

**CZECH TEXTILE AND CLOTHING INDUSTRY INVESTS
2015 SALES REACHED EIGHT-YEAR HIGH / PARTICULARLY MANUFACTURERS OF TECHNICAL
TEXTILES SUCCESSFUL**



Prague (gtai) - The Czech textile and clothing industry is still on the upswing. Particularly in niche segments and with technical textiles the manufacturers achieve rising revenues since years. The investment climate in the sector therefore has been improved, the equipment suppliers are benefitting. German manufacturers of machinery for the textile and clothing industry were able to expand their exports to the Czech Republic in 2015 by one fifth.



With Czech Crowns 52.4 billion (Kc; EUR 1.9 bn) the Czech textile industry achieved so much revenue in 2015 as not anymore in the last eight years. According to the statistics office the clothing manufacturers output rose by 11%, that of textile manufacturing by 3%. Very good filled are the order books. For companies in the clothing industry the volume of new orders rose by over 13% in 2015, in the textile factories by 4%.



According to the announcement of the professional association ATOK, the sector would have developed even better, if the growth markets in Asia and Africa would have not weakened. But fortunately the loss became offset by the traditional markets Germany, Italy, Poland, Slovakia, Austria and France. According to ATOK the textile segment of the Czech Republic exported goods worth

equivalent of almost EUR 2.5 billion in 2015, corresponding to a trade surplus of almost EUR 30 million. In clothing, the country recorded a negative balance. Here goods were imported for Euro 2 billion and exported of EUR 1.3 billion.

Sales Development of the Czech Textile and Clothing Industry

Year	Sales in Kc bn.	Change to previous year (in %)
2007	55.0	1.5
2008	46.1	-16.2
2009	41.1	-10.8
2010	41.3	0.5
2011	46.2	11.9
2012	45.9	-0.6
2013	47.1	2.6
2014	51.0	8.3
2015	52.4	2.7
2007	55.0	1.5

Source: Association of Textile, Garment and Leather Industry (ATOK, <http://www.atok.cz>)

Particularly in niche segments the clothing manufacturers can maintain themselves in their position. For example Triola from the northern Bohemia Horni Jiretin specializes in lingerie and successfully with oversizes. Also manufacturers like Timo, Pleas, Upavan or Linia can exist with underwear products on the market. According to reports from the business paper Hospodarske noviny Timo sells 200.000 pc. per year. The company offers among others prosthetic lingerie against breast tumors. In the next two years the family operation will invest more than EUR 700,000 in new technologies at the production site Litomerice (North Bohemia).

Hats and hoods are demanded in 30 countries

Another family company, Kama from Prague, specializes in headwear. With hats, scarves, headbands, gloves or hoods it makes now more than EUR 1 million per year and delivers to 30 countries. In Moravia-Silesia Sky Paragliders from Frydlant nad Ostravici invests around EUR 4 million in a weaving mill including a research center to develop new materials. The company produces emergency parachutes and rescue



systems and belongs with annual revenues of EUR 2.7 million (2014) to the top ten manufacturers worldwide. It processes 200 kilometers of fabrics annually.

Thanks to favorable wages and the proximity to areas with good purchasing power smaller suppliers of made to measure products developed well. The company Janek from Roznov in Zlin produces, for example, 30,000 individually tailored shirts per year. Also suits and costumes belong to the assortment. Janes buy the yarn from a German yarn manufacturer which produces in the Czech Republic.



Czech Republic's largest textile and clothing manufacturers (selection, sales in million Kc) ¹⁾

Company/location	Product portfolio	Sales 2013	Sales 2014	Change ¹⁾	Website
Borgers CS/Plzen	Nonwovens for automotives	5,038	10,879	115.9	http://borgers.cz
Juta/Dvur Kralove nad Labem	Geotextiles, Insolation materials Packaging material	5,568	6,618	18.8	http://www.juta.cz
Nova Mosilana /Brno	Fancy dress fabrics	2,952	3,285	11.3	http://www.novamosilana.cz
Pegas Nonwovens/Znojmo	Nonwovens	2,273	2,388	5.1	http://www.pegas.cz
Kordarna Plus/Velka nad Velickou	Corduroy fabrics Technical Textiles for conveyors	2,195	2,287	4.2	http://www.kordarna.cz
Veba, textilni zavody/Broumov	Home – and Clothing fabrics, Brocat	2,124	2,160	1.7	http://www.veba.cz/cs/
Johnson Controls/Strakonice ²⁾	Seatcovers for automotives	1,722	1,865	8.3	http://www.johnsoncontrols.cz
Fibertex Nonwovens/Svitavy	Nonwovens	958	1,128	17.7	http://www.fibertex.com
Pleas / Havlickuv Brod	Under – and Nightwear	1,073	1,123	4.6	http://www.pleas.cz
Mehler Technologies/Lomnice nad Popelkou ³⁾	Fabrics for tents, boats, canvas, sun-umbrellas	895	975	8.9	http://www.mehler-technologies.cz
Nejdecka cesarna vlny/Nejdek ⁴⁾	Processing of raw-wool	800	692	-13.5	http://www.ncv.cz
Lanex/Bolatice	Ropes, threats, artificial turf	627	670	6.7	http://www.lanex.cz
Trevos/Kostalov	Polypropylen-Staple-fiber	576	639	10.9	http://www.trevos-kostalov.cz
Tessitura Monti Cecilia/Borovnice u Stare Paky	Cotton shirt fabrics	609	568	-6.7	http://www.monticekia.cz

Svitap J,H,J,/Svitavy	Tents, canvas, Microfibers, Filtration	497	436	-12.3	http://www.svitap.cz
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¹⁾ Change 2014 / 113 in%; ²⁾ Fiscal year October 2012, 2013 till September 2013, 2014; ³⁾ December 2012, 2013 till November 2013, 2014; ⁴⁾ April 2013, 2014 till March 2014, 2015

Sources: Annual company reports, Trade register, Hospodarske noviny, Magazine Ekonom, CzechInvest, Association ATOK



The most actively trading companies in the textile sector are producing mostly for industrial consumers. Largest industry representative is the automotive supplier Borgers from Bocholt, which produces textile moldings, paneling, insulation and curtains for vehicles at four locations near Plzen. The second largest textile company Juta achieves half of its revenue from construction materials such as drainage mats, erosion control fabric or roof insulation. Moreover Juta makes a good business with packaging nets for potatoes or Christmas trees. One other growth area is artificial turf. The company invests nearly EUR 20 million every year, mainly in new production equipment.

Textile Machinery ordered for 250 m Euro

Other companies are expanding too. The manufacturer of workwear Waibel has expanded its site in 2015. In Zdar nad Sazavou near Jihlava own collections and custom made programs are being manufactured. Clothing manufacturer Pleas invests annually over EUR 1 million in its equipment. The company belongs to the top 10 of the sector and produces annually 15 million pieces nightwear for the brands Schiesser and Pleas. The German machinery manufacturer Mayer & Cie. builds a factory for knitting machines in Vsetin. The production is expected to commence in summer 2016. The machines are designed for large manufactures particularly in Asia.

Equipment suppliers have been able to benefit from the boom in the textile industry in 2015. Imports of important production equipment have increased by about one fifth to over EUR 260 million. More than half of it accounted for German manufacturers.

Import of important textile machinery to the Czech Republic (EUR 1,000)

Machinery group / HS-Position	2014	2015	Change in %
Jet-spinning machines / 8444	177	15.369	8,583.1
..from Germany	59	9.829	16,559.3
Spinning machines / 8445	12.780	8.838	-30.8
..from Germany	6.591	5.017	-23.9
Weaving machines / 8446	13.357	12.778	-4.3
..from Germany Deutschland	7.498	2.166	-71.1
Knitting machines / 8447	10.556	11.332	7.4
..from Germany	2.872	6.092	112.1
Auxiliary machines / 8448	75.082	72.178	-3.9
..from Germany	48.245	51.765	7.3
Machines for felting and nonwovens / 8449	3.349	16.306	386.9
..from Germany	949	6.741	610.3
Cleaning-, dying and ironing machines / 8451	83.874	105.825	26.2
..darunter aus Deutschland	44.671	50.234	12.5
Sewing machines / 8452	14.718	17.834	21.2
..from Germany	4.780	6.319	32.2
Machines for leather and fur processing resp. footwear production / 8453	2.867	3.704	29.2
..from Germany	278	347	24.8
Total	216.760	264.164	21.9
..from Germany	115.943	138.510	19.5

Source: Czech Statistical Office

Source:
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