md. Raisul Islam Khan
Student id: 16264060
Acknowledgement

A successful Internship report reflects the affiliated organizations activities as it provides a virtual ground where the implication of theoretical knowledge experience with the practical teaching. It would not get its complement without active assistance of few people from Supreme Stitch Limited. I become more benefited and decorated for being oriented with a group of qualified and benevolent people. Their assistance and guidance can never be paid back.

I am thankful to P K Sarker, Manager (Admin, HR and Compliance) & Coordinator (Operations) and Uttam Kumar Das, Supreme Stitch Limited for helping and guiding me while doing the internship program. They supported me and taught me various strategies, theories, tactics & philosophies while doing internship program. They shared a lot of information and allowed me to know about garments industry, its market and strategies.

Finally, I specially acknowledge, Dr. Salehuddin Ahmed, Professor, BRAC Business School, BRAC University for his instructions and guidance. He is the man behind my diligence, inspiration and devotion. An instructor creates insight in students, which he did very successfully.
Executive Summary

Supreme Stitch Ltd. started its journey in 2009. At early years the company had to pass through very difficult time. It has survived and grown only for its honesty, integrity, moral scruples and for its business ethics. And for that reason now this organization is in a successful and stable situation in the subsequent years.

Supreme Stitch Limited is a 100% Export Oriented Readymade Garment Factory. It consists of a 6- Storied Building and working area 118000 sft. It stands on a land of approximately 1.5 acres.

It is situated at 358, West Shaildube, Kashimpur, Gazipur latitude 24° and longitude 90° and approximate distance of 18km from Dhaka Airport towards north-west. At present, the number of total employees is 1950 with 58 production lines which would be increased in near future.

The organization is very professional about meeting the challenges it faces and never shy to press its boundaries.

It always tries to give something better then its customer’s expectation. For this reason its not only treated as a trusted supplier of readymade garments but also as a caring partner toward all its buyers and customers.

This organization is also adapting some important policies like getting official approval of ISO Quality Standard practices, ensuring total compliance of various Code of Conduct requirements of prestigious buyers across the world, prioritizing the need for creation of ideal work conditions for the workers and ensuring proper health care & safety for them.

Through this report I have discussed and focused on the Production and Business operations of the garment industries with regard to Supreme Stitch Limited. The practical experience I have gathered from the internship in Supreme Stitch Limited has provided me the base of my analysis. I have also compared Supreme Stitch Limited with its competitors Stitch Knitwear Ltd., Knit Horizon Ltd. and York Group. Finally I mentioned the findings and recommended about the issues.
# Table of Contents

<table>
<thead>
<tr>
<th>Serial</th>
<th>Content</th>
<th>Page number</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>Letter of Transmittal</td>
<td>3</td>
</tr>
<tr>
<td>-</td>
<td>Acknowledgement</td>
<td>4</td>
</tr>
<tr>
<td>-</td>
<td>Executive Summary</td>
<td>5</td>
</tr>
<tr>
<td>-</td>
<td>Table of Content</td>
<td>6</td>
</tr>
<tr>
<td>-</td>
<td>Background of the report</td>
<td>9</td>
</tr>
<tr>
<td>-</td>
<td>Origin of the report</td>
<td>9</td>
</tr>
<tr>
<td>-</td>
<td>Objective of the report</td>
<td>9</td>
</tr>
<tr>
<td>-</td>
<td>Scope</td>
<td>10</td>
</tr>
<tr>
<td>-</td>
<td>Methodology</td>
<td>10</td>
</tr>
<tr>
<td>-</td>
<td>Limitation</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td><strong>Chapter 1</strong> Rationale of the Report</td>
<td><strong>11-14</strong></td>
</tr>
<tr>
<td>1.1</td>
<td>Introduction</td>
<td>12</td>
</tr>
<tr>
<td>1.2</td>
<td>History of Garments Industry</td>
<td>12</td>
</tr>
<tr>
<td>1.3</td>
<td>RMG in Bangladesh</td>
<td>13</td>
</tr>
<tr>
<td>1.4</td>
<td>Rationale for selecting the report</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td><strong>Chapter 2</strong> Overview of Supreme Stitch Limited</td>
<td><strong>15-28</strong></td>
</tr>
<tr>
<td>2.1</td>
<td>Vision, Mission, Values</td>
<td>16</td>
</tr>
<tr>
<td>2.2</td>
<td>Company Information</td>
<td>17</td>
</tr>
<tr>
<td>2.3</td>
<td>Major Customers</td>
<td>17</td>
</tr>
<tr>
<td>2.4</td>
<td>Machineries</td>
<td>18</td>
</tr>
<tr>
<td>2.5</td>
<td>Organizational Structure</td>
<td>19</td>
</tr>
<tr>
<td>2.6</td>
<td>Responsibilities of the Departments</td>
<td>19</td>
</tr>
<tr>
<td>2.6.1 Human Resource</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>----------------------</td>
<td>----</td>
<td></td>
</tr>
<tr>
<td>2.6.2 Production</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>2.6.3 Merchandising</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>2.6.4 Accounts</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>2.6.5 Maintenance</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>2.7 Business Process</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>2.8 Terms and Conditions</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>2.9 General Ethics</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>2.10 Manufacturing Process Overview</td>
<td>24</td>
<td></td>
</tr>
</tbody>
</table>

**Chapter 3**

<table>
<thead>
<tr>
<th>Competitors of Supreme Stitch Limited</th>
<th>29-33</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 Stitch Knitwear Limited</td>
<td>30</td>
</tr>
<tr>
<td>3.1.1 Vision and Mission</td>
<td>30</td>
</tr>
<tr>
<td>3.1.2 Company Information</td>
<td>31</td>
</tr>
<tr>
<td>3.2 Knit Horizon Limited</td>
<td>31</td>
</tr>
<tr>
<td>3.2.1 Vision and Mission</td>
<td>32</td>
</tr>
<tr>
<td>3.2.2 Company Information</td>
<td>32</td>
</tr>
<tr>
<td>3.3 York Group</td>
<td>32</td>
</tr>
<tr>
<td>3.3.1 Vision and Mission</td>
<td>33</td>
</tr>
<tr>
<td>3.3.2 Company Information</td>
<td>33</td>
</tr>
</tbody>
</table>

**Chapter 4**

<table>
<thead>
<tr>
<th>Analysis and Interpretation</th>
<th>34-41</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Comparison with the Competitors</td>
<td>35</td>
</tr>
<tr>
<td>4.2 Porter’s Five Forces Model</td>
<td>36</td>
</tr>
<tr>
<td>4.3 SWOT Analysis</td>
<td>37</td>
</tr>
<tr>
<td>4.4 Marketing Mix</td>
<td>39</td>
</tr>
<tr>
<td>4.4.1 Product</td>
<td>39</td>
</tr>
<tr>
<td>4.4.2 Price</td>
<td>40</td>
</tr>
<tr>
<td>Chapter 5</td>
<td>Findings of the Study</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>5.1</td>
<td>Comparison with the Competitors</td>
</tr>
<tr>
<td>5.2</td>
<td>Ranking with regard to the competitors</td>
</tr>
<tr>
<td>5.3</td>
<td>Findings regarding the Efficiency and Effectiveness</td>
</tr>
<tr>
<td>5.4</td>
<td>Findings regarding the problems of Garment Factories</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 6</th>
<th>Recommendation</th>
<th>45-47</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Recommendation</td>
<td>46</td>
</tr>
<tr>
<td>6.2</td>
<td>Conclusion</td>
<td>46</td>
</tr>
</tbody>
</table>

|         | Bibliography   | 48    |
Background of the report:

Origin of the report

This report is originated as the academic report of the MBA program at BRAC University. The main purpose of the internship is to familiarize the students with the corporate world practically and slowly get them acquainted with the corporate culture.

The study has following purposes:

- To learn about the job responsibility.
- To relate the real scenario with the lessons learned in MBA program.
- To get exposed in the real business world.
- To fulfill the requirement of the MBA program.

Objectives:

Broad Objective:

To know the business operation and the marketing mix of Supreme Stitch Ltd. and to know its competitors.

Specific objectives:

- First objective is to work on the marketing mix of Supreme Stitch Ltd.
- Perform the comparative analysis with the competitors.
  1. Stitch Knitwear Ltd.
  2. Knit Horizon Ltd.
- Rank the organization with three major competitors.
Scope of the report:

- To know about the marketing mix of Supreme Stitch Ltd.
- To know the kinds of operation done in the Garments sector in Bangladesh.
- To know the competitors of Supreme Stitch Ltd.

Methodology:

Primary data are collected through

- Discussing directly with the officials.
- Some personal sources for the information about the competitors.

Secondary data are collected through

- Websites of the companies.
- Different journals, periodicals and newspapers

Limitations:

Abundance of information and experience is needed to prepare a good report. The limitations for making the report complete and perfect may include:

- Due to business secrecy and confidentiality, some information will be held back.
- Time constraint is a major issue.
Chapter: 1

Rationale of the Report
1.1 Introduction

The readymade garments industry acts as a catalyst for the development of Bangladesh. The "Made in Bangladesh" tag has also brought glory for the country, making it a prestigious brand across the globe. Bangladesh, which was once termed by cynics a "bottomless basket" has now become a "basket full of wonders." The country with its limited resources has been maintaining 6% annual average GDP growth rate and has brought about remarkable social and human development.

After the independence in 1971, Bangladesh was one of poorest countries in the world. No major industries were developed in Bangladesh, when it was known as East Pakistan, due to discriminatory attitude and policies of the government of the then West Pakistan. So, rebuilding the war-ravaged country with limited resources appeared to be the biggest challenge.

The industry that has been making crucial contribution to rebuilding the country and its economy is none other than the readymade garment (RMG) industry which is now the single biggest export earner for Bangladesh. The sector accounts for 81% of total export earnings of the country.

1.2 History of Garments Industry

Through forming industry unions, Within the 1950s, labors in the Western World grew to become highly arranged; this along with other changes supplied workers higher rights such as higher spend; which led to higher cost associated with production. Because of the higher cost Retailers began searching for places that they can produce their item at a less expensive price. Developing economies such as Hong Kong, Taiwan and Southern Korea introduced themselves of the same quality destinations with regard to relocations simply because they had open up economic plans and had nonunionized and extremely disciplined work force that could create high quality items at less expensive costs.

Multiple Fiber Contract (MFA) has been done to control the amount of imported RMG products through developing nations into developed countries, within 1974. The actual MFA contract imposed a good export price 6 % increase each year from a developing country to some developed nation. It also permitted developed nations around the world to enforce quotas upon countries which exported in a higher level than the common agreements. When confronted with such limitations, producers started out searching for countries that were beyond the umbrella of quotas and had low cost labor. This is when Bangladesh started getting investment within the RMG field.
1.3 RMG in Bangladesh

In the early 1980s, some Bangladeshis received totally free training through Korean Daewoo Company. Right after these employees came back to Bangladesh, most of them broke connections with the manufacturer they were working for and began their own industrial facilities. The Garment industry associated with Bangladesh is the key foreign trade division along with a main supply of foreign exchange for Bangladesh during the last 25 years. Presently, the country creates about $15 billion worth of products every year by exporting garment. This provides work to 4 million workers among whom 85% are females. Two nonmarket elements performed an important function within confirming the actual garment industry's continual achievement; these elements tend to be quotas below Multi-Fiber Arrangement (MFA) in the United states market as well as special marketplace entry to the European marketplaces. In this period, the USA canceled the quota system of Bangladesh. But everyday we are growing in exporting readymade clothing items via maintaining top quality of item. The whole process is highly relevant to with the tendency of relocation of production.

The global economic climate is now regulated by the transfer involving production wherever firms connected with developed nations swing their own attention to developing countries. Decreasing costs and also increasing outcome are the primary causes with this disposition. They have got discovered that the best way to undercharge is to move production to a nation where labor cost along with production expenses are reduced. The move of manufacturing to Third World has assisted the growth of overall economy of these countries and also accelerate the economy of these developing countries like Bangladesh.

The garment business has performed a landmark role within the development of commercial sector associated with Bangladesh. Although it took an extremely late begin i.e., in 1976 but it quickly established the reputation in the global market inside a short period of time. Resultantly garment is currently one of the main foreign trade items of the nation. Besides, improving the nation's economy they have played an essential role in alleviation of unemployment.

With 5000 industries employing about 3.6 million employees (of a total workforce of 74 million), Bangladesh is actually clearly ahead of other Southeast Asian providers in terms of capability of
the ready-made-garment industry. Additionally, it offers acceptable levels of high quality, especially in worth and entry level midmarket items.

Ready-made clothing manufactured in Bangladesh are separated mainly in to two wide categories: woven and knit products. T-shirts, T-shirts as well as trousers would be the main woven products and underwear, socks, tights, T-shirts, knitted garments and other informal and smooth garments will be the main knit products. Weaved garment goods still control the clothing export revenue of the nation. The share of knit garment merchandise has been growing since the earlier 1990s; this kind of products presently account for a lot more than 40 % of the country’s total RMG export income (BGMEA website).

1.4 Rationale for Selecting the Report

Often the internship Course exercises an enormous importance simply because it enables students to be practically familiar with the small business activities. The students are offered the chance to do the job closely together with the people of organization and discover about the performs, responsibility and company culture of the organizations. This program enables trainees to develop all their analytical capabilities and academic aptitudes in order to have a real- life alignment of the instructional knowledge.

Bangladesh is the second largest exporter of ready -made garment products in the world for last three decades which exported over 132 Countries around the world. It’s estimated to double from 2010 to 2015 and nearly triple by 2022. The total export of Bangladesh has crossed the USD 30.18 billion mark for the first time in the history which is 13.83% growth during the last fiscal year. The growth of this industry has been dramatic, increasing from 30 factories in 1980, to over 6000 in 2014. The RMG sector provides direct employment to around 4.4 million people, 80% of whom are women. Around 20 million people are directly and indirectly depending on this sector.

As a student of School of Business, BRAC University I have conducted my internship in Supreme Stitch Limited located in Kashimpur, Gazipur which is an emerging 100% export oriented ready made garment industry.
Chapter: 2

Overview of Supreme Stitch Limited
Supreme Stitch Ltd. started its journey in 2009. At early years the company had to pass through very difficult time. It has survived and grown only for its honesty, integrity, moral scruples and for its business ethics. And for that reason now this organization is in a successful and stable situation in the subsequent years.

Supreme Stitch Limited is a 100% Export Oriented Readymade Garment Factory. It consists of a 6- Storied Building and working area 118000 sft. It stands on a land of approximately 1.5 acres. It is situated at 358, West Shaildube, Kashimpur, Gazipur latitude 24° and longitude 90° and approximate distance of 18km from Dhaka Airport towards north-west. At present, the number of total employees is 1950 with 58 production lines which would be increased in near future.

The organization is very professional about meeting the challenges it faces and never shy to press its boundaries.

It always tries to give something better then its customer’s expectation. For this reason its not only treated as a trusted supplier of readymade garments but also as a caring partner toward all its buyers and customers.

This organization is also adapting some important policies like getting official approval of ISO Quality Standard practices, ensuring total compliance of various Code of Conduct requirements of prestigious buyers across the world, prioritizing the need for creation of ideal work conditions for the workers and ensuring proper health care & safety for them.

2.1 Vision, Mission, Values

Vision

Company vision is to accomplish 100% client satisfaction by generating the right cutting & stitching product using the highest quality and timely shipping, and by offering the best solutions to the clients by assisting them to develop their company and to sustain leadership on the market.

Mission

- Achieving leading position in the RMG exporting industry in Bangladesh
- Achieving profitability through integration of operations with the sister concerns
- Ensuring customer satisfaction
Values

- Reliability: A promise made, is a promise kept.
- Innovation: Innovation is a must for excellence.
- Employee Engagement: Keep the employees happy, they will keep the customers happy.
- Safety: No compromise with safety and security.

2.2 Company Informations

No. of production line: 58
No. of Employees: 1950
Floor area: 118000 sft.
Major Products: Polo, T-shirt, Tank top, Jacket, Ladies wear, Baby wear
Production lead time: 60-90 days
Production per month: 600000 pcs

2.3 Major Customers:

1. HBI Umbrella
2. WALMART
3. KMART
4. Champion
5. COSTCO
6. SHOPKO
7. SEARS
8. BHS
9. Lands End

Fabric Sourcing (Import): Taiwan, China, India, Pakistan etc.
Fabric Sourcing (Local): Hyopshin Bangladesh Limited, Shasha Denim and own knitting plant.

2.4 Machineries:

a) Sewing: Basic, Double Needle, Over Lock, Barteck, Kansai special, Button Hole, Eyelet Button Hole, Button stitch, Pocket welting, Hemming, Flat Lock, Feed of the arm, Top stitch, Velcro Attach, Blind Stitch.


** Auto Spreading: 6 Tables and 2 sets Cutter machine (Lectra -MH). Cutter Machine

** Cutting Table (Manual): 5 Nos.

c) Finishing: Vacuum Iron, Trousers Finisher, Thread Sucking,
Cartoon Binding, Needle Detector, Button Pull Test, Auto Tag gun, Metal Detector, Trimming Machine.

** Wrinkle Free Process: Pressing Machine (Topper- 17 sets & Legger-12 sets), Curing Oven (Nagi Shing -1 set, Sussman-1 set), Two (2) Cooling Room.

d) Fabric Inspection Machine: Shiaw Tai Tong (Two Sets)

e) Computer Pattern & Marking Software Name: Lectra

Sister concerns of the Company:

- Supreme Accessories and Ind. Limited
- Supreme Embellishment Limited
- Unique Trims Industries Limited
2.5 Organizational Structure

![Organogram of Supreme Stitch Limited]

2.6 Responsibilities of the departments

The departments that comprises Supreme Stitch Limited are as follows:

- The Human Resource Department
- The Production Department
- The Merchandising Department
 Accounts Department
 Maintenance Department

2.6.1 The Human Resource Department

A good efficient human resources division can provide the business with framework and the capability to meet the organizational objectives through controlling organization’s most valuable sources -- the employees. There are many HR procedures that are carried out by this department. The major responsibilities are:

- New recruitment
- Job safety
- Employee Relations
- Compensation and benefits
- Labor law compliance
- Training and development

2.6.2 The production Department

The production department plays a very important role in the business. There are a number of responsibilities of this department but main responsibilities are as follows:

- planning as well as organizing production schedules
- evaluating project and also resource specifications
- estimating, negotiating about budgets and timescales with clients as well as managers
- making sure that certain health and safety rules are fulfilled
- determining quality control requirements
- overseeing the production processes
- re-negotiating timescales or even schedules as required
- selecting, ordering and purchasing components
organizing the actual repair plus routine upkeep of production gear

liaising together with buyers and even marketing and product sales staff

supervise the work associated with junior personnel

organizing appropriate training sessions

2.6.3 The Merchandising Department

The Merchandising department of Supreme Stitch Limited is provided with following responsibilities:

- Plan and create merchandising techniques that balances customers’ anticipation and company’s objectives
- Analyze sales numbers, customers responses and marketplace trends in order to anticipate product demands as well as plan product or service ranges/stock
- Work together with buyers, suppliers, distributors and analysts to negotiate prices, quantities and time-scales.
- Maximize client interest and also sales amounts by showing products properly
- Produce design plans with regard to stores and keep store selves and stock inventory
- Forecast profits/sales and develop budgets
- Develop constructive consumer relationships and team with channel partners to build pipeline and close deals
- Stay up to date with the best practices of the industry.

2.6.4 Accounts Department

The accounting department is responsible for recording and reporting the cash flows, both in and out, of a company. There are five basic roles or functions within the department:

- Accounts receivable
- Accounts payable
- Payroll
- Financial controls
- Financial reporting

2.6.5 Maintenance Department

The maintenance department of Supreme Stitch Limited has the following responsibilities:

- Performing routine inspections of property and gear.
- Performing precautionary maintenance.
- Dealing with basic repairs and maintenance.
- Managing contractors whenever professional fixes are necessary.
- The diagnosis of mechanical problems and fixing them.
- Fixing machines, products, or constructions as necessary.

2.7 Business process of Supreme Stitch Limited

Client send the sample

Supreme Stitch make quotation to the client

Client accept the price, Supreme Stitch then make counter sample and send to the client for feedback

Client confirms the sample, place the order and open L/C or T/T

Make the correct sample with print, embroidery etc. for approval

Production (Quality maintenance)

Shipment

Figure: Business process of Supreme Stitch Limited


2.8 Terms and conditions

- Delivery lead time: Right after order verification, company need 20 days for authorization sampling, that involve creating samples within correct dimensions, color as well as yarn, for approval. On confirmation from the samples, about 45/60 days are needed for production, depending on the item, order quantity and time of the year.

- Delivery charge of the sample: Complete sampling support is available to satisfy all style need. Shipping costs of most sending samples in the almost all step associated with order running up to delivery are to purchaser account.

- Payment terms: Payments have to be made by T/T for all orders 100% in advance. For larger amount payment must be made by irrevocable and transferrable L/C in the company.

2.9 General Ethics

- Work environment: The organization encourages building lawful place of work apprenticeship applications for the educational benefit of the employees.

- Child labor: Manufacturer always used those employees who have arrived at the minimal legal age group in work for entrance employment, at least the age of 18. The rules about the employment of the children is strictly followed by the company. Every time they employ individuals aged eighteen years or higher, factory must develop work environment to this kind of schemes.

- Code of conduct: The company complies with all the applicable laws, rules and regulations such as labor, worker health and safety and environment.

- Discrimination: The company never discriminate in employing and recruiting employees, including issues of security, benefit development, disciplinary steps, social as well as ethnic source, political viewpoint or impairment. The company utilizes workers based on their capabilities to do the task, not within the basis for his or her personal features or values.
Hygiene, health, safety: Supreme Stitch Limited possesses a safe as well as healthy work environment for its employees, and takes every required step to avoid occupational accident and sickness and ensures that workers are not within unsanitary or even dangerous operating condition.

Freedom to join association: The workers have the right to create and sign up for trade unions and to bargain collectively. Worker representatives will not fall a victim to discrimination and will have access to almost all workplace essential to enable these to carry out their own representation features.

Wages and work hours: The organization set operating hours, income and overtime, however, pays within compliances system applicable regulations. Here the primary working hours is 8am -7pm. After 8pm the overtime period is actually counted. Hours of work is followed by regulations and industry standards. Workers should be allowed rest of a minimum of one day for each 7 days time period. The organization may need employees to operate overtime, and any occasion shall not surpass 12 hours per week. Overtime hours must always become compensated in a premium price.

2.10 Manufacturing process overview

Garment manufacturing process on industrial basis is given below:

- Design/Sketch
- Pattern Design
- Sample Making
- Production Pattern
- Grading
- Maker Making
- Spreading
- Cutting
- Sorting/Bundling
- Sewing/Assembling
- Inspection
- Pressing/Finishing
Final Inspection

Packing

Dispatch

This the basic flowchart for a garment production. Some more processes can be added or some can be removed. The major steps of the production process of Garments and Apparel are briefly discussed below:

- **Design or Sketch**: Before making a good apparel or clothes it is needed to design or even sketch the look completely. It helps further procedure to monitor the particular manufacturing problems and method shortage.

- **Pattern design**: Every piece of Apparel or perhaps Garment is made upon the pattern. The actual pattern is created by the regular sizes associated with Men and Women. We have to create pattern as a reference while producing a product. This saves time as well as increases the precision of making.

- **Sample Making**: Prior to going for a mass production; it is a smart move to make a complete sample from the desired clothing. After finishing the sample when the production office manager thinks it okay; then further volume of apparel or garment production is to be completed by following the precise size as well as quality of this sample.
• **Production Pattern:** Right after making the cloth sample which have been pointed out in the previous step; it is wise to create a production sample that will be hanged out in front of every worker that are employed to make this particular clothing ultimately.

• **Grading:** Grading is done to be able to grade different sizes of garment within separate location so that it will be easier to examine and maintain the export process.

• **Marker Making:** Marker making is the process of sketching upon fabric prior to cutting it. Marker is to be in standard size needed by the purchasers.

- **Spreading:** Following the marker making the whole fabric has to be spread on the spreading table in order to keep marker and pattern on it.
- **Cutting**: After effectively spreading the fabric and placing all the marks and sketch by the marker, the fabric is cut according to the design.

- **Sewing and Assembling**: Each part of the fabric is to be sewed or put together in order to make a full apparel which is wearable.
Inspection: In this phase of dress manufacturing process each of the finished apparel or garment is usually checked and rechecked. In case any problem is found, then a whole process is repeated.
Chapter: 3

Competitors of Supreme Stitch Limited
3.1 Stitch Knitwear Limited

Stitch (BD) Knitwear Ltd. Established in 2008 in Bangladesh. The beginning was small, with an office with four persons in the city of Dhaka, Bangladesh. Over the following years, there were works from Japan, Russia, Germany, U.K (London) & France. The original product line of apparel And specialized for uniform item was further expanded to include accessories as well as home products. Stitch (BD) Knitwear Ltd. continues to be a work in progress.

Stitch (BD) Knitwear Ltd. is working as a Garments Manufacturer of Bangladesh dealing in an exquisite and diverse range of readymade garments for men, women, children & infant. They merchandising all kinds of apparel of natural and manmade fibers mainly woven, knit and sweaters, Some of the items are basic shirts, trousers, shorts jackets, blouses ,shirt, underpants briefs, jeans items , underwear, home textiles, polo shirts, tank tops, vest, terry towels, caps etc.

They are looking forward to build Business relations with customers from all over the world who are seeking high quality, competitively priced and uniquely designed readymade garments. Their aim is to provide complete satisfaction in serving the customers in a responsible and ethical manner. They say their strength lies in a chain monitoring system of vendors and manufacturers to ensure that the orders are fault free and reaches the buyer right on time.

For quality products and excellent customer service, the firm became very popular in the market. They produce ready-made garments for European, American and Canadian market. Currently the firm is planning to widen its market in new areas and by sourcing world-class product the firm has already broadened its client's list.

3.1.1 Vision and Mission

Vision:

Their primary values tend to be honesty, integrity and a credo of environment respect and company social obligation and the vision is usually to be customers’ first choice supplier and business companion.

Mission:
Their Mission is to become a powerhouse of design innovation, product development and product expertise.

They have been following 3 main mottos;

1) Better quality goods.

2) Cheaper competitive price.

3) Faster delivery (which indicates delivery within shortest time).

3.1.2 Company Information:

No. of production line: 45

No. of Employees: 1600

Floor area: 95000 sft.

Major Products: Polo Shirt, T-shirt, Tank top, Ladies wear, Baby wear

Production lead time: 55-80 days

Production per month: 500000 pcs

3.2 Knit Horizon Limited

Knit Horizon LIMITED. is totally export focused company and existing under the Company Act of 2005. The Company is evading producer & providers with complete vertical set up located in Dhaka, Bangladesh since august 2005. It provides global technology, improvements within designing contemporary up to date style wears. Client satisfaction, which is the goal of their initiatives, will always acquire prompt and also best interest. They in no way compromise along with quality and in best, whatever fashion kids, men and women items customers would like. There advertising team inside provides the daily marketing assistance updating and the Professional Advertising Activities and also the Merchandising Group always have a great relation using the Foreign Purchasers and other assisting team connected up with this particular organization usually ready to complete effective shipment according to buyer's necessity. Whenever and however clients contact all of them, they are very happy to provide any kind of product info customers
require as soon as possible. They have got high experienced human resources, maintenance in their organization to the specialized side that are working with merchandisers, high quality controllers.

3.2.1 Vision and Mission

Vision:

To manufacture products comparable to international standards, to be customer-focused and globally competitive through better quality, latest technology and continuous innovation.

Mission:

- To manufacture world-class products of outstanding quality that give our customers a competitive advantage through superior products and value, so we can make every customer smile.
- To encourage people's ownership, empowerment and working under team structure.
- To attain highest level of efficiency, integrity and honesty.

3.2.2 Company Information

No. of production line: 40

No. of Employees: 1500

Floor area: 90000 sft.

Major Products: Polo Shirt, T-shirt, Jeans, Ladies wear, Baby wear

Production lead time: 60-90 days

Production per month: 80000 pcs

3.3 York Group

York Group started its Journey as a Buying Agent for international Buyers in 1992 & continued its business with good reputation. In this Long journey we introduce several renowned & reputed International buyers with Bangladesh Garments industry. To give the buyer’s a better support York
Group introduced its first export oriented Garments Factory in 1997 named as York Fashion Ltd., due to buyer demand and to meet the commitment the Group expands its business with York Sports Wear Ltd (100% export Oriented Garments Manufacturer) in 2001 & York Composite Ltd (100% export oriented Knitting & Dyeing Factory) in 2004.

The company is constantly providing customers across the world with garment sourcing solution, with manufacturing facilities and York is now a trusted name to International garments sector. The company is committed to growth and improvement of all aspects of its operation and willing to be a leader in the industry.

3.3.1 Vision and Mission

Vision

The opportunity to make a real difference in all aspects of our customer relationships globally.

Mission

York Group is devoted to achieve consistent improvement in the system of providing products & services to the customers through On Time Delivery & Enhancing Customers Satisfaction by means of Quality and Value.

3.3.2 Company Information

No. of production line: 42

No. of Employees: 1250

Floor area: 80000 sft.

Major Products: Polo Shirt, T-shirt, Tank top, Creeper, Sweat Shirt, Trousers etc.

Production lead time: 60-90 days

Production per month: 400000 pcs
Chapter: 4

Analysis and Interpretation
4.1 Comparison with the competitors

If the number of production line and the monthly production data are compared and plotted on a graph we get the followings

![Monthly Production Chart]

![Number of Production Line Chart]
4.2 Porter’s five forces model

Figure: Porter’s five forces model of competition

The competitive environment of Supreme Stitch Limited is described by the Porter’s Five Forces model:

1. **The threat of new entrants**: As the RMG industry in our country enjoying consistent growth it provides a great feed to new entries. So within this industry Supreme Stitch Limited requires high strategic stakes to survive.

2. **The bargaining power of the suppliers**: Supreme Stitch Limited enjoy small bargaining propensity of the suppliers of raw materials.

3. **The bargaining power of the firm’s customers**: In our country RMG industry encounters a little bargain over the settlement as an advantage of quota system in EU nations. As a
result, the actual bargaining power of Supreme Stitch Limited is very little. “RANA PLAZA” tragedy produces a negative picture about Bangladesh in global market.

4. **The threat of substitute products:** In the RMG industry this particular aspect is not really considered as there is no ideal substitute for their provided service like synthetic products, jute or banana fiber clothing etc.

5. **The intensity of rivalry among existing firms:** In this particular industry generally there prevails heavy competition among the existing RMG factories and they compete highly with each other for buyer’s orders for their products. Which means this aspect is a great constraint with regard to Supreme Stitch Limited.

4.3 SWOT Analysis of Supreme Stitch Limited

**Strengths:**

1. **Ownership of the land:** Supreme Stitch Limited is operating in a land which is owned by them. In Bangladesh many garment companies conduct their business operation in a place which is not owned by them. But Supreme Stitch Limited possess the location of their own.

2. **Skilled manpower:** Supreme Stitch Limited has highly skilled, enthusiastic and energetic employees who work tirelessly for the fulfillment of buyers’ orders and as a result the betterment of the company.

3. **Own Spinning Plant:** Supreme Stitch Limited has its own spinning plant. As a result it doesn’t need to buy the fabric from others and minimize the operational time consumption.

4. **Innovation:** Supreme Stitch Limited has an innovative product line which is a good sign for the company as well as the industry.

5. **Efficient management:** Supreme Stitch Limited has a management team which gives the first priority to the customer satisfaction as well as maintains good relationship with the workers. They acts in ways that make the employees feel engaged to the company. The management keeps all the compliance paperwork up to date.
Weaknesses:

1. **Underdeveloped Communication:** Supreme Stitch Limited is located in a place which doesn’t have a good communication facilities. The roads are not wide enough and not well carpeted.

2. **Lack of modern and automated equipment:** Supreme Stitch Limited doesn’t have contemporary equipment in all the sections or departments. The sampling section lacks in modern equipment to create samples.

3. **Subordinates absence within policymaking:** The subordinates do not get any choice or be a part of policy making in conference. The decision usually comes from the top management that is demotivating for the subordinates.

4. **Sample delivery:** As the sample production is not fully automated it takes time deliver the samples.

Opportunities:

1. **Diversification:** Supreme Stitch Limited may expand their own business through establishing the actual yarn, weaved & sewing factories. It can help them to reduce the risk.

2. **Economic war between USA and China:** There is an economic war going on between USA and China. As a result the importers from USA prefer importing from other countries to china. So, Bangladeshi RMG exporters are getting much more orders than before. Supreme Stitch Limited can exploit that opportunity also.

3. **Improved Government attitude toward RMG sector:** The Government of Bangladesh is taking different measures to create a good environment for the RMG industry. Many buyers are now being attracted to Bangladesh. Which is a great opportunity.

4. **Trade Fairs:** Supreme Stitch Limited can attend different textile and trade fairs to get attention from international buyers. It can also learn about innovation by attending those trade fairs.
5. **Hiring fresh and dynamic graduates:** Supreme Stitch Limited have an abundance of dynamic and fresh graduate in Bangladesh who are dedicated, enthusiastic and dynamic enough to contribute to the development of the company in the future.

**Threats:**

1. **Increased labor cost:** The Government has increased the minimum wage for garment workers in Bangladesh recently but yet to come into effect. As a result total labor cost is going to increase by a huge margin. So the company has to act accordingly and with finesse to tackle the situation and maximize profit.

2. **Increased number of competitors:** As Bangladesh enjoys a good reputation in RMG industry in the global market many new investors are investing in building new factories. As a result the competition is rising.

3. **Trade Barriers:** Increased trade barriers and the withdrawal of the quota system are major threats such as the cancellation of the GSP.

4. **Compliance:** The buyers are now much serious about the compliance of the exporters specially after the Tazrin Garments and RANA Plaza Tragedy.

### 4.4 Marketing Mix of Supreme Stitch Limited

Marketing mix is the set of manageable, tactical marketing tools that the firm mixes to produce the actual response it wants within the target market. The actual marketing blend consists of every thing the company can do in order to influence the demand for the item. The many opportunities can be gathered into 4 groups of factors known as the particular “four Ps”: Product, Price, Place, Promotion.

#### 4.4.1 Product

Product means the combination of goods and services the company offers to the target market. With regard to Supreme Stitch Limited the main product is readymade garments. The product part of Supreme Stitch Limited is described below:
• **Variety:** Supreme Stitch Limited has varieties of product category which they offer to the customers. They produce different kinds of garment products for gents, ladies, kids.

• **Design:** Most of the products that Supreme Stitch Limited produces are made according to the design provided by the customers. But sometimes some designs are proposed to the customers by the merchandisers of the company.

• **Quality:** The Company always tries its level best to provide its customers with the best quality products.

• **Features:** The company have a number of features available for its products. i.e. there are long sleeved shirts, short sleeved shirts, with buttons, without buttons etc.

• **Brand Name:** Many international brands buys product from Supreme Stitch Limited. Brands like Walmart, Kmart, Sears are its regular customer.

• **Packaging:** Three types of packaging are there. One is Standard Pack, another one is Flat Pack and Hanger Pack.

• **Services:** Merchandisers sometimes develop special measurement sample for the customers.

### 4.4.2 Price

To obtain the product the amount of money customers pay to the company is the price.

• **List Price:** Merchandisers quoted some price value for the clothing including cutting making cost, materials as well as accessories cost on the price they are prepared to supply their own shirt.

• **Discount:** When there is a big amount of order, Supreme Stitch Limited provide some discount for their clients.

• **Credit conditions:** Customers are not able to purchase the item on credit score. They must have to give money for buying.

### 4.4.3 Place

Place means the company processes that make the product available to the customers.

• **Channels:** There are some wholesaling and retailing companies working for Supreme Stitch Limited.
• **Coverage:** Supreme Stitch Limited has a good customer base. It has customers in USA, Canada, UK, France.

• **Assortments:** All the materials are collected together and assembled by the organization in the factory.

• **Inventory:** FIFO system is used by Supreme Stitch Limited in the production plant.

• **Logistics:** Logistics support is provided to some extent to the customers.

**4.4.4 Promotion**

Promotion means actions that connect the value of the item and convince target clients to buy this.

• **Advertising:** Supreme Stitch Limited do not stick to any marketing strategy for consumers. But occasionally customers like other ordered products and provide order to create product exactly like that.

• **Public relationship:** Every year Supreme Stitch Limited gives some financial assistance to some meritorious students. In this manner, they are sustaining public connection.
Chapter: 5

Findings of the study
5.1 Comparison with the competitors

If Supreme Stitch Limited is compared with its competitors we can see that it has highest production capacity among its competitors. Its production volume is also the highest among the competitors. But the lead time is little bit more than Stitch Knitwear Limited. Stitch Knitwear Limited dominates its competitors in this category. Supreme Stitch Limited has the largest operational area among its competitors. Which can be further utilized by expanding the production line. The products Supreme Stitch Limited produces is almost same as the competitors. It can add jeans, sweat shirts and trousers in its product line. Supreme Stitch Limited has a very good market in North America but it has yet to establish a strong market base in Europe which it should consider to improve its market share and profitability as well as diversification of the business.

5.2 Ranking with regard to the competitors

If we compare Supreme Stitch and its competitors we get the ranking as follows:

1. Supreme Stitch Limited
2. Stitch Knitwear Limited
3. York Group
4. Knit Horizon Limited

5.3 Findings regarding the efficiency and effectiveness

- According to the study most of the garment factories aren't efficient with supplier selection procedure because of their tendency associated with long time ineffective trade, dangerous employee prejudice and insufficient discretion in order to certify the actual efficient suppliers for the first time as the soar from the system.
- While considering the effectiveness of backwards linkage business it is discovered that this market is suffering from poor item quality, insufficient capacity and need of consciousness to committed shipping.
- Their inefficiency once more has been demonstrated when I discovered that they are very much reluctant to taking any kind of promotional step to persuade buyers.
Garment industrial facilities attempt their level best to maintain the item quality.

5.4 Findings regarding the problems of garment factories

- The discontentment of garment factories towards their purchasers mainly depending on the buyer’s uncompromising attitude to the commitment failure because of contingencies.
- The dissatisfaction associated with garment factories toward their own suppliers due to their inefficiency to provide product within right quality and amount.
- Through the study We have seen the obstacles to garment export products can be separated into two categories: major obstacles and minor hurdles.
- Major obstacles: One of the major obstructions causalities for example natural disasters, strike, hartal or political instability tend to be affecting the actual export of garment products severely.
- Minor obstacles: Among the minor obstacles ineffectiveness of production process guidance by the RMG factory is quite noteworthy.
- Again through the study I use seen that the problems of garment factories could be separated into two components: major problems and minor problems.
- Poor item quality assaults most significantly as major problems regarding garment manufacturer and as the particular minor issue shortage of backwards linkage industry interferes with garment industries hugely.
- The employees of the industry lack required communication and technical abilities.
- There is no efficient institutional program in any institute to teach the necessary skills towards the root and also entry level workers of this industry.
Chapter: 6

Recommendation
6.1 Recommendation

1. Instead of short-term relationship, Merchandisers need to create long term effective relationships with the crucial parties -- buyers, buying houses as well as suppliers and so on.

2. Director should clearly share their mission along with managers and the employees because a crystal clear mission declaration guides employees to work independently and to accomplish the group objectives.

3. Supreme Stitch Limited ought to identify their own position in line with the product life cycle and also the position associated with competitors so that they can take helpful action in order to compete and stay in the market.

4. Supreme Stitch Limited can set up their own design section and also from there they are able to create distinctive and unique products design for marketing. And to achieve this objective they can make agreement with expert fashion designers within Bangladesh along with abroad to obtain the maximum outcomes.

5. Supreme Stitch Limited can use web as an effective promotional resources for buyer awareness of their business. For this purpose they could enrich their very own website with details about their company.

6. It should allow the employees to be able to participate in decisions making process in order that it will help to have more productivity and also commitment to operate.

6.2 Conclusion

Supreme Stitch Limited has already established itself as a emerging player in the Ready Made Garment industry. It has a wide customer base in the western countries. Now it is trying to attract new buyers.

Undoubtedly, in readymade garment Business, marketing is essential to establish as well as spread this particular industry. For that regard purchasers and suppliers of raw materials, garment business today has improved massively having a vision to do marketing and distribution task. Additionally
government, BGMEA and clothing factories ought to remove major error and also digitalize this specific department.
Bibliography

- http://www.yorkbd.com/
- http://www.knithorizon.com/company_profile/?f_action=home
- http://www.stitch-bd.com/about.html
- http://supremegroupbd.com/