

**10 April, 2006**

## **GLOBAL APPAREL INDUSTRY MEETS IN HONG KONG**

The inaugural edition of Prime Source took place at the Hong Kong Convention and Exhibition Centre on 28-29 March 2006, comprising a trade show and the International Apparel Forum.

The Forum featured 26 distinguished speakers, collectively representing a cross section of the industry and each an expert in his/her respective expertise, who addressed an audience of over 200 participants from 20 nations, senior executives from leading apparel manufacturers, buying offices/agents, retailers and related service providers.

The Forum kicked off with a Keynote Address by Kevin Burke, President and CEO of the American Apparel & Footwear Association (AAFA), who made a strong appeal against the move by some supplier countries to re-impose global apparel quotas.

"Quotas made naturally strong competitors even stronger," said Burke. "With an abundant work force and substantial natural resources, China would have always been a natural competitor with or without quotas - but quotas made China grade up and turned it into the powerhouse that it is today. Sourcing decisions today are not based on which country has quota but based on market conditions," he continued. "We believe that the Doha Round will move the world apparel trade forward - to the benefit of US apparel firms and supplier countries world wide as well as consumers throughout the world."

The keynote speech was followed by six roundtables which dealt with pertinent issues facing the global apparel industry brought about by the removal of quotas and the subsequent need for strategy revision.

Click [here](#) to view the full programme.

Day 1 focused primarily on issues relating to the impact of political decisions on the industry, alternative production bases to China, the growing importance of India as a source in Asia and of how suppliers are managing the changing sourcing paradigm.

The moderator of Session 2 "The World Beyond China", Mr Robert Zane, Liz Claiborne's retiring Senior Vice President and Chairman of the US Association of Importers of Textiles and Apparel (USA-ITA) emphasised the importance of choosing the right location of a factory for

long-term plans and the value in this day and age of partnership - i.e. total transparency in the relationship between customer and factory. He added that although China is the most tempting location, it is important to consider other options.

Day 2 dealt with compliance and social responsibilities; meeting the demands of fast fashion-cycles; and speed-to-market, with speakers from Hennes & Mauritz AB, Adidas and Tommy Hilfiger.

The roundtable format gave all speakers ample opportunity for interactive discussions in addition to presenting their individual views. This also resulted in very fruitful and interactive discussion with the delegates.

Mr Peter Gabbe, Vice Chairman of AAFA and Executive Vice-President and Chief Operating Officer of the Carol Hochman Design Group, said the Forum truly exceeded his expectations "With a particularly strong turnout of attendees from the Americas, Asia, Europe, and even South Africa representing the full range of the apparel chain, it presented great networking opportunities. The Forum sessions were high level, relevant and well attended."

Mr Jose Gomez of Mango identified the Forum as "Not only a fantastic forum to source the best suppliers in the industry, but also a great venue for networking with European and American retail brands top executives."

After two days of intensive discussions and debate, Mr Robert Zane in his capacity as Chairman of USA-ITA closed the Forum with a brief reprise. Recapturing the salient points of discussion, he left the delegates with a quote representing his views and hopes for the international apparel industry: "The road to success is always under construction!"

Concurrently with the International Apparel Forum, the Prime Source trade show took place at the same venue from 28-31 March 2006.

184 exhibiting companies from 24 countries took the opportunity to showcase their products and services. These included 5 country pavilions from China, Mauritius, Pakistan, Taiwan and the USA. The increasing importance of complete global supply chain solutions for the apparel industry was reflected in the exhibitor mix of apparel contract manufacturers, material suppliers and technology and service providers.

Visitors came from 45 countries representing apparel retailers and wholesalers, buying offices and agents, as well as chain & department stores and brand labels.

On the last day of the Prime Source trade show, the "invitation-only" Restricted Substances List training seminar hosted by AFIRM (Apparel & Footwear International RSL Management Working Group) took place. Speakers from ten leading apparel and footwear brands, including Nike, Timberland, Levis, Puma and GAP, as well as retail chains, addressed over 800 representatives of apparel and footwear manufacturers, chemical suppliers and retailers from all over Asia.

Prime Source, the networking event for the international apparel industry, is organised by APLF Ltd and managed by CMP Asia Ltd. Prime Source is endorsed by: the American Apparel and Footwear Association (AAFA), the United States Association of Importers of Textiles and Apparel (USA-ITA) and the Foreign Trade Association (FTA) in Brussels. It is also supported by the Hong Kong Textile Council (HKTC) and the Retail Industry Leaders Association (RILA) in the USA. An Advisory Board comprising 17 industry heavyweights provided valuable assistance. (Click [here](#) to see the list)

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