Development of a Regional Export Strategy for the Creative Industries Services

Value Chain Analysis Report: FASHION

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List of Acronyms

CARICOM	Caribbean Community – regional institution comprising 15 member states
CARIFORUM	CARICOM plus the Dominican Republic.
Caribbean Export	Caribbean Export Development Agency
CCIs	Cultural and Creative Industries
CDB	Caribbean Development Bank
EC	European Commission
EU	European Union
EU-28	European Union (including 28 Member States)
Eurostat	Statistical Office of the European Union
GDP	Gross Domestic Product
ITC	International Trade Centre (UN)
IDB	Inter-American Development Bank
LAC	Latin America and Caribbean
OECD	Organization for Economic Cooperation and Development
OECS	Organization of Eastern Caribbean States
SME	Small and medium-sized enterprise
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
VC	Value Chain
VCA	Value Chain Analysis

Country Abbreviations for EU Member States selected for this project:

DK	Denmark
DE	Germany
EE	Estonia
ES	Spain
FI	Finland
FR	France
IT	Italy
NL	Netherlands
UK	United Kingdom

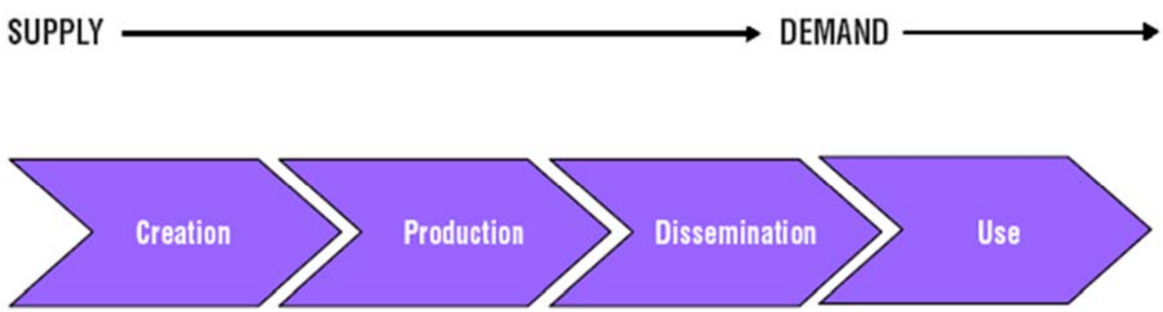
1. Introduction

1.1. Definition of Value Chains

A value chain, also referred in the framework of the Cultural & Creative Industries (CCIs) as a 'creative chain', has been described as *"a sequence of activities during which value is added to a new product or service as it makes its way from invention to final distribution" (Botkin and Matthews 1992, p. 26).*

The **creative chain** consists of an initial creative idea, which is usually combined with other inputs to produce a culture good or service, through a series of interlinked stages between their production and use. A culture product must be created, produced, possibly manufactured or reproduced, and then distributed before it reaches, or is used by, a consumer. This chain of activity includes a number of distinct steps, usually occurring in business establishments.[1] The basic steps of the creative chain are shown in the figure below.

Figure 1: Basic Creative Chain



In this basic chain, “creation” incorporates “concept” & “design”, while “dissemination” includes marketing, sales, distribution and the other value-added activities that occur prior to use/consumption. Accordingly, the chains will differ according to the good or service, the targeted markets and other factors. However, in order to collect harmonised and, when possible, comparable data, we are going to use a simple value chain as a framework of analysis (linear value chain). Nevertheless, we consider the local ecosystem as a key factor influencing CCIs’ supply chain and their performance. The value chain’s analysis will therefore include the analysis of the policy environment, measures and key actors enabling the sector’s development and growth.

In elaborating on these chains, special emphasis will be placed on determining the existence of and/or practical scope for integration of complementary inputs at any point along the chain, from differing CARIFORUM member states up to and including the final stage of the chain.

[1] Canadian Framework for Cultural Statistics (2011).

On this basis, this report considers the value chains using a two-fold approach: analysis of the **supply (CARIFORUM) side**, and analysis of the **demand (EU) side**.

With regards to possible business cooperation opportunities in the target EU markets, attention has been given, where possible, to the following *inter alia*: EU distributor or agent (including marketing and promotional activities); joint-ventures and e-commerce platforms - both Business-to-Consumer (B2C) and Business-to-Business (B2B).

1.2. Sectoral Scope: CARIFORUM Fashion - Services and Goods

For this consultancy, 6 CIs were selected for study of their value chains reflecting both goods and services: **Music (recorded and live)**, **Film, Fashion**, **Jewellery, Painting**, **and Arts & Craft.**

To determine the goods and services that fall within these sub sectors, the team utilised a combination of the definitions used for the CCIs in UNCTAD Creative Economy Report 2010, the UNESCO Framework for Cultural Statistics (FCS) as well as the KEA report of 2006 on the Economy of Culture.

Table 1: Related Services and Goods for Fashion

Related Services	**Related Goods** (physical and intangible[2])
Fashion design and distribution	Textiles, clothing, apparel, footwear, leather goods and accessories (e.g. handbags). *Jewellery is discussed separately.*

[2] Definition derived from http://en.wikipedia.org/wiki/Intangible_good (accessed on 16.11.14).

1.3. Geographical Scope: CARIFORUM and European Union

The geographical scope of the project includes all 16 CARIFORUM countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Dominican Republic, Haiti, Grenada, Guyana, Jamaica, Montserrat, St. Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

On the EU side, the Consultancy considers selected markets of the European Union to explore trade opportunities: Denmark, Estonia, Finland, France, Germany, the Netherlands, Spain, Sweden and the United Kingdom (9 Member States).

1.4. Methodology

The methodology employed in this Consultancy combined desk research, face-to-face interaction, online surveys as well as virtual communication in order to achieve the expected results.

This multifaceted approach is summarised below:

- Overview of CCIs locally and examination of export opportunities along the value chain:
- Desk research to collect preliminary data (quantitative and qualitative) on the export value chains of the selected sub sectors of the CCIs in Caribbean countries, and to gather information on target markets for exports (EU countries).
- Meetings with stakeholders, where necessary to supplement the desk research.
- Comprehensive mapping of the value chains for the CCIs in selected EU Member States, and identification of opportunities for CARIFORUM CCIs – using a combination of an online survey, desk research and fieldwork.
- Online questionnaire (survey) was designed in SurveyMonkey for use across the Caribbean by the core team and Local Exports in consultations with creative practitioners.
- Fieldwork at local level was conducted by the network of Local Experts, under the guidance of VPAJ, each with responsibility for collecting data, assessing the specific situation, engaging with potential stakeholders, and recording their views. This equivalent work in the EU member states was conducted by KEA.
- **Road map** for enhancing the competitiveness of CCIs in entering the value chain which considers export growth potential and existing bottlenecks, with accompanying **strategy and action plan** to address the constraints faced by CARIFORUM CCIs practitioners in their exports. Wherever possible, this references international best practices, and puts forward recommendations for CARIFORUM CCIs, including niche markets, important festivals/trade fairs, key actors for partnerships at international level as well as cooperation arrangements for mutual benefit (e.g. joint ventures, visibility in partners' markets, twinning and exchange programmes etc.). As relevant,

the strategy also provides recommendations on potential clustering opportunities in CARIFORUM countries to e.g. develop joint marketing strategies, lower export costs, and improve the visibility of their products and services in priority markets.

- Through industry validation of this Final VCA Report, the team will make the necessary adjustments to correct for errors or oversights, and to reflect critical additional input.

Survey respondents

The following discussion is based on the results collected through this survey exercise for the 53 professionals who specified 'Fashion' as their *main* industry. They are based in 15 of the 16 CARIFORUM countries.

Only in some instances is the full survey dataset discussed: 410 creative professionals involved in the 7 CCIs/sub-sectors, based in 15 CARIFORUM countries (as of 31st May 2015).

Methodological limitations

The most significant methodological limitation has been the varying – and at times, small – numbers of creative professionals who participated in the survey. The resultant sample size at times limited the authors' abilities to reach conclusions for some of the survey questions. The authors therefore hereby acknowledge that this report does not present a *definitive* characterisation of the CARIFORUM CIs, but rather provides a foundation upon which to build.

Reports

An **industry-specific Value Chain Analysis (VCA) Report** like this one has been drawn up for each of the six CIs under review - namely **Music (recorded and live)**, **Film, Fashion**, **Jewellery, Painting**, **and Arts & Craft**. The results from each are aggregated into an overarching report, entitled "Development of a Regional Export Strategy for the Creative Industries Services: **Value Chain Analyses Final Report**". Whilst the latter includes some industry specificity, it is recommended that the relevant industry-specific VCA Reports are read in conjunction with the Final Report.

2. Mapping the Value Chains for CARIFORUM CCIs

As mentioned, this report considers the value chains for the selected CIs using a two-fold approach: analysis of the **supply (CARIFORUM) side**, and analysis of the **demand (EU) side**.

The value chains developed are based on the schematology of Film by Aarhus, Alexandra Institute and High Tech Accelerator Innovation Centre (2011). The industry-specific value chain for Fashion is discussed in Section 3.2.1, and presented in Figure 2 with the survey respondents mapped to each activity. The actual number of respondent involved in each type of activity is given in the table in Annex 1.

3. Market Opportunities for CARIFORUM's Fashion Industry

3.1. Trends in the EU for Fashion

In the EU the value chain of the fashion industry embraces design, manufacturing of materials and fashion goods (such as textiles, clothing, footwear, leather and fur products, jewellery and accessories), as well as their distribution and retail to final consumers.[3]

European clothes and textiles are coveted the world over, not just in China, but also in many other parts of the world such as the USA, Hong Kong and Russia. The total EU export of clothes and textiles has increased in the past few years and European fashion has become popular.

Table 2: Facts and figures on the European Fashion Industry

Companies	850.000 in entire value chain
	180.000 textile and clothing manufacturing
Employment	5 million jobs in entire value china
	37 % of jobs in fashion manufacturing (2 million jobs) - 6 % of all EU manufacturing jobs
	63% jobs in design and distribution (branding and marketing, supply chain management and retail) (3 million jobs)
EU GDP (2009)	3%
Turnover in EU	525 billion EUR
IPR Infringements	60% of goods intercepted at EU borders
E-commerce[4]	3,4% retail trade in EU 12% in D, 10% in UK, 1% in IT, 1% in ES[5]
Export Clothing	
Export Textile	
Import Clothing	
Import Textile	

[3] Study on the competitiveness of the EU fashion industries, IDEA Consult, 2012.

[4] Idem.

[5] Idem.

In recent years the fashion industry in the EU has however been under pressure to restructure and modernize. The following factors contributed to the need to make changes:

- Trade liberalization and external competition[6]
- Consumer developments
- Technological advances
- Production and logistic costs[7]
- Environmental issues

To meet the new global challenges the fashion industry is currently moving towards:

- Innovative and high value products, processes and services as it cannot compete on price with emerging economies
- Niche markets
- New brands
- New business models

[6] This led to a decrease of a substantial the number of companies and jobs in the fashion manufacturing sector due to the relocation of labour intensive activities to countries with cheap labour. Between 2004- 2009 the number of people employed in the fashion manufacturing sector fell from 2.9 to 1.9 million persons. At the same time there an increase in the number of jobs in the fashion distribution sector took place and 500.000 jobs were created between 2004 and 2009.

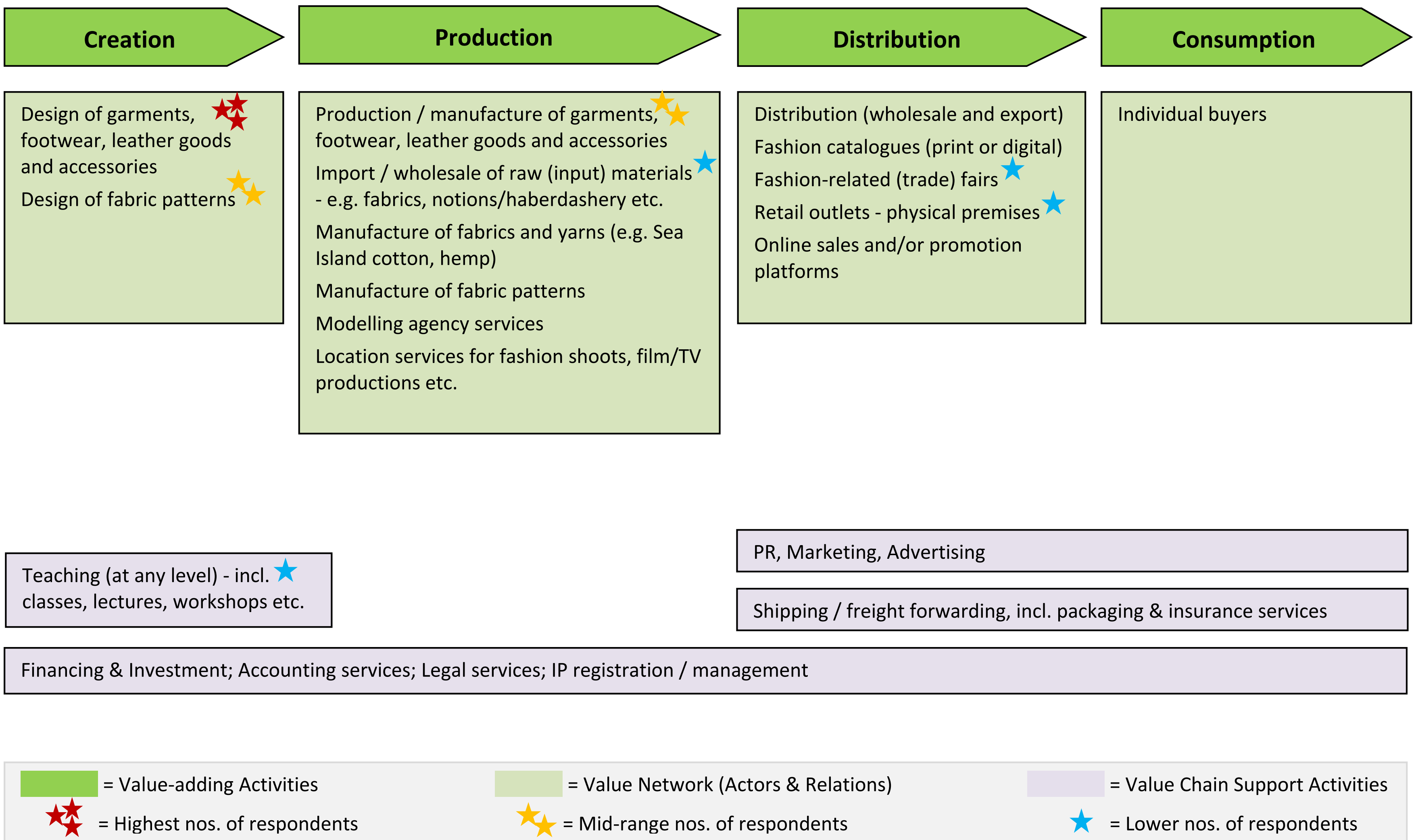
[7] Production and logistics costs have increased in the emerging countries in recent years and created new opportunities for European- based companies. The recent move from two seasons to numerous collections per year requires efforts to be deployed at all stages of the value chain and faster supply to the European market.

3.2. Trends in CARIFORUM for Fashion

3.2.1 Characteristics of CARIFORUM Fashion professionals

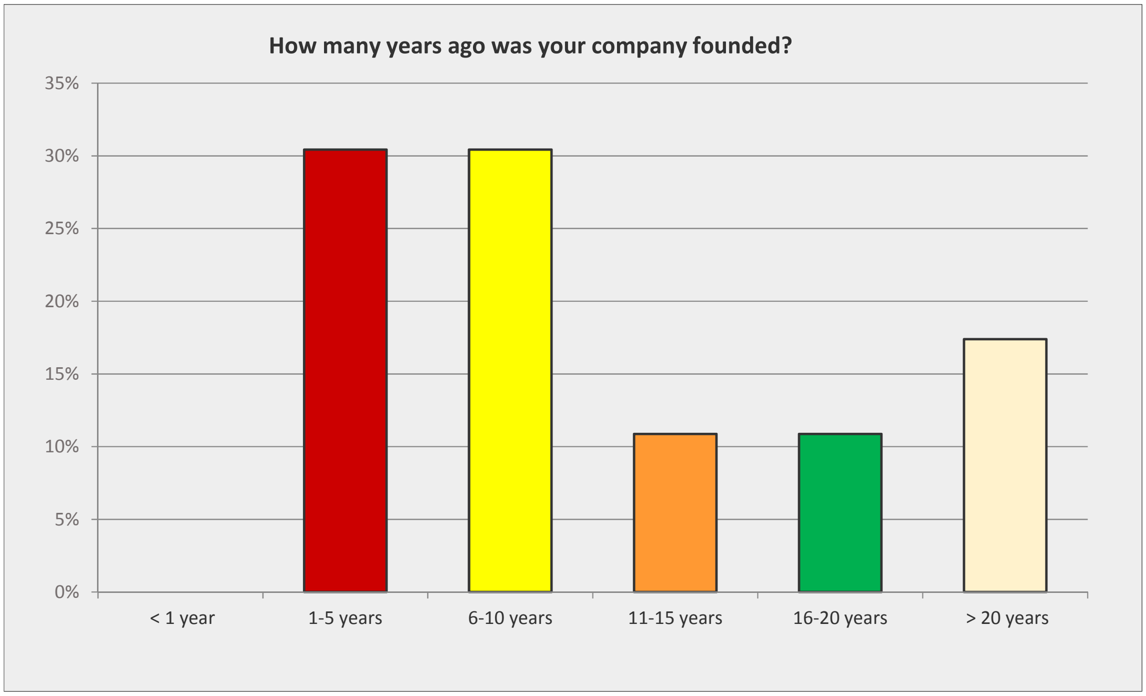
- Of the 53 Fashion respondents, most are involved in the "creation" stage; this is followed by certain activities in the "production" and "distribution" stages as well as in Teaching. Their distribution along the CARIFORUM Fashion value chain is illustrated Figure 2; and the actual number involved in each type of activity is given in the table in Annex 1.
- Several of the Fashion professionals also work in the other CCIs under review – most notably Jewellery (in "creation") and Arts & Craft (in "creation" and Retail outlets).
- Almost 75% of respondents fully own their business; and almost 85% have their business registered under their country's national law.
- For the most part, the respondents work in their business full-time (70%) as compared to part-time (30%).
- 35% have full-time (FT) employees, of whom the majority had 1-4 FT employees (75%) followed by 5-9 FT employees and 10-15 employees (13%). By contrast, over 60% had part-time (PT) employees; and of these, 90% had 1-4 PT employees, <5% had 5-9 PT employees, and <5% had 10-15 PT employees. [1 respondent had 16-20 PT employees].
- More than 60% of respondents provide both Fashion-related services and goods (whether physical or 'intangible' (virtual, digital); 4% provide only service(s) and 31% only goods.

Figure 2: Mapping of respondents along Value Chain for CARIFORUM Fashion



- There is considerable variation in the longevity of respondents' businesses, from < 1 year to 40 years. The majority however fall within the 1-5 year and 6-10 year ranges.

Figure 3: Company age range for CARIFORUM Fashion respondents

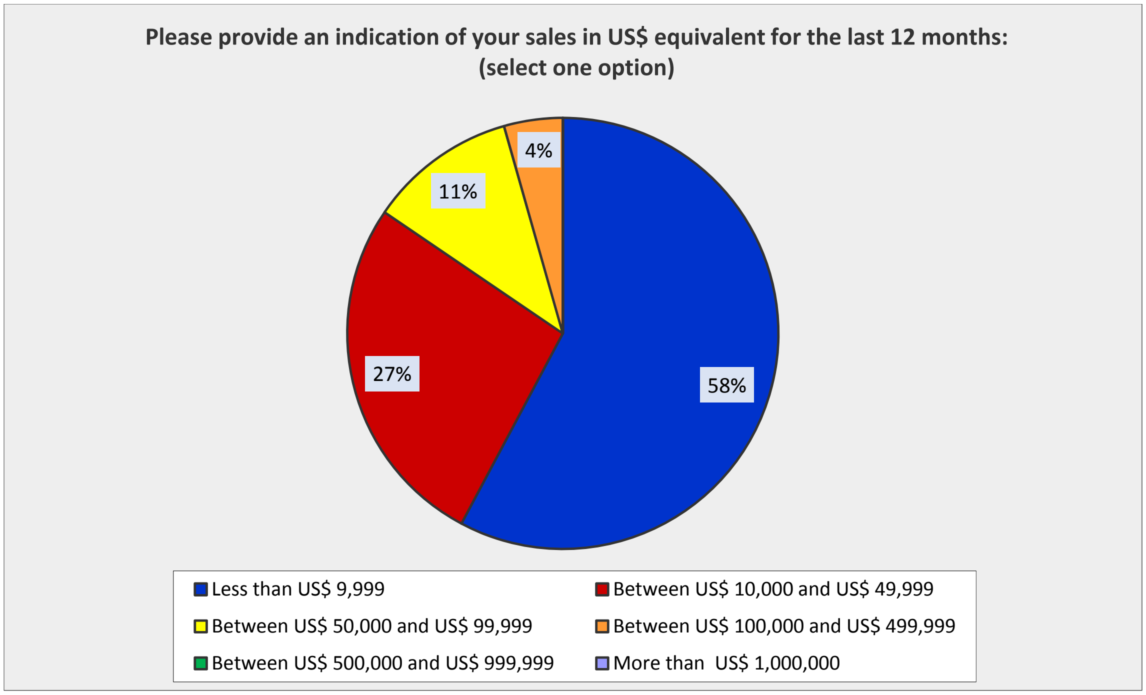


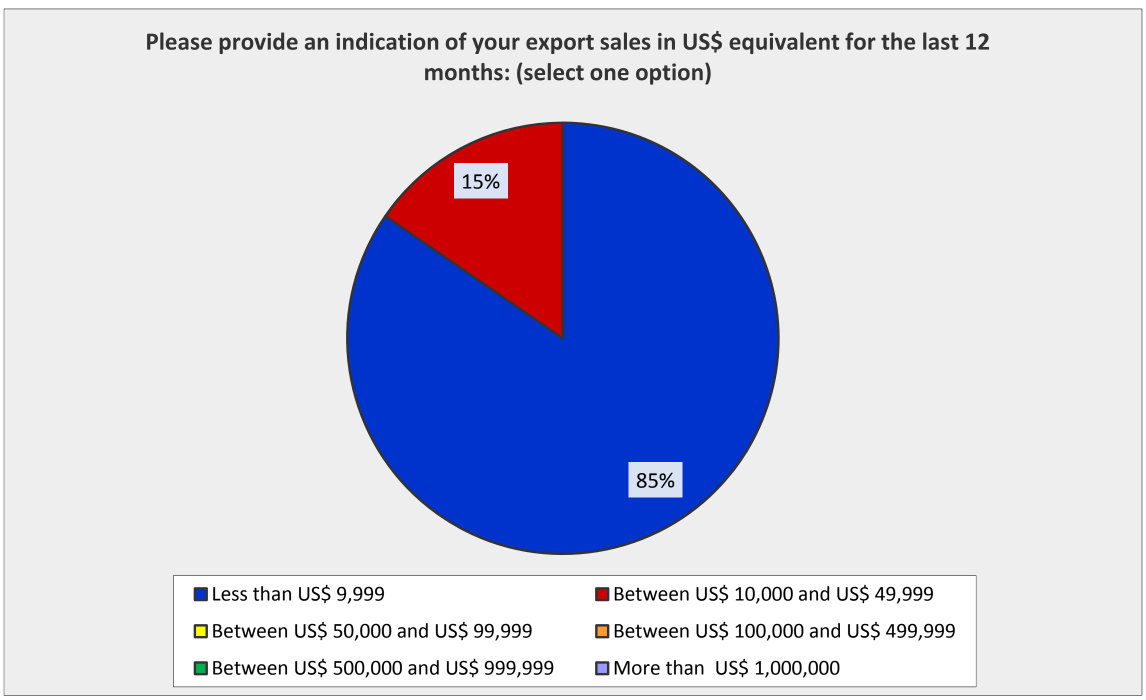
- In terms of their last 12 months, 58% of Fashion respondents recorded sales of < US$ 9,999; 27% of US$ 10,000 - US$ 49,999; 11% of US$ 50,000 - US$ 99,999; and 4% of US$ 100,000 - US$ 499,999. This is illustrated in Figure 4, along with the export sales of Fashion.

3.2.2 Current export activities of CARIFORUM Fashion professionals

- Considering their *exports* for the last 12 months, 85% of respondents indicated sales of < US$ 9,999; and the remaining 15% of US$ 10,000 - US$ 49,999. As such, it can be seen that exports do not currently constitute a major component of sales for the Fashion professionals who responded to this survey exercise.

Figure 4: Comparison of total and export sales for CARIFORUM Fashion respondents

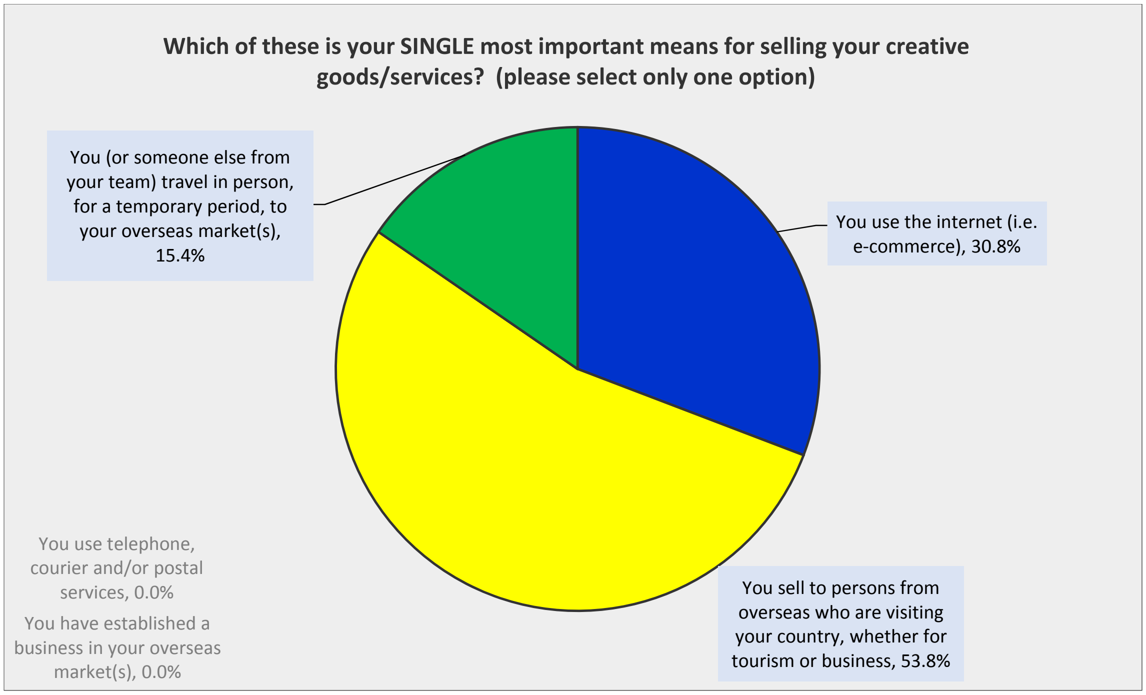




- Over 60% do not have an Export Strategy for their business, the other 40% do.
- Less than 30% of respondents are currently exporting; and they use all export modalities to deliver/sell their creative goods/services, promote and otherwise transact business.

  The following Figure 5 indicates the relative use of the three export modes considered most important by CARIFORUM's Fashion professionals to sell their goods/services.

Figure 5: Most important export modes for CARIFORUM Fashion professionals

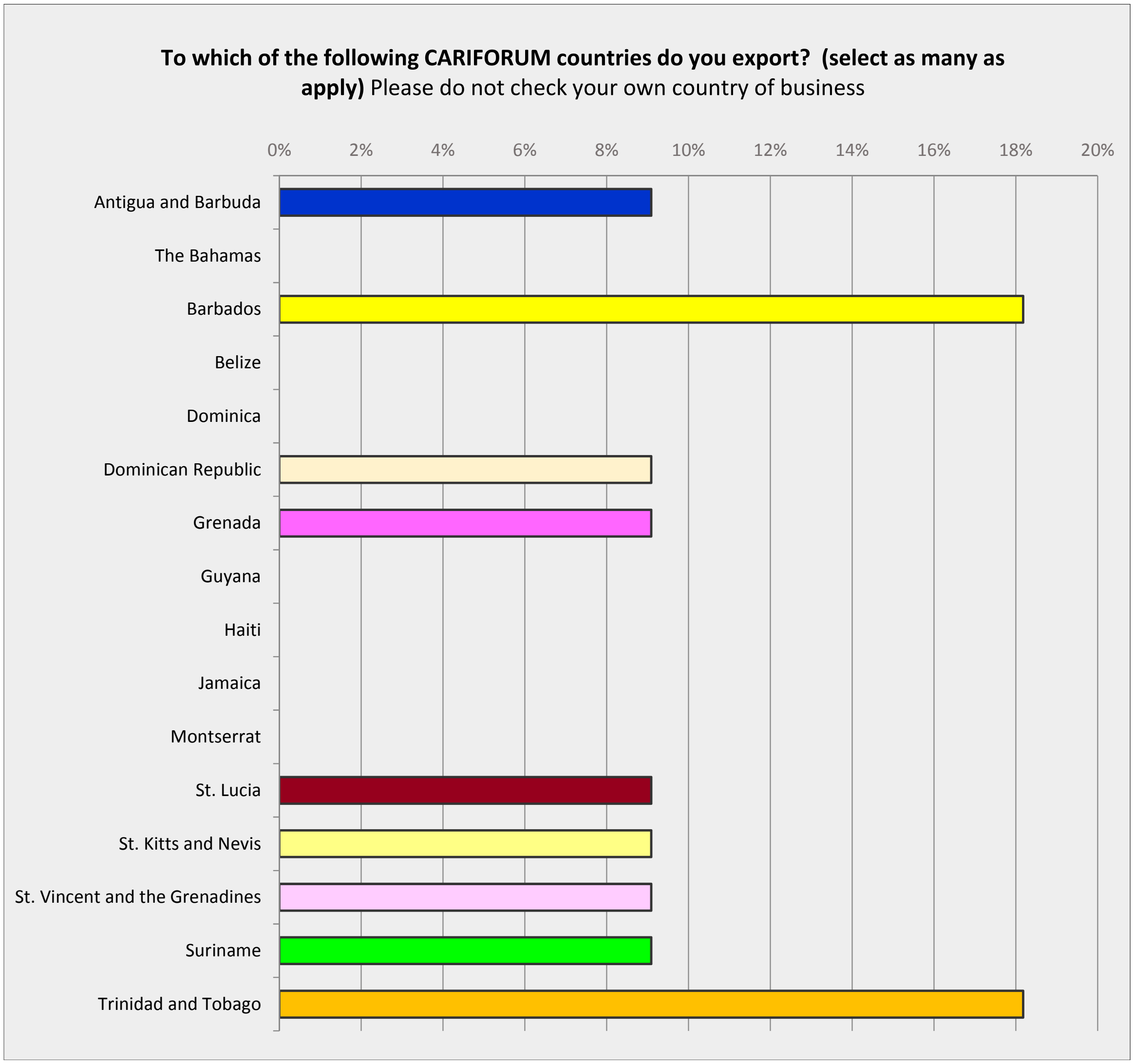


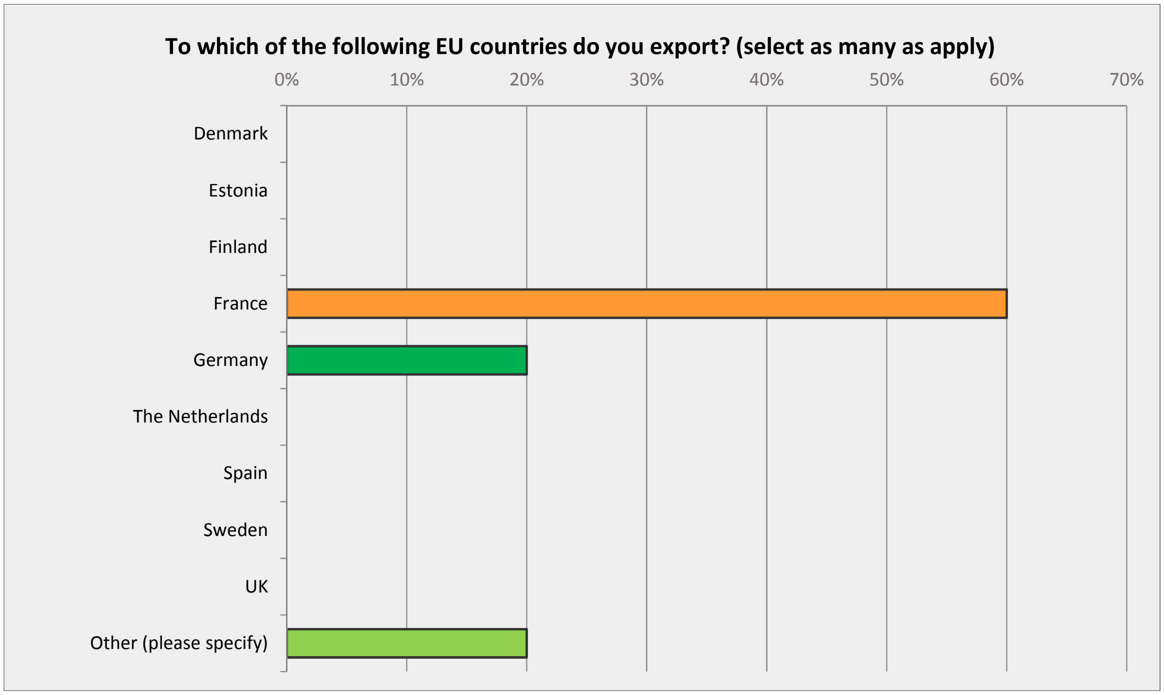
- Specific to their e-commerce activities, respondents listed the following as online platforms/services they employ:
  - Email, websites, and blogspot sites.
  - Social media: overall, there is widespread use - in particular, Facebook (almost 70% of respondents), Twitter (26%), LinkedIn (21%), and Instagram.
  - Online stores, platforms and services - Etsy.com.

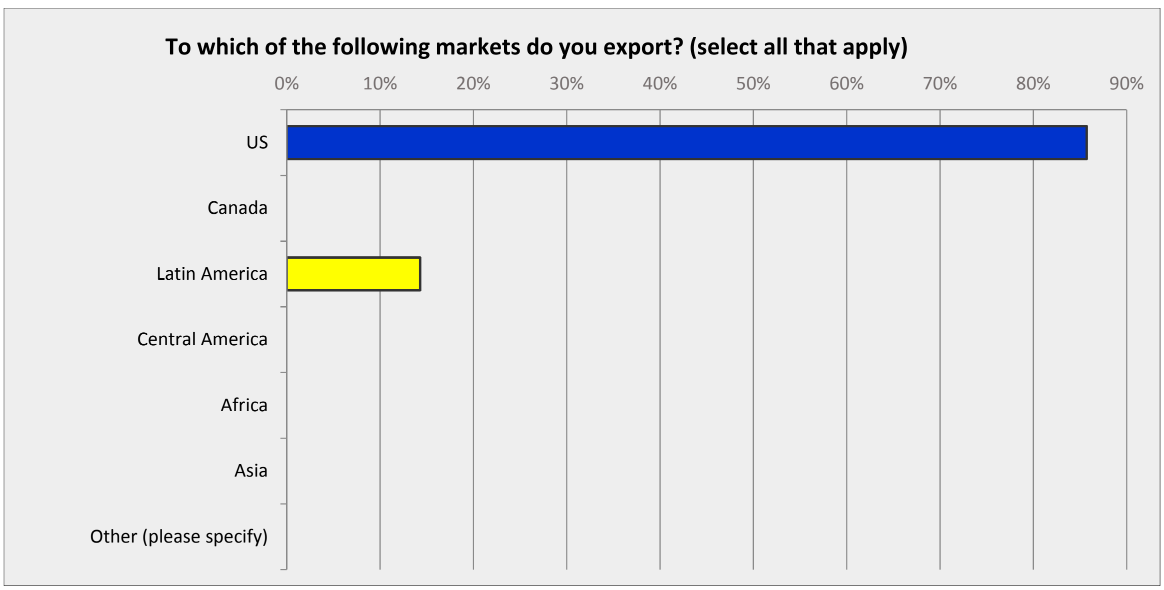
- For those who export: (*countries listed in decreasing order of popularity*)
  - > 45% do so to another country in CARIFORUM; with Barbados and Trinidad & Tobago being the most popular. There are also some exports to a number of other countries in the region.
  - 25% export to a country in the EU, with France being the most popular market. There are also some exports to Germany.
  - 50% export elsewhere in the world, with the US being the most popular. There are also some exports to countries in Latin America.

The popularity of the individual countries for export is given in the bar charts in Figure 6. The % is the number of respondents exporting to the country as a proportion of the total number exporting to that region. As some of the absolute values are small, only the relative ranking of countries is discussed above.

Figure 6: Prevalence of exports to CARIFORUM, EU and other markets by CARIFORUM Fashion professionals





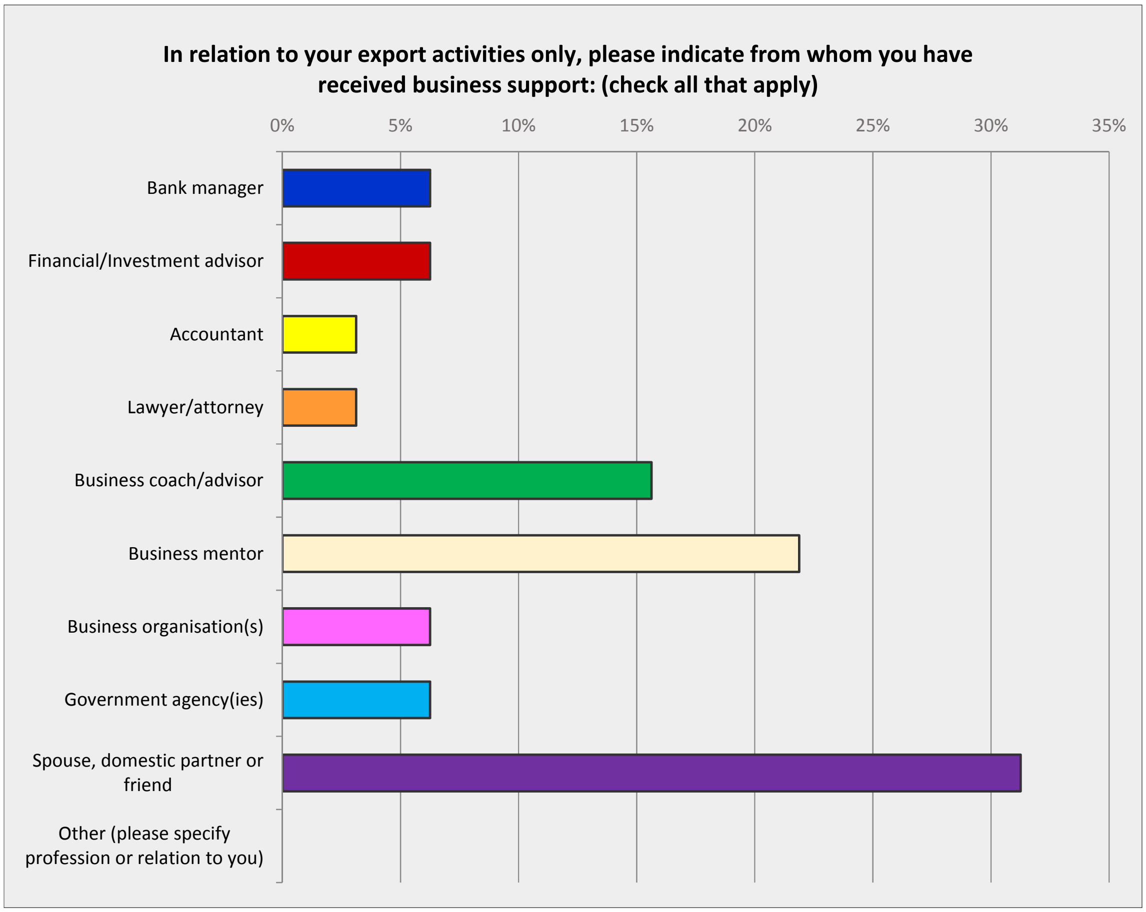


- Of the almost 75% respondents who are not currently exporting, the majority have never tried (> 60%); 30% have 'tried but stopped'; and < 10% 'tried without much (any) success'.
- Of note, almost 80% of respondents who are not currently exporting would be interested in starting (or resuming) their exports. 12% stated that they are not interested; the rest (9%) are not yet interested.

3.2.3 Export support framework for CARIFORUM Fashion professionals

- More than 70% of the Fashion respondents noted that they do not receive business support from anyone specific for their export efforts. For those who have, support has come predominantly from a business mentor as well as spouse/domestic partner or friend, followed by a business coach/advisor. This is indicated in Figure 7.

Figure 7: Sources of support used by CARIFORUM Fashion professionals for their export activities



- Almost 30% of CARIFORUM Fashion respondents belong to a business organisation, whether local/national, regional or international. For most, this is an 'industry-specific association, network, alliance, or group' or 'entrepreneurs/business owners' organisation'. This membership has boosted their export efforts through provision of information (including forthcoming events and opportunities) and networking.

4. Bottlenecks along the Fashion Value Chain

Due to the small size of the domestic markets in nearly all CARIFORUM countries as well as the persistent decrease in local demand, there is need for considerable expansion of foreign markets. Whilst there is scope for the increase of creative exports to the EU, numerous challenges are noted.

4.1. Export challenges facing CARIFORUM Fashion professionals

- 45% of respondents have experienced challenge(s) to their creative exports, to greater or lesser extent. As indicated in the table below, the challenge considered most severe is 'Lack of networking or contacts'.

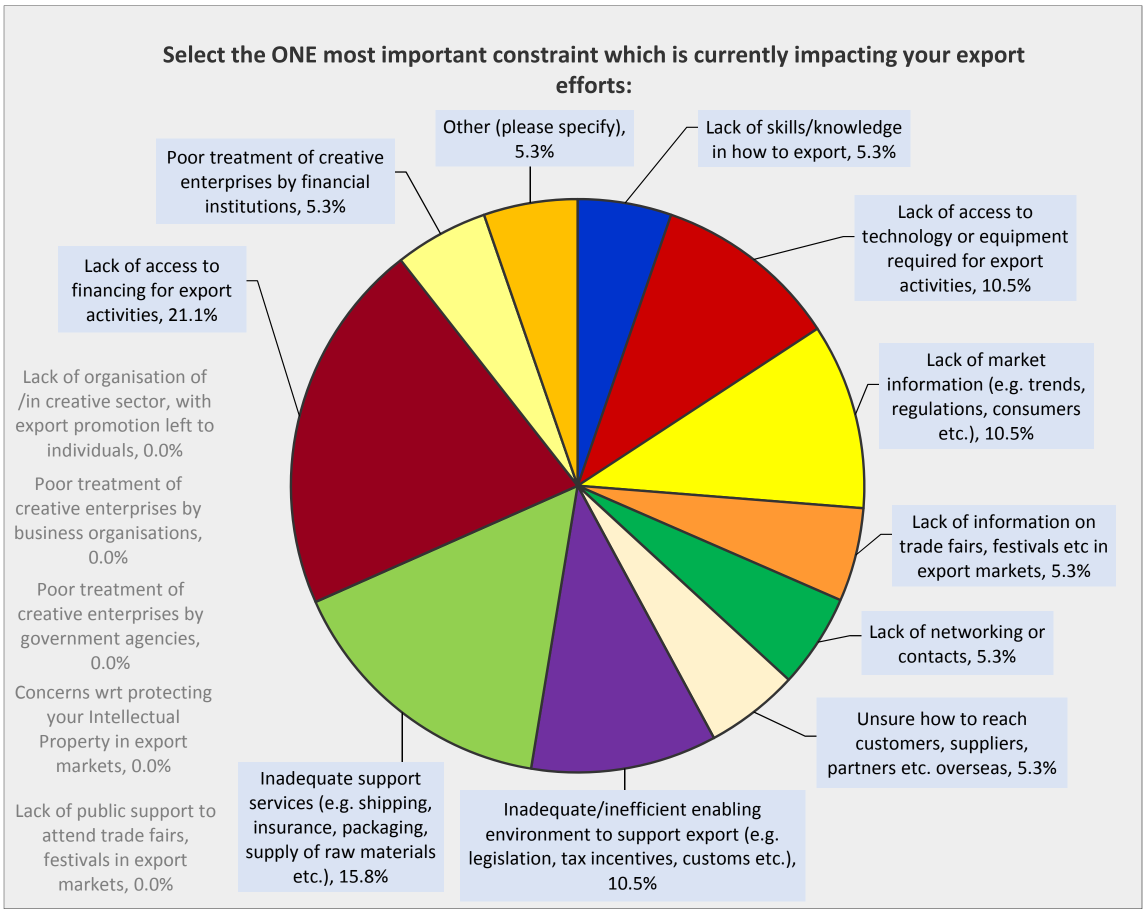
Table 3: Rating of export challenges by CARIFORUM Fashion professionals (no. of respondents)

From your own experiences, how would you rate the following challenges to your export efforts?					
Answer Options	**Not very important**	**Quite important**	**Very important**	**N/A**	**Rating Average**
Lack of skills/knowledge in how to export	1	9	7	2	2.35
Lack of access to technology or equipment required for export activities	7	3	7	2	2.00
Lack of market information (e.g. trends, regulations, consumers etc.)	4	7	7	1	2.17
Lack of information on trade fairs, festivals etc in export markets	4	9	5	1	2.06
Lack of networking or contacts	0	4	15	0	2.79
Unsure how to reach customers, suppliers, partners etc. overseas	1	10	8	0	2.37
Concerns wrt protecting your Intellectual Property in export markets	6	2	8	3	2.13
Lack of public support to attend trade fairs, festivals in export markets	4	7	6	2	2.12
Inadequate/inefficient enabling environment to support export (e.g. legislation, tax incentives, customs etc.)	2	8	9	0	2.37
Inadequate support services (e.g. shipping, insurance, packaging, supply of raw materials etc.)	1	6	10	2	2.53
Lack of organisation of /in creative sector, with export promotion left to individuals	3	8	8	0	2.26
Lack of access to financing for export activities	3	5	10	1	2.39
Poor treatment of creative enterprises by financial institutions	3	8	6	2	2.18

Poor treatment of creative enterprises by business organisations	4	9	5	1	2.06
Poor treatment of creative enterprises by government agencies	3	9	6	1	2.17
					No. respondents = 19

- As shown in Figure 8, the single most important export challenge facing CARIFORUM Fashion professionals is 'Lack of financing for export activities" (noted by 21% of respondents). This is followed by 'Inadequate support services (e.g. shipping, insurance, packaging, supply of raw materials etc.)' (by 16% of respondents).

Figure 8: Most important export challenges facing CARIFORUM Fashion professionals



- The following were <u>not</u> noted by any of these Fashion professionals as their *single* most important export constraint:

    Lack of organisation of/in creative sector, with export promotion left to individuals

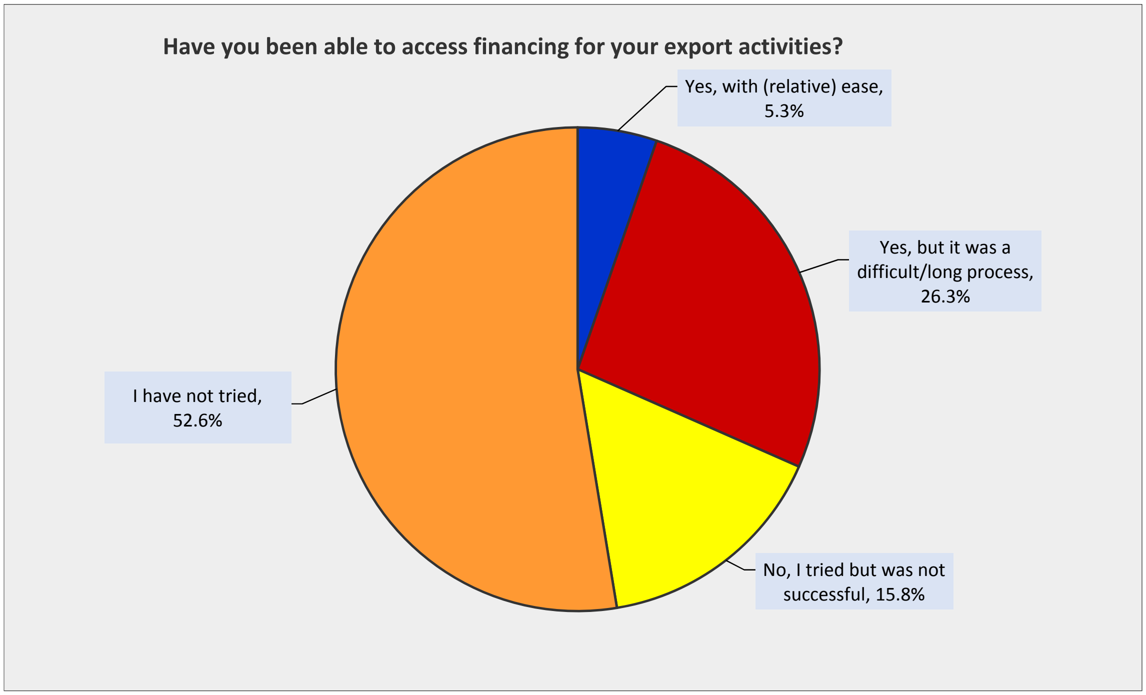
    Poor treatment of creative enterprises by government agencies

    Concerns wrt protecting your Intellectual Property in export markets

    Lack of public support to attend trade fairs, festivals in export markets.

- As relates to accessing financing for export, only 5% of respondents have been successful, with (relative) ease as depicted in Figure 9. By contrast, 26% were successful but after a difficult/long process; 16% tried but were not successful; and more than 50% have not tried.

Figure 9: Experience of CARIFORUM Fashion professionals to access export financing



- Only three respondents identified having experienced export financing challenges, as presented in Table 4 below. Of these, two indicated ‘Lack of suitable options available’ as the most severe challenge. Further discussion is not possible given the small sample size.

Table 4: Rating of export financing challenges by CARIFORUM Fashion professionals (no. of respondents)

Specific to finance for exports, how would you rate the following in terms of their importance?					
Answer Options	**Not very important**	**Quite important**	**Very important**	**N/A**	**Rating Average**
Lack of suitable financing options available to you	0	1	2	0	2.67
You were unable to meet the lender's security/collateral requirements	0	2	1	0	2.33
Lender was not satisfied with the state/quality of your business documentation	0	3	0	0	2.00
Lender approved a loan but the amount was too low	0	0	1	2	3.00
Lender approved a loan but the term was too short	0	0	0	3	0.00
Lender approved a loan where the conditions were otherwise unacceptable	0	0	1	2	3.00
					No. respondents = 3

- More than 50% of respondents do not have to access to venture capital as an option to finance their business's export growth efforts, and a further 40% were unsure. [Only 2 respondents did have access to venture capital]

4.2. Challenges within EU for CARIFORUM Fashion

The consultants initiated contact with a wide range of European stakeholders, in particular trade associations in the fashion and textile sector. The list of organisations and companies consulted can be found in Annex 2.

The aim of the survey was to test possible interest from European fashion in developing business with Caribbean actors and to know whether there might be a demand from potential European companies.

The overall result of the survey has shown that the Caribbean fashion sector is little known in the EU. There is more knowledge about the Latin American fashion sector. There are however possibilities for cooperation in different areas, as Europeans are looking for new products and opportunities:[8]

- Production – cooperation with factories in the CARIFORUM countries. In many European countries, such as for example Denmark, the production of the textiles and clothing is outsourced outside of the EU. Cooperation will strongly depend on the quality and price that the Caribbean factory can offer.
- Development of brands and new products.
- Training and schooling.
- Techniques for handling textiles.
- Language barrier – the fact that English, French and are the main language spoken in the Caribbean was seen as advantage to doing business, as this could facilitate the understanding between the business operators.

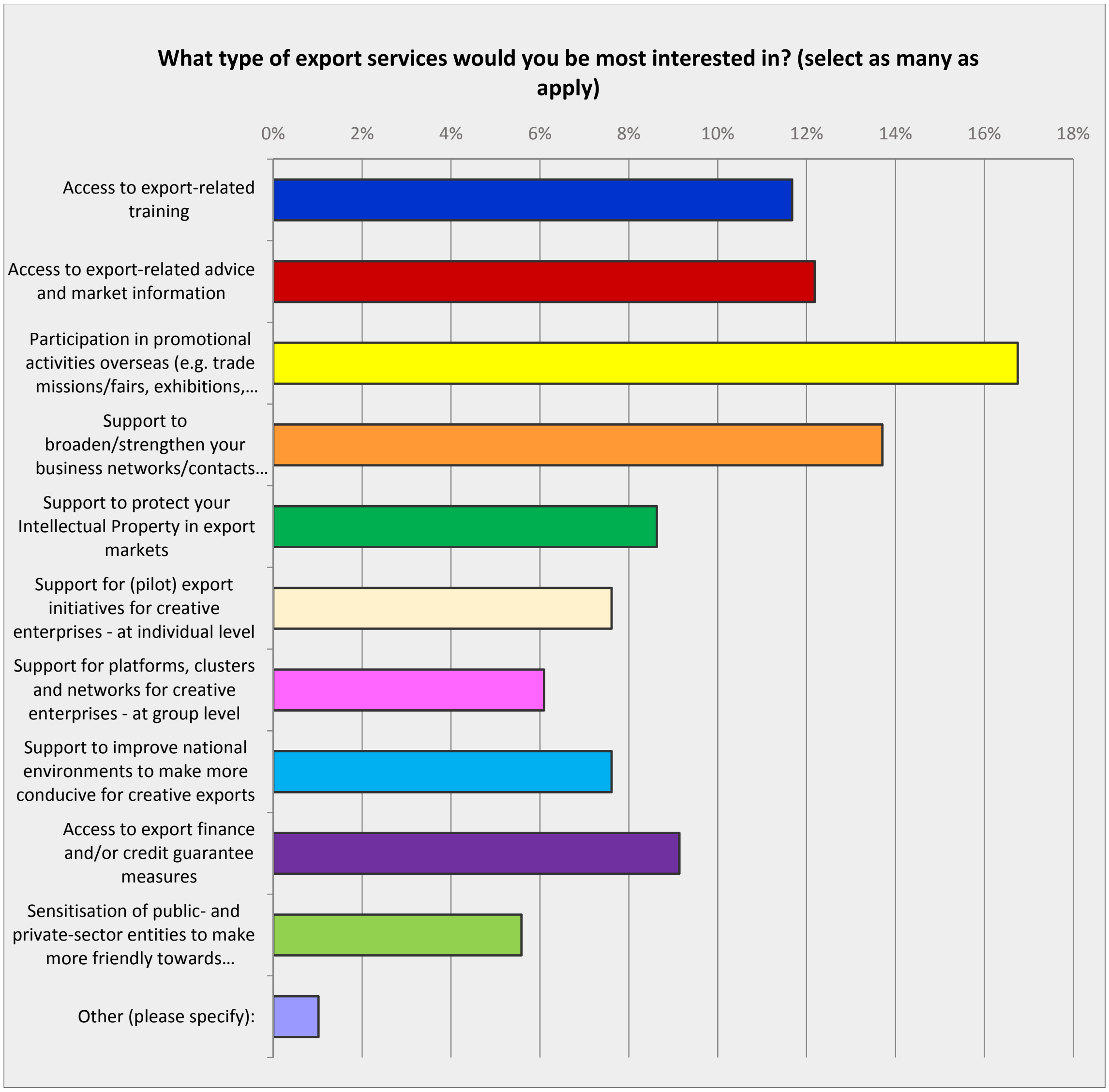
[8] Interview with Michael Hillmose of the Dansk Fashion and Textile Association on 12 June 2015.

5. Recommendations to Boost Export of CARIFORUM Fashion

5.1. Improving export support for CARIFORUM Fashion professionals

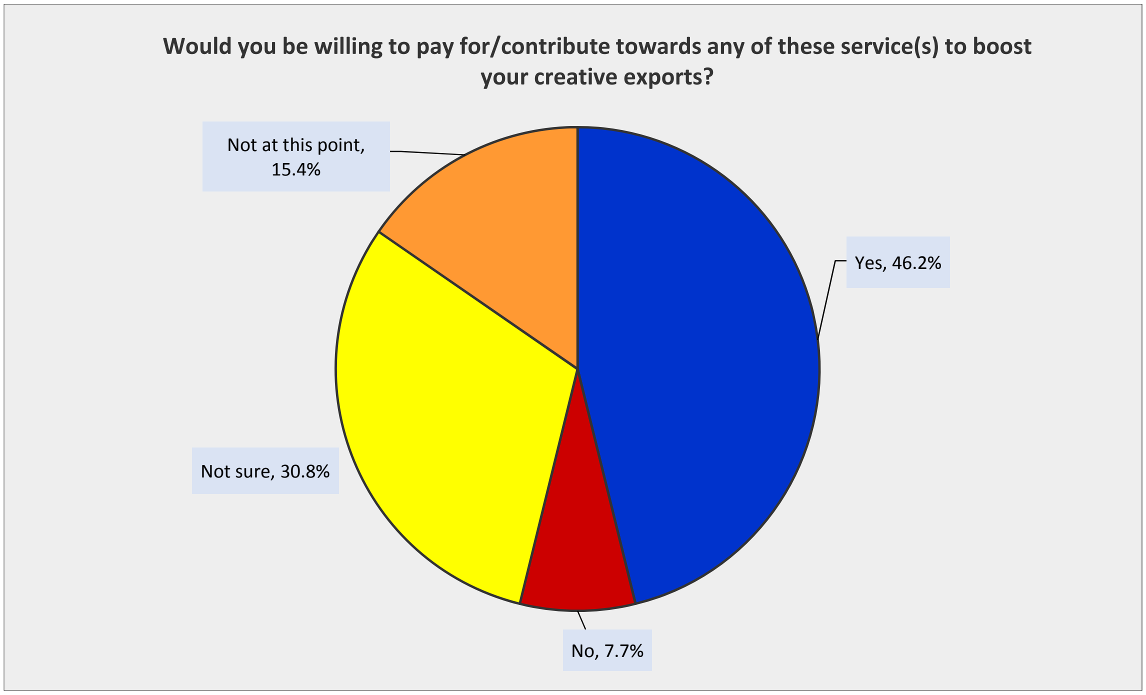
- As previously noted, almost 80% of respondents who are not currently exporting would be interested in starting (or resuming) their exports.
- Nearly 90% of the Fashion respondents noted their interest in accessing support services to boost their creative exports. As illustrated in Figure 10, when given a selection of possible export-related services:
    - The most popular were: ‘Participation in promotional activities overseas e.g. trade missions/fairs, exhibitions, festivals etc.’ (selected by almost 17% respondents) and ‘Support to broaden/strengthen your business networks/contacts overseas’ (selected by 14% respondents).
    - These were followed by ‘Access to export-related advice and market information’ and ‘Access to export-related training’ (each selected by 12% respondents).
    - Of slightly lower priority were: ‘Access to export finance and/or credit guarantee measures’ and Support to protect your Intellectual Property in export markets’ each selected by approx. 9% of respondents).

Figure 10: Prioritisation of export services by CARIFORUM Fashion professionals



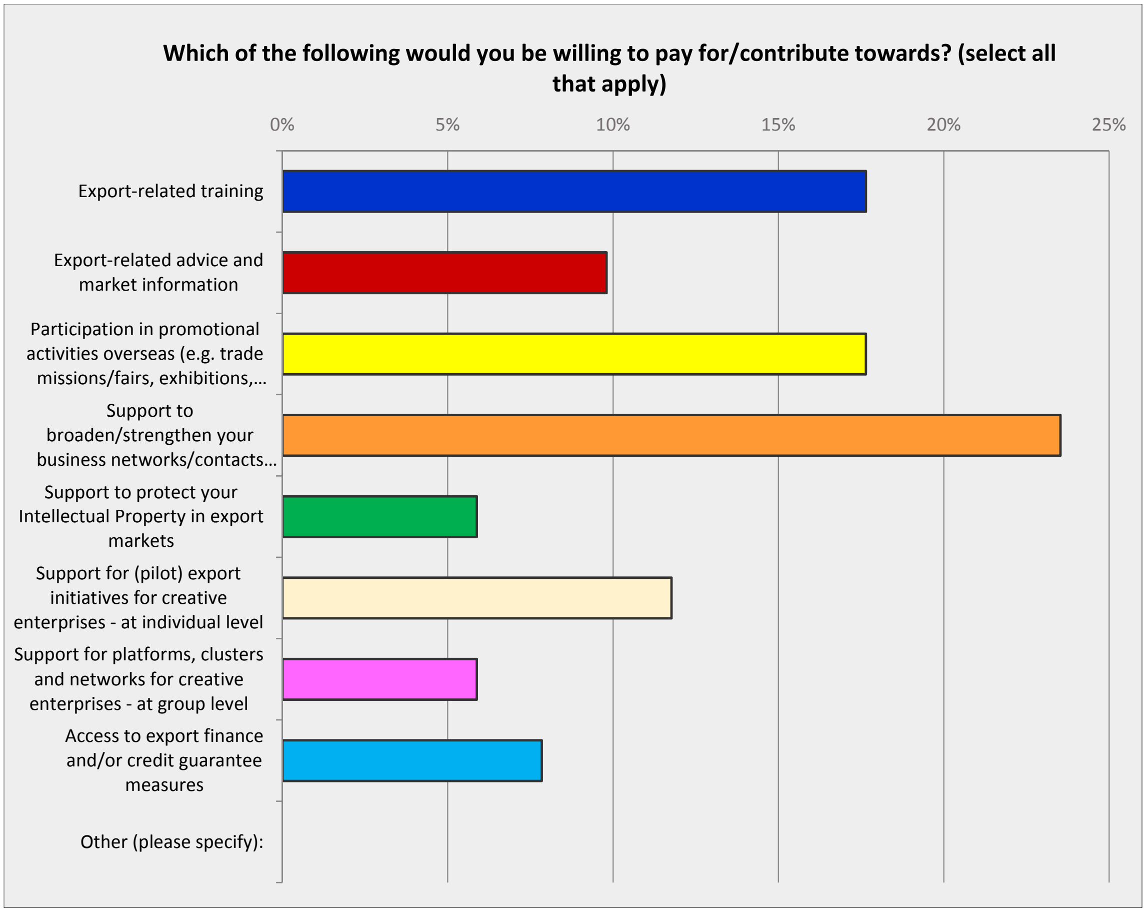
- As shown in the following Figure 11, more than 45% stated that they would be willing to pay for/contribute towards such services at this point in time. A further 31% were not sure; 15% not willing at this point; and 8% not willing at all.

Figure 11: Willingness of CARIFORUM Fashion professionals to pay for export-related services



- Of these export-related services, most of the respondents indicated that they would be willing to pay for/contribute towards 'Support to broaden/strengthen your business networks/contacts overseas' (selected by almost 24% of respondents). This was followed by 'Export-related training' and 'Participation in promotional activities overseas e.g. trade missions/fairs, exhibitions, festivals etc.' (both selected by 18% of respondents). This prioritisation is indicated in Figure 12 below.

Figure 12: Export services for which CARIFORUM Fashion professionals would pay

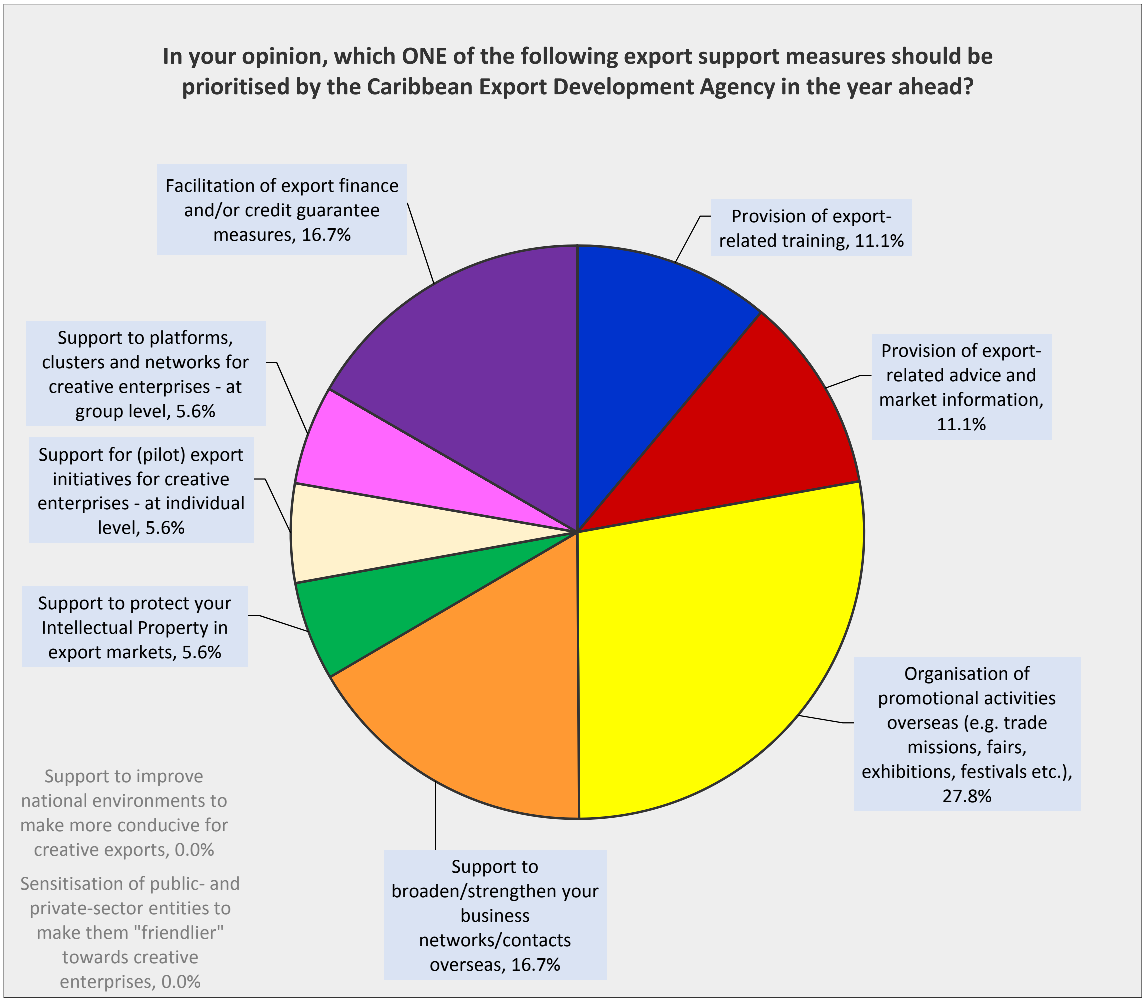


- When asked whether they reserve a budget to support their exports, only 6% responded affirmatively (no amounts were given); >60% do not; and the remainder responded “not yet”.
- As illustrated in the following Figure 13, when asked which export-related service(s) should be prioritised by Caribbean Export:

  The most popular was ‘Organisation of promotional activities overseas (e.g. trade missions, fairs, exhibitions, festivals etc.)’ (selected by almost 30% of respondents).

  This was followed by: ‘Support to broaden/strengthen your business networks/contacts overseas’ and ‘Facilitation of export finance and/or credit guarantee measures’ (each selected by almost 17% of respondents).

Figure 13: Export services to be prioritised by Caribbean Export for CARIFORUM Fashion professionals



- The following two services were <u>not</u> noted by any of these Fashion professionals as priorities for Caribbean Export:

  Support to improve national environments to make more conducive for creative exports.

  Sensitisation of public- and private-sector entities to make them "friendlier" towards creative enterprises.

5.2. Good practice in the EU Member States for Fashion

Making contact with foreign agents, distributors and buyers

The Dansk Fashion and Textile is industry association representing more than 300 small and large fashion and textile companies that export around 60% of their textiles abroad and is interested in international cooperation. Some of their designer brands are: Bruuns Bazaar, Charlotte Sparre, Georg Jensen Damask, Stella Nova, Norse Projects, Won Hundred, Baum und Pferdgarten, hummel, Ferm Living, kvadrat and egetæpper.

The association has developed an international match-making service for professionals in the fashion industry called **"Fashion Tour"**. It is aimed at increasing the awareness of Danish fashion on the international stage and creating contacts among foreign agents, distributors and buyers. Since 1895, Dansk Fashion and Textile has been a fixed hub for all companies engaged in both the production and export of clothes and textiles on Danish, European and international markets. They have a specific person in the organisation dealing with export initiatives, international trade fairs, international buyers, agents and retail chains.

The association also has a **creative director and consultant for design and trends**. The director is responsible for promoting the interests of the fashion and textile industry to the Danish and international media, as well representing the organisation at the Copenhagen Fashion Week. This is Scandinavia's biggest fashion week and it is held twice a year and attracts more than 40,000 international buyers, designers and journalists. Members also have access to a unique **trend library** with the latest books and materials from internationally renowned trend agencies such as PeclersParis, A+A and Carlin as well as a constantly updated electronic trend database – WGSN.

Dansk Fashion and Textile also works as a source of inspiration on **Instagram**, among other platforms, where they post about fashion, design, trends, clothes and lifestyle (follow on: DMOGT_Trend).

5.3. Scope for business cooperation between the EU and CARIFORUM for Fashion

Nothing specific was identified for this report.

5.4. Image and Reputation of CARIFORUM CCIs

The fashion industry should be part of an overall strategy to improve the image and branding of the cultural and creative industries in the Caribbean region. This strategy should include specific measures and pilot projects for the fashion sector.

It should be noted that seminars and conferences are a good tool to create awareness, but they rarely create any direct business for companies. Other measures need to be taken to increase business opportunities.

5.5. Structural relations and networks

The cultural and creative industries are developing themselves globally through structural relations and sustainable networks. This is also the case for the fashion sector. Currently the Caribbean fashion sector is not well represented in international networks.

As a first step to expand the network of the Caribbean fashion sector, we would recommend that the national trade associations (where such exist) and their members affiliate themselves with the International Apparel Federation. This is the right place for the fashion sector to get their international network up and running.

5.6. Expand commercial activities

For fashion professionals to develop and exploit commercial export opportunities in international markets support and grants should be given to participate in trade fairs and fashion weeks. The assistance should be market-led and responsive to allow fashion designers, distributors and buyers to take advantage of opportunities as they arise. Grants to cover travel and accommodation expenses should be subject to the approval of a business case. See Annex 4 for an indicative listing.

In addition the Caribbean Export Development Agency should also look at possibility to co-fund group visits of Caribbean fashion professionals to the EU to meet agents, buyers, distributors and fashion brands. These visits should be organised in cooperation with the relevant national trade associations in the EU. There are various national programmes available in the different EU countries that could be consulted to co-fund the visit.

It will also be useful to organise visits of European distributors, buyers and brands to the Caribbean countries to meet and talk to the different factories and companies involved in value chain of the fashion sector. In the EU Member States there are programmes available for European exporters that could fund their trips.

Both these visits should be organised in a practical way to allow the Caribbean and Europeans to meet and talk with the potential partners. In advance of such visit a mapping should be made of the European agents, buyers, distributors and brands that could meet the needs of the Caribbean fashion sector. It there is a preliminary match people can be brought together of in Europe or the Caribbean countries. The companies on both sides taking part in these encounters need to be screened to avoid disappointment. Also the requirements of the sourcing companies need to be made available in advance. In Annex 4 an example has been attached of a company profile to be completed by the participating companies.[9]

At a later stage it could be useful to carry out a feasibility study to identify the trade fairs and fashion weeks in the EU with which a twinning festival could be set up in the Caribbean region.

[9] This company has been developed by the Dansk Fashion and Textile Association.

Annexes

Annex 1: Details of Survey Respondents – Fashion

Table A1: Breakdown of respondents in CARIFORUM Fashion value chain

If in 'Fashion', please identify what area(s) you work in: (select as many as apply)		
Answer Options	**Response Percent**	**Response Count**
Design of garments, footwear, leather goods and accessories	68.0%	34
Design of fabric patterns	36.0%	18
Production / manufacture of garments, footwear, leather goods and accessories	46.0%	23
Import / wholesale of raw (input) materials - e.g. fabrics, notions/haberdashery etc.	24.0%	12
Manufacture of fabrics and yarns (e.g. Sea Island cotton, hemp)	0.0%	0
Manufacture of fabric patterns	6.0%	3
Modelling agency services	12.0%	6
Location services for fashion shoots, film/TV productions etc.	12.0%	6
Distribution (wholesale and export)	12.0%	6
Fashion catalogues (print or digital)	8.0%	4
Fashion-related (trade) fairs	26.0%	13
Retail outlets - physical premises	28.0%	14
Online sales and/or promotion platforms	12.0%	6
PR, Marketing, Advertising	8.0%	4
Financing & Investment	0.0%	0
Accounting services	0.0%	0
Legal services	0.0%	0
IP registration / management	0.0%	0
Shipping / freight forwarding, incl. packaging & insurance services	2.0%	1
Teaching (at any level) - incl. classes, lectures, workshops etc.	26.0%	13
Other (please specify)	8.0%	4
	answered question	**50**

Annex 2: List of Stakeholders Consulted for Fashion in EU Member States

Table A2-1: List of stakeholders consulted for Fashion in the EU

Trade Associations/Companies/Trade Fairs and Events	Activity(ies) of VCA	Country
Trade Associations and Business Groups		
European Fashion Council	Advocacy, Promotion, Networking of the Fashion Industry (Creation, Production, Distribution)	EU
EURATEX – European Apparel and Textile Confederation	Advocacy, Promotion, Networking of the European Textile Industry (Production, Import and Export)	EU
ACTM - Asociacion de Creadores Textiles de Madrid	Advocacy, Promotion, Networking (Production)	Spain
CAN Federmoda	Advocacy, Promotion, Networking of the Italian Textile, Clothing and Footwear Industry (Creation, Production, Distribution)	Italy
Comité Colbert	Advocacy, Promotion, Networking of the French Luxury Fashion Industry (Creation, Production, Distribution)	France
Dansk Fashion and Textile Association	Advocacy, Promotion, Networking of the Danish Fashion and Textile Industry (Creation, Production, Distribution and Export)	Denmark
Fondazione Altagamma	Advocacy, Promotion, Networking of the British Fashion and Design Industry (Creation, Production, Distribution)	Italy
Walpole	Advocacy, Promotion, Networking of the British Fashion and Design Industry (Creation, Production, Distribution)	United Kingdom
Companies		
Benetton	Creation, Production, Distribution	Italy

Trade Associations/Companies/Trade Fairs and Events	Activity(ies) of VCA	Country
FURLA	Creation, Production, Distribution	Italy
Giorgio Armani Group	Creation, Production, Distribution	Italy
Hermès	Creation, Production, Distribution	France
LVMH Group	Creation, Production, distribution	France
Prada Group	Creation, Production, Distribution	Italy
PPR Group	Creation, Production, Distribution	France
Trade Fairs and Events		
The Première Vision et Indigo Salon at Première Vision Pluriel	Trade Event for the industries supplying materials and services to the global fashion industry (Suppliers of Raw Materials, Production)	France
Fashion Week in London	Promotion, Distribution, Networking	United Kingdom
Fashion week in Milan	Promotion, Distribution, Networking	Italy
Fashion Week in Paris	Promotion, Distribution, Networking	France

Annex 3: Key EU Stakeholders for CARIFORUM's Fashion Industry

To identify the market opportunities for the CARIFORUM CCIs in the EU, a list of the key stakeholders were selected on the basis of the following three criteria:

- **International**: they must have an evident interest in developing relationships with the CARIFORUM region or with experience with international markets.
- **Geographical**: they can be either European or national organisations with a clear international profile.
- **Practical**: they must have a practical approach to international cooperation, and be willing to organise and take part in practical initiatives such as events, seminars, training, B2B development activities, etc.

The stakeholders were grouped per CCI sub-sector and EU Member State in the following six categories:

- **Main European and national trade bodies**: Trade bodies are the main stakeholders responsible for increasing business opportunities of European companies and improving their visibility at international level. This section includes European trade bodies and the main national trade bodies active at European/international level.
- **Main industrial stakeholders in Europe**: Although SMEs are predominant across the European cultural and creative industries, Europe also counts internationally-known companies or industrial groups in almost all cultural and creative sub-sectors. These are listed in this third group.
- **Relevant trade fairs and festivals**: Some of the world's largest trade fairs of relevance to CCIs take place in Europe, from visual arts, to cinema, music, fashion and design.
- **Main public institutions and bodies** supporting internationalisation of CCIs in the EU Member States.
- **Programmes of EU Member States** to support the internationalisation of their CCIs.

These stakeholders for CARIFORUM's Film Industry are listed in the following table.

Table A3-1: List of stakeholders for fashion in the selected EU Member States

Type of stakeholder	Name	Website
Main European Trade Bodies	EURATEX – European Apparel and Textile Confederation	http://www.euratex.eu/
	European Fashion Council	http://www.europeanfashioncouncil.eu/
Main National Trade Bodies	CAN Federmoda (IT)	http://www.cna.it/
	Comité Colbert (FR): Chanel, Yves Saint Laurent	http://www.comitecolbert.com
	Dansk Fashion and Textile Association	http://www.dmogt.dk/english
	Fondazione Altagamma (IT)	http://www.altagamma.it/
	MODINT, Entrepreneurs' organization for fashion, interior, carpets and textile (NL)	http://www.modint.nl/engels
	The New Institute (NL)	http://hetnieuweinstituut.nl/en
	Walpole (UK)	http://www.thewalpole.co.uk/
Main industrial stakeholders in Europe	Giorgio Armani Group (IT)	http://www.giorgioarmani.com/
	Prada Group (IT)	http://www.pradagroup.com/
	LVMH (Louis Vuitton, Christian Dior, Givenchy, Fendi, Kenzo, Donna Karan) (FR)	http://www.lvmh.com/
	PPR group (Gucci, Yves-Saint-Laurent, Balenciaga, Sergio Rossi, Puma) (FR)	http://www.ppr.com/
	FURLA (IT)	http://www.furla.it/
	Group Hermès (FR)	http://www.hermes.com/
	Benetton (IT)	http://www.benetton.com/
Trade fairs and festivals	The Premiére Vision et Indigo Salon at Première Vision Pluriel in Paris (FR)	http://premierevision-pluriel.com/
	Prêt-à-Porter in Paris (FR)	http://www.pretsparis.com/
	Fashion weeks in Copenhagen (DK), London (UK), Paris (FR) and Milan (IT)	http://www.copenhagenfashionweek.com/ http://www.londonfashionweek.co.uk/ http://milanfashionweek.com/ http://www.modeaparis.com/

Type of stakeholder	Name	Website
		http://www.tranoi.com/
Public bodies of interest to the Caribbean fashion sector	Agence française pour le développement (FR)	http://www.afd.fr/jahia/Jahia/home
	Agency for Development and Cooperation (AECID) (ES)	http://www.aecid.es
	UK Trade & Investment (UK)	
	DutchCulture – Centre for International Cooperation (NL)	http://www.sica.nl/
Public programmes	Creative Industries Fund NL	http://stimuleringsfonds.nl/en/
	The New Institute – International Visitors Programme	http://hetnieuweinstituut.nl/en/international-visitors-programme

Annex 4: Company Profile for Collaboration in Fashion Industry

I. Company information			
Company name			
Address			
Country			
Telephone		**Fax**	
E-mail		**Web page**	
Contact person			
Position		**Passport nr.**	
Surname		**First name**	
Position		**Passport nr.**	
Surname		**First name**	
Financial details (in USD)			
Key figures	**2005**	**2006**	**2007**
Turnover (USD)			
No. of employees in administration			
No. of employees in the production			
Company history			
Year of establishment			
Company description			
II. Production and product category			
Line of products	All types of readymade garments		
Please indicate percentage of total turnover in 2007 for each type.	**Types of production**	**% of turnover in 2007**	

(Women, Men, Children, Baby, Work wear etc).		
	Total	**100 %**
Production plant and production processes		
What processes are undertaken? (i.e. dyeing, cutting, sewing etc.)		
What kind of special machinery is available at the production plant?		
Additional services		
What kind of additional services does the company offer?		
Corporate Social Responsibility		
Management systems (i.e. ISO, EMAS)		
Certificates (i.e. BSCI, SA8000, OEKOTEX etc.)		
Production prices		
Type of product	**Type of fabric used**	**CMT price**
Average order size / MINIMUM ORDER QNTY		
Number of garments/kg of fabrics/number of accessories		
Lead time to market		

What is the lead time to the main export market? (name the market and an example on lead time).	

Major export markets		
Market (country)	**Name of client(s)**	**Type of client** *(Manufacturer, wholesaler, retail chain etc.)*

Tariffs and quotas For the garment and textile manufacturers it is of utmost importance to know the tariff structure and quotas in the different export markets.	
Does the company have a quota allocation? If yes, how big is it?	

Sourcing	
Where are fabrics/raw materials sourced from?	
Where are accessories sourced from?	

Follow up activities	
Customers opportunity to follow activities	**Customers opportunity to follow quality**

Images of products		