

LOGISTICS REPORT

Fashion Sourcing Platform Zilingo Designs \$100 Million Push Into U.S.

Company aims to speed up apparel supply chains by digitizing ties between brands, factories and suppliers



An employee looks at fabric swatches at the Zilingo office in Singapore. PHOTO: ORE HUIYING/BLOOMBERG NEWS

By Jennifer Smith

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Singapore-based fashion technology startup Zilingo is investing \$100 million to launch operations in the U.S. as it builds out its supply-chain business connecting apparel brands with factories and suppliers.

The company is opening offices in New York and Los Angeles and hiring sales and product teams as it pushes to get more U.S. brands and manufacturers on its platform. The four-year-old startup said it has 800 employees and plans to expand its U.S. team from 17 to more than 100 in the next year.

Zilingo, which has raised \$308 million in funding and is valued at about \$970 million, says it aims to speed apparel sourcing by digitizing entrenched manual processes and eliminating some of the middlemen that can eat into companies' profit margins.

The garment trade has long relied on sourcing agents and supply-chain managers to connect Western retailers and brands with factories in Asia and elsewhere.

“The idea is to make it easier for brands to source and sell,” Zilingo Chief Executive and co-founder Ankiti Bose said in an interview. “It’s not like electronics. There is zero technology in the factories, no SAP, Oracle. ... There is nothing tailor-made for the apparel industry.”

The company’s supply-chain platform gives suppliers and brands access to technology such as financing, invoicing and inventory management tools. It also provides auditing and compliance services and predictive analytics to help companies respond quickly to trends.

“We marry that with the capabilities in the factories that we have,” Ms. Bose said. For example, if trend data indicates a “white ruffled sleeve is going to sell,” she said, Zilingo’s platform will tell you “if you want to get it to that celebrity or that brand within 21 days, it should be made in Line 3 in Bangladesh in Factory X.”

Founded in 2015 as an e-commerce marketplace to help small producers and brands to reach consumers in Southeast Asia, the company expanded its focus to sourcing and supply-chain services the following year.

About 60,000 retailers and 6,000 factories are on Zilingo’s platform, the company said, with most suppliers based in Asian countries outside of China and some in Western countries including Portugal and the U.S.

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