

Trust between apparel manufacturers and brands is another victim of Covid-19



THE building of trust, meaningful relationships between manufacturers and customers in the global apparel industry has played a vital role in the continuing success of the sector. The actions taken by some brands and retailers in the face of the Covid-19 pandemic has, however, shattered the trust.

Clothing retailers and brands around the world face dwindling consumer numbers, store closures and mounting stock inventory. The unprecedented conditions following the outbreak of the pandemic have revealed a significant divide between those companies that are prepared to work closely with their supply partners to mitigate the effects of the downturn in trade for all parties and those whose immediate reaction is to cancel orders, seemingly regardless of the impact that this course of action will have upon their supply chain partners.

The cancellation, the scaling back of, or delay to current production orders with suppliers has been further compounded by many companies withholding payment for goods that have been shipped or insisting upon longer payment terms with their manufacturers than were originally agreed when orders were placed. These actions have placed many garment manufacturers worldwide in a precarious financial situation.

The importance of trust in establishing meaningful relationships between those of us involved in the

apparel manufacturing industry and our customers is paramount as I view it as the single most important factor in building any successful business or relationship. A customer that trusts their supplier should listen to that company's issues and, likewise, a business that trusts their customers will strive to do their very best, even in the toughest of trading conditions. It is this apparent abuse of the element of trust by certain brands and retailers since the Covid-19 pandemic reared its ugly head that calls me the most.

business, where speed to market is a major contributing factor to the success of an apparel line in-store, many manufacturers have foregone the traditional payment methods that take time and hinder the speed of the production process. Gone is the heavy reliance on payment in advance or letters of credit (basically a guarantee from a bank that a particular seller will receive a payment due from a particular buyer) between manufacturers and their customers; instead orders are often processed by

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The manufacturer will undertake to procure the necessary fabrics and sundries for the production of the required goods and will complete the production to the required standards demanded by the buyer, all at his own expense. The manufacturer will then ship the ordered product and await payment from their customer, bearing the expense of overheads, workers' salaries, business rates and amenity charges in the knowledge that payment will be forthcoming.

This was a simple system, commonplace in the apparel industry and one founded on the strength of the relationship and the trust emanating from, quite often, many years of working together.

The Covid-19 pandemic has, unfortunately, laid bare the fragility of these relationships. We have shared success together but, in this time of crisis, it appears that manufacturers are being left to fend for themselves.

Once the cloud of the COVID-19 pandemic has been lifted, we will have to see what long-term damage has been inflicted to these customer/supplier relationships but one thing is for sure, the wounds will take time to heal and manufacturers will be wary in the

business that they develop in the future with their clients.

One of the most precious things in the world of business is trust. It can take years to earn and only a matter of seconds to lose. The ever-evolving events of the last few weeks have damaged the trust that existed between apparel brands and retailers and their manufacturers. Together the apparel community can overcome these difficult times but it will require understanding, the rebuilding of relationships and support from all sides for many months to come.

To restore some semblance of a trusted working relationship, customers that value their relationship with their manufacturing partners need to acknowledge the predicament facing garment factories in the supply chain. By entering into discourse and planning the months ahead from a production and compensation viewpoint, customers will be able to preserve their relationships with their supply chain partners, allowing them to survive financially during this crisis and earning their respect as a worthy business partner.

Apparel manufacturers around the globe are fully aware of the devastating effects that Covid-19 has had across all areas of life. They also should be cooperative to support their customers during these difficult times. Even if quantities are reduced in the future orders, it is the responsibility of all apparel manufacturers to support and work with their customers to ensure that business can move forward when this crisis is finally averted.

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Workers standing outside a factory gate in Savar.

PHOTO: COLLECTED

Over recent years, the apparel manufacturing industry has forged relationships with the leading clothing brands and retailers around the globe. Due to the very nature of the

many manufacturers (sometimes even without an official purchase order) at the bequest of a customer, because that customer has earned the trust of their supplier over the years.

Road to herd immunity: The hard truth



AS the number of infections and deaths from Covid-19 increase, economies around the world have started to feel the heat. The situation in Bangladesh is no different, but it was terrifying to see hundreds of thousands of people flocking to the roads to go to their villages just to celebrate Eid very recently.

The absence of public transportation as a part of the nationwide shutdown did not prevent people from following their deep desires to re-unite with their families. Despite the growing concerns of increased transmission and consequently higher risk of death from the virus, the authorities have declared that private vehicles can be used for transporting people home to rejoice in the holiday. Interestingly enough, most of the people wanting to rush home did not own a vehicle but became passengers of those who were willing to take them to their destination for an exorbitant amount, mostly defying the social distancing norms.

It is well understood that an economy like Bangladesh can't afford to sustain a long-term shutdown. The mounting pressure has already triggered relaxation in some economic sectors such as RMG in late April, shopping districts, etc. However, during the time of rapidly increasing infections and fatality, the decision of relaxing the movements for non-economic activities or wholesale re-opening of businesses may not be well construed. Without denying the fact that the Eid celebration is deeply rooted into the socio-religious culture in this region, postponing the festivity or taking a more cautious approach in re-opening the economy wouldn't have inflicted

more harm. Unfortunately, it is beyond doubt that the majority of the nation's population are neither fully aware of the consequences nor ready to follow any advisory. Therefore, a strict enforcement would have been warranted to keep everyone safe. For example, Saudi Arabia had imposed a curfew of five days during the Eid holidays to avoid transmission of the virus from mass gatherings.

The perceived relaxed attitudes towards the shutdown may pose a question of whether or not we have decided to pursue the route of so-called herd immunity. Before discussing this strategy in the present context, let's review what this really means. First, we examine how immunity works for us. Someone can become resistant after exposure to an agent that causes an illness such as Covid-19. The process of developing immunity includes producing antibodies specific to the virus for potential defence. A person is considered immune after a considerable amount of exposure to produce the antibodies irrespective of developing symptoms of the disease or without any evident symptoms.

Herd immunity can broadly be characterized as a condition in which large part of a population become immune to an infectious agent, subsequently safeguarding others who lack immunity. For example, if 90 percent of a population is immune to a virus, nine out of every 10 people who encounter someone with the disease will not get affected and, as a result, will not have the ability to transmit the disease any further. According to experts, typically 50 percent to 90 percent of a population must be immune to achieve herd immunity based on how contagious the infection is. However, if the number of immune people drops lower than the threshold for a specific type of agent, the remaining people will have a higher chance of contracting the disease. Thus, the concept of herd

immunity is based on establishing an extremely large group with immunity against an infectious agent by means of vaccinating or allowing people to get infected and recover. The immunity is then carried through a memory effect that produces antibodies when encountering that agent again.

Some nations have been considering strategies intended to develop natural immunity to the coronavirus without a vaccine. For instance, Sweden, unlike its neighbours, decided to go for a broad immunity without implementing a shutdown. They let restaurants, bars, salons, gyms and schools remain open while promoting social distancing. Many have suggested, poorer economies like India or Bangladesh could also adopt this as a strategy to encounter the present outbreak. But they might have missed the math revealing a heavy toll with too many lives at risk. In fact, Sweden has already observed far more deaths from Covid-19 than its neighbours. Initially, their death rate was similar to the other European nations that shutdown their economies. But now, Sweden's mortality rate is the highest in Europe with a daily death rate of 8.71 compared to 4.59 of the USA per million people.

Experts predict at least 60 percent of the population will need to be immune in order to achieve herd immunity from Covid-19. To understand the statistic behind it, let's consider that one individual on average currently infects 2.5 others as observed by the experts. But, the containment of the pandemic requires limiting the effective transmission rate to 1, which indicates that enough people must develop immunity so that less than 1/2.5, i.e., 40 percent could remain susceptible to the infection. That means, herd immunity comes into effect when rest of the population (60 percent) become immune. In the absence of a vaccine, the outbreak would continue until we hit that magic number. The disastrous

downside if a country like Bangladesh sees over a hundred million people infected, is to wait for at least 96 million of them to recover and become immune to the virus. It is almost impossible to predict what that will mean in terms of human costs, but we are looking at 100,000's of fatalities, considering the nation's present rate of 1.4 percent fatality from the virus. Even if we are willing to consider

be lowered by reducing the number of people possibly infected by one individual. For example, if we could lower the effective transmission rate to 1.5 per person, herd immunity would come into effect when about a third of the population has had the infection and has become immune.

Although herd immunity would be the ultimate goal in the quest for recovery, it would be an unrealistic



the natural route for herd immunity, accepting its extremely high human toll, we must be mindful of our capabilities in handling the huge implications of our country's poor functioning medical system with 10-15 percent of all infections requiring hospitalisations. The hard truth is herd immunity through the infection route isn't the answer to our current despair. However, the required threshold could

expectation to stop the epidemic before we have access to a vaccine. On the other hand, the transmission of virus can be limited by avoiding contact with other infected individuals. Driving down the number of contacts will in effect reduce the possibility for an infected individual to transmit a virus and hence herd immunity can start earlier.

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QUOTABLE Quote

HELEN KELLER
(1880-1968)
American author and educator who was blind and deaf

The world is moved along, not only by the mighty shoves of its heroes, but also by the aggregate of tiny pushes of each honest worker.

CROSSWORD BY THOMAS JOSEPH

ACROSS

- 1 Used the pool
- 5 Musical symbol
- 10 Take cover
- 11 Tough puzzles
- 13 Genesis name
- 14 Went ballistic
- 15 Toppled, as a ruler
- 17 Future embryos
- 18 Contest mailings
- 19 Playground game
- 20 Roadhouse
- 21 Partner
- 22 Eat from the pasture
- 25 Warsaw natives
- 26 Thinker
- Descartes

DOWN

- 1 Window cover
- 2 Make broader
- 3 Modify
- 4 Learn by heart
- 5 Ill humor
- 6 Parka parts
- 7 Wagon puller
- 8 Check the addition
- 9 Platoon member
- 12 Play places
- 16 Trig function
- 21 Furnish with machine power
- 22 Bellyached
- 23 Ebbs
- 24 Whenever
- 25 Mexican coin
- 27 Loses a staring contest
- 29 Love to pieces
- 30 Boca -
- 31 Add a change
- 32 Identifies
- 36 Combo instrument

WRITE FOR US. SEND US YOUR OPINION PIECES TO dsopinon@gmail.com.

YESTERDAY'S ANSWERS

M	A	N	B	U	N	H	I	L	O
A	T	E	A	S	E	A	N	O	N
T	O	S	S	E	D	S	I	Z	E
E	N	T	E	R	F	A	T	E	D
R	E	S	T	R	A	T	I	N	G
K	N	O	X	V	I	L	L	E	
M	A	E	P	E	R	U			
I	M	G	O	O	D	C	A	S	S
S	P	A	N	S	P	E	S	T	O
H	A	T	S	B	A	R	C	A	R
A	L	E	E	I	G	N	O	R	E
P	A	S	T	T	E	E	T	E	R

BEETLE BAILEY BY MORT WALKER

I HAVE THE PERFECT UNIFORM FOR YOUR COMBAT EXERCISES

RIPS, MUD STAINS, BLOOD SPOTS...

YOU LOOK LIKE YOU'VE BEEN ACTIVELY PARTICIPATING!

BABY BLUES BY KIRKMAN & SCOTT

zzzzzz

NICE 'SLEEVES' MOM.

WHO PUT PERMANENT MARKERS IN THE CRAYON BASKET??