

GARMENT OS®

CEMS Block Seminar
Final Pitch

28.07.2023

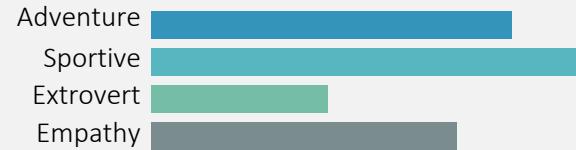
Ziyan Wang
Clara Brink
Márk Pécsi
Patricia Cruz
Charlotte Zhang



Mark Robinson



Personality



Interests

- Surfing +4 times a week
- Amateur-level championships
- Surfing festivals +3 times a year



Mark Robinson

Wetsuit webshop

- Unpredictability of size and fit
- High probability of return due to poor fit

CONNOR 3/2 ADELIO ZIPPERLESS STEAMER
ADELIO TURNER 3/2
ADELIO FORD ARCHBOLD 3/2 BACK ZIP
\$369.99

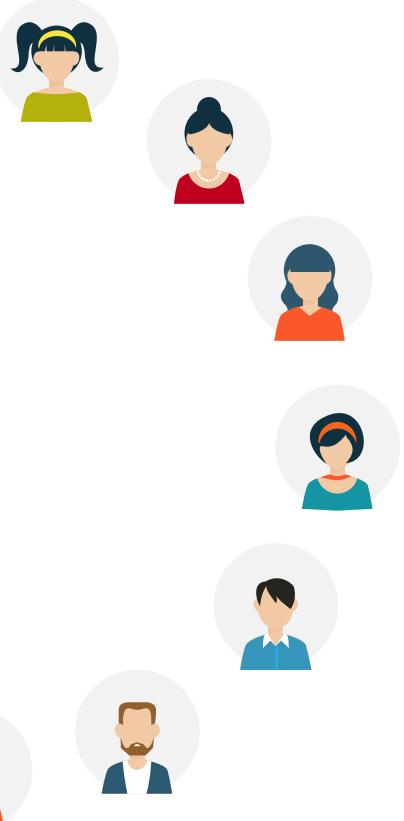
+60% sometimes struggle finding the **right size**
when buying clothes¹

+80% sometimes struggle finding the **right size**
when buying **wet suits** in particular²

+40% regularly return clothes when buying online
due to **poor fit**¹



¹ n = 56 Australian shoppers surveyed ² n = 12 Australian surfers surveyed



Triple bottom line

[environmental dimension]



RIPCURL

"[...] did **not fit** me so well around my kidneys, which made me feel cold" – Adrian S.

"Wrong size, too tight for me" – Joseph K.

"Unfortunately the wetsuit was too big" – Melissa H.



QUIKSILVER

"[...] the arms are a bit short, wrists & ankles could be tighter and the neck is too low and way too loose" – Kate H.

Overproduction as default business model

60M km² fabric scraps landfilled annually

30-50% e-commerce return rates

Team Overview | The right mix of passion and experience



Charlotte Zhang

ESADE Business School
University of Sydney
+2 years in
fashion industry

Business Development



Clara Brink

ESADE Business School
University of Sydney
+1 year in
sustainability consulting

CSR



Márk Pécsi

Corvinus University
University of Sydney
+5 years in sports
apparel industry

CRM



Patricia Cruz

Nova Business School
University of Sydney
+2 years in
corporate finance

Finance



Ziyang Wang

University of Sydney
+3 years in
academic research
and consulting

Research

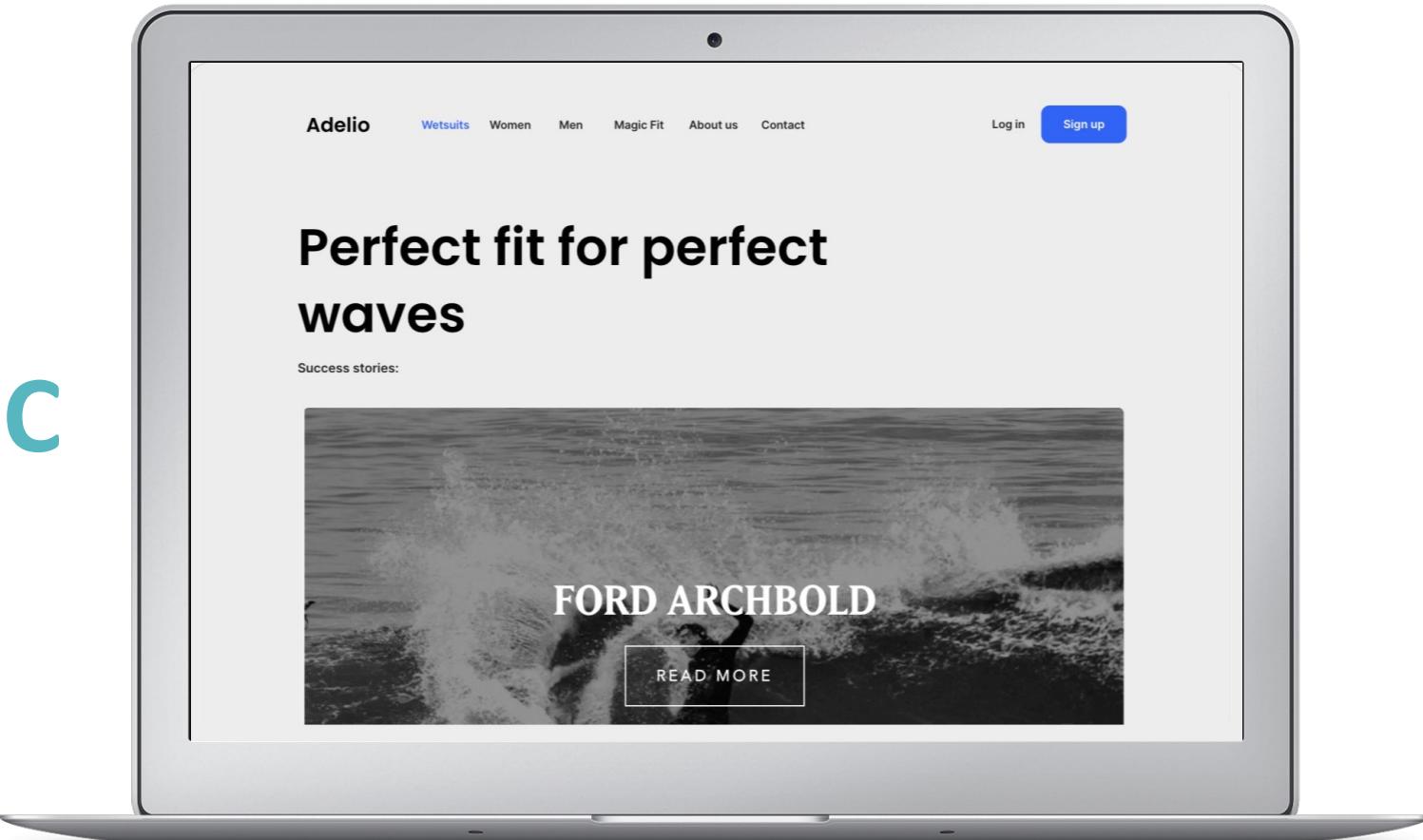
Garment OS[®]

by WOLF CITIZEN



A D E L I O

B2C



B2B

The screenshot shows a laptop displaying the Garment OS® website's pricing section. The website has a clean, modern design with a white background and a light gray header bar.

Garment OS®
by CITIZEN WOLF

Home **Pricing** About us Contact Log in Sign up

MAGIC FIT Pricing

License our unique MAGIC FIT technology
We help you implement it, if you want

Essential
\$169 /month

For small- and medium-sized companies
Incl. set-up

Professional
\$249 /month

For larger sized companies
Incl. implementation & consulting

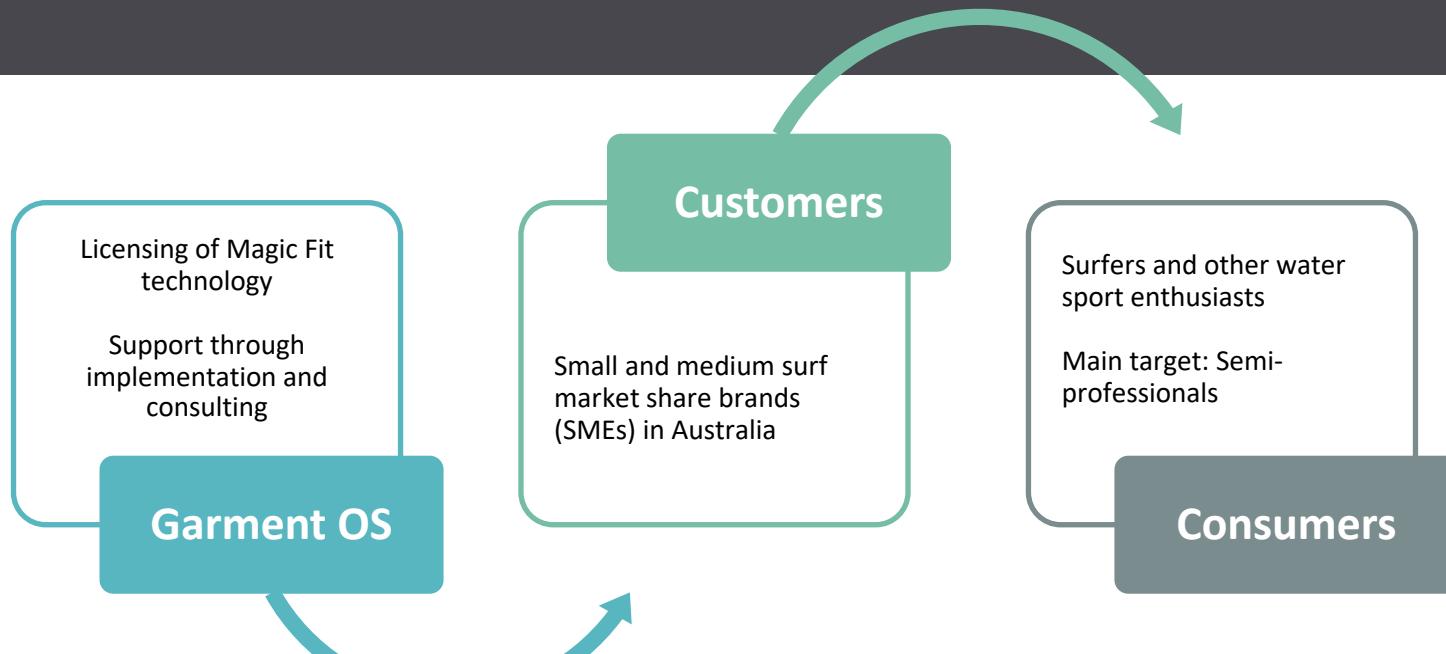
Enterprise
\$548 /month

For larger sized companies
Incl. implementation & long-term consulting & data set

[Get Started with Essential](#) [Get Started with Professional](#) [Get Started with Enterprise](#)

Value proposition

“Through our Magic Fit technology, we support local surf brands on their journey to become more sustainable AND more successful”



Potential customers of Garment OS



- High-quality, eco-friendly wetsuits for surfers
- HQ: Gold Coast, Australia



Similar DNA to Citizen Wolf and **sustainability** as a core value



- Soft and ultra flex neoprene customized wetsuits
- HQ: Sydney, Australia



Flexibility of SMEs compared to large multinationals



- New local wetsuits & surfing accessories brand
- HQ: Wollongong, Australia

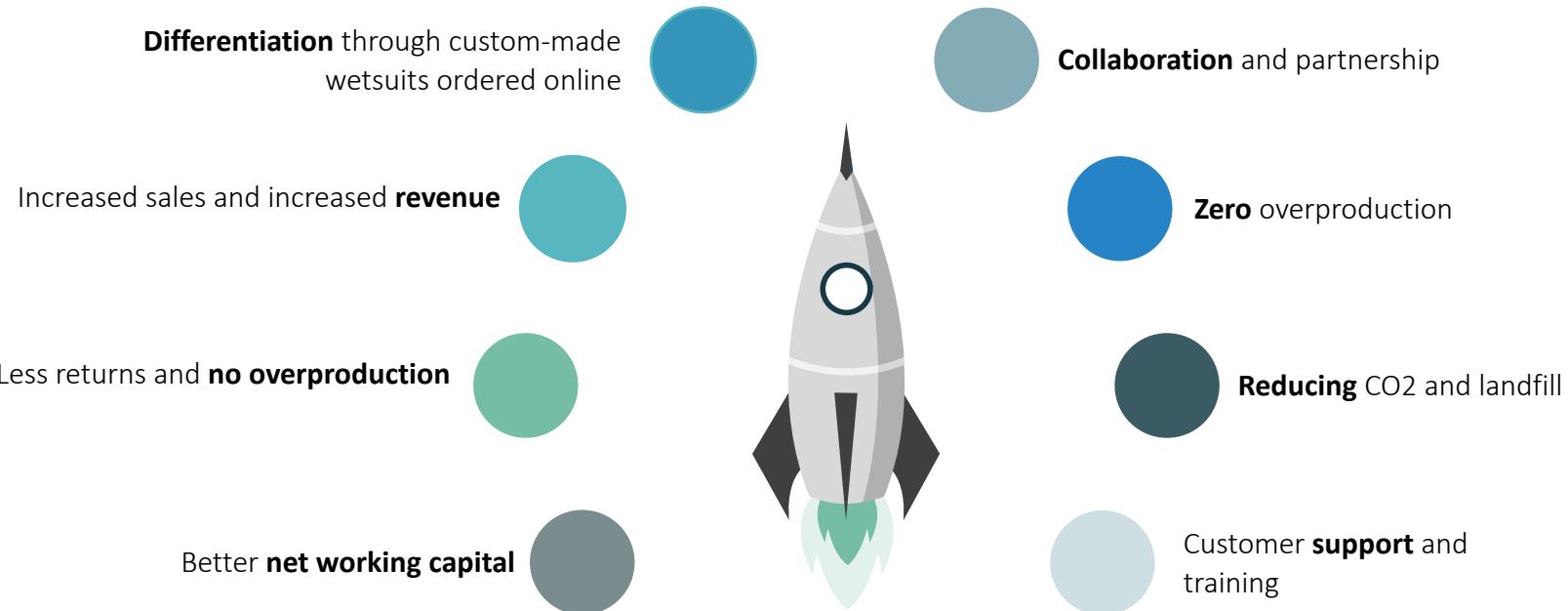


Reduced entry barriers by targeting **local** brands



Sufficient capital by targeting **successful** brands

Why surf brands need and want Magic Fit



Revenue potential

1

TOTAL ADDRESSABLE MARKET

Assumption:

Australian market size for surf equipment: 800M

2

SERVICEABLE ADRESSED MARKET

Assumption:

SMEs of Australian market for surf equipment: 40%
320M

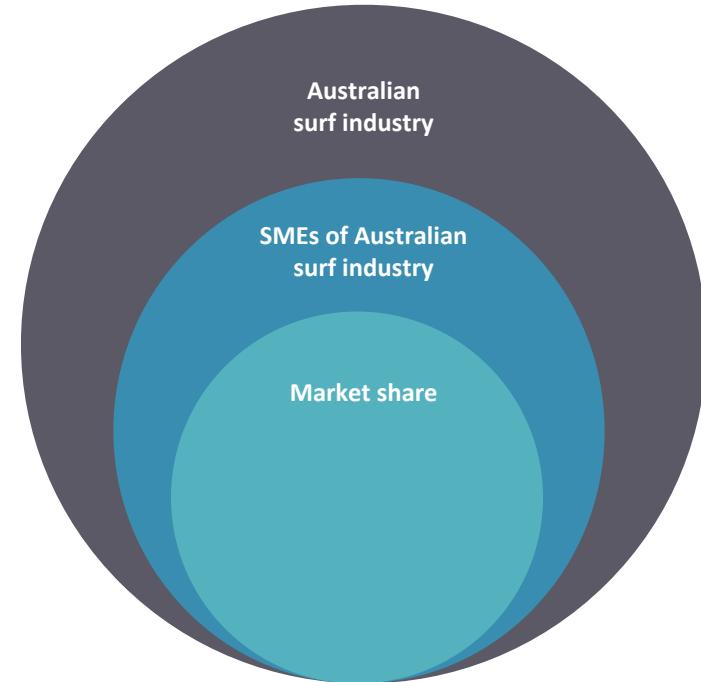
3

SERVICEABLE OBTAINED MARKET

Our SOM continues to grow as we strengthen existing partnerships
and attract new brands that recognize the value of offering
personalized experiences to their customers

Assumption:

Capture 3% market share: 9.6M

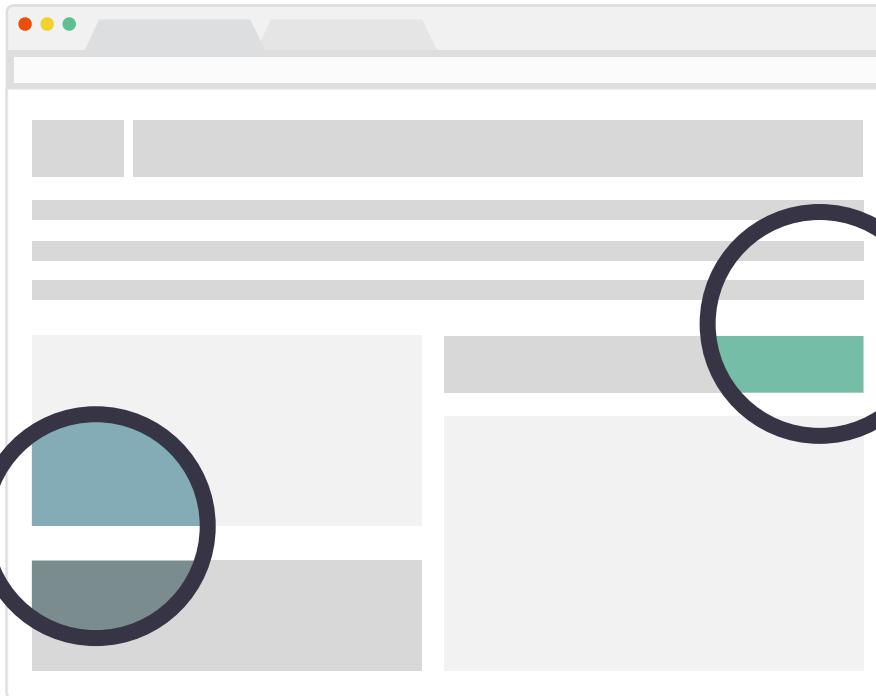


Competitor analysis



VEESUAL

Uses advanced deep learning methods (generative AI) to combine images of clothing and people with photorealistic, high-definition result



SIZER

Using advanced AI technology and deep-learning algorithms, Sizer matches shoppers' exact body measurements against garment data to deliver unbeatably accurate, data-driven sizing recommendations that are easily

Implementation & Next Steps

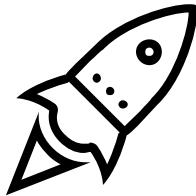
- Reach out to local SME **surf brands** and confirm interest
- Develop a **pricing strategy** and invest in marketing
- Develop **consulting** and **implementation** capabilities
- Continuous **improvement** of SaaS solution and customer base expansion
- Expand to other **verticals** in the sports apparel industry like cycling, diving, climbing
- Expand to the **United States**
Large fashion industry



A wide-angle, overexposed photograph of a vast, sprawling landscape covered in a thick layer of trash and debris. The foreground is filled with crushed plastic bottles, crumpled aluminum cans, and other unidentifiable waste. In the middle ground, a dense cluster of birds, possibly gulls or terns, sits atop a large mound of trash. The background is a bright, featureless sky, suggesting a hazy or overcast day.

**Let's unf*ck the fashion
industry together**

Questions?



APPENDIX

To answer all remaining questions



The Business Model Canvas

Key partners

What are your key partners to get competitive advantage?

Software/T technology developers

Companies producing sportswear for water sports

Marketing agencies

Cost Structure

How much are you planning to spend on the product development and marketing for a certain period?

IT

Maintenanc

R&D

Salaries

Governm
ent (tax,
permits)

HR

Marketing plan

Production technology

Pattern

Key activities

What are the key steps to move ahead to your customers?

Providing proper technology for producing the best sportsuits

Key propositions

How will you make your customers' life happier?

Perfectly fitting sport suits for end users

More revenue for them through satisfied consumers

Less returns due to saved data

Customer relationships

How often will you interact with your customers?

Regular in-person/online meetings + training for the technology

Channels

How are you going to reach your customers?

Online marketing

In-person meetings

Social media

Customer segments

Who are your customers? Describe your target audience in a couple of words.

We are creating value for everyone who loves doing water sports and either struggles with size issues or seeks tailored sport suits

Revenue Streams

How much are you planning to earn in a certain period? Compare your costs and revenues.

Subscriptions

Service fees

COSTS RELATED WITH MAGIC FIT TECHNOLOGY



Research and Development (\$100,000 - \$1,000,000)

Companies investing in cutting-edge 3D scanning, software development, and data analytics may face higher R&D costs



Material Costs (\$50,000 - \$200,000)

Depend on the quality of neoprene or alternative fabrics used in the wetsuit production. High-performance and eco-friendly materials may lead to higher expenses



Production Costs (\$200,000 - \$1,000,000)

Encompass manufacturing labor, machinery, equipment, and any outsourcing or partnership expenses for wetsuit production



Technology infrastructure (\$50,000 - \$500,000)

Include server maintenance, cloud services, software licensing, and data storage solutions to handle the 3D scanning data and customer information



Employee Salaries (\$200,000 - \$800,000)

The number of employees, their roles, and the geographical location of the company can influence this range



Customer Service (\$50,000 - \$200,000)

Customer support costs include training, technical assistance, and ongoing support for surf brands implementing the custom-fit technology



Testing and Quality Control (\$50,000 - \$200,000)

Ensure accuracy and reliability of the custom-fit technology



Data Security (\$20,000 - \$100,000)

Have data security, privacy compliance, and protection against cyber threats



Marketing and Sales (\$50,000 - \$500,000)

Depend on the scale of the company's outreach efforts, promotional activities, trade show participation, and digital marketing campaigns

Australian Medium Wetsuits Brands

Magic Fit's Potential Tech Partners

Ocean & Earth



**Wetsuits & Surfing Accessories
South Coast of NSW**

Australian-based brand and produces a wide range of surfwear and equipments

C-Skins

c-skins

**Multi-Functional Wetsuits
Australia & North Europe**

All gender wetsuits with cutting-edge technology

THE PROBLEM

Almost 5 million people did water sports regularly in Australia in 2022

No uniform wetsuit/drysuit measurement among brands ↗ people struggle to find the correct size

Market flooded with poor-performing, environmentally destructive suits

Impacts performance, enjoyment, session time, and health

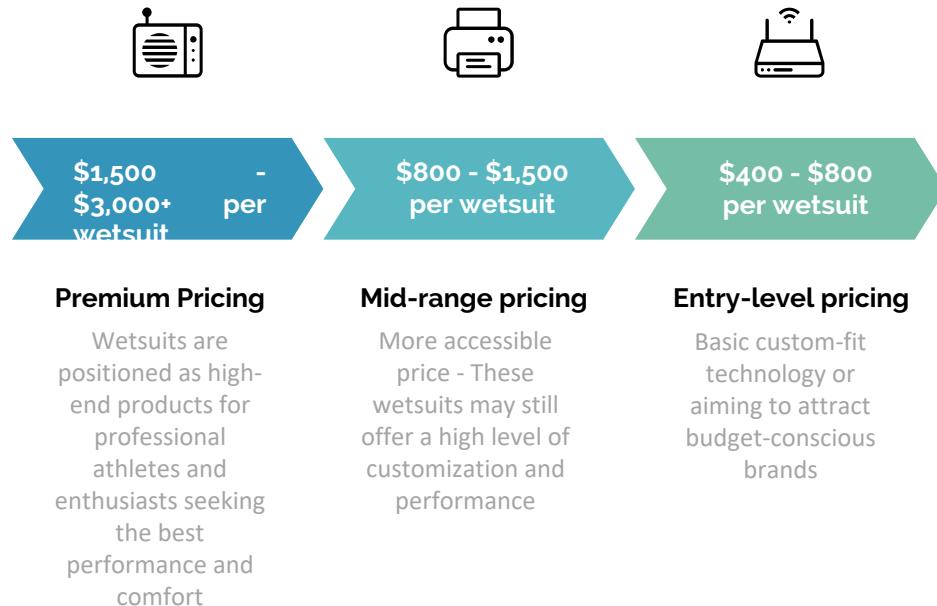


PROBLEM STATEMENT

Over 60% of water sports enthusiasts struggle to find a perfectly fitting wetsuit, impacting their performance and enjoyment

SOLUTION?

COMPETITORS PRICE STRATEGY



Volume Discounts

Some companies might offer volume discounts based on the quantity of wetsuits ordered. These discounts could range from 10% to 30% or more, depending on the order size and the company's pricing structure

Pricing can vary significantly based on individual negotiations, contract terms, and additional services or features included in the package. Surf brands may also be able to negotiate special pricing based on their specific needs and the extent of their partnership.

BONDI BEACH SURFERS

WILLING TO PAY MORE BY....



+50AUD PERFORMANCE IMPROVEMENT



+40AUD MATERIALS AND QUALITY



COMPETITION AND ALTERNATIVES



+25AUD LEVEL OF PERSONALIZATION



BRAND IMAGE AND MARKETING



CUSTOMIZATION OPTIONS

PRICE STRATEGY

