

we stand

currently provides wools to its designers at no minimums and no cutting fees. It is also in negotiations with three additional fabric suppliers across Australia for a similar package.

Winslow hopes to create a broader solution within the next seven months, including a not-for-profit garment factory to take away "any unnecessary middle man margins and costs".

"The idea will incorporate a one stop location for several services within the supply chain in order to increase efficiency and provide a very competitive price to the designer while ensuring all production is ethical and fair trade," he says.

Winslow started creating the concept and framework for the cluster two years ago with solutions offered across supply chain, marketing, business mentoring, publicity and marketing support and industry referral contacts. Prior to this, he cut his teeth as a national buyer for the Australian Broadcasting Corporation's national network of ABC Stores and discount goods giant Warehouse.

This year he was able to offer memberships to six designers under the Australian Fashion Exchange collective, with most largely based in Sydney and a selection across Melbourne and the Gold Coast. New designers are required to apply for one of 20 membership places in a particular category, including womenswear, menswear, accessories, swimwear and footwear.

Membership is \$129 a year with five to 10 per cent commission fees for sales generated as part of its fashion agency arm. Because costs for services such as public relations and distribution are split amongst members, savings are achieved for each designer. Once a member is able to generate \$200,000 to \$300,000 in annual revenue, they are encouraged to step out as individuals into the industry.

According to Winslow, the biggest challenge facing these emerging designers is creating the necessary infrastructure to expand their label into a national brand.

"The cost of distribution for an individual label with low volume sales could seriously skew the price and in turn, may be the deciding factor in a buyer's decision," he says. "This is on top of trying to create optimum price versus quality mix for the production of small run garments while ensuring all garments are ethically produced."

The cluster is currently in discussions to create a central 'pick n pack' distribution location for its designers, which will enable them to reduce the cost of storage and distribution. This is something denim brand Clinton Charlie, which already has enviable ties in the manufacturing sector, is looking forward to.

The brand, which released its first jeans collection at the end of 2006, currently sells

through a dedicated online store and has an agent based in the United States. Founder Clint Webster says costs associated with supply chain can cripple "new blood" in the industry, particularly given the challenges already associated with manufacturing.

"When labels are starting out, most want to do smaller runs," he explains. "But the problem is big manufacturing companies will only look after large quantities in the hundreds and thousands. I have a partnership with a local manufacturer so I am excited about the possibility of a 'pick n pack' distribution facility."

Womenswear labels and cluster members Sprinkle Magic and Mae and Pearl say that limited capital and time constraints prevent young designers from sourcing cost-effective production and distribution methods. Sprinkle Magic produces vintage-inspired, limited-edition collections while Mae and Pearl offers transeasonal garments in natural fabrics such as cotton and bamboo weaves, silk crepe de chine and silk cotton voiles.

“The problem is big manufacturing companies will only look after large quantities in the hundreds and thousands.”

"Starting a new business requires thought, preparation and strategy," Mae and Pearl founder Naomi Swalwell says. "Some of the major considerations and challenges are keeping production local and finding superb craftsman and machinists to help you deliver and realise your product. Sometimes this can be hard due to the small units a young business starts with. Once the business receives larger orders the wholesale price that is offered will always be better – it's just a matter of how you push through to the next level to insure higher production units."

This is where contacts across production and distribution can come in handy, Winslow says.

"We had a streetwear label come to us that was having problems finding a local reliable manufacture that would support a new designer with small volumes. Their current process of production was costly and not reliable and they were finding it challenging to achieve re-orders. Using our network of contacts we were able to introduce them to a local factory, which was able to meet the label requirements with a very competitive price and quality."

Winslow hopes further networking opportunities can arise as a result of support from the NSW Department of State and Regional Development's Business Cluster Program. ■



Clinton Charlie:
Famous for its
'Booty Huggers'
jeans.