



Blend the Trend Smart Textile Company

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Contemporary Issues in the Fashion Industry

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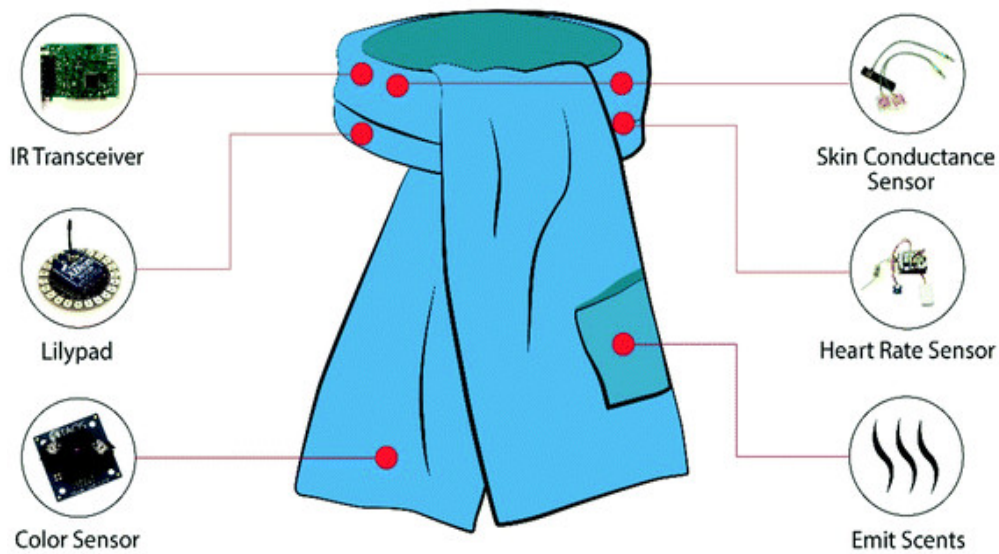
Imagine telling your scarf that you are too cold, and then it responds by heating up, fantastic, yes? Now, imagine another pair of socks that can detect which part of your feet receives the most pressure during a run and sends this data to a smartphone app, how amazing! Blend the Trend is a Smart Textile company that produces smart socks, smart sleepwear, smart activewear, smart office wear, and smart casualwear. With innovations, our clothes are upgraded to increase versatility outside conventional use.

Unlike many other smart clothing companies, our smart clothes features sophisticated interlinked circuitry fabrics, while others use detectors and extra equipment to provide smart features. Blend the Trend smart apparels uses advanced micro-sensor technologies and textiles that connects to our free downloadable app for all smart phones. The app allows the user full access to using our smart apparel, recording any digital data our products pick up. While using our smart clothing in any loud or crowded environment you may find it hard to use our voice-powered technology, so that is where using our phone application comes in handy. This makes syncing your Blend the Trend smart apparel to our application helpful and provides for a much more effective experience. Others can even connect to Bluetooth and even Wi-Fi. Our clothes are made up of materials ranging from cotton, polyester, nylon, and algae. Our target market is diverse because we have a range of products ranging from sleepwear to casual wear and even sportswear.

Our philosophy on smart clothing is 'Totally Smart,' which clearly explains the integration of smart technology into apparel. Our mission at its core is innovation and technology. Blend the Trend takes its innovation next level whether it's to do with sports and wellness, outdoor, home, recreation, personal care and health care, our smart textiles combine

electronics with textiles to create trendy, practical, convenient solutions for your daily needs.

We have the motivation and the capacity to make the idea of Smart Clothing a reality.



SWOT ANALYSIS

+ Strengths

- **Raw material base** -- There is the availability of the raw materials like clothing and the technology needed to be input in the United States. Thus, this makes manufacturing more manageable, compared to importing the raw materials.
- **Labor** -- There is the availability of labor and entrepreneurial skills, and this is the backbone of the company's existence.
- **Domestic Market** -- There is the availability of a market for smart textiles in the United States, as several people have embraced technology.
- **Environmentally Friendly** -- The smart wears are recyclable and biodegradable, which makes them environmentally friendly.
- **Patented Technology** -- The company has a patent on the technology used in smart textiles production.

+ Weaknesses

- **Untested Market** -- The product is relatively new, so one cannot be sure of its acceptability in the market.
- **High Cost of Production** -- Producing smart apparel is very costly.

+ Opportunities

- **Untapped Market** -- There is a lot of untapped market for smart clothing.
- **Fast Growth** -- There is an opportunity for the company to grow very fast, considering the field it is in.
- **Research and Development** -- There is a possibility for several potential partners, for example, Samsung and other big clothing companies like Gucci.

- **Growing Industry** -- The apparel industry is advancing towards smart technology, so the company has excellent potential to grow.

Threats

- **Competition** -- There is competition from other upcoming smart clothing companies.
- **Cost of Marketing** – The marketing of these smart textile products are relatively high.

Our competition includes companies like Apex Mills, AiQ Smart Clothing, Clothing+, EXO2, Hexoskin, and Thermosoft. These companies all deal with smart clothing like Bioman for AiQ, which are specially made for sports or another company that only manufactures office wear. On the other hand, our company, Blend, the Trend, deals with all types of smart wear. AiQ contains only RFID laundry tags, whereas our company's smart wear can incorporate Bluetooth and Wi-Fi.

Thermosoft sells several other products apart from smart wear clothing, whereas our company has a specialty in smart wear, and thus, we do the best job when offering smart wear. Also, our smart textiles are bioengineered using algae, yeast, animal cells, and fungi, making them recyclable, meaning that when they eventually wear and tear, they can be reused as raw materials in the company to manufacture other smart wear. They are also biodegradable, meaning that it can be broken down when they wear down entirely, and thus they cannot damage the environment. In 2014, 9% of municipal waste in the United States was made of clothing waste, and therefore Blend the Trend is working hard to contain the percentage of clothing waste by making recyclable and biodegradable smart wear clothing.

Most of the clothing companies today make clothes from plastic-based acrylic, nylon, or polyester, which are produced chemically and are non- biodegradable.

In addition, the dyes we use are also bioengineered, and thus they are environment friendly. According to the Swedish Products Agency, some 3,500 human-made products, including lead and petroleum-based substances pollute the environment. Of these, the agency found 2,400 items in finished apparel. Five percent of the chemicals contained are potentially environmentally harmful, and 10 percent of the 2,400 chemicals found in the finished clothing may affect human health, the agency reports. Our company is thus environmentally friendly.

The idea for the company is unique because it fills the technological gap i.e., it merges textiles with technology. Product innovation has advanced enormously in the manufacturing and technology sectors in the twenty-first century. Textiles are not lagging in the development race and what's more exciting are these smart textiles being developed today within the fashion industry. Smart textiles can intelligently detect and interpret the signals and reactions, and the response can be from electrical, thermal, mechanical, chemical, magnetic, or other sources.

Cost and Demographic

The global market size of smart fabrics was estimated at USD 878.9 million in 2018 and is projected to grow from 2019 to 2025 at a CAGR of 30.4 percent. Smart textiles/fabrics are state-of-the-art fabrics created with modern technology that brings value to the wearer. Any of these fabrics often absorb energy from the environment by collecting vibrations, heat, or sound, in response to specific inputs. These textiles are used to improve performance and add aesthetic appeal through various applications.

These are used, for example, in the fashion industry, because of their potential to light up and change color (Kosui, 2017). Until now, the bulk of smart fabrics have been limited to a niche use, including high-end apparel, military and security, and medicine. However, now

the industry is seeing a change with an auspicious confluence of technology and textiles that has resulted in the fast introduction of convenient fabric-based sensors together with the emergence of conductive yarns that can be woven into fabrics. Smart textiles are now expected to bring about a boom in the market for smart wearables.

Our product focuses on high-end apparel and targets young adults living within the United States of America. Specifically we here at Blend the Trend are looking to target both males and females between the ages of 18-35. Whether these consumers are university students or young business professionals just starting out in their careers, they are the demographic group that we are certain will gravitate towards our smart wears. They are more interested in technology and need trendy wear for their sports, offices, sleepwear, casual wear, and socks. One piece of smart clothing, for example, a pair of socks, will retail for approximately, \$50 whereas one official shirt will retail at roughly \$100. We intend to receive annual revenue of \$375,000 in year one, \$525,000 in year two, and \$675,000 in year three, based on our marketing strategy, location, store sizes, and product offers. Our total cost of the goods sold would be 40 percent, leaving us with a 60 percent profit margin. Our total annual operating expenses are \$35,500 a month, and to break even; we'll need to achieve \$55,833 in revenue a month. By the close of our first year, we will become successful every month. In our third year, we'll be earning \$105,000 in net profits.

Scalability

This is the capacity to vary in size or volume. If the idea goes viral, the company can be scaled up by increasing production over time. Like for example, in year one, we can produce and completely sell 2,000 pieces of smart wear, and in year two, we can scale up the production by double. Also, we can provide and sell smart glasses that will turn our consumers vision into a digital interface and headsets as well.

Prototyping is producing a copy as it will be made and can include specifics such as color, graphics, packaging, and instructions. One of the critical early steps in the inventing cycle is prototyping — which is a three-dimensional representation of the dream, clearly described (Warfel, 2011). For the company, we can produce prototypes of each of our products to use for marketing. Many times the numbers of prototypes range between 1 and 100 depending on the business and the model.

As there are fewer economies of scale and the set-up costs are divided into very small numbers, designs are far more costly to produce. Prototypes may be created using various components, hardware, and finishes to test the concept only (also known as a rapid prototype). In contrast, other prototypes are designed to be an exact copy of the part before going on to manufacturing. But designs need a lot of hand handling from the point of view of the designers.

Mass production is also known as repetitive flow production. That is when the part or product has achieved its peak growth potential and is in stages of development and maturity. Once the manufacturing process reaches a certain level where the market for the product is consistent, and demand exceeds in volumes, then would the merchandise be ready for mass production. The company will go into full mass production after marketing for a while using prototyping so as to get clients.

Fair Trade

Fairtrade is a trade between developed-country firms and suppliers in developing countries. Fair rates are charged to manufacturers, and businesses are willing to provide steady wages for workers and will better their lives. Although the use of products has always been part of human society, until after the first and second technological turmoil, marketing was impractical. The new insurgencies, guided by Great Britain and the United States,

prompted the replacement of the craftsman system bit by bit, where merchandise was produced locally by talented laborers bringing things down a bit.

The fair trade principles are put in place by the World Fair Trade Organization. The organization works with respect for disadvantaged small producers' social, economic, and environmental well-being and does not maximize profit at their expense. It is responsible for meeting its commitments in a timely manner and is professional. Suppliers honor contracts and supply goods on schedule and in compliance with the price and requirements. Fairtrade buyers, recognizing the financial drawbacks faced by FT Goods Producers and Suppliers, ensure that orders are compensated after delivery of documentation or as settled after.

When southern Fair Trade manufacturers collect a pre-payment from consumers, they ensure that payment is passed on to the growers or farmers who manufacture or cultivate their Fair Trade goods. Before canceling or denying orders, customers check with suppliers. Where orders are canceled for no fault of manufacturers or vendors, sufficient compensation for the job already completed is assured. Suppliers check with consumers if there is a distribution issue to ensure insurance is given if the amounts to values supplied do not match those invoiced ("World Fair Trade Organization"). As per the principles illustrated above, I would say yes, my company Blend the Trend can still uphold these fair trade practices and continue to make a profit.

In a nutshell establishing a name in the retail industry will require tenacity and the ability to withstand business risk. In order to do so it will be important to monitor all the ins and outs of the industry so we can be better prepared for what could or could not potentially lead to a problem within our company. The business seems to have the foundations intact and there is need for constant maintenance and improvements to ensure that entity operates as a going concern. Provided the principles discussed in this analysis are abided with, the entity will likely yield effective and efficient operations.

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