Prime Source Forum Views Exchange

From: Åke Weyler
Date: Mon, 6 Oct 2008 18:22:44 +0200

Dear Josephine,

A comment to Mandelson's last decision; to launch a review about antidumping duties on leather shoes from China and Vietnam and to maintain the duties in the mean time. He had to launch this review according to the law. Otherwise the Commission could be legally attacked from the industry and industry associations concerned as they had asked for a continuation of the measures. But he made the best and decided to run the investigation for only 7 month and with the possibility for importers to get the antidumping duties paid during those 7 months reimbursed. This point towards a withdrawal of the antidumping measures for leather shoes. So I define the situation as good as it possibly can be instead of being gloomy as it is reported in Asian and other media. I am sure we will get away with the anti dumping duties on leather shoes from China and Vietnam. Concerning Vietnam I have no doubt what so ever.

Åke Weyler

---------- Original Message ----------------------------------

From: Bob Zane
Sent: Thursday, September 18, 2008 3:11 AM
Subject: PSF Views Exchange

I loved the expression: "the alternative to China is China" even if I don't agree with it 100%. Quota concerns aside (and it's a whole other story to see what the new president might do to aid or curtail trade), there are inflation, labor shortage and cost problems in China today. In fact, even though total imports of apparel to the U.S. were down for the last two months, attributable to the economic situation, imports from Vietnam and Bangladesh have increased.

I suspect that this will continue and while China will still have the lion's share of exports, that share will be less in future years than it was in 2007 or 2008. After all, if China accounted for between 25 and 33% (different calculation theories result in different percentages) and the next most important country was one third of that number, a decrease to China production and a corresponding increase to the next few in line will not change the dynamics of the situation.

So, long story short, China is not the alternative to China; it is more likely to be Vietnam or Bangladesh. Make no mistake, however: few expect China to be unseated as the prime resource for U.S. consumed apparel and footwear.

All the best,

Bob

Prime Source Forum Views Exchange

From: "John Cable"
Date: Fri, 12 Sep 2008 09:31:29 -0600

We also agree that in general that the alternative to China is China, but disagree that the elimination of quotas (unless they are replaced by another form of quota like levy)will be a catalyst to a sharp increase in shipments to the US. We are finding it increasingly difficult for China to compete with other countries (specifically Bangladesh and Vietnam) on certain price points. We also expect that once quota charges go away, that with the increasing cost of production in China (labor, fabric and currency) it will almost cancel out the savings from a quota free China. That said, we will remain in China, and China will still have a majority of our business.

John Cable
Vice President of Supply Chain
http://www.evolveprograms.com/

---------- Original Message ----------------------------------
From: "Robert A"
Date: Mon, 15 Sep 2008 03:48:12 +0300

Dear Josephine,

My understanding is that the new management model in the fashion business should be focused on the customer's response. The customer today is not the customer before January 1st, 2005 and it is not only this date that made the customer looking for more value when shopping.

Customer's response requires that companies will have to build strategies that make them flexible but at the same time confident about the future. When moving production from country to country we are maybe flexible but we cannot be confident. When moving our production and change suppliers we do not focus on the values, we focus on the price.

The new philosophy in the supply chain should be based on the same principles with which the fashion companies are building relationship with the customers ?flexibility, loyalty and ethics. We need to weave a win-win strategy into the whole supply chain. The fashion companies need to share strategies with suppliers, all using their global human resources.

As we know the countries are not trading amongst themselves, but the companies in different regions are looking for answers and partners that might change the pattern of the global fashion supply. So the question is not China or China, China or Vietnam. The question is how to build sustainable future to build loyal customers and bring them more value through building a value in the supply chain.

cont.

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My country Bulgaria is a small country in Europe, developed as a production center for the European fashion brands and employing about
150 000 workers in the clothing and the textile industry. The country had no negative effects after the termination of the Multifiber agreement. We were prepared to face the end of the agreement, since the country had opened its market at the time changes in Eastern Europe took place.

The future of the various industry players both in my country and in Europe depend completely on the strategic partnership that they are going to develop in the near future. Since production costs are rising everywhere, it is time to build better systems to manage costs through sharing information and innovations.

Similar are the questions standing in front of American and Asian buyers and suppliers that face consumers on the other two biggest world markets.

Kind regards
Robert Alexandriysky
Honorable Member of the Managing Board of Bulgarian Association of b
Apparel and Textile Producers and Exporters Fashion marketing lecturer
at Raffles Design College, Beijing, China

---------- Original Message ----------------------------------
From: Francisco_Martinell_Gifr
Date: Sun, 14 Sep 2008 17:35:03 +0200

My view on this subject: "the alternative to China is China"

1. 80% yes, but a very different China: more expensive, more quality aware, etc.

2. The other 20% has already gone to convenience, proximity production, because brands need to be very reactive to trends changes, even within the season. The bigger costs are worth the effort because at the same time, the brand saves time (that is money) and is likely to sell more appropriate and expensive products. For European brands, this 20% means Europe itself (specially Spain and Portugal), Magreb or Eastern Europe.

My best regards,

Francisco Martinell
Editorial manager
PINKER MODA

Prime Source Forum Views Exchange

From: "RAHUL SAVLA"
Date: Sat, 13 Sep 2008 20:00:16 +0530

Dear Josephine,
I feel that due to the recent appreciation of the dollar against rupee,
India will give a competition to China in textiles & made-ups. Also
exporters in India are raising their standards in terms of quality &

time schedules. I think China will not be able to beat India in low
quantity, specialty textile products.

Regds,
Rahul.

---------- Original Message ----------------------------------
From: JPeltier Consultant
Date: Sat, 13 Sep 2008 14:26:54 +0200

Dear Mrs Ching,
Thank you for your e-mail dated 12/09/2008.
I agree with the observation of the New Digest reader.
We have already got in Europe an enormous increase of imports from China, but the consumption was not very much affected. But nobody knows if and how Europe will react to this increase in 2009!
Best regards

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Jacqueline PELTIER, Consultant