Supplying retailers across the globe with quality bedding from its modern factory in Nantong

Serving retailers of soft furnishings in the United States, Europe, and across the globe, China-based New Sega Textile (Nantong) Co. Ltd. is a leading exporter of home textiles. The firm manufactures 3 million bedding sets, 2.4 million quilts, and 1.5 million pillows, covers, and curtains made to the specific design and color requests of its retail customers every year. In 2017, sales in North America topped 65% of the firm’s revenue. With a vision to expand its overseas operations, the textiles giant sought to standardize procurement processes, enhance inventory management, and optimize financial reporting. To stay ahead, New Sega needed to transform its operations by digitalizing core businesses processes.

How Does a Chinese Home Textiles Giant Sew Quality with Efficiency in Its Smart Factory in the Cloud?
New Sega digitalized its factory, keeping customers happy with shorter lead times – and reading its business for the future.

By implementing SAP S/4HANA® Cloud, New Sega Textile (Nantong) Co. Ltd. created a smart manufacturing environment, automating manual processes and enabling data-driven decision-making to:

• Manage supply chains based on real-time customer requirements, enabling 44% faster order lead times (falling from 45 days to 25 days), while significantly reducing inventory
• Improve efficiency and collaboration, standardizing procurement processes and minimizing human intervention, helping to reduce costs and efficiently manage suppliers
• Optimize inventory control, reducing the cost of the finished product by 6%
• Visualize procurement processes to better manage suppliers, strengthen contract negotiations, accelerate invoicing settlements, and track orders
• Gain more control over the production process, improving the production delivery rate with real-time monitoring of raw materials, fabric investment, and equipment operation
• Establish a business-wide quality system with a full audit trail

“Using SAP S/4HANA Cloud as the enabler of our digital transformation, we’ve significantly improved efficiency across the business, greatly reducing physical inventory and lowering inventory working capital by 8%.”

Wu Yonghui, Chairman and General Manager, New Sega Textile (Nantong) Co. Ltd.