News LETTER

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CONFEDERATION OF INDIAN TEXTILE INDUSTRY

News Highlights

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Cotlook A Index (Cent/lb)	
26-01-2017	83.20
27-01-2017	83.55
30-01-2017	84.25
31-01-2017	83.50
01-02-2016	67.95
29-01-2015	67.30

New York Cotton Futures (Cents/lb) As on 01.02.2017	
Mar 2017	75.52
May 2017	76.14
July 2017	76.60

NATIONAL

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NATIONAL:

Indian Union Budget 2017-18: Highlights

(Source: Fibre2Fashion, February 01, 2017)

Union Minister for Finance and Corporate Affairs Arun Jaitley along with Minister of State for Finance and Corporate Affairs Arjun Ram Meghwal and Minister of State for Finance Santosh Kumar Gangwar

Following are the main points of Finance Minister Arun Jaitley's Budget Speech presented in Parliament:

- *Net revenue loss in direct tax would be Rs 20,000 crore*
- *For revenue consideration, trying to bring maximum use of technology. Maximise efforts for e-assessment.*
- *GST: Will bring more revenue as tax net will increase*
- *GST: Preparedness of IT system on schedule.*
- *Simple 1 page form to be filed for Income tax for income up to Rs 5 lakh*
- *All other categories of income (i.e. above 5 lakhs) would get uniform benefit of Rs 12,500*
- *Taxation for individual assesseess reduced from 10% to 5% for income between Rs 2.5 lakhs and 5 lakhs*
- *Personal Income Tax: Burden currently on salaried employees.*
- *Time period of revising tax refund reduced to 12 months, and for scrutiny reduced to 18 months from 21 months*
- *TDS of 5% now exempted for Insurance agents*

- *Ease of doing business: Increase in threshold limit increased to Rs 2 crore for audit from the earlier Rs 1 crore*

- *An amendment to RBI Act to issue Electoral Bonds. Every political party will have to file returns.*

- *Political parties will be entitled to receive donations by cheque or in the digital mode*

- *Transparency in political funding: Max amount of cash donation a political party can receive will be Rs 2,000 from any one source*

- *No transaction above Rs 3 lakh would be permitted in cash*

- *To promote Make in India, changes in customs duty on some items.*

- *Medium and small enterprises provide maximum employment. 2.85 lakh companies making a profit of less than Rs 1 crore. For MSME companies, income tax reduced to 25% if turnover is less than Rs 50 crore. 96% of India's companies will get this benefit of 5% tax reduction.*

- *Minimum alternative tax: Not feasible to remove this at present.*

- *Basket for investing capital gains to be expanded.*

- *Propose to make changes in capital gain tax in property. Long term capital gain reduced from 3 years to 2 years for immovable property.*

- *For affordable housing, the carpet area of 30 and 60 sq m will now be completed. 30 sq m will apply only in metro cities. This scheme extended to 5 years.*

- *We will end 2016-17 with an increase of 17% in net tax revenue. Personal income declaration to be increased by 34.8%*

- *To eliminate black money - taxation rates are to be made reasonable, and tax base needs to be expanded*

- *We are largely tax non-compliance society: FM Arun Jaitley*

- *Out of 76 lakh individual assesses who declared income of about Rs 5 lakhs per annum, 56 lakhs are salaried.*

- *Direct tax collection not commensurate with the size of the economy*

- *FM to now present tax proposals*

- *Revenue deficit pegged at 1.9% in 2017-18*

- *Fiscal deficit target for 2017-18 at 3.82% of GDP; and 3% for 2018-19*

- *Defence expenditure (excluding pension) allocation increased to Rs 2,74,114 crore*

- *Fiscal situation: Total expenditure 2017-18 is Rs 21 lakh crore; Focus now on revenue and capital expenditure.*
- *Special online travel booking portal for defence personnel*
- *Public service: Head Post office to be utilised as the front office for Passport services*
- *Govt to create Payment Regulatory Board in RBI*
- *Aadhar based POS terminals to be established at merchant establishments*
- *BHIM App: 125 lakh people have already adopted. Two new schemes to promote this App - Referal scheme and Cashback scheme*
- *Digital economy: India now at the crux of massive digital revolution: FM Jaitley*
- *PM Mudra Yojana: For 2017-18 target doubled to Rs 2,44,000 crore*
- *Rs 10,000 crore for recapitalisation of banks*
- *A new ETF will be launched in 2017-18*
- *Propose to create an integrated oil major*
- *Divestment policy announced in last Budget will continue*
- *Cyber security: A team would be set up*
- *To integrate stock and derivative market for commodity trading*
- *Financial sector: To abolish FIPB in 2017-18; Roadmap for the same to be announced soon.*
- *Trade Infrastructure Exports Scheme to be launched. Total allocation for infrastructe is Rs 3,96,135 crore*
- *Taking steps to make India a global hub for electronic manufacture*
- *Energy sector: To set up strategic crude reserves at 2 more places in Odisha and Rajasthan.*
- *Telecom sector: Under BharatNet project, allocation stepped up*
- *Airport Authority of India Act to be amended*
- *Allocation increased to Rs 64,000 crore for National Highways*
- *New Metro Rail Policy to be announced. It will open up more job opportunities.*

- *Endeavour to be to improve operating efficiency of Railways*
- *Service charges for tickets booked through IRCTC will be withdrawn*
- *Railways to undertake end-to-end delivery for selected commodities.*
- *All railway coaches to be fitted with bio-toilets by 2019.*
- *SMS based 'Clean my coach' service has been started in Railways*
- *At least 25 railway stations to be awarded for redeployment.*
- *Railway lines of 3,500 km to be commissioned in 2017-18*
- *Infrastructure: For 2017-18, Railways will focus on passenger safety and financial accounting reforms.*
- *For senior citizens, Aadhar based smart cards containing their health details will be introduced.*
- *Special importance to schemes for the welfare of SCs, STs and minorities; Budget allocation increased by 35% for SCs.*
- *Legislative reforms to simplify and rationalise labour laws*
- *Two new AIIMS to be set up in Jharkhand and Gujarat*
- *1.5 lakh health centres to be transformed into Health Wellness Centres*
- *An Action Plan to eliminate Kala azar, leprosy, tuberculosis, etc.*
- *Poor & Underprivileged: Affordable housing to be given 'Infrastructure' status. National Housing Bank will refinance housing loans.*
- *Scheme for leather and footwear sector skill training to be implemented; similar to the existing scheme for textiles and garment*
- *'Sankalp' will provide market relevant training.*
- *PM Kaushal Kendras to be extended to more than 600 districts across the country.*
- *national Testing Authority to be set up to conduct all entrance exams.*
- *Swayam platform to enable students to virtually attend classes taught by best faculty. Linked with DTH channels.*
- *Youth - Emphasis on science education; Focus on 3,749 educationally backward blocks.*
- *Rs 1,87,223 crore total allocation for rural areas; 24% higher than last year.*
- *Sanitation coverage increased from 42% to 60%*

- *PM's employment generation scheme: Allocation increased 3 times*
- *On way to achieve 100% rural electrification by May*
- *PM awas yojana (gramin) allocation increased*
- *Rs 19,000 crore for PMGSY in 2017-18*
- *PM gram sadak yojana - pace of construction accelerated to 133 km per day*
- *Highest ever allocation for MNREGA at Rs 48,000 crore*
- *MNREGA - Participation of women has increased.*
- *Rural development - Mission Antodyay to bring 1 crore households out of poverty*
- *Dairy farming - A dairy processing infrastructure fund to be set up with a corpus of Rs 2,000 crore.*
- *Micro irrigation fund to be set up by NABARD for "per drop, more crop"*
- *Soil Health Cards: Mini labs to be set up*
- *Will work with NABARD for seamless flow of credit to farmers: FM*
- *Farmers - Special efforts to ensure adequate credit to underserved areas like the Northeast*
- *10 themes: Farmers, rural population, youth, poor & underprivileged; infrastructure; financial sector; digital economy; public service; prudent fiscal management; and tax administration (honouring the honest)*
- *Agenda for next year is - Transform, energise and clean/tech India*
- *Budget 2017-18 contains 3 major reforms: Advancement of Budget date to Feb 1; Merger of Railway budget with general budget; and Done away with Plan and Non-Plan expenditure: FM*
- *My priority is to spend more in rural areas, infrastructure and poverty alleviation and yet maintain fiscal prudence: Arun Jaitley*
- *Demonetisation seeks to create a new normal where GDP is bigger*
- *Demonetisation was a bold and decisive measure by the government: FM*
- *India has become 6th largest manufacturing country in the world; up from 9th previously.*
- *Foreign exchane reserves reach $360 billion*

- *India's CAD declined to 0.3% of GDP in first half of 2016-17*
- *Three major challenges - current monetary policy stance of US; uncertainty around crude oil prices; signs of increasing retreat from globalisation: FM*
- *World economy facing considerable uncertianty: FM*
- *Govt is now seen as a trusted custodian of their money: Jaitley*
- *We have moved towards policy based administration: FM*
- *Good governance is the underlined theme of people's expectations, says Jaitley*

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Budget: Textile lobby seeks restoration of some incentives
(Source: PTI, The Times of India, February 02, 2017)

The Cotton Textiles Export Promotion Council (TEXPROCIL) today welcomed the Budget and appealed the Government to restore some of the incentives relating to interest subvention for merchant exporters and cotton yarn and MEIS benefit for cotton yarns.

The job creating package for textile sector found a worthy mention in the latest Economic Survey 2016-17. However, the made-ups sector which is included in the package still awaits the rates on ROSL scheme (Refund of State Levies), TEXPROCIL Chairman Ujwal Lahoti said here. He said he hoped the rates will be announced soon so that the sector could take advantage of this path breaking scheme.

Lahoti welcomed the 5 per cent reduction in corporate income tax for medium and small enterprises with Rs 50 crore turnover. This will benefit a large number of MSMEs in the textile sector also. He appreciated that the Government will continue to take measures to boost growth as well as employment generation. He however stated that export sector, which was languishing on account of low overseas demand and rising protectionism, had not found a mention in the budget.

He appealed to the Government to restore some of the incentives relating to interest subvention for merchant exporters and cotton yarn and MEIS benefit for cotton yarns.

He further stated that the Economic Survey 2016-17 in Chapter 7 has expressed concern on Indian exporters of garments/ textiles being disadvantaged in foreign markets on account of absence of Free Trade Agreements (FTAs). In fact the Economic Survey has estimated that an FTA with EU and UK can lead to almost 1 lakh additional jobs being created in the garment sector apart from an increase in exports of USD 2 billion. If fabrics and made-up industries are also included in this calculation, the exports can easily increase to USD 3.5 billion and an additional 1 million jobs can be created.

Considering the fact that the FTA with EU may take some time, Government should immediately consider giving an additional benefit of 3% MEIS for exports of made-ups to EU so that the adverse impact can be mitigated to some extent, till such time the FTA is signed.

M B Raghunath, President (Sales & Marketing) of Mafatlal Industries welcomed the budget and stated that the garment sector will have a boost on long term basis due to 35 per cent increase in government expenditures in rural infrastructure development; rural investment and rural economic improvement will boost demand for textiles and garments. SSI & Medium Scale textiles and garment manufacturing companies will be benefiting from this.

Overall it is an encouraging budget with a long term vision, Raghunath said. AP KRK

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Textile bodies hail infrastructure boost in budget
(Source: Fibre2Fashion, February 01, 2017)

The textile bodies have welcomed Union budget 2017-18 which has focused on the development of infrastructure facilities. Infrastructural development will boost Indian exports and will also promote textile business in the domestic market due to reduction in logistics costs. This Budget will help in the growth of Indian economy in the long run.

“The budget focuses on aggressive spending in infrastructure which will also reduce logistics expenses. We are hopeful of doing good business with government introducing various projects for industrial development,” Indian Texpreneurs Federation secretary Prabhu Damodaran told Fibre2Fashion.

“The budget is a roadmap for the textile sector. Infrastructural development will not only boost the domestic textile market, but will also ease the exports by reducing logistics costs. A new and restructured central scheme with a focus on export infrastructure, namely, Trade Infrastructure for Export Scheme has also been announced,” said Ajay Sahai, DG Federation of Indian Export Organisations.

The textile bodies have also appreciated government's initiative on tax reduction for MSME, custom duty reduction on nylon yarn and introduction of schemes in agriculture sector benefitting the textile industry.

"Income tax for the companies with annual turnover up to Rs 50 crore has been reduced to 5 per cent from the current 10 per cent. This will help companies to bring in new technology and invest in marketing. Usage of natural fibre has increased across the world. However, there is low availability of these fibres in India. The reduction in custom duty will help India to compete in the global market and cater to the needs of the domestic market as well," he added.

"We are dependent on the agriculture sector for raw materials. Various schemes for the development of agriculture will benefit us. We are also consumption dependent industry. With the tax deduction, the spending capacity of people will increase which will also benefit us," added Damodaran.

"Tirupur textile hub houses a large number of MSME industrial units. Tax reduction will boost their business," said Tirupur Exporters Association president Raja M Shanmugham. (RR)

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Breather for bicycle industry & textiles

Engineering exporters want more as aggressive marketing strategy through Export Development Fund did not see the light of day

(Source: The Tribune, February 02, 2017)

Residents watch Budget session in Parliament on TV in Ludhiana on Wednesday. Photo: Inderjeet Verma

Chandigarh : The Union Budget for this fiscal year tabled in Parliament by Finance Minister Arun Jaitley has generated a mixed response in the business fraternity of Ludhiana. While the industry appreciated the government focus on infrastructure and thrust in investment in agriculture and rural development, at the same time it said the government should have walked a little extra mile to boost the industry by offering tax incentives.

Engineering export and hand tools

The engineering industry comprises hand tools, auto parts, casting and forgings, cycle parts, textile equipment, etc. The total turnover of engineering exports from Punjab alone is around Rs 30,000 crore.

SC Ralhan of Ludhiana-based Sri Tools Industries and also president of the Federation of Indian Exporters Organisation, said: “The investment of close to Rs 4 lakh crore in the infrastructure encompassing road, railways and aviation would not only improve competitiveness of the manufacturing and exports sector but would reduce the logistics cost of exports as well.

While Trade Related Infrastructure Scheme is welcomed, it would require sufficient funding to make an impact. The MSME sector with a turnover of up to Rs 50 crore will get a boost with reduction in income tax.

He added that the global challenges highlighted in the Union Budget require us to be on our toes and revisit our strategy to push exports in such volatile global conditions. Ralhan expressed his disappointment as aggressive marketing strategy through an Export Development Fund did not see the light of day.

Textile industry

In Punjab, the textile industry accounts for 19% of the total industrial production and contributes about 38% of the total exports from the state. Punjab accounts for 14% of the total cotton yarn production in India and is one of the leading exporters of yarn, hosiery and ready-made garments.

“The government has already announced a Rs 6,000-crore package in 2016 for the textile and apparel sector, so there were not much expectations. However, setting up skill development centres and the Finance Minister’s announcement to bring reforms in labour laws is likely to boost the textile sector,” said Ajit Lakra, managing director, Superfine Knitters Ltd. However, yarn traders said it’s aimless budget without any concrete road map. Radhey Shyam Ahuja, a yarn dealer from Ludhiana said: “We wanted tax relief but it was not mentioned in the Budget, which will hurt the traders. But at the same time we welcome the government move to lower the income tax slab.”

Cycle industry

With more than 50,000 cycles manufactured every day, Ludhiana is the hub for bicycle manufacturing in India. Rishi Pahwa, Joint MD, Avon Cycles, said: “Increased spending on infrastructure will boost the demand for cycles. Also, the MSME sector with a turnover of up to Rs 50 crore will get a boost with a reduction in income tax by 5 per cent. This will benefit the vendors as well as manufacturers. Thirdly, the limiting of cash deposit to Rs 3 lakh is a welcome step by the government as it will discourage unorganised players.”

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Industry associations in city welcome Union budget
(Source: The Times of India, February 02, 2017)

Coimbatore: Industry associations in the city have welcomed the Union government's budget presented by finance minister Arun Jaitley in Parliament on Wednesday, as tax rates for MSMEs and individuals are reduced. But they also expressed some concerns that need to be addressed.

Former president of the Indian Chamber of Commerce and Industry D Balasundaram said, "Overall, it is a satisfactory budget. We are happy that the central government has reduced the corporate tax for MSMEs from 30% to 25%. We also appreciate the move to reduce the income tax on individuals in Rs 2.5 lakh to Rs 5 lakh bracket to 5% from 10%."

The Southern India Engineering Manufacturers' Association (SIEMA) welcomed the back-up action of the government by providing railway lines, roads, 100% rural electrification and reduced lending rates for housing. "The international skill development initiatives can provide availability of skilled labour force and improve global competitiveness. The presumptive income tax reduction linked with turnover will support micro enterprises for tax compliance," president of the association K K Rajan said.

SIEMA was not happy with the tax breather for MSMEs. "Though reduction in corporate tax rate will bring some relief, it is disappointing that there are no incentives for SMEs for investments and for plant expansion and machinery," Rajan said.

According to the Confederation of Indian Industries, the budget was positive and reformative. "Measures in the areas of affordable housing, agriculture, rural economy and infrastructure will further open up avenues for investment and new livelihoods. It is heartening to note that the sectors of education, skill development, healthcare as well as women have been accorded special priority," said the chairperson of CII Coimbatore zone, Nethra J S Kumar.

Tiruppur Exporters' Association president Raja M Shanmugham appreciated the allocation of Rs 2,200crore to skill labour. He said, "This would be beneficial to the Tirupur cluster as it will help the textile industry address the problem of labour shortage and improve industry's growth."

Regional chairman of Federation of Indian Exporters' Association A Sakthivel said the introduction of Trade Infrastructure Export Scheme with budget allocation of Rs 3.96lakh crore will help the Indian exporters to become globally competitive. "Today, exporters are forced to incur additional expenditure of more than 7% of their exports due to poor infrastructure," he said.

The finance minister announced 100 Indian International Centres. President of Coimbatore SIDCO Industrial Estate Manufacturers Association (COSEIMA) M V

Loganathan said that their industrial estate should be allocated one such centre covering all trades.

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Budget 2017: Govt must work towards policy rationalisation to push exports
(Source: Sangeetha G, Financial Chronicle, deccan Chronicle, February 02, 2017)

Econmic Survey finds that India's competitors enjoy better market access by way of lower tariffs in two major importing markets - US and EU.


Finance Minister Arun Jaitley. (Photo: File)

Chennai: While the Economic Survey sought to make Indian apparel, leather and footwear globally competitive, it acknowledged that the labour laws, taxes and tariffs and limited availability of cattle for slaughter are creating barriers for the sectors. The survey suggested the need to undertake rationalisation of domestic policies, which are inconsistent with global demand patterns.

In the textile sector, India's comparative advantage of cheaper labour does not seem to work in its favour due to problems like regulations on minimum overtime pay, onerous mandatory contributions that become de facto taxes for low-paid workers in small firms that result in a 45 per cent lower disposable salary, lack of flexibility in part-time work and high minimum wages in some cases. Besides, costs and time involved in getting goods from factory to destinations are greater in India than those for other countries.

In both apparel and footwear sectors, tax and tariff policies create distortions impeding India in gaining export competitiveness.

India imposes a 10 per cent tariff on man-made fibres vis- a-vis 6 per cent on cotton fibres. On the other hand, domestic taxes also favour cotton-based production rather than production based on man-made fibres, and leather footwear rather than non-leather footwear. The global demand for apparel is moving from cotton fibre products to man-made fibre and similarly footwear of non-leather, it added.

"The industry has to align itself with the global market and promote synthetic textile. The employment in the sector will double and the growth will not be at the cost of cotton textiles. While the cotton textile market too will continue to grow, synthetic textiles itself has the potential to triple the industry in next 10 years," said D K Nair, former secretary general, Confederation of Indian Textile Industry.

The survey also finds that India's competitors enjoy better market access by way of zero or at least lower tariffs in the two major importing markets – the US and European Community (EU). As far as leather sector is concerned, despite having a large cattle population, India's share of cattle leather exports is low and declining due to limited availability of cattle for slaughter in India.

The survey suggests several measures to make these sectors globally competitive and unlock their potential for creating new jobs and generating growth. It recommends that there is a need to undertake rationalisation of domestic policies, which are inconsistent with global demand patterns. "We need a fibre neutral policies and taxation structure that treats all inputs for the textile industry equally, this would benefit acceleration of the consumption of manmade fibres and also help India to capture a larger global market and share," according to Reliance Industries spokesperson.

Several measures have been initiated that form part of the package approved by the government for textiles and apparels in June 2016, the survey notes. Accordingly, textile and apparel firms will be provided a subsidy for increasing employment, but these need to be complemented by further actions.

An FTA with EU and UK in the case of apparel will offset an existing disadvantage by India's competitors- Bangladesh, Vietnam and Ethiopia. In the case of leather and footwear, the FTA might give India an advantage over competitors. In both cases, the incremental impact would be positive.

The introduction of the GST offers an opportunity to rationalise domestic indirect taxes so that they do not discriminate in the case of apparels against the production of clothing that uses man-made fibres, and in the case of footwear against the production of non-leather based footwear. Labour law reforms would encourage employment creation in these two sectors, it added.

The survey finds that India has an opportunity to push exports since rising wage levels in China has resulted in China stabilising or losing market share in these products. India is well positioned to take advantage of China's deteriorating competitiveness due to lower wage costs in most Indian states.

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PHD Chamber and Regional Textile Commissioner's office jointly organising 'Textile Exhibition cum Buyer-Seller Meet (B2B)

(Source: PHD Chamber, January 31, 2017)

PHD Chamber in association with O/o Regional Textile Commissioner, Noida, Ministry of Textiles, Government of India is organising 'Textile Exhibition cum Buyer-Seller Meet (B2B)' from 10th-12th February 2017 at Trade Facilitation Centre, Bada Lalpur, Varanasi. The Chamber expects visitors in large numbers to be present and extend their network with quality suppliers and business partners. Visitors could also avail benefits from the products on display in the Exhibition cum Buyer Seller Meet.

There is no Registration Fee for Buyers. PHD is also providing 2 night accommodation along with half day city tour of Varanasi to approved and registered buyers. However, prior registration is necessary.

Exhibition stalls are also being provided at the venue at special discounted rate of Rs.12000/- + Service Tax (for 3 days).

Those interested can get in touch with Subhashish.gaur@phdcci.in or Mob: 9711395603.

The Key features of Textile Exhibition cum B2B Meet are:

- *Suggest interventions in the Textile sector with focus on powerloom products for increasing the domestic manufacturing thereby decreasing the import burdens while looking at the export potential.*
- *3 days Exhibition cum B2B Meet*
- *Industry and Government delegations.*
- *Face to face Buyer Seller interaction and Negotiations.*
- *Creating a platform for exhibiting latest products, trends and technologies related to Textiles.*

Exhibitor benefits:

- *Focused Exhibition on Textiles*
- *One to one B2B interactions*
- *Increasing Brand Awareness*
- *Opportunity to increase market share*
- *Business networking and generation of leads*
- *Displaying of latest products*
- *Joint Venture, Collaboration and Investment Opportunities*
- *A gathering consisting of senior officials of Government of India, diplomats, CEOs and top officials from the technical textile companies from India and abroad.*

Visitor benefits:

- *Latest products and design on display.*
- *Opportunity with Quality Suppliers and business partners.*
- *Range of Varanasi Silk products on display.*
- *Face to Face interaction with manufacturers*
- *and bulk sellers.*

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GLOBAL:

BizVibe Textile and Apparel News: Ups and Downs of Emerging Textile and Apparel Markets in Africa

(Source: Business Wire, Yahoo Finance, February 02, 2017)

Market opportunities in Africa's textiles industry. (Photo: Business Wire) Multimedia Gallery URL

LONDON-- Several emerging markets in Africa have become the new popular sourcing hubs in the global textile and apparel industry in recent years – namely Ethiopia and Kenya are leading the trend. However, other nations in the region, for example Nigeria, may experience some turbulences in the sector. Details about apparel exports growth in Ethiopia and Kenya, as well as the challenges faced by Nigerian textile industry are some of this week's featured stories on BizVibe. BizVibe is the world's smartest B2B marketplace and allows users to connect with over seven million companies around the globe.

Ethiopia's textile and apparel export on rise

The total export value of Ethiopia's textile and apparel industry has had a substantial growth over the last decade, reaching USD 41 million in fiscal year 2015/16, according to the Ethiopian Textile Industry Development Institute (ETIDI). The Ethiopian government has planned to further boost exports to reach USD 1 billion by 2020.

Low labour cost, availability of raw material, and preferential trading agreements such as Africa Growth and Opportunity Act (AGOA) and Common Markets of East Africa (COMESA) are some of the main factors to fuel the sector. Many international companies such as H&M, Tesco, Gap, and Walmart etc, are now manufacturing or sourcing textile and apparel products from Ethiopia.

Kenya's textile and apparel industry gains greater share in the global market

Kenya's textile and apparel industry has earned its reparation in the global market as one of the leading emerging garment suppliers for high-volumes of bulk basis. In 2015, Kenya's total apparel exports reached USD 380 million. This figure is expected to grow by 5% in 2016 to reach USD 400 million, according to Kenya Association of Manufacturers.

Despite being a small sector comparing to apparel industries in Bangladesh or Pakistan, Kenya's textile and apparel industry has maintained a staggering double-digit growth rates in its apparel export, industrial employment and investment over the last few years.

Nigeria's textile industry faces big challenges, despite minimum wage increase

Nigeria increased the minimum wage for textile workers by 13% to Nigerian Naira 32,000 in December 2016. This wage increase enables textile workers to better face the struggles associated with Nigeria's current economic recession. However, the wage hike does not help Nigeria's textile industry to recover from downward trend.

Currently textiles smuggling, cotton shortages, unsatisfied electricity demand, and financing issues are some of the major challenges that drag Nigeria's textile industry from moving forward. You can support the Nigerian textile industry by connecting with some of the Nigerian textiles and fabrics companies listed on BizVibe.

In addition to these segments, BizVibe is also home to 50,000+ apparel and textile companies across 200+ countries, covering all sectors. The BizVibe platform allows you to discover the highest quality leads and make meaningful connections in real time. Claim your company profile for free and let the business come to you

About BizVibe : *BizVibe is home to over seven million company profiles across 700+ industries. The single minded focus of BizVibe's platform is to make networking easier. Over the years, we've searched far and wide to figure out how businesses connect and enable trade. That first interaction is usually fraught with the uncertainty of finding a potential partner vs. a potential nightmare. With this in mind, we've designed a robust set of tools to help companies generate leads, shortlist prospects, network with businesses from around the world and trade seamlessly.*

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USA : Border Adjustment and the Triple Taxation Threat

(Source: Apparel Magazine, February 01, 2017)

Apparel and footwear company executives throughout the country increasingly are focusing on the Border Adjustment Tax (BAT) provisions in a package of tax reform proposals that are pending before the U.S. House of Representatives.

If enacted, the BAT will fundamentally change the way in which apparel and footwear executives structure their businesses. Among other things, it will result in triple taxation of most clothing and shoe imports.

That's right. Triple taxation.

Let's see how this would work.

Tax #1

Going forward, these articles (except for imports under free trade agreements) will still have to pay the applicable import duty when they cross the border. The duty is assessed as a percentage of the value of the imported item. Average duties for apparel and footwear equal about 13 percent, although for some footwear the rate exceeds 65 percent. In 2015, the U.S. government collected about $14.5 billion on apparel and footwear imports, approximately 42 percent of all duties collected by the U.S. government.

Tax #2

Under the BAT proposals, companies will not be able to deduct the cost of goods sold (COGS) — a practice they can do now — from their income taxes when those costs are associated with imports. This means that the value of imported goods — the same value on which the duty is assessed — will also be taxed, but at the corporate income tax rate. This would be a new tax, but assessed on the same goods already being taxed for duty purposes. Under the proposed 20 percent rate, this new tax would generate another $22.5 billion on the $112.7 billion on clothes and shoes made offshore.

Tax #3

Denying the ability to deduct the COGS means companies will also be unable to deduct the costs associated with the import duties they pay on those goods. This means companies will be required to pay yet another tax – assessed at the corporate income tax rate – on the import duty paid on those goods. As noted before, import duties on apparel and footwear equaled $14.5 billion, so the tax on those duties (using the same 20 percent corporate income tax rate) would equal another $2.9 billion.

Taken together, apparel and footwear companies importing goods will now pay two separate taxes on the same transaction (duties at the border, and the tax on COGS), and then pay a third tax on the duty costs that are included as a COGS expense.

That's triple taxation.

So what happens with all this money that the government is now collecting? Informal estimates suggest that this proposal will generate close to $1.2 trillion in revenue over the next 10 years. This money will be used to offset (government speak that means “pay for”) the revenues the government will no longer collect because of provisions in other parts of the tax reform package, such as the decrease in overall tax rates, the exclusion of export revenue from taxation, and another provision to enable full and immediate deductions of capital expenditures.

Many in our industry have expressed concerns that this triple taxation will result in a huge increase in their tax bill — one that may even exceed their profits. Some folks tell us they will have to raise prices to survive, dramatically cut their U.S. workforce, or both.

Some economists believe such dire outcomes will not come to pass because foreign exchange rates will adjust to offset any damage. But that seems unlikely, especially when there has been no definitive correlation between exchange rates and apparel and footwear prices during the past 10 years — when we have seen volatility in both indices. Further, most purchasing contracts for shoes and clothes are already denominated in dollars, so they would be resistant to any changes in exchange rates.

Another concern focuses on how other countries may react in response to this change in U.S. tax law. If history is any guide, other countries will sue the U.S. through the World Trade Organization (WTO) for violating international trade obligations. They will claim that we are subsidizing exports, or treating imports and domestic production differently. In fact, the U.S. lost a similar case about 10 years ago. That suit compelled a change in U.S. law to avoid the imposition of punitive duties on U.S. exports.

The alternative to this would be for the U.S. government not to change its laws to come into compliance, and instead choose to weather those punitive tariffs. This is what happened a few years ago when Europe successfully imposed punitive tariffs on U.S.

exports of skinny jeans. Of course, some countries may not want to wait for the WTO and just go ahead and retaliate much sooner.

None of these scenarios seems attractive.

Like many in the business community, we are strong advocates of tax reform that will support economic growth and simplify our overly complicated tax system. But reform that triply taxes some parts of the economy — leading to job losses, stirring inflation, and exposing the economy to retaliation by other countries — doesn't seem like a good fit.

To learn more about this new proposal and to find out what you can do to help, please contact us at membership@aafaglobal.org. Additionally, AAFA will host an open-industry meeting at MAGIC on Feb. 22. More information is available here.

Stephen Lamar is executive vice president at the American Apparel & Footwear Association (AAFA), responsible for the design and execution of AAFA lobbying strategies on a series of issues covering trade, supply chains, and brand protection. In these roles, he also advises AAFA member companies on legislation and regulatory policies affecting the clothing and footwear industries.

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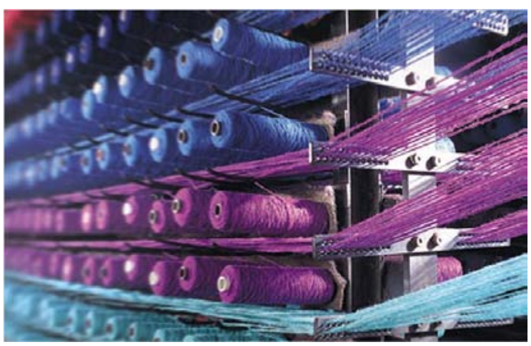
Kenya to allow textile firms in EPZ's to sell in local market
(Source: Fibre2Fashion, February 01, 2017)



Kenya is undertaking measures that include allowing textile companies in the Export Promotion Zones (EPZ's), to sell up to 20 per cent of their production in the domestic market, without paying duties. This policy is being put in place to boost local textile production, by encouraging domestic sales of textiles and meet an increasing local demand.

"We want Kenyan citizens to have access to high quality products that are sold in overseas markets, which is the reason for introducing the policy change" minister of industry, trade and cooperatives Adan Mohamed added during the launch of the progress report on textile and garment sector.

The report informs that the country's textile and clothing exports have risen to $415 million at the end of 2016.

"Domestic producers are under pressure due to the import of large volumes of second-hand clothing, which however, will reduce once there is a rise in local production," the minister observed. (AR)

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Denmark sees huge opportunity in Pakistan textile sector

(Source: YarnsandFibers News Bureau, February 01, 2017)

Danish Mission in Islamabad Deputy Head Jakob Rogild Jakobsen addressing the Pakistan Textile Exporters Association (PTEA) in Faisalabad on Tuesday said that Pakistan was a huge market, which offered excellent opportunities to Danish businessmen in various sectors, particularly the textile sector.

The two countries has been enjoying historical friendship and traditional cooperation in many fields for the last many years but more efforts were needed to further strengthen the ties by holding business-to-business meetings and exchange of trade delegations.

Though the trade volume between Pakistan and Denmark is improving, it is not depicting the real potential and could be improved further as there are huge investment opportunities in Pakistan.

Pakistan has great untapped potential, which could be well utilized by cementing relationship between the business communities of the two countries.

Speaking on the occasion, PTEA chairman Ajmal Farooq termed Denmark an important trading partner in the European Union. Both countries were the potential economies but the bilateral trade between them was negligible, which must be enhanced.

He stressed the need for frequent exchange of trade delegations, B2B interactions and establishment of display centres in both countries to further strengthen the trade ties.

He appreciated the Danish government's support to Pakistan in securing GSP Plus status and hoped for similar type of assistance and cooperation from it in future as well. He said that it is the right time to redesign the existing trade strategies to have a wider and pragmatic cooperation in trade and investment. They want to build a new relationship focused on common business interests.

As there were many significant opportunities for Pakistani and Danish businesses to create long lasting and highly valuable commercial partnerships. Pakistani textile exporters had been traditionally concentrating on European and American markets in the past and had built good reputation in home textiles.

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Fast fashion edges out older brands in US
(Source: The Straits Times, February 02, 2017)

Primark is an Irish clothing company that carries womenswear, menswear and children's apparel.PHOTO: AGENCE FRANCE-PRESSE

'Euro fast fashion' labels such as Primark and Zara are taking the United States by storm

Visitors to the newly redeveloped Kings Plaza shopping mall in Brooklyn later this year will encounter brand-new, multi-level Primark and Zara stores.

Names not on the directory? Debt-laden older brands such as J. Crew, Rue21 and True Religion.

"Euro fast fashion", featuring trendy clothing that can move from catwalks to stores in mere weeks, has taken the United States by storm and distressed speciality apparel retailers are among the biggest casualties.

Their business models and balance sheets are in tatters, especially at smaller and slower chains that jacked up debt during leveraged buyouts.

That has left them short on cash just when they need it to buy updated systems and keep their shelves constantly refreshed to keep pace with their newer, nimbler rivals. The result has been the biggest spate of restructurings and bankruptcies since the Great Recession.

"Companies that have the highest leverage are going to be the least able to address those challenges and invest the capital necessary to explore different strategies and evolve the business models," said Mr Chris Grubb, a managing director in Greenhill & Co's restructuring group, who focuses on struggling retailers.

Moody's Investors Service lists 18 retail and apparel names as "very high credit risk". That is "the highest number I can remember since certainly the recession and I don't recall us getting to that level even then," said Moody's analyst Charles O'Shea.

Besides fast fashion, traditional chains are being hurt by the quickening shift to online shopping as competitors led by Amazon.com lure away consumers with free shipping and the convenience of buying from their sofas.

Younger shoppers have gravitated towards fast fashion brands not only because they are more affordable, but also because they are able to quickly capture the latest looks and make them available in a fraction of the time traditional merchants need.

Lower prices also mean customers of these brands, sometimes referred to as disposable fashion, have come to expect an ever-changing assortment.

The competition exacerbates the crunch at companies such as J. Crew Group as they scrounge for cash to respond. The most immediate risk is for chains that are smaller, highly levered and often private-equity-owned, Greenhill's Mr Grubb said.

J. Crew, Claire's Stores, Gymboree, Rue21 and True Religion Apparel, the five most troubled companies on S&P's list of retailers on negative outlook, all fit that profile with credit ratings deep in junk territory.

Some have sought breaks from creditors such as debt swops and extended loans or hired financial and legal advisers for restructurings.

J. Crew, backed by private-equity sponsors TPG Capital and Leonard Green & Partners after a 2011 buyout, added two directors with restructuring expertise to the board last month as the value of its US$1.5 billion (S$2.1 billion) term loan was sinking towards US$0.55 cents on the dollar.

High leverage is also squeezing chains less affected by fast fashion. Claire's, bought by Apollo Global Management in 2007, has repeatedly squared off with creditors over new terms, and Gymboree, labouring under debt from its Bain Capital buyout in 2010, has said it is looking into refinancing or repurchasing senior notes.

Fast fashion is an expensive proposition for traditional speciality merchants, who are often lagging behind on replacing stale inventory or are sacrificing merchandise quality, S&P's analysts said. "A lot of them are hamstrung by their supply chains," S&P's Mr Robert Schultz said. "Even high-end brands are going into fast fashion."

Less-indebted apparel names, while still facing the same secular pressures, are better equipped to adapt. American Eagle Outfitters Inc, for example, managed to keep last year's revenue growing through Oct 29. The teen fashion merchandiser has virtually no debt, with just US$8 million drawn on a US$400 million revolver.

Speciality apparel should not expect a break anytime soon. Holiday retail sales increased 4 per cent last year to US$658 billion, according to the National Retail Federation, with online sales growing faster than forecast at 12.6 per cent. Department stores are struggling to face the changing industry too, with Sears Holdings Corp, Bon-Ton Stores and Neiman Marcus all on the S&P list of highest-risk companies with negative outlooks.

Many of the chains are closing stores to cope with sluggish mall traffic, with Sears planning to shutter another 150 locations.

Malls may also come under pressure as closing retailers leave them with empty storefronts and broken leases. More than 10 per cent of US retail space or nearly 1 billion sq ft, may need to be closed, converted to other uses or renegotiated for lower rent in the coming years, according to data provided to Bloomberg by CoStar Group.

Trade policy reform under US President Donald Trump's new administration could cause further pain by making it more expensive to import apparel, Bloomberg Intelligence analyst Poonam Goyal wrote in a report this week.

More than 90 per cent of apparel bought in the US is produced abroad and additional import costs could hurt retailers' margins, according to the report.

The larger companies may be able to survive longer as their size and balance sheets afford them more flexibility, but they will have to face the changing times too, said Greenhill's Mr Grubb.

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Expert Opinion : Moscow region to become centre of Russian technical textiles production

(Source: Eugene Gerden, Innovations in Textiles, February 01, 2017)

The Moscow region is expected to become one of the centres of the Russian technical textiles and nonwovens production during the next several years, due to the ever improving investment climate and the increase in state support, according to leading Russian analysts and technical textiles producers.

In recent years, the development of technical textiles industry has become one of the priorities for the Moscow city government. This is confirmed by the statements of local officials. According to an official spokesman of the department of economic policy and development of Moscow, last year more than 30 local technical textiles and nonwovens producers received support from the Moscow city government, and there is a possibility that the same policy will be implemented this year.

The provided support is mostly in the form of tax incentives and benefits. According to the Moscow city government, it means that tax burden against some local producers of technical textiles and nonwovens, which production facilities are located within the territory of the city, was reduced by 17-25%.

It is planned that this year another 28 companies, specialising in the technical textiles and nonwovens production, will receive the support from the Moscow authorities.

According to Maxim Reshetnikov, head of the Moscow Department of Economic Policy and Development, the development of technical textiles industry in recent years has become a priority not only for the Russian federal government, but also for the Moscow regional authorities, which is reflected in the design of benefit packages, aimed at producers.

As part of these plans, Moscow authorities plan to establish up to 10 technology parks and technopolises that will provide tax- and other benefits to their residents, as well as reduced rents and consultation services, while the priority will be given to the domestic producers.

At the same time, the list of the proposed benefits also includes the abolishment of income tax, property tax, land tax, as well as the reduction of land rent.

It is reported that R&D support in the implementation of these plans will be provided by the Moscow State University, one of Russia's largest and most prestigious higher education institutions, which has recently announced its plans to invest in R&D activities in the field of nonwovens and technical textiles.

Currently, the Moscow technical textiles industry is comprised of several large-scale enterprises, probably the biggest of which is Thermopol, one of Russia's leading producers of nonwovens.

Implementation of these plans will be part of the existing regional programme, which is known as The support the real economy for import substitution within the territory of Moscow city and the Moscow region, and which was launched by the Moscow city government in the beginning of last year, with the aim to ensure import substitution.

In exchange of support provision, investors in turn will be obliged to make commitments to invest at least 1 billion rubles (US$ 15 million) in the implementation of their projects within the territory of the Moscow city and the Moscow region during the next five years.

It is planned that the majority of future production will be supplied for the needs of the local market, as Moscow still remains the largest consumer of technical textiles and nonwovens products in Russia.

According to analysts of the Moscow Department of Economic Policy and Development, the consumption of technical textiles in the Moscow region will be steadily growing in coming years, due to the ongoing recovery of the Russian economy from the consequences of the financial crisis and the growth of demand for technical textiles from the major consuming industries, in particular, defence, which, according to predictions of analysts of the Russian Ministry of Industry and Trade, will consume up to 60% of the domestic technical textiles production in the coming years.

Still, despite Moscow being Russia's richest region (in terms of purchasing power of local consumers) to date, rapid development of the local technical textiles industry has been challenged by serious obstacles.

According to the Department of Economic Policy and Development, the industry requires long-term investments, primarily in fixed assets, while the provision of state support will help to solve this problem.

At the same time, the lack of inter-city distribution network for raw materials, semi-finished and finished products to date has been another problem, which complicated the development of the Moscow technical textiles industry.

In the meantime, leading Russian technical textiles producers have already welcomed the plans of the Moscow city government to create conditions for the development of the city's industry.

According to Andrei Razbrodin, head of the Russian Union of Textile and Light Industry Producers (Soyzlegprom), a public association, which unites Russia's leading textile and technical textiles producers, in recent years leading Russian producers have managed to keep the same production volumes as in the past, despite the financial crisis and its consequences in Russia; however, they were not able to achieve any growth.

According to Soyzlegprom, the decision of the Moscow city government to provide significant benefits to those producers, which are willing to make significant investments in the city's technical textiles industry, should significantly improve the situation in the entire Russian technical textiles industry and will provide an impetus for its further growth.

Analysts believe that Moscow could become one of the centres of the Russian technical textiles and nonwovens production in the coming years and to overtake Tatarstan Republic, as well as some other regions in the Russian Ural and Siberia, which are characterised by rich raw materials base.

This should also help to implement ambitious state plans to increase the share of domestically-made technical textile products from the current 25% to about 60% of the market.

Eugene Gerden is an international free-lance writer, who specializes in covering global technical textile and non-wovens industry. He worked for several industry titles and can be reached at gerden.eug@gmail.com.

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Latest Report on Top 10 Fabrics by MarketsandMarkets

PR Newswire

(Source: PR Newswire, Yahoo Finance, February 01, 2017)

PUNE : The report "Top 10 Fabrics Market (Antimicrobial Textiles, Coated Fabrics, Fire Resistant Fabrics, Non- Woven Fabrics/Textiles, Performance Fabrics, Polymer Coated Fabrics, Protective Fabrics, PTFE Fabrics, Smart Textile, and Technical Textile) - Global Forecast to 2021", published by MarketsandMarkets, The report study covers the top 10 fabrics markets which have high growth prospects during the forecast period.

Browse 71 market data Tables and 53 Figures spread through 202 Pages and in-depth TOCon "Top 10 Fabrics Market"

Early buyers will receive 10% customization on this report.

The key markets covered in this report include non-woven fabrics/non-woven textiles, technical textiles, performance fabrics, coated fabrics, polymer coated fabrics, protective fabrics, fire-resistant fabrics, PTFE fabrics, smart textiles, and antimicrobial textiles.

Technical textiles market is projected to grow at a CAGR of 5.2% during the forecast period

Technical textiles accounted for the largest market share among the Top 10 Fabrics Market and is projected to grow at a CAGR of 5.2% from 2016 to 2021, in terms of value.

Increasing adaptability of new products have influenced traditional manufacturing to escalate the pace of innovation, and upgrade the traditional fibers by contributing to the technical developments in textiles. The Asia-Pacific region led the global technical textiles market in 2015. This is mainly due to advancements in technologies and the increasing demand from the automobile, healthcare, aerospace, agriculture, and other industries.

Performance fabrics is projected to grow at a CAGR of 4.8% during the forecast period

Performance fabrics are fabrics that are engineered for a wide variety of uses, where performance of the fabric is the major parameter, and can be used for defense, industrial safety, sports & adventure gear, and automotive & aerospace applications, among others. The growing awareness of personal hygiene and an increasing consciousness regarding physical fitness along with the demand for better performing fabrics for defense and industrial applications are the major drivers in the market. The global performance fabrics market size is estimated to be valued at USD 65,523.57 million in 2016 and is expected to grow at a CAGR of 4.21% from 2016 to 2021.

Non-woven fabrics/textiles is projected to grow at a CAGR of 7.9% during the forecast period

Non-woven fabrics/textiles are largely used in industries such as, hygiene, medical, automobile, and construction. The introduction of products with reduced costs for usage in highly cost-sensitive hospitals and the availability of modern health care are driving the consumption of non-woven fabrics/non-woven textiles. The global market size of non-woven fabrics is projected to reach USD 51,468.5 billion by 2021, at a CAGR of 7.87% from 2016 to 2021.

Key players profiled in the report include, E. I. du Pont de Nemours and Company (U.S.), Koninklijke Ten Cate nv (Netherlands), W. L. Gore & Associates, Inc. (U.S.), Low & Bonar plc (U.K.), Teijin Limited (Japan), Saint-Gobain S.A. (France), BASF SE (Germany), Kimberly-Clarke Corporation (U.S.), 3M Company (U.S.), and Gentherm Incorporated (U.S.)

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Men's jeans could be the biggest retail casualty of a trade war with Mexico

(Source: Courtney Reagan | Sabrina Korber, CNBC, February 01, 2017)

Jonathan Tobin | Getty Images - Jeans being manufactured in Mexico.

Co-dependency isn't so healthy in a human relationship, but in international trade, it's worked well for the U.S. and Mexico for textiles and some apparel.

The North American Free Trade Agreement paved the way for the partnership as the industry took advantage of each nation's strengths. According to the American Apparel & Footwear Association, the U.S. has great textile mills for making fabrics, yarns and other inputs, while Mexico is better at cutting and sewing. This means American textiles are sent to Mexico to be finished and then sent back to the U.S., duty-free, to be sold to consumers.

But now industry experts fear that relationship is being threatened by some of President Donald Trump's proposals.

During the first presidential debate, Trump called NAFTA "the single worst trade deal ever approved in this country," and in his first week in office, he's been exploring renegotiating or ending it.

That led to a bumpy beginning as Mexico President Enrique Pena Nieto canceled his planned in-person trip to talk to Trump. Later, the two spoke on the phone for about an hour.

US textile jobs at risk

While Trump has said NAFTA has cost the United States jobs, more than 64,000 textile workers, largely in North and South Carolina and Georgia, are dependent on the current textile and apparel trade with Mexico.

Nate Herman, senior vice president of supply chain at the apparel association, warned that changing NAFTA would cost tens of thousands of American textile manufacturing jobs.

"Not only would a change in policy put their jobs in jeopardy, but it could also be disastrous for the supply chain, potentially impacting jobs in other sectors, as well as result in higher costs for American consumers," Herman said.

Rules of origin on apparel and textile are complicated since it's not uncommon for textiles to originate in one place and be cut in another and sewn in another, said David French, senior vice president for government relations at the National Retail Federation, the retail industry's trade group.

French said the most important factor to consider when looking at U.S. trade with Mexico in retail is the cost and skill of labor. Apparel construction is fairly labor intensive and requires a certain skillset, the cost of which, is lower in Mexico and Central America, though not as low as elsewhere.

One apparel category dependent on Mexico

Within the apparel sector, the category most dependent on Mexico is men's and boys' jeans. Mexico is the largest supplier of male jeans to the U.S., responsible for 40 percent of those sold in the U.S., Herman said.

So a change in NAFTA that makes trade with Mexico less favorable, or damages the co-dependent relationship with the textile workers in the U.S., could be detrimental for the price of men's and boys' jeans at your favorite retailer.

Levi Strauss & Co. sources its products from 25 countries, including Mexico. The denim brand declined to say how much it sources from Mexico, but SEC filings detail no single country accounted for more than 15 percent of its sourcing in 2016. A company spokesperson said Levi Strauss is "watching the policy developments around NAFTA and others closely, but it's too early to comment on the speculation about potential future policies."

VF Corp., which owns jean brands include Wrangler, Lee and Rock & Republic, did not return CNBC's request for comment.

Retail-related trade with Mexico

Mexico isn't the United States' biggest trade partner when it comes to retail. China is far bigger.

Seventeen retail-related categories make up about 15 percent of the U.S. trade deficit with Mexico, or nearly $9 billion worth, according to data compiled by the Commerce Department through November.

In 1993, the year before NAFTA went into effect, the U.S. trade deficit with Mexico in those retail-related categories was just $318 million of a $1.6 billion total trade surplus.

Comparing retail trade between the U.S. and Mexico to retail trade between the U.S. and China, the numbers are much more significant. As of November, those 17 retail categories now account for $81 billion of a $319 billion trade deficit with China.

Looking at a narrower view, with just the apparel and textile industry and excluding footwear, the U.S. has a trade surplus of $321 million with Mexico. Currently, Mexico is the United States' sixth-largest supplier of footwear by volume, or 0.8 percent of all footwear imports, and the eighth-largest supplier of apparel, or 3.3 percent of all apparel imports.

Courtney Reagan, CNBC Retail Reporter

Sabrina Korber, CNBC Producer

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Target announces US$5m textile chemicals strategy
(Source: Brett Mathews, Ecotextile News, February 01, 2017)

MINNEAPOLIS - US apparel retailer Target Corp is introducing a new green chemistry policy aimed at removing harmful chemicals used in its textiles products, with the retailer set to ensure suppliers disclose ingredients in certain products it sells by 2020. Target says it will invest US$5 million in "green chemistry" over the next five years in a drive to reduce or eliminate hazardous substances in the chemicals used in its products. Among the substances being targeted are perfluorinated chemicals and potentially carcinogenic flame retardants.

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Melco unveils new embroidery machine with higher efficiency

(Source: Fibre2Fashion, February 01, 2017)

Melco has launched EMT16 Plus, an upgrade of its embroidery machine technology, EMT16, with enhanced processing power, which also comes with a six year limited warranty. In case of multi head configurations, EMT16 Plus outperforms conventional multi heads by as much as 50 per cent, as in case of any issue, each head can be started and stopped independently.

According to Melco, this feature is not available in conventional multi head embroidery machines, as when one of the embroidery heads must be stopped to change a bobbin or correct some other issue, production halts on the other three heads as well, because they can only operate unison.

"While in the EMT16 Plus, each head can be started and stopped independently of the others, creating a highly efficient production environment," the company stated.

In the new technology, thread feed is controlled with Acti-Feed technology, Melco's patented thread control system, in which thread feed, is automatically monitored and adjusted and there are no manual tension knobs to adjust. (AR)

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Canada's apparel and textile sourcing show announces major expansion

(Source: Innovations in Textiles, February 01, 2017)

The apparel and textile industry in Canada is alive and thriving, according to organisers of Canada's largest apparel and textile sourcing show, Apparel Textile Sourcing Canada (ATSC), which successfully debuted in Toronto in August 2016, with more than 200 booths of merchandise and in excess of 1,800 attendees.

With Canadian imports of clothing, textile and footwear reaching an all-time high in 2016 of CAD$ 2.1 billion, ATSC has announced that it has secured a 50% increase in exhibit space at Toronto's International Centre for this year's show, which will be held from 21-23 August 2017.

According to show organisers, the decision to expand was driven by positive exhibitor and visitor feedback, strong attendance and a renewed commitment from international manufacturers and industry partners, such as the Canadian Apparel Federation, TESTEX, WRAP, Brands for Canada, and Fashion Business Inc.

Online b2b platform

Produced by JP Communications, North America's leading publisher of business to business trade platforms TopTenWholesale.com and Manufacturer.com, the apparel, textile and fashion event is the first of its kind in Canada.

It is also the first Canadian trade show to be launched by an online b2b trade platform, which "fuelled the massive and engaged databases of TopTenWholesale.com and Manufacturer.com to help deliver a hugely successful event," said Jason Prescott, CEO of JP Communications.

Connecting with international suppliers

ATSC was introduced to provide Canadian businesses with the convenience of connecting with international suppliers on their home turf, Prescott explained. "Now, Canadian companies have the luxury of staying local and avoiding expensive and unnecessary international travel," he said. "The event connects Canada to the world of global trade, all in Toronto."
A comprehensive trade show and conference, ATSC 2017 will bring to Canada hundreds of apparel and textile manufacturers from around the world, including China, India, Bangladesh, Pakistan, the US, the UK, Mexico, Colombia, Peru and more. Through an impressive platform of seminars and sessions, attendees can make global industry connections, and gain the insights needed to navigate the international sourcing process.

Trends showcase

New for 2017 will be a leading-edge trends showcase featuring the latest and greatest in apparel and textiles and a high-profile roster of international speakers. A fashion show and design contest will also be held, featuring items available to be sourced at the event, as well as fashions from local designers and students from many of the Toronto-based fashion schools partnering with the event for the second-consecutive year.

"The Canadian market presents sizable investment opportunities for producers worldwide," Prescott said, citing reports that show the country's annual population growth holding steady at about 1% or more than 339,000 people and Ontario's population alone projected to grow by 30.1%, or almost 4.2 million for a total of more than 17.9 million, over the next 26 years.

Support

ATSC is supported by many international governmental associations headed by the China Chamber of Commerce for Import and Export of Textile and Apparel (CCCT) and the Bangladesh High Commission, led by Dewan Mahmud, First Secretary (Commercial) at Bangladesh High Commission.

According to Jiang Hui, Chairman of CCCT, the success of the premier edition of ATSC has given his organisation "strong confidence" to bring an increased number of high-quality Chinese producers to the show in 2017. "The growth of the Canadian market and its unique business opportunities are attractive to Chinese manufacturers," he said.

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