



(<http://www.itmaasia.com/>)

Textiles Update

Collaboration and Commitment Herald New ERA of Growth for UK Manufacturing Sector

By [Staff](#) / March 8, 2014 / [No Comments](#)

England, United Kingdom - Collaboration between retailers, brands, their manufacturing partners and suppliers is starting to drive a recovery in the UK's garment making sector. This was the optimistic and overwhelming conclusion of speakers at the recent ASBCI fashion industry conference 'Making it in the UK – Ready or not?'

The reality of manufacturing fashion in Britain' held in Leicester. Over 170 delegates from across the supply chain heard how some of the largest fashion retail suppliers, including ASOS, Matalan and M&S are forging long term partnerships with UK manufacturers in a bid to deliver rapid and flexible fashion to consumers.

As off-shore manufacturing costs and ethical issues continue to escalate, the political will of retailers and brands to resurrect a UK manufacturing base is now becoming a viable commercial option. High street retailers along with niche and luxury brands, such as John Smedley and David Nieper, are actively working with colleges, schools and apprenticeship schemes, such as Fashion Enter in London, to train the next generation of skilled workers for careers in clothing manufacture although there is still some way to go to make the sector 'sexy' for young people.

Dr Julie King, ASBCI event chairman and head of fashion and textiles at De Montfort University opened proceedings and introduced speakers in collaboration with the conference's co-sponsors Caroline Ellis, business development, Advanced Supply Chain and Anthony Barlow, support services director, Johnsons Cleaners in association with GreenEarth Cleaning.

Alek Adamski, partner, UK supply chain practice at global management consulting firm Kurt Salmon, set the tone for the day with his optimistic scene setting presentation. After fast tracking delegates through the off-shore manufacturing exodus that began in the 1980's he proclaimed: "Good news – things are changing and moving rapidly the other way!"

Increased labour and freight costs, difficulties in sourcing raw materials, environmental and ethical concerns and China's focus on the demands of its domestic market have made UK retailers look again at UK sourcing. Cost to serve he explained is key and retailers have started to understand the true cost differentials in sourcing from the Far East as opposed to the UK.

This is translating into action. John Lewis' Made in the UK label is now branded on 10,500 garments (July 2013) and M&S, River Island and George Clothing are just some of the retailers who are sourcing from the UK wherever possible. While those in the luxury clothing sector have long been capitalising on their Made in the UK credentials at home and overseas, the volume retailers are now following suit and consumers are helping by demanding quality not quantity.

There are still challenges to overcome but:

“Retailers are recognising that long term collaborations with local suppliers are becoming a key element of supply chain success.” Indeed a Kurt Salmon study has shown that fabric, colour, silhouette and quantity decisions made closer to sale improves margins and speed to market: “Every eight weeks saved generate a 2% improvement on retained margin – that is a real reason to source from the UK.” As for the future: “Delivery is an area of real competitive edge. Retailers must develop an ability to ship direct from their suppliers...to make this work more collaborative relationships with local suppliers will be vital but these partnerships defined by trust, data sharing and execution will deliver sustainable success.” And while Government could and should help, it is the retailers who will drive the resurrection of the UK manufacturing industry.

Absolutely said Christopher Nieper, managing director of luxury womenswear brand David Nieper: “My challenge to you today, retailers, is that the new manufacturing revolution will be led by you. Don't wait for producers to appear, start doing it yourselves just like we have.” In his keynote presentation he inspired delegates with his candid account of how the 53 year old Derbyshire company survived the economic downturn of the 1980's and competition from 'chain stores' by staying committed to UK manufacturing, reinventing its womenswear offer and selling directly to consumers through mail order. The company has not looked back. It embraced online opportunities and the latest manufacturing and digital printing technologies while staying faithful to its traditional 'craftsmanship' roots. It has maintained its premium price points recognising that its customers want enduring luxury. Crucially it's flexible 'just in time' dressmaker manufacturing model has enabled it to achieve optimum customer satisfaction and the lowest return rates, way below industry standards. With lead times of around three weeks it keeps stocks very low and can adapt designs in line with customer feedback – this has proved particularly helpful with perfecting the fit of its garments. He explained: “We need loyal customers to place repeat orders and we need loyal staff and suppliers too. Remember you cannot buy loyalty, you have to earn it, a good start point is to pay suppliers promptly and we usually pay ours within ten days.” He urged retailers and manufacturers to work together and invest in people. By way of example David Nieper has its own Fashion Academy in which it has engaged with local primary schools and fashion colleges nationwide to inspire their interest in fashion production while also establishing a substantial scholarship at Nottingham Trent University. For the future he is looking to establish a school, which will offer work experience in fashion manufacture.

The shift to UK sourcing also makes sense for volume clothing retailers explained David Goodwin, head of technical services at Matalan: “The pursuit of the cheap needle around the globe has almost run its course.” He cited data from the Ministry of Labour and Social Security of the People's Republic of China March 2003 to 2012, which shows China's wage inflation increase running at 14% to 15% per annum. In addition: “While we have witnessed huge 'leveling' of wage increases in such countries as Bangladesh and Cambodia some of these increases have been through industrial unrest and brought with it disruption, uncertainty and added cost.” Chasing the cheap needle he argues brings with it other issues: “It can lead brands and retailers into countries where ethical trading, health and safety, and workers rights are alien concepts and even if such disciplines are achievable they tend to be very time consuming, expensive, demanding and difficult to implement and police.” He went on: “Product quality can suffer especially at the commodity end of the market and consumers can end up buying

'landfill' fashion!" Combined with increases in fuel costs, oil is four times the price today compared to its price in 2000; there is a convincing argument to make it in the UK. Evidence that garment manufacturing is re-shoring can be found in the supply of sewing machinery and spare parts.

One of the largest sewing machine and parts dealers in the UK has seen its business turnover rise by some 65% in the past four years and sales of sewing machine needles, a fairly reliable indicator of the level of sewing going on in a market, has increased in the UK by an average of 11% in the last three years.

By way of example Chris Taylor, commercial and operations director of Basic Thinking, a Leicester based volume womenswear manufacturer for Matalan has, in the past three years, changed its sourcing model from 80% manufacturing in Egypt and 20% manufacturing in the UK to 80% in the UK and 20% in Egypt. He explained that the company wanted to dramatically improve its eight week lead times and realised it could not achieve this while producing most of its product in Egypt. It set up a production line in Leicester to run clearance lines for three months – this enabled it to get the necessary technical and ethical auditing accreditations which meant it could work with the high street. Then it set about employing “the right labour” for its “clean and attractive factory” and established a sewing academy for the unemployed to address its local skill shortage. In just three years it has reduced its lead times to just three to four weeks and is producing 130,000 units per month. A vital part of its success is the excellent relationships it has forged with its retail clients and its own carefully selected suppliers. It is he concluded: “This close, defined retailer/supplier collaboration, with encouragement from local and central government that holds the key to the renaissance of British manufacturing.”

The government is trying to support growth within the UK's textile and garment manufacturing sector responded Lorna Fitzsimons, director of the Alliance Project. In 2011 Vince Cable MP commissioned a major survey into textile manufacturing and appointed Lorna Fitzsimons along with management consultancy firm KPMG, to survey 16 retail groups and 130 manufacturers. In 2012 it determined that the textile manufacturing sector (apparel, homeware and technical textiles) is contributing £9 billion to the economy: “This figure was a wakeup call to the government and made it sit up and take notice,” she said.

The survey also found that the textile manufacturing hotspots were located in the “poorest” regions of Lancashire, Greater Manchester and West Yorkshire so a regeneration of textile manufacturing would also have a direct and positive outcome for the local economies. As a result the Alliance Project has been given a regional growth fund of £12.8 million of which over £11 million is available over the next 18 months to support the regeneration of textile-related manufacturing businesses in the UK (excluding London and Scotland). Part of the fund is dedicated to creating an “asset register of manufacturing suppliers in the UK” and to make this available to all retailers. Simultaneously the Alliance is addressing the skills deficit and has appointed a team of technical experts, with representatives from such influential names as ASOS, Abraham Moon and M&S, to assess the skills' needs and allocate the funding.

Jonny Mitchell, executive director at Crystal Martin International applied his vast and recent experiences of UK manufacturing for Courtaulds hosiery and LeeAnn Fashions ladieswear to reveal how UK companies can best fulfil the demands of high street retailers. The key he insisted is: “Close collaborative partnerships between retailers and manufacturers who share the same business and production strategies. Retailers do not have to ‘own’ the manufacturing base but should be willing to share the success and indeed the risks.”

He explained that M&S had committed to a five year plan with Leicester-based LeeAnn Fashions so the company could invest in the necessary people and machinery to make M&S' new Best of British collection.

He urged buyers within retail groups to look beyond margins: “...that take away from the innovation and USP of British-made garments.” He called for a “big collective long-term approach” to skills' training that should involve

all stakeholders including the government and a re-think on the minimum wage. He concluded by urging manufacturers to: “Think and act in a world class way” with a global supplier mentality. “You must give the retailers a reason to buy from you other than price...we do not want to be a cottage industry so design and make product that people want to buy.”

A shining example of collaboration was presented by Jenny Holloway, founder and managing director of Fashion Enter whose garment manufacturing and training facility in London has had a huge impact in reviving sewing skills and creating employment and career opportunities for young people. She has wrought: “open and honest” collaborative relationships with retailers, notably ASOS, in addition to John Lewis, M&S, New Look, River Island and Topshop and it has translated into a 7,500 sq ft fully equipped factory and sampling studio employing 84 people producing between one and 10,000 high quality jersey and woven garments a week. However she cautioned it has not been all plain sailing.

When the factory made: “some silly mistakes” on the M&S Best of British collection the strength of the relationship

triumphed as a senior executive at M&S responded: “Don’t worry; it’s a blip we can get over it.” And get over it they did. In July 2013 Fashion Enter secured further loans from ASOS to open a Stitching Academy and launch a new Factory Technical Academy that is due to open later this year. Her presentation closed with two of Fashion Enter’s fashion & textile level 3 apprentice students. Zoe Barrow explained: “At a time when I was unsure of which fashion path I wanted to follow, Fashion Enter has allowed me to experience multiple fields of the industry and find where my true passion lies.” Abbie Godbold added: “The Fashion and Textiles apprenticeship has given me the most experience, knowledge and skills I could ever ask for in this industry, all of which I put to great use as a Studio Assistant.”

Ian Maclean, managing director of John Smedley identified five core brand values; Britishness, design, quality, craftsmanship and community that play a part in making UK brands a success in the global market. “Britishness” – he argued is not just about ‘made in Britain’. He urged delegates to celebrate British success stories such as Boden, as while it makes most of its garments off-shore, it turns over £250 million, exports £90 million to the USA and creates employment and makes a valuable contribution to the UK economy. It does not claim to be made in the UK but is capitalising on the global appeal of ‘British lifestyle’. ‘Design’ he said is not just about designers. He implored industry organisations, such as the British Fashion Council and the media to: “Change their language and recognise the importance of UK manufacturers in delivering British fashion on the global stage.” ‘Quality’ has never been more important as it justifies price differentials.

Even though John Smedley has seen its cost per unit increase from £25 to £40 since the year 2000: “We cannot compromise on quality so we need other strategies to help consumers understand the real value of buying our British-made brand.” ‘Community’ he explained is about the industry working together with government and such bodies as the Textile Institute to share business advice and export opportunities.

Finally, by adhering to its ‘craftsmanship’ routes John Smedley has retained a point of difference and is growing as a result. He advised companies to: “Start with the wealthy and discerning Japanese market – translate everything into Japanese as there is a ready made market there for British craftsmanship.”

Tony O’Connor, head of design, menswear at Marks & Spencer explained how it has made ‘iconic retro British style’ the point of difference for its new Best of British men’s and ladies’ wear collection. M&S refused to compromise on the ‘made in the UK’ integrity of the collection. All the tweeds and components were sourced in the UK and the garments entirely made in the UK. Using M&S’ 130 year old style archives classic British designs inspired the collection; it met with rapturous approval from such celebrities as Gary Barlow and Dermot O’Leary,

the media and the consumer. “It wasn’t easy to find manufacturers for the collection but we made some great contacts in the industry who helped me land the collection in just four weeks. We got into the idea of working closely together and took on the blips together – working with UK fabric manufacturers has been a real inspiration.” M&S now buys more British made fabric than anyone else in the UK. He enthused: “We have to keep the optimism there and we need to use our unique British point of style.”

Finally, Kate Hills who as a buyer had become increasingly disillusioned with the off-shore buying strategies of the big retail groups, set up a website dedicated to promoting UK made products. www.makeitBritish.co.uk launched in 2011 and features the products of over 1000 UK-based manufacturers. Initially it was, she admitted: “A bit of a hobby but has become a valid platform for showcasing and uniting UK manufacturers and buyers.” The traffic to her website has increased by 246% in the past year with 2,272 requests made to the site in January 2014 alone. She conducted a consumer survey and found 43% of respondents (and twice as many men) would pay more for product made in Britain while 70% of the over 60s and just 16% of the under 30s would pay more. Furthermore 60% perceived products made in Britain to be of good quality. However she also found that manufacturers are not doing enough to help themselves. Of those asked 62% say business is about the same but less than 25% of them are proactively looking for new business preferring to rely on word of mouth. This clearly has to improve if manufacturers are going to realise their growth potential. She agreed that the way ahead lies in commitment: “Retailers must make a commitment to their UK supply base and it will be rewarded in the long run.” To help unite retailers with manufacturers Make it British is hosting a two-day trade show at the Old Truman Brewery, Brick Lane in London on 11th and 12th June 2014 – everyone is invited!

Proposed caption for conference speaker line-up: Back row from left: Alek Adamski, Kurt Salmon; Chris Taylor, Basic Thinking; Julie King, De Montfort University; Kate Hills, Make it British Front row: Tony O’Connor, M&S; David Goodwin, Matalan; Christopher Nieper, David Nieper; Jenny Holloway, Fashion Enter; Jonny Mitchell, Crystal Martin International; Lorna Fitzsimons, Alliance Project; and Ian Maclean, John Smedley.

Source: ASBCI

FUKUHARA (<http://www.almurtaza.com>)

© 2014 Textiles Update.