

Case Study on Sogo Fashion Pvt. Ltd. Specialist in Knitwears

*Siddhant Gautam, Sonu Sharma, Student. MBA Ist year
School of Business Studies, Sharda University, Greater NOIDA, U.P.*

Introduction of Sogo Fashion Pvt. Ltd.:

Sogo Fashion Pvt Ltd was set up in 1988 with the vision of becoming the first Indian multinational socks brand and to be a market leader in knit garments by following best of the techniques and providing the best quality products. Presently it is involved in manufacturing of tees, tracks and loungewear with the brand name of Bongio and Bonjour. Also, the company is currently focusses on leggings and churidars for the ethnic segment with brand name Vami. Completing nearly 26 years in the market, it is the market leader in knit wear in India and has more than 150 distributors Pan India. It also exports to countries like UK, USA, UAE, Saudi Arabia, Kenya, Turkey and other European markets.

The core strength of the company is the consistent quality check and continuous innovation to provide best quality products which enables the company to exploit the opportunities and remain the market leader. Mr. Raj Kumar Jain, CEO and Managing Director of the firm is an engineering graduate and possesses practical knowledge on circular knitting machines at various European and Asian machine manufacturing facilities. Since its inception, the firm has tried to follow strict manufacturing procedures and provides quality products to the customers and till today products go through various laboratory testings as per international standards.

The Factors of Production:

Land: Company previously supplied from Delhi but was unable to fulfil the demand, hence to grow larger, it started its first mass production unit in 2007 at Industrial area of

Surajpur, Greater Noida, followed by another in the same region in 2008 and one upcoming under construction factory in Kasna Industrial Area, Greater Noida which is about five times bigger than the previous ones. The firm is actively investing in land and infrastructure, to have strong product supply as per the demand. The raw material comes as yarn bundle and stitching threads from best of the mills and is then converted into fabric in the factory so that quality can be maintained.

Labour: The production process followed by the firm is quite complex and hence requires skilled professionals. At every step it becomes essential for the company to maintain the quality, right from checking the raw yarn bundle to cutting, stitching and printing. The labours are skilled and experienced. The work is specific for a particular worker and the firm makes sure that each of them excels in the tasks assigned to him/her.

Capital: Managing the finance of the company is one of the most crucial decisions made by the top management. Sogo thoroughly understands that the right investment of capital is required to achieve the firms' objectives and make most of the opportunity. The company utilizes its resources and finances very effectively on innovative technology and skilled manpower.

Entrepreneurship: It is a highly anticipated factor in the modern economy because entrepreneurship requires innovation, ability to see future turnouts and skill to use wisely all the above three factors to get maximum productivity. The company has been following this policy since the past 25 years. It is very important for an entrepreneur to capture the right opportunity at the right time. After socks,

the company entered almost in every segment of knit wear. The company was very particular about the precise timing of launching the product and kept on innovating, the existing ones. Company's decision to bring health socks (that ensure proper blood flow and keep BP within check) to the market proved to be a game changer. The company also exports to Middle East and Europe and has started selling their products online.

The Production Process

1. The process of production starts with the raw material inventory where yarn bundles are kept along with the stitching threads. The yarn is thoroughly checked in fabric checking machine for any defect. If any defect is found, the yarn is cut for that size and report is sent to the supplier. In case, the complete yarn is defective, then the bundle is rejected. If no defect is found, then according to the purpose yarn is sent to different manufacturing departments where knitted garments are readied.

2. The second department is cutting department where the piece gets cut from the layer fabric sheet and then sent to stitching department.

3. If printing is required, they first go for printing and are then transferred to stitching department.

4. After stitching, the lot goes for colouring and drying. Once dried, each piece in the lot is checked for defects. If any defect is found, it is bought in use for different purposes.

5. The lot then goes for iron for which steam irons are used. Steam is generated in a low pressure boiler and through pipes directly supplied to the respective department.

6. After ironing, the lot goes for packing and then is moved to finished product inventory from where it is distributed across the factory retail stores and to Pan India distributors.

Production in Knit garments is the value proposition of Sogo which has spread itself nationally and internationally through niche market of circular knitted products. The products are divided into three brands namely Bonjour, Bongio and Vami. The product quality is assured and this provides the way to high pricing of the products that is maintained by Sogo and accepted by customers.

The production process ensures the quality checks and quality product for national and international consumers.



The process can be put down in the above form for better understanding, which includes testing and accumulating yarn thereafter cutting the fabric by labour or machinery as per requirements. The garments are sent to different workstations for stitching which denotes the specialization and division of labour practiced by the company. The garments are then coloured and thereafter the printing is done as per requirement. The drying of clothes is an important activity as the quality check has to be done thereafter for quality standards maintained by Sogo. The last step is ironing in low pressure as the fabric has fibre content prone to melting and also to suck out the steam from packets. The products are then stored in inventory.

Conclusion

All the above steps pertain to how the preparation of garments is done post identification of which products are to be manufactured. The firm is in expansion phase and has become successful after introducing new innovative products and customizing the

products after a thorough understanding of its target market. Furthermore, very well laid out production technique and emphasis on product quality contribute to a bright future outlook for

the company. The company is primarily known for its socks under the brand Bonjour and is expanding in other segments through innovative marketing and production.
