



Fashion's sustainable evolution: Navigating regulatory compliance with the Cloud

Cloud labeling improves accuracy, ensures compliance, and enhances sustainability





The fashion industry has a prolific carbon footprint


According to some reports, this sector accounts for around 10% of global greenhouse gas emissions, consuming more energy than both aviation and shipping combined.

This is no surprise when you consider the entire lifecycle of a garment, from manufacture and transportation to laundering and eventual disposal into a landfill. There is also the water pollution caused by dyeing processes, as well as microfibers that escape into the environment.

The rise of fast fashion over the last two decades has only exacerbated the problem, leading to overproduction and overconsumption. Driven by the rising demand for new lines, business leaders, designers, and manufacturers have opted for cheaper materials with a shorter lifespan. These lower quality materials make garments easy to dispose, hard to upcycle, and less durable.

Sustainability is top of mind for consumers

Apparel companies, conscious of the damaging effects of their industry, are engaging to combat the issue. Since the late 1980s, these companies have been integrating environmental practices into their business models. The increased media attention surrounding the global climate crisis has made the public more conscious of their purchasing power and decisions. Generation Z,



fueled by a desire for a more sustainable future, are further driving a shift in the fashion industry towards higher ethical standards and greater transparency. The influence of Gen Z will only continue to grow as the generation's buying power increases while baby boomers exit the market. Fashion brands therefore need to make this a top priority if they are to stay relevant.

As we approach COP 29 later this year, all eyes are fixed on how companies are succeeding in transforming last year's climate pledges into measurable action. Within the fashion world, we are not only seeing a shift towards second-hand and upcycled garments, but also a desire for greater transparency and visibility when it comes to manufacturing methods. Consumers are researching the credentials of their favorite brands before committing to a purchase. Over the last few years, applications providing sustainable and ethical ratings on these brands, as well as alternative options, have seen great success.

Given this prevailing attitude and the fact there is already much discussion circulating across sectors around the introduction of sustainability-focused regulations such as the Digital Product Passport (DPP) and carbon labeling, it would not be a stretch to imagine that the labels on our clothing could provide information or a rating on the environmental impact of the product in the near future. In fact, according to our [annual research](#), 77% of companies surveyed reported that stricter regulations and compliance requirements are pushing the business to adopt sustainability practices.

Its widespread implementation would have far-reaching repercussions, not least for [apparel and textile](#) producers. Such an initiative has the potential to significantly influence consumer spending habits and a company's strategy, ultimately encouraging a higher standard of behavior and consideration for the environmental impact of apparel and textile manufacturing.

Keeping up with ever-evolving regulations

Should this type of labeling become mandatory for the industry, the challenge for manufacturers is to ensure that labels are accurate to remain compliant. Automation and integration should not be underestimated here; the ability to create accurate labels that seamlessly meet regulatory requirements across different jurisdictions, and without data replication, ultimately reduces mislabeling and the risk of fines and penalties.




When it comes to product identification, integrating labeling directly with data sources of truth helps to ensure consistency and precision. Additionally, through the ability to perform real-time checks, these technologies can instantly flag any non-compliant elements or errors in labels. Accurate labeling also results in extended supply chains becoming more sustainable due to eliminating re-labeling, meaning less waste and fewer scrapped supplies.

By adopting a modern cloud-based labeling solution, organizations operating in the fashion industry can gain the flexibility needed to adhere to changing labeling requirements, such as the DPP and carbon label, to be compliant both today and in the future.

Leading luxury retailer uses Software to reduce supply waste

When Neiman Marcus realized that modernizing the supply chain was the key to its competitive advantage, the luxury retailer decided to transform its warehouse operations by upgrading its warehouse management system and replacing the merchandising system. It also wanted to move from a shipment to a carton level receiving system; however, the previous ticketing system only allowed the company to print on a shipment level.



Therefore, Neiman Marcus was looking for a ticketing solution that could support carton level ticketing and enable staff to generate and print on-demand item price tickets. As a result, the company selected Loftware as its centralized ticket management solution. The system is hosted centrally in a data center, and includes a built-in designer, application builder, document management system, and web printing solution. The centralized system communicates remotely with Neiman Marcus' three distribution centers. Today, the retailer sends out 500,000–700,000 pre-tickets a year using the labeling platform.

In addition to a faster time-to-market and improved flexibility, Neiman Marcus also benefits from significant supply chain savings due to less ticket waste and a reduced environmental impact as a result of cutting down on paper waste. They have also eliminated complexity from their ticketing process and removed much of the manual work that was prone to human error. All these improvements have resulted in a more accurate, efficient, and sustainable ticketing process.

Loftware's cloud labeling platform helps retailers meet their regulatory mandates, mitigate risk, reduce complexity, ensure supply chain traceability, improve time to market, and optimize costs with unprecedented speed and agility. Loftware drives greater efficiencies across the extended supply chain and helps retailers easily support different markets, accommodate new requirements, and expand usage across international boundaries. Learn [more here](#).





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No matter what the challenge – digital transformation, time to market, or brand authenticity – Loftware can help you make your mark. We understand how global supply chains work and know that each item you produce and ship is an expression of your company's brand. We can help you improve accuracy, traceability, and compliance while improving the quality, speed, and efficiency of your labeling. Our end-to-end cloud-based labeling platform helps businesses of all sizes manage labeling across their operations and supply chain and our solutions are used to print over 51 billion labels every year. Loftware also fosters supply chain agility and supports evolving customer and regulatory requirements, helping companies save over \$200 million in fines annually. And with over 500 industry experts and 1,000 global partners, Loftware maintains a global presence with offices in the US, UK, Germany, Slovenia, China, and Singapore making us a trusted partner for companies in automotive, chemicals, clinical trials, consumer products, electronics, food & beverage, manufacturing, medical device, pharmaceuticals, retail/apparel, and more.