

BOLLIN GROUP

STRATEGIC GROWTH FOR BRAND PORTFOLIO



U.K.- based Bollin Group is focused on three primary priorities in 2024:

› **Inventory** › **Sustainability** › **Systems integration**

All pose complex challenges. But Bollin is no stranger to complexity as the owner of over 30 brands and distributor of another dozen. A team of about 260 U.K. associates and 80 around the world manage a brand portfolio spanning apparel, outdoor goods, housewares and many other product categories.

While there are always headwinds, Bollin meets sales targets year after a year. In 2024, the business is confident in its supply chain to support future growth.

This past year left Bollin with too much stock, a common problem on the heels of 2022's high demand and constrained supply. A retail supply chain reset is in process. *"We believe demand in the first half of 2024 will be somewhat weak, but it should be better by the winter season, and then spring 2025 onward should show stronger recovery,"* said Stephen Cann, CEO and Director, Bollin.

Cann's cautious optimism is darkened by concerns about political uncertainties, especially around major elections in both the United Kingdom and the United States this year. *"It's one of our greatest concerns — the potential supply chain impact of this political uncertainty,"* he said.

INVENTORY MANAGEMENT

Bollin is tightening the inventory belt, following the lead of customers, which include high street retailers and independent stores.

Stock levels surged 63 percent in 2023 vs. 2022, and now Bollin is looking to reduce inventory by about 20 percent. This leaves room to support growth and healthy turnover rates.

The company's suppliers have more capacity and are offering shorter lead times, plus shipping costs have come down. These factors will help Bollin ›

- efficiently source the right amount of products to meet demand. Cann sees opportunities to reduce the supplier base in order to forge closer relationships with a smaller vendor network. *“We’ve got too many factories,”* he said. Bollin also wants to diversify sourcing to countries outside of China, which supplies 70 percent of the company’s products.

SUSTAINABILITY

Bollin has gradually shifted sourcing out of Myanmar, given human rights concerns. Cann said another sourcing locale now poses risks for unfair labor practices. Bollin might need to move manufacturing elsewhere in that case, too. Social and environmental responsibility is an important imperative for Bollin, a member of the Fair Wear Foundation (FWF). FWF is an independent, nonprofit organization that works with brands and factories to improve garment industry labor conditions.

“Sustainability is becoming a bigger and bigger issue,” said Cann, noting that Bollin puts a significant investment into factory audits. Consistent with the fashion industry norm, more than 80 percent of Bollin’s carbon footprint is from scope 3 emissions, those from the supply chain. This includes upstream tiers of suppliers such as textile mills and fabric finishers. While such emissions are hard to control, brands and retailers are called on to do more, given new regulations.

Environmental, social and governance (ESG) auditing costs are another driver behind supply chain consolidation. *“We need fewer relationships, but better ones,”* he said.

SYSTEMS INTEGRATION

A key to Bollin’s success is seizing opportunities to acquire new brands and sign U.K. distribution licensing deals. Experience also has taught Cann,

a Bollin director for over 30 years, about shedding brands when the time is right. Footwear is a growth category now. Bollin recently acquired U.K. distribution rights for Boston-based Topo Athletic. Other footwear and apparel brands in the Bollin stable include Obōz, Ronhill, Sprayway, Hilly, Mountain Equipment and Brightboot.

“We think the new brands we’ve added in the footwear category will grow in 2024 and 2025,” said Cann. New business relationships often drive the need for technology systems integration. A top priority is for Bollin’s systems to “talk” more seamlessly with customers’ systems. *“It’s one of the most important things to us — communication between systems,”* Cann said.

Bollin uses the end-to-end enterprise and PLM solution Visual Next, which was acquired by CGS BlueCherry® in 2019. Bollin has successfully integrated this core business technology with Microsoft Power BI, a tool for advanced data analysis and visualization. As a result, Cann always has key performance metrics at his fingertips. *“It’s where I get all of my numbers,”* he said. *“It’s what I look at with my management team every Monday morning.”*

- › **Connecting the dots between supply and demand.**
- › **Keeping inventory lean and productive.**
- › **Improving systems integration to share data with customers.**
- › **Ensuring best practices to protect workers and the environment.**

Tackling these business objectives across more than 40 brands is a tall order, but Bollin is charging ahead with its sights set on a successful 2024. ■