

JUKI User Report in Indonesia [Part 1] Visit to PT. Honey Lady Utama, Indonesian Leading Intimate Apparel Manufacturer

Recently, JSN visited Bogor factory of PT. Honey Lady Utama (www.honeylady.com), a leading intimate apparel manufacturer based on Jakarta and interviewed Mr. Tonny Permana, chairman & CEO and Mrs. Margareth Lie Permana, president director.

PT. Honey Lady Utama was established in 1977 and began business with manufacture of garments for the domestic market using 5 home sewing machines. PT. Honey Lady Utama manufactured and sold Honey Lady brand lingerie initially in the Indonesian market. Then in 1988, this company began export sewing and since 1998, it has been engaged solely in export sewing. This company now has 2 factories, one each in Bogor and Semarang. It has a workforce of 6,800 employees in total (4,200 in Bogor, 2,600 in Semarang) and owns 5,600 sewing machines. The majority of those sewing machines were made by JUKI. In addition, this company owns 5 units of GERBER cutter and 200 Macpi bonding machines.

This company's main sewing item is ladies' underwear; brassieres, panty and camisole. This company has manufactured 2.5 million pieces of brassieres monthly and 30 million pieces yearly, and is scheduled to expand the production line for this year 2011, thereby expecting a 20% increase in manufacture. This company's advantage lies in its merchandise developing capability. This company has a design studio in Hong Kong where about 30 staffers are working, and a R&D center for making samples of foam cup for brassieres, etc. in Shenzhen, China where about 100 staffers are working.

About the advantages of Indonesian sewing industry, Mr. Tonny Permana explained as follows.

“Since China has changed their economic strategy, Indonesia has suddenly become one of the hottest places for labor intensive industry. As you have known that China currently has the biggest cash reserve in the world and as part of industrial revolution, the China government is actually moving away from labor intensive industry and focusing more in high tech/heavy industry. In order to attract talent to support their new direction, the central government needs to raise the minimum wage and the living quality of the Chinese people by changing a lot of the labor law to be more pro employee, thus this increase in cost will have a tremendous impact in labor intensive industry like garment. Therefore, a lot of brands and even raw material suppliers are actually looking elsewhere other than China and Indonesia happened to be one in their top list.

Manufacturing cost in Indonesia is competitive in the garment industry here in Asia. Though other manufacturers are venturing in other countries in Asia, still garment manufacturing in Indonesia is still at its peak.

JSN introduces its article on Page 20 - 22 of this issue as part 1.