

EXTRACT

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Are UK Garment Brands Being Illegally Registered in China?

DATE: 2012-05-04

An investigation by the Daily Telegraph has uncovered a startling new practice in China: the Chinese are registering UK High Street brand names as their own in the world's fastest growing economy. According to the findings, stalwarts of retail including Sainsbury's and John Lewis have had their names registered in China, which poses a host of potential problems should the companies ever actually want to expand into the country.

The Hangzhou Buluna Garment & Accessories company officially owns the "Sainsbury's" name in China, and when contacted by the Daily Telegraph they declined to comment. The UK retail chain has also refused to be drawn into a discussion about third parties registering its trademark, but went so far as to say that it had begun to register its trademarks in China several years ago to support growth.

In terms of supermarket names, it is not just Sainsbury's that has been registered to individuals in China. The 'Asda' brand name has been registered to a man named Liu Mingxi in the southern city of Shenzhen. He now has the right to produce garments, shoes and belts under the supermarket's brand name until 2018.

Waitrose and John Lewis are also registered to the Li Can International Investment company, and Dixons is also owned by the Shenzhen Basicom Electronics company, making 10 million mobile phones every year. Dixons had no comment for the Daily Telegraph, but John Lewis said that they constantly keep their trademark and brand protection strategies under review.

It may be that UK companies believe they have protected themselves from theft of trademarks, however, a lot of Chinese laws allow greater leeway on such issues. In the US, Canada and the UK, the rights to a brand depend on use and whether there might be confusion if another company starts

Source: China Textile Network Company

to use the same name. In China, however, the European system is used, in which whoever registers the brand first owns it.

Apple is currently stuck in court with Proview, a company in Shenzhen, arguing the rights to its “iPad” brand. It seems that iPads have already been taken off the shelves in some Chinese cities, and it is predicted that Apple will have to pay a large sum to settle the case – Proview has reportedly issued a demand for \$1.6 billion.

Confusion may have arisen because UK businesses are unsure of Chinese trademark laws. “Too many companies were told not to bother registering their trademarks because China does not enforce its laws,” said Dan Harris, a lawyer at Harris & Moure, an American firm specialising in China. “Many others were told nothing at all.”

In reality, based on the report by the Daily Telegraph, China strictly enforces its trademarks, but leans in favour of the company or individual who has registered them first. Chinese courts also have a history of being prejudiced against brands which have been registered by another party in “bad faith”. Mr. Harris said that “The cheapest and easiest thing to do [if your brand has been hijacked] is to set up in China under a new brand. When you call up the Chinese party, they think they have won the lottery. They ask for a million dollars. We never call up, because if it comes from an American law firm the price is two million”.

It has also become the case that the brand names of things such as ITV’s The X Factor and BBC’s Strictly Come Dancing are now owned by individuals in China. A spokesman for the BBC said that the corporation was not aware of the Chinese registration of Strictly Come Dancing.

With company names such as Sainsbury’s and Asda being registered in China already, other UK and US companies and retail chains should be on their guard. Failure to register trademarks in China now, may become a costly mistake later.

Source: CNTEX

Exhibition Special: Asia Apparel Expo set for Berlin

DATE: 2012-05-03

It was recently announced that the second Asia Apparel Expo Berlin will open from Feb 19 to 21, 2013 at the Messe Berlin exhibition grounds in the German capital and will last for three days.



Following its successful launch in February this year, the dedicated garment and clothing accessory sourcing expo is aimed at helping European companies look for new Asian apparel manufacturers and suppliers.

This year’s expo attracted more than 170 experienced Asian manufacturers coming from the Chinese mainland, Hong Kong, Macau, India, Indonesia and Bangladesh. They showed a wide selection of goods to the 1,600 European buyers, who were impressed with the quality and competence of both design and production capability that was on show.

Asia has long been the center for apparel manufacturing, while Europe still remains the heart of fashion and design.

In addition to well-established and export-driven companies from Hong Kong and the Chinese mainland, the exhibition this year was also supported by 28 companies from the India-based Apparel Export Promotion Council as well as 11 member companies organized through the Export Promotion Bureau of Bangladesh.

The 2013 expo will bring to Berlin a wide range of products from more than 200 Asian manufacturers located in some of the world's major clothing production bases.

The exhibits in 2013 will include daily wear for men, women and children as well as sportswear, lingerie and swimwear, denim and industrial clothing. Materials, such as fabrics, embellishments, laces, trims, buttons, zips, labels and other apparel accessories, will also be on display.

The organizers of the event said that Asian countries have developed robust markets as well as large manufacturing bases over the past 25 years.

The 2013 Asia Apparel Expo will "offer a convenient Asian sourcing marketplace to the brand manufacturers, trading companies, wholesalers, multiple retailers, chain stores, department agents, designers, private label and buying offices, right in the heart of Europe in Berlin", organizers said.

They also said the show "derives its global flavor from the presence of participants from different countries, including Spain, Britain and France". And it is expected to "draw in a large contingent of well-targeted visitors on a regular basis".

The venue of the expo, the Messe Berlin, is home to a number of best-known trade shows in that country. It is a fairground of 26 interlinked exhibition halls, covering a display area of altogether 160,000 square meters.

Source: CNTEX

Magic apparel show to add home textiles

DATE: 2012-05-03

Las Vegas - Sourcing at Magic - the showcase for more than 800 apparel, accessories and footwear resources that runs in tandem with the formidable Magic apparel show here - will add a dedicated home textiles area this summer.

Sourcing at Magic Home is being developed in tandem with the China Foreign Trade Guanzghou Exhibition General Corp (CFTE), one of China's chief exhibition organizations.

The show will take place Aug. 20-23 at the Las Vegas Convention Center.

"Sourcing at Magic Home builds on the sourcing expertise of Magic and will showcase both the broad base of Chinese manufacturers CFTE brings, as well as contract and original design manufacturers, component suppliers, and service providers from the global home textiles community as a whole," said Karalynn Sprouse, vp of Sourcing at Magic.

The home textiles division will also include exhibitors from the U.S., China, Bangladesh and India, she said. Products on offer will encompass fabrics, materials and components for home application (bed, bath and kitchen linens, towels, window treatments, rugs and accessories).

Deying Li, general manager of CFTE who has worked for China's Canton Fair for more than 20 years, said: "Canton Fair is China's biggest trade fair, and Magic is the largest, most well-known

fashion tradeshow in the U.S. So for us, and we believe for attendees, Sourcing at Magic Home is the perfect marriage."

The Sourcing at Magic show draws more than 10,000 attendees.

Source: CNTEX

China may prefer cotton from US, Bangladesh instead of India

DATE: 2012-05-03

Beijing: China, the biggest importer of Indian cotton may look to buy the commodity from US and Bangladesh due to recent decision by India to first ban its exports and later reverse it.

"China is traditionally India's biggest buyer of cotton. The changeable policies impacted China's enthusiasm to purchase cotton from India. Besides, cotton from the US is a good alternative to India's supply," Chen Jing, an analyst with CITICS Futures Company said.

"The opening of exports of cotton from India will add to the already ample supplies in the cotton market and push down prices in the international market," he told state run Global Times.

The decision by Indian government to ban cotton exports last month came as a surprise as cotton yarn and fabric exports to China amounted to USD 3.1 billion last year.

The ban was subsequently reversed.

On March 31, China suspended its cotton purchases from the international market.

The country had begun a programme of buying cotton last September in order to replenish government reserves, and also to stabilise domestic farm prices and hedge against price volatility.

In April, China resumed buying cotton from the US by purchasing 90,964 bales, which was 63 percent of the 1,44,805 bales sold to all foreign buyers in the week ending April 19, according to data from the US Department of Agriculture.

"China will continue to buy cotton from the international market since the global price is lower than the domestic one.

"The US and Bangladesh are likely to be the priority suppliers due to their steady supply and stable policies," Hu Biliang, an agriculture researcher with the Chinese Academy of Social Sciences, said.

"China's demand for cotton is expected to decline in the next few months given the dramatic drop in exports of textile products recently," he said.

Source: CNTEX

Bamboo bends towards sustainable industry

DATE: 2012-05-03

Quick growing bamboo could become a sustainable industry for building materials and even fibres for the garment industry, according to the organiser of the Bamboo Green Growth and Carbon Finance Conference that took place at Raffles Hotel last week.

Source: China Textile Network Company

Organiser Eric Mousset, who also serves as president of the French Cambodian Chamber of Commerce, said that combined with newly developed environment-friendly glue, bamboo can be pressed and glued into beautiful wood flooring, for which an increasing demand could be seen worldwide.

“There are technologies and methodologies to play around with, different types of glue, and it is quite a versatile product. The good news is that the glues in recent years there has been research and development carried out. Now we have glues that are biodegradable and environment friendly. The entirety of the value chain is sustainable from environmental quality.

“The next step is to develop the industry at a national level, and the way is to implement some bamboo transformation factories to produce beams and boards with special glues that create a product that is harder than the hardest timber.”

Mousset says having bamboo as a substitute for timber makes sense because bamboo flooring is actually a superior product that people are choosing worldwide in greater numbers.

“Now you also have to consider export potential because there is a growing global demand for bamboo products especially bamboo flooring. This is because of growing number of customers who are environmentally minded worldwide.”

In order to think of Cambodia as an exporter of bamboo products, the example of China is considered.

“It is reasonable to consider Cambodia as an exporter in that market. To get there would mean that the Cambodia bamboo industry would have to reach the similar productivity levels as China. China holds close to 70 per cent of global bamboo market. China has been able to optimise their value chains. Bamboo factories in China are able to use every single part of bamboo,” Mousset said.

While most of the bamboo used in Cambodia and elsewhere in rural Asia is split by hand and beaten flat to make floors for houses, fish traps and other products, Mousset said it would be possible to invest in the development of machines to split the bamboo as a Cambodian industry.

“The Chinese bamboo value chains are entirely optimised, and it will take a few years for a country like Cambodia that starts from scratch to attain similar productivity levels. But, demand is growing worldwide.”

Mousset said the bamboo industry is a possibility for carbon finance to combat global warming because bamboo is a member of the grass family of plants, not trees.

“It is been proven that a hectare of bamboo forest will absorb a significantly higher level of carbon emissions than woods or trees. That is one reason why bamboo farming should be more attractive to carbon finance than the trees. The second good property of bamboo is that it regrows very quickly. For construction applications, you have to wait five years for cellular density of bamboo, but five years is still very quick compared to wood,” he said.

“Bamboo is not a tree, it is a grass, and therefore escapes the definition of forestry for many ministries. Another goal is to raise awareness about the many potentials of bamboo. There is another nice property to bamboo which is stabilising and replenishing degraded land.”

A year and a half ago, Mousset appointed a professor from China named Lou Yiping, who is a member of the International Network for Bamboo and Rattan (INBAR), to conduct a feasibility study here in Cambodia.

Dr Lou Yiping is world expert on the bamboo value chain.

He presented concept notes on the Cancun Climate Change Conference in November, 2010. That's one of the reasons Mousset was asked to organise the bamboo conference in Phnom Penh last week.

The sponsors included Beijing-based Administrative Centre of China Agenda 21 (ACCA21), the Beijing-based French Development Agency (AFD) and the French Global Environment Facility.

"Another supporter was IISR, International Institute for Scientific Research, a local think tank, and they were instrumental in liaising with the ministry of environment," Mousset said.

"The purpose of the workshop was to exchange experience on bamboo development projects especially from a policy and regulation perspective. We wanted to find out how we could amend local and global regulations to make them become favourable to bamboo products."

There's a United Nations programme called UN-REDD which stands for The United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries that channels carbon finance for reforestation.

"This does not include bamboo and we'd like to make it include bamboo," Mousset said. Another use is bamboo chips to create bamboo charcoal to create renewable energy.

More than 50 people attended the conference at Raffles in Phnom Penh last Thursday and Friday, Secretary of State for the Ministry of the Environment Khong Sam Nuon.

People came from China, Vietnam, India, Germany and France to attend the conference.

Mousset said that since the textile industry is so important for Cambodia and because Cambodia has to import all the fabric, the manufacture of bamboo fibre clothing would be ideal.

"This economy relies on the textile industries. Imagine if the local garment industry was able to source some of its inputs from within the Cambodian boundaries. This would result in higher value for the domestic economy."

Bamboo fibres have more absorbency than cotton, but the drawback is, the acid used in the fibre process is not environmentally friendly, Mousset said.

Source: CNTEX

Saudi Arabia: China's decision to stop producing fake brands boon or bane?

DATE: 2012-05-02

JEDDAH: Chinese Premier Wen Jiabao promised to stop the manufacturing of fake products of reputable world brands in his speech to the leaders of German firms at the recent international industrial exhibition in Hanover, Germany.

The decision, if implemented, is expected to adversely impact the Saudi market, especially when Saudi imports have increased since the nation joined the World Trade Organization (WTO) in December 2005.

As Saudi Arabia is the world's largest producer and exporter of petroleum products, its trade remains heavily dependent on oil and petroleum-related industries, including petrochemicals and petroleum refining. It does not produce consumer goods like textiles, clothing and accessories. Saudi traders are therefore forced to import goods of international brands. These brands are generally believed to be of two types - original and fake or counterfeit. The original items of well-known world brands cost high, while the fake ones coming from China cost less, according to traders.

Experts and economists say that stopping the manufacturing of fake products of international brands will have its negative impact on the Saudi market.

Mohammed Shams, head of an economic consultancy, says that China is defying WTO's requirements in order to earn profits. "China has a special strategy and environment that allows it to manufacture products of low quality at low prices. China is able to do that because of low labor costs, low taxes on products and factories, and the cost of raw materials is also low," he told Arab News.

"Management systems and rules also facilitate the establishment of factories in China. On the other hand, banks give loans to encourage small and medium enterprises as well as local investments."

Such a Chinese measure will affect the Saudi economy at a time when it is estimated that Saudi Arabia's trade with China could exceed \$60 billion by 2015, given that the target of \$40 billion by 2010 was reached in 2008. During 2003-2008, the Saudi-China trade registered annual growth rates of 30 to 50 percent. China exports textiles, and mechanical and electrical products to Saudi Arabia, and imports oil.

He added: "Saudi market will not be able to fill the gap in the demand and supply if fake products stop coming in, as the Kingdom does not produce consumer goods like textiles, clothes, accessories, and electronic products. Actually, the dumping strategy that China always follows with countries is absent in the Kingdom due to the Kingdom's low productivity in the matter of consumer goods."

According to Shams, 90 percent of Saudi citizens prefer to buy fake brands that are made in China because of the price advantage.

"Under such circumstances, Saudi businessmen should start creating local brands with good features and at low prices. Unfortunately, this will not happen in the Saudi market for several reasons. For example, the labor cost is high, raw materials are costly, and there are no incentives to facilitate the establishment of factories for manufacturing consumer goods. Furthermore, Saudi businessmen prefer trading rather than manufacturing, as trading gives faster returns," he said.

He added, "I would rather advice the chambers of commerce and industry to start searching ways to facilitate factory openings, and to encourage business to take the risk and start making Saudi products that could compete with brands."

According to Shams, if the Saudi industrial market grows, the rate of unemployment and inflation can fall.

Turki Fada'aq, head of research at Al Bilad Investment, confirmed that such steps would affect the Chinese products positively, but it will affect the Saudi customer negatively.

"Saudi customers find fake products the perfect solution to show off with low cost. When China stops the manufacturing of such products, many Saudi small shops will shut down, as customers will

not find products to buy. However, such a step will also affect the citizens financially, as they will be forced to buy expensively brands," he said.

He added, "The supply-demand gap in the market can be filled by Saudi businessmen when they start manufacturing local products with acceptable standards and prices," he said.

Source: Arab News via CNTEX

Chance for Indian denim fabric makers as costs shoot up in China

DATE: 2012-05-02

AHMEDABAD: Indian denim fabric makers like Arvind Ltd, Aarvee Denims & Exports Ltd, and Soma Textiles are running full steam to fulfill orders that are getting diverted from China owing to price competitiveness. India emerged as a preferred sourcing destination after labour costs in China went up and Yuan became stronger in late 2011.

"Chinese fabric costs 10-15 cents more than India's now. Buyers are more than happy to come to India," says Ashish Shah, MD, Aarvee Denims and Exports Ltd. Denim fabric produced out of Chinese factories now costs \$2.60-2.65 against India's \$2.50 per metre. China is no more competitive and hence, India becomes lucrative for international buyers. Aarvee is running its 84 mm capacity denim plant full steam.

"Even if India is able to get 5% of China's business, it will be a big leap for the industry," Shah says. The company has had in the recent past attended to clients like VF Corporation and Walmart and exports to converters in Latin America, Egypt, Sri Lanka and Bangladesh.

With Bangladesh turning a top apparel destination for European and American brands, India will have to fulfill increasing number of orders for denim fabric that would get stitched in Bangladesh, adds PR Roy, director fibre2fashion.com.

European brand S Oliver, for instance, has diverted its China orders to Bangladesh. "This has converted to substantial increased business for us (fabric for majority of the garments stiched in Bangladesh is sourced from India)," says Subir Mukherjee, head (marketing and commercial) at Arvind whose clients include walmart, GAP, Levis. Arvind Ltd is going full steam production on its 110 mm capacity since March.

China, India and Pakistan/Turkey are the largest manufacturers of denim fabric worldwide. China used to produce 3 billion metres until near future. Its current production stands at 1.5 bn-m. India on the other hand, stands on a milestone of achieveing a capacity of 1 billion in 2013. Turkey and Pakistan produce about 500 million each.

Denim tracker Sandeep Agarwal says China has by far dominated the global denim marketplace, exporting 50% of its 1.5 billion metre denim produced. India that so far exported 20% of its near 800 million metre production, would now see China's part of business come to it.

"India is suddenly in the global platform by default. Now that it has become price competitive, buyers will find it more lucrative than China," notes Rajiv Dayal, MD of Mafatlal Denim. Raymong UCO Denim Pvt Ltd did not see any order getting diverted from China.

Its Group CEO SK Gupta said Bangladesh and Pakistan would have benefitted from China's problems rather that India. Sharad Jaipuria, CMD of Ginni International Ltd, who heads the Denim

Manufacturers Association added that with Pakistan costing 20 cents cheaper than India, buyers would look at Pakistan for sourcing denim fabrics.

Although Pakistan would be as competitive as India, geopolitical instability in the region keeps off buyers, Dayal says. India is probably the only country that has grown in denim fabric even as others stagnated. Indian denim manufacturers have steadily increased capacities from 300-400 million metres to 800 million metres in just five years, Sandeep Agarwal says. Soon the capacities should stand at 1 billion-metre, he adds.

Apart from addressing fashion and lifestyle needs of high-end brands, Indian denim players have understood the requirement of retailers like Walmart who cater to the mass market. Denim fabrics from India have hence, found a space in US retail shelves at \$10-20 per piece, adds Dayal who supplies fabric to VF Corporation, M&S, Zara and Pepe. UK retailer M&S and Bharti Walmart refused to take ET's questions on China.

Abhijit Gohil, president of Soma Textiles and Industries Ltd. says the company will increase its capacity by 10 million metre in next six months to stand at 24 million metre to tap the opportunity arising out of China's problems and a growing domestic market. The company has its hands full of orders from denim garmenters in Bangladesh, Sri Lanka and Turkey. It is a fabric supplier to M&S.

Source: *Economic Times* via CNTEX

Technological Development and Rising Demand for Eco-Friendly Dyes to Spur Growth in the Textile Dyes Market

DATE: 2012-05-02

GIA announces the release of a comprehensive global report on the Textile Dyes market. The global market for textile dyes is projected to reach US\$5.9 billion by the year 2017, propelled by the changing consumer perceptions, technological innovations, consumer spending and population growth. Development of innovative, eco-friendly dyes and chemicals is projected to ensure continued growth for the market in the years ahead.

San Jose, CA (PRWEB) April 30, 2012 – Textile dyes, considered one of the oldest chemical businesses, has traversed a long way to emerge as a specialty business. Consumption of textile dyes is influenced by various factors such as demand for textiles, consumer spending and population growth. Fashion, a short-term factor, also plays a predominant role in determining the type of colors to be used. Textiles in dark or bright colors consume comparatively higher quantity of dyestuffs per textile volume, when compared to those in light colors. Demand for new dyes is increasing in accordance with growing preference for enhanced performance from new materials. Dye manufacturers and Textile producers worldwide are developing innovative products and processes to comply with strict environmental regulations. Future growth of the industry is dependent on changing customer preferences and rising infrastructure demand in emerging countries. Development in technical expertise and achievement in R&D activities are expected to bring about new dyeing technologies in the industry.

The years 2008 and 2009 were primed as difficult years for the textile chemicals business as the industry dealt with significant increase in feedstock prices and low demand from the textiles sector. As the market is highly raw material intensive, profit margins took a hit as result of increasing pricing pressures, amid high energy and transportation costs, and capacity underutilization. Companies, in order to improve the operating margins focused on reducing costs and increase prices to offset the steep decline in sales. A key trend in the textile dyes market is the migration of production facilities from high-cost bases to low-cost Asian countries. Industrialized nations such as the US and Europe

witnessed increased shifting of operating base to emerging markets in Asia. Low manufacturing costs, trained labor and cheaper raw materials in China and India have resulted in greater concentration of production activity in these two countries. The Asia-Pacific region has emerged as a strong competitor to dye manufacturers in the West. Actively supported by the government with a host of measures such as subsidies and lower labor and environmental costs, Asian producers play an increasingly important role on the global front.

With ecological concerns gaining attention in the textiles industry, the global dye industry is undergoing a change in product mix. The recent years witnessed various dyes being banned across the globe due to environmental concerns. With the increasing demand for eco-friendly textile chemicals from textile manufacturers, companies are recognizing the need to increase R&D spending on development of innovative chemicals and dyes. Formaldehyde content in textiles is a growing issue especially in the US and Europe. In response to the growing concerns, major players such as BASF introduced formaldehyde-free Helizarin pigment printing system. Companies also offer enzyme-based technologies that are capable of replacing textile chemicals.

Asia-Pacific represents the largest and fastest growing market for Textile Dyes, as stated by the new market research report on Textile Dyes. China, Taiwan and Korea have a stronghold in disperse dyes, while India holds dominant position in production of reactive dyes. China occupies the top position in the production and export of reactive, direct, disperse, acid and basic dyes. Ever since the policy of open-economy began to take shape, the textile industry in the country has undergone drastic changes to cope with the increased demand for textiles exports. Similarly, the Indian dye industry is buoyed by factors such as developed chemical industry and high entrepreneurial skills along with sufficient availability of feedstock. Fiber Reactive Dyes represents the largest segment in the global textile dyes market in terms of value sales. Asian countries such as India and China lead in the global production of reactive dyes. Sulphur and basic dyes represent high growth potential over the next few years driven by specialty and customized dyeing requirements.

Select major players profiled in the report include Allied Industrial Corp., Alps Industries Ltd, Anand International, Atul Ltd, Big Sunshine International Co., Ltd, Clariant AG, Day-Glo Color Corp, DyStar, Eurodye CTC, Huntsman Corporation, Sumitomo Chemical, among others.

The research report titled “Textile Dyes: A Global Strategic Business Report” announced by Global Industry Analysts Inc., provides a strategic review of the textile dyes industry, key market trends, review of all the major segments, recent product launches, strategic corporate initiatives, and profiles of key market participants. The report provides annual sales estimates and projections for Textile Dyes market for the years 2009 through 2017 by the following geographic markets - US, Canada, Japan, Europe, Asia-Pacific, Latin America, and Rest of World. Key segments analyzed include Acid Dyes, Basic Dyes, Direct Dyes, Disperse Dyes, Reactive Dyes, Sulfur Dyes, Vat Dyes, and Other Dyes. The study also provides a historic review for the years 2003 through 2008 for an additional perspective.

For more details about this comprehensive market research report, please visit – http://www.strategyr.com/Textile_Dyes_Market_Report.asp

Source: CNTEX

Spring fashion trade shows provide one-stop sourcing opportunity

DATE: 2012-05-02

HONG KONG, April 27, 2012 /PRNewswire-Asia/ -- Global Sources (GSOL) opened its fashion and garment *China Sourcing Fairs* today with 1,200 booths -- an increase of nine percent from last year. The *Fairs* provide a convenient opportunity for global buyers to source a range of fashion-related products all under one roof at the AsiaWorld-Expo in Hong Kong. Running through April 30, the four co-located events are:

- China Sourcing Fair: Fashion Accessories
- China Sourcing Fair: Garments & Textiles
- China Sourcing Fair: Underwear & Swimwear
- India Sourcing Fair: Garments & Accessories

"Global Sources' *China Sourcing Fairs* have become 'must-attend' fashion sourcing events for global fashion buyers," said Tommy Wong, President of Global Sources Exhibitions. "The fashion and accessories industry is on a steady growth path, with statistics indicating that global retail sales for apparel and accessories are expected to reach US\$1,369 billion in 2017.

"Specializing in fashion-related products, our *Fairs* provide a unique one-stop sourcing event during Asia's peak fashion sourcing season. This gives international buyers and quality Greater China suppliers in the industry an ideal platform to meet and to trade more effectively."

Two specialized product galleries are featured at the events to help fashion buyers keep up with the latest color and style trends. *Show Highlights* focuses on the hottest products from exhibitors, as well as knitwear creations from students of the Hong Kong Polytechnic University's Institute of Textiles and Clothing.

Organized in cooperation with leading color authority, Pantone, the *Color Trends Area* features color forecasts for various fashion-related products, providing buyers with insights into the up and coming color trends.

Key industry buyers set to attend the *Fairs*.

Buyers pre-registered to attend the *Fairs* include BCBG MAXAZRIA, Morgan, Diesel, Esprit, Folli Follie, GAP, Polo Ralph Lauren, Prada, Sisley, Swarovski, Tesco, Tommy Hilfiger, Max Mara, Speedo and Victoria's Secret.

Private Sourcing Events at the shows offer exclusive opportunities for pre-selected exhibitors to meet global buyers in private. Thirteen sourcing teams from companies including Eurogroup, Groupe Zannier, Hermes-OTTO International, INTERSPORT, Liverpool, Oxylane, Quiksilver and Restaurant Services are scheduled to participate in the events with a combined annual sales of over US\$49 billion.

Conference program offers firsthand market intelligence to buyers and suppliers

A series of conference program is also scheduled to take place at the *Fairs*, helping international fashion buyers to source from Asia more effectively. Attendees can gain firsthand market intelligence and valuable sourcing advice from industry experts speaking on a variety of topics, including:

- "Visionary Intelligence" seminars featuring color trends for summer 2013 by Pantone -- the world's leading color authority. Plus, spring and summer 2013 fashion accessories style trends by Style-Vision Asia
- "An Introduction on Taiwan Textile Industry and Its Innovation Strength" seminar hosted by Taiwan Textile Federation

"How to Source from China" seminar series covering various trade-related topics and providing practical insights on hot sourcing topics, tips for buying from China, negotiations and pitfalls

Source: CNTEX

Women's Apparel Sales Worth CNY 261 million in Feb.2012 in Beijing

DATE: 2012-04-28

According to Beijing Commercial Information Consultation Center. Sales value of Women's Apparel in Beijing 19 mid-to-high range department stores in Jan. and Feb.2012 were CNY431 million and CNY 261 million Compared with the same period in the last year, fell 11.01 % and 20.53 % respectively.

Looking further into the sales rank of department stores in Feb.2012.Shunyi Guotai, Cuiwei Place and Yansha Youyi reported highest comparable sales value of women's apparel; Among them, Shunyi Guotai reported a CNY34.95 million sales value. Looking further into the sales rank of women's apparel brands, ONLY ,VERO MODA and MeierMei claimed the 1st, 2nd and 3rd rank respectively in sales value in Feb.2012. Among them, ONLY reported a CNY10.24 million sales value.

Shunyi Guotai won the champion both in value and in volume

As catching up with the Spring Festival women's clothing sold well in Jan.2012. In February women's apparel sales value declined rapidly.For most of the19 mid-to-high range department stores, compared with last month women's apparel sales value declined in Feb.2012.

Shunyi Guotai won the champion with women's apparel sales value was CNY34.95 million. Cuiwei Place and Yansha Youyi claimed the 2nd and 3rd rank,with women's apparel sales value were CNY34.17 million and CNY30.99million respectively. Ranked fourth was Wangfujing department store, with a CNY23.98 million in women's apparel sales value. The rest of the department stores were less than CNY20 million in women's apparel sales value.

Top 10 department stores in terms of sales value of women's apparel in Feb. 2012

Rank	Stores	Market share (%)
1	Cuiwei Place	11.86
2	Yansha Youyi	11.82
3	Shunyi Guotai	11.58
4	Wangfujing department store	8.74
5	Xidan Department store	8.09
6	Chang'an Department Store	6.68
7	Shuang'an Department Store	6.6
8	Urban-Rural Trade Center	6.38
9	Dangdai	6.2
10	Scitech	5.16

Looking further into the accumulated sales value rank of top 10 department stores in the period January-February 2012, Cuiwei Place and Yansha Youyi claimed the 1st and 2nd rank. Shunyi

Source: China Textile Network Company

Guotai claimed 3rd. All of the three department stores were more than 11% market share in accumulated sales value. Wangfujing department store and Xidan Department store shared more or less 8% respectively claimed fourth and fifth.

Top 10 department stores in terms of accumulated sales value of women's apparel in Jan. - Feb. 2012

Rank	Stores	Market share (%)	Rank in the last month	Change
(%)				
1	Shunyi Guotai	29.20	1	41.96
2	Xidan Department store	15.06	2	22.91
3	Urban-Rural Trade Center	13.67	3	80.28
4	Cuiwei Place	7.03	5	59.87
5	Chang'an Department Store	5.73	9	60.92
6	Fuxing Commercial City	5.47	8	51.24
7	Ganjiakou Mansion	5.26	6	20.6
8	Blue Island Mansion	5.22	7	28.33
9	Dangdai	3.80	10	20.69
10	Yansha Youyi	2.85	11	2.3

Looking further into the sales volume rank of top 10 department stores in February 2012. Shunyi Guotai's market share was 29.20%, with an absolute superior performance won the champion. Xidan Department store and Urban-Rural Trade Center claimed the 2nd and 3rd rank, market share were 15.06% and 13.67% respectively.

Top 10 department stores in terms of sales volume of women's apparel in Feb. 2012
ONLY won the sales value champion

Rank	Brand	Market share	
(%)	Rank in the last month		
1	ONLY	2.94	2
2	VERO MODA	2.5	1
3	MeierMei	2.33	3
4	White-collar	1.95	4
5	Lancy	1.53	5
6	Ports	1.46	6
7	Marisfrolg	1.39	7

Rank	Brand	Market share	
(%)	Rank in the last month		
8	SISTER	1.09	12
9	ESPRIT	1.07	9
10	Ochirly	1.01	10

Looking further into the top 10 women's apparel brands in terms of sales value in Feb. 2012. Most of the brands sales value declined. ONLY won the champion with sales value was CNY10.24 million. VERO MODA and MeierMei claimed the 2nd and 3rd rank, with sales value more or less CNY6.00 million. Women's apparel sales value for the rest of the brands were between CNY3.00 million and CNY4.20 million.

Top 10 women's apparel brands in terms of accumulated sales value in Jan. - Feb. 2012

Rank	Brand	Market share (%)	Rank in the last month	Change
(%)				
1	VERO MODA	6.26	1	-30.74
2	ONLY	5.78	2	-34.92
3	Etam	3.45	4	4.75
4	ESPRIT	2.81	3	-35.75
5	Ochirly	1.37	5	-28.26
6	Lachapelle	1.13	9	-31.59
7	Teenie Weenie	1.03	18	31.73
8	JACK&JONES	0.94	6	-48.33
9	ELAND	0.9	10	-38.51
10	WEISI	0.79	19	5.08

Looking further into the top 10 brands in sales volume in February 2012. Although sales volume declined, VERO MODA and ONLY still maintained the top two positions, Etam claimed the 3rd rank, which market share was 3.45%.

Source: CNTEX

Number of listed textile enterprises business declined in 2011

DATE: 2012-04-28

Number of textile enterprises in 2011 annual report recently released, for different factors, there is a general decline in corporate performance.

Huafang shares disclose the 2011 annual report on the 10th, last year a profit of 15.5242 million yuan, down 23.18% year-on-year; deductions and the main business is unrelated to non-recurring gains and losses, the company is "twisting surplus to deficit", loss 12.2359 million yuan.

Source: China Textile Network Company

Prior to this, the world's largest cotton spinning enterprises Weiqiao Textile announced last year net profit of 246 million yuan, down 84.9% year-on-year; the performance of the ST of cotton, Shandong Ruyi and other textile enterprises have declined.

This is subject to domestic labor costs, raw material prices rise, the textile companies are currently subject to domestic labor costs, financing costs rise, and raw materials last year fluctuations are frequent, mainly cotton.

The slow global economic recovery, the European debt crisis and other negative factors, the needs of the international textile and apparel market is in downturn. In Southeast Asia, the cost of textile enterprises is lower than China, also brings great impact on the entire industry.

The international environment is not good, now the Chinese cotton textile products' prices are high, in particular, Vietnam, India, where labor is cheap, the same count of cotton yarn, the price is at least one thousand cheaper.

Source: CNTEX

The export of quarter-one China's textile and apparel increased slightly

DATE: 2012-04-28

General Administration of Customs data released on April 10, the first three months of this year, China's import and export value reached \$ 859.37 billion, an increase of 7.3% year-on-year, the cumulative trade surplus of \$ 670 million. Of which, exports amounted to \$ 430.02 billion, an increase of 7.6%; imports 429.35 billion U.S. dollars, an increase of 6.9%.

Export commodities, some labor-intensive exports in the first quarter, such as textiles and clothing and shoes, apparel exports \$ 29.57 billion, an increase of 3.9%; textile exports \$ 20.44 billion, an increase of 1.4%; reversing the previous textile and garment exports in February's declining situation.

In the first two months, China's garment exports \$ 19.29 billion, down 2.5%; textile exports \$ 11.94 billion, down 2.6%.

Source: CNTEX

Cotton prices where to go after purchase and reserve end

DATE: 2012-04-28

April, this year's cotton purchasing and reserve work came to an end, the policy factors that support cotton prices weakened. For some time, how the cotton price will change has become the focus of widespread concern of the industry.

Sufficient inventory suppressed the price of cotton

In addition to national inventories are at high, the current commercial, industrial stocks are also high. According to the survey of the China Cotton February, domestic cotton business inventories is 3.43 million tons (including the import cotton and cotton in the circulation, excluding the State Reserve cotton), an increase of 180,000 tons compared with 3.25 million tons by the end of January .

According to China Cotton survey results on cotton textile industry, the business inventories in February were 858,600 tons, compared with 841,700 tons in January, an increase of 2%. So even

Source: China Textile Network Company

without considering the enterprises have not been investigated, industrial and commercial inventory total of at least 4.28 million tons.

International cotton prices much lower than the domestic cotton prices, a large number of traders to arbitrage, resulting in the backlog of cotton in many ports. In April, more cotton is expected to arrive, so that the spot market inventory will still increase.

Let's do the calculation, the domestic cotton production is expected to reach about 7.3 million tons in 2011, deduction of the purchasing and storage of 3.1 million tons, the spot flow of cotton is 4.2 million tons. In general, the national textile industry will consume about 10 million tons of cotton annually, taking into account the impact of the debt crisis in Europe, the amount of cotton consumed by textile enterprises decreased by 30% in 2012, during the seven months before October 2012 when the new cotton come to market, 4.08 million tons of cotton are needed.

Taking into account the existing commercial stocks and industrial stocks a total of more than 428 million tons, in the case of foreign cotton will still arrive, the year's cotton supply is fairly abundant.

Global cotton stocks occupy a high

2011/2012, the global cotton demand has gone through changes from shortage to oversupply. Expected 2012/2013 year, global cotton acreage will decrease over last year, but consumer demand is also subject to greater constraints due to the debt crisis in Europe. In the case that there is no major change in global climate, global ending stocks will continue to increase. Global ending stocks for 2012/2013 year is expected to or reached 12.739 million tons, an increase of 184,000 tons over the previous year, an increase of 1.4%; consumption ratio of ending stocks may reach 53%, slightly higher than last year's 51.79%.

Stability of the macroeconomic policy not allow crash

In the consideration of macroeconomic policy, cotton futures do not have the conditions of a significant drop, the space is more limited.

This year, China will convene the party's 18 meeting, the state's all policies to "seek progress" as the basic starting point. The first quarter of China's economic growth, although there are signs of decline, foreign institutions believe that China might take a hard landing, but at the moment, the economic operation is still in the controllable range.

From abroad, the Greek debt crisis has gone through March, a period which is the most prone to risk events; it is inevitable the European economy get into a long term's tightening , but the possibility of systemic risk is quite big, will have a slow recovery process in the future. The situation in the United States, is currently in the recovery process, and for fears about the recovery instability, in March, the Federal Reserve Ben Bernanke also hinted the third round of quantitative easing is still possible.

Analyzing the recent years' running of the U.S. cotton, it is mainly in the run between 60 to 80 cents / lb. Since 2011 Cotton bull market, the price of U.S. cotton increased to a new level, running between 80 to 120 cents / lb. By the end of March, the U.S. cotton quoted at around 90 cents / lb. See from the analysis of the situation, the U.S. cotton fell below 80 cents / lb is unlikely, or have step by step process of stabilization in the future

Source: CNTEX