

TEXTILES

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Hyosung to build US\$100m spandex plant in Vietnam

SOUTH Korea-based Hyosung is to invest US\$100m in a new elastane fibre (spandex) production facility in Vietnam. The plant will manufacture 15,000 tonnes of elastane fibre a year and is planned to be operational by the second half of 2008.

"We are investing in Vietnam as the next step in Hyosung's global growth strategy and to serve the South East Asian market," said Gregory Vas Nunes, president of Europe and the Americas for spandex performance unit of Hyosung.

"The new factory will be located in Nhon Trach, Ho Chi Minh City, to ensure fast and reliable service in the region," he added.

Hyosung, the world's second largest elastane fibre producer, has almost doubled its production capacity since the beginning of 2006, adding 43,000 tonnes at facilities in China, Turkey and Vietnam, alongside additional investment in Korea. The company expects to produce 92,000 tonnes of elastane fibre a year by 2008.

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INDONESIA

CSR for export growth

SPEAKING at the recent Indonesian Textile and Apparel Fair (ITAF), Till Freyer founder of the International Garment Training Center (IGTC), said the Indonesian textile and clothing industry can no longer depend on cheap labour and lower prices. The competitiveness of the sector has now shifted to good service across the whole



Till Freyer

supply chain and good corporate image through social responsibility. "Price is not everything," he stated. "The most important thing is a good company image that is built through corporate social responsibility (CSR) and good service."

By ignoring the CSR principle, China is no longer considered an ideal source for textiles and clothing for some buyers in the US and EU, he noted. Post-2005, Indonesia has proven to be one of the winners in the global market as indicated by its continuous growth in exports.

Further, trade liberalisation has strengthened the competitiveness of the industry. For this reason, it is forecast that exports to the US will increase by 5-10% in 2008 compared with this year.

Benny Soetrisno, chairman of the Indonesian Textile Association, said this year's export target of US\$10.4bn can be achieved, although export volumes in the first half declined

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Monthly news of the textile and clothing industries in the emerging markets of South East Asia — Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam

PEOPLE

Lectra president Asia-Pacific

LECTRA, a provider of integrated technology solutions dedicated to the soft goods industries, has announced the appointment of Robert Agnes as president Asia-Pacific, which covers China, Japan, India, South East Asian countries including Singapore and the Philippines, and Australia. Based in Shanghai, China, Agnes will be responsible for the company's business and operations in the Asia-Pacific region. He replaces Jean-Luc Aubert, who has stepped down after 17 years with Lectra, including the past 15 years at the head of Asia-Pacific.



Robert Agnes

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INDONESIA

Fabric import duty

NATSIR Mansur, chairman of the Indonesian Garment Manufacturing Association (APGI), said many fabric producers have suffered from the misuse of the KITE facility (duty-free imports for export purposes) and smuggling through bonded zones. Some producers have even gone bankrupt and for this reason, he suggests a revision of government's policy for the textile and clothing industry. The association proposes higher duties for imported fabric

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THAILAND

Colour competency courses

THE UK-based Society of Dyers and Colourists (SDC) has held Thailand's first colour competency training event. Mali Jattawong, who meets the society's standards for running the sessions, has recently been approved for Thailand as the new trainer.

The courses covered coloration and shade matching on polyester, cotton or wool and prin-

DIARY

29 October-1 November 2007 Source It – An ASEAN Event in China, Shanghai, China. Contact: Messe Frankfurt (HK). Tel: +852 2802 7728. Fax: +852 2598 8771. E-mail: info@hongkong.messefrankfurt.com Website: www.messefrankfurt.com.hk

10-12 January 2008 TGTE Vietnam – Textile Garment Technology & Machinery Expo, Ho Chi Minh City, Vietnam. Contact: TGTE Asia Secretariat. Tel: +880 2 881 2713. Fax: +880 2 989 4573. E-mail: tgte@tgteasia.com Website: www.tgteasia.com

2-5 April 2008 Bandung Inter Tex 2008, Bandung, Indonesia. Contact: Peraga Nusantara Jaya Sakti. Tel: +62 21 649 3717. Fax: +62 21 639 0062. E-mail: info@peragaexpo.com Website: www.peragaexpo.com

9-12 April 2008 Vietnam Saigon Textile & Garment Industry Expo 2008, Ho Chi Minh City, Vietnam. Tel +852 2 511 7427. Fax +852 2 511 9692. E-mail: cp@cpexh.com Website: www.cpexhibition.com

13-16 May 2008 JIAM 2008, Singapore. Contact: JASMA. Tel: +81 3 3597 0470. Fax: +81 3 3597 0477. E-mail: info@jasma.or.jp Website: www.jasma.or.jp

3-6 June 2008 GFT 2008, Bangkok, Thailand. Contact: Reed Tradex. Tel: +66 2 686 7299. Fax: +66 2 686 7288. E-mail: gft@reedtradex.co.th Website: www.garmenttextile.com

27-31 August 2008 Bangkok International Fashion Fair, Bangkok, Thailand. Contact: Department of Export Promotion. Tel: +66 2 512 0093. Fax: +66 2 512 2234. E-mail: biff@depthai.go.th Website: www.thaitradefair.com

ciples of colour measurement for quality control or shade matching. The most popular course, Colour Fastness Testing of Textiles, gives an overview of the British (BS), European (CEN) and world (ISO) standards for fastness testing and fabric stability and leads to a thorough understanding of testing, sampling, specimen preparation and grading of results.

Successful completion of the course demonstrates the candidate's ability to correctly implement the standard test methods that play a vital part in the quality control of the modern textile and apparel supply chain.

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Clothing exports fall

ACCORDING to the latest figures, Thailand's clothing exports fell by 4.3% year-on-year in the first seven months of 2007, as the country's unstable socio-economic climate takes its toll.

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Leading global brands to continue apparel sourcing

TWENTY-three leading clothing brands, who purchase from Cambodia, have announced that they will continue sourcing from the country for next year and stated that the International Labour Organization (ILO) Better Factories Cambodia programme is an important part of their business strategy in Cambodia.

The news was announced during a meeting of US and European buyers in Phnom Penh by the ILO and the International Finance Corporation to plan the future for Better Factories Cambodia, the ILO's factory monitoring and remediation project.

Better Factories Cambodia was set up by the ILO in 2001 at the Cambodian government's request to undertake monitoring of all garment factories exporting from Cambodia. The programme is currently in a transition phase, with the goal of becoming an independent institution in 2009.

The international apparel buyers working through ILO Better Factories Cambodia pledged their continued support to the programme and confirmed that one of the main reasons for them "doing business" in Cambodia is the emphasis the government, manufacturers and unions put on good working conditions and productivity.

Michael Kobori, Levi Strauss' global code of conduct director, who spoke on behalf of the 23 international brands, said they would continue to buy garments from Cambodia provided that Better Factories Cambodia continues its effective



Cham Prasadh, Senior Minister, Ministry of Commerce (right) and Tuomo Poutiainen, Chief Technical Advisor, Better Factories Cambodia

monitoring and remediation work.

"Better Factories Cambodia has helped the country gain an international reputation for sourcing from Cambodia and given many of the buyers' group the confidence to let Better Factories Cambodia do the monitoring, rather than us," he said. "This greatly reduces duplication in monitoring."

This is seen as good news for Cambodia's 300 clothing factories, who are worried about losing market share to lower-priced China in 2008 if the US removes the quotas that currently curb Chinese imports.

These quotas have helped Cambodia become the fifth largest supplier to the US, the value of Cambodian garment exports to grow to US\$2.6bn, and industry jobs to rise to 330,000.

Kobori also said the Better Factories Cambodia project has enabled buyers to source in Cambodia with increasing confidence that labour concerns are being addressed in a credible manner. "Without Better Factories Cambodia, some large buyers would not source at all from Cambodia, and others might source at significantly lower volumes," he noted.

During the meeting, Cham Prasadh, Senior Minister, Ministry of Commerce, also praised Better Factories Cambodia for helping the clothing industry continue to grow in the face of fierce international competition, and he asked the ILO to continue to play an important role in the programme.

"We were very pleased to have the Minister give such a strong endorsement of Better Factories Cambodia," said Tuomo Poutiainen, manager and chief technical advisor of Better Factories Cambodia.

"His Excellency stated that responsible production is an essential part of government trade policy and that through improving labour conditions, ILO Better Factories Cambodia has helped Cambodia become a major supplier to the US in a very short time. In 2005, Cambodia was ranked in 17th place, and in only one year, the country rose to fifth place."

In the Buyers' Forum, Van Sou Ieng, chairman

Union leader reinstated

A TRADE union leader dismissed from the Hong Da factory in Cambodia just days after being elected president of a newly-formed workplace union has been reinstated following intervention by the Cambodian Union Federation and the Global Union Federation.

"This highlights the benefits of global solidarity where efforts at national and global levels combine for the benefit of workers at plant level," said Neil Kearney, general secretary of the International Textile, Garment and Leather Workers' Federation:

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CAMBODIA

of the Garment Manufacturers' Association in Cambodia, appealed to international buyers to increase their sourcing from Cambodia in recognition that manufacturers have made good progress in improving working conditions.

Van also told buyers he supported Better Factories Cambodia and hoped the initiative would not only increase orders, but also help to further improve industrial relations and reduce the inconvenience that occurs when multiple buyers monitor the same factory themselves.

With such strong endorsement of Better Factories Cambodia from all the stakeholders, Poutainen said: "Our partners in the International Finance Corporation Mekong Private Sector Development Facility can now move forward in helping Better Factories Cambodia develop the structure, management systems and managerial skills needed to operate effectively as an independent organisation when the mandate of the ILO programme ends.

"In the months to come, IFC MPDF will help us consult with all stakeholders to define a wider range of services for Better Factories Cambodia, and the role that stakeholders will play in Better Factories Cambodia's development."

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● Garment Manufacturers' Association in Cambodia (GMAC), Nr. 175, Jawaharlal Nehru Blvd., (Street 215), SK Phsar Dem Kor, KH Tuol Kork, 12159 Phnom Penh, Cambodia. Tel: +855 23 301180. Fax: +855 23 311181. E-mail: info@gmac-cambodia.org

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MYANMAR

ITUC seeks UN assistance

THE United Nations needs to take urgent and concrete steps over Burma, in light of the growing tensions and instability there, according to the International Trade Union Confederation (ITUC).

Dozens of people are being held in detention by the military junta, with Buddhist monks now openly defying the authorities in several locations around the country, supported by thousands of people who have joined protests and demonstrations.

Reports indicate that several monks have been killed by Burmese security forces reacting to a demonstration in September, and the ITUC understands that workers undertaking protest and stop-work actions in textile and other factories have been confronted by the army as the rul-

ing generals tighten their grip.

The ITUC has welcomed the statement by UN Special Envoy to Burma Ibrahim Gambari that the international community needs to find an "urgent solution" to the situation, in a recent briefing to the Security Council.

"We hope that governments and in particular the EU and ASEAN take strong positions to press for an end to the military oppression and a return to democracy," said ITUC general secretary Guy Ryder.

"We call upon the Burmese rulers to release all those detained for political reasons, including the six labour rights advocates recently sentenced to up to 28 years for their involvement in Labour Day activities on 1 May. The military must understand the tremendous damage their actions are causing throughout the country. They should step aside now and allow a return to democracy and respect for human rights," said Ryder.

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Union condemns regime

THE global union representing workers in the clothing industry has also urged the Burmese military junta to take immediate steps to restore democracy and ensure the application of full labour rights in line with international standards.

In a letter to Head of State Senior General Than Shwe, the International Textile Garment and Leather Workers Federation condemned the ferocious assaults on protesting monks and civilians, which have left at least 10 people dead.

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Strong baht halts Janome Group's expansion plans

SEWING machine manufacturer Janome Group has suspended its Thai expansion plan due to the baht's appreciation since early 2006. Makoto Saito, managing director of Janome (Thailand), said the company had planned to build a new facility to complement its two existing factories in Sahapat Industrial Park in Si Racha.

"Janome's Thai's household sewing machine production unit was adversely affected by the baht's appreciation, since 99% of our products are exported," said Saito.

Thailand is one of Janome's three main production bases. The company has five factories in Japan, one in Taiwan and two in Thailand, which has a total capacity of 650,000 units a year, with 1.1m units in Taiwan and 50,000 units in Japan.

Saito said that instead of pursuing its capacity expansion plan, the Thai unit required a new strategy for maintaining performance by pursuing cost reductions. The company now expects to reduce production costs by 10% by the year end through sourcing more raw materials from local suppliers.

Local content now accounts for 65% of raw materials but the company wants to increase this figure to 100%. It also aims for a 10% productivity improvement by the end of this year.

Productivity improvements to date have

helped Janome's Thai plant reach record annual production output this year to 700,000 units, an increase of 7% over normal production.

Saito said that despite its annual output increase, the company anticipated revenue this year would be flat compared with 2006, at THB1.5bn (US \$43.8m) from sales of 650,000 machines.

He blamed the stagnation on the baht's appreciation, resulting in the loss of Thailand's production competitiveness compared with its Japanese rivals, who operate lower-cost sewing machine production plants in Vietnam.

Janome (Thailand) recently celebrated production of its five millionth unit since the operation started in 1989, during which time company has invested a total of THB1.5bn (US\$43.8m).

Janome Group of Japan owns 65% of the Thailand factory while 36% is held by its Thai partner, the Saha Patana Group.

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MALAYSIA

Bangladeshi workers to leave after alleged mistreatment

HUNDREDS of Bangladeshi factory workers in Malaysia are planning to return home in protest at alleged mistreatment at their workplace. "Almost 800 workers hired buses to take them from the textile factories in southern Johor state to Malaysia's largest city, Kuala Lumpur, where they met with government officials, police and diplomats," said Ishak Mohamed, the Malaysian Immigration Department's enforcement director.

"They do not want to go back" to the factories, Ishak told Associated Press. "The salary was not what the employer promised. They also complained about the living conditions. The workers claimed they received only MYR200 (US\$60) per month, less than one-fifth of what had been promised, and that they were forced to live in cramped quarters with few toilets," he added.

Malaysian authorities said they were investigating the claims, adding that the workers were expected to return to Bangladesh.

The plight of migrant workers in Malaysia

came under the spotlight in September when thousands of Bangladeshis were forced to camp in a car park at Kuala Lumpur airport because their employers showed up late or failed to collect them.

The Malaysian government responded by barring employers from recruiting any more Bangladeshi workers. There are already some 200,000 Bangladeshi migrants in Malaysia.

Human rights groups say migrant workers receive little protection because of inadequate laws to penalise errant employers in Malaysia, which legally employ about 1.8m migrants, mainly from Indonesia, to handle mostly menial tasks in plantations, factories and other services.

"It is no surprise there are these kind of problems," said Florida Sandanasamy, an officer at Tenaganita, a non-government organisation that helps migrant workers. "It is the entire recruitment process. There is no transparency, accountability and proper monitoring."

DTI eases import rules on raw materials for clothing

THE Philippines Department of Trade and Industry (DTI) has reduced the requirements for the importation of raw materials for the manufacture of clothing intended for global markets. The move was made in an attempt to help Filipino exporters become more competitive.



Thomas Aquino

"The DTI will continue to look for ways that will improve the Philippine business environment, reduce transaction costs and make our export products more competitive in the world market," said Trade Senior Undersecretary Thomas Aquino.

"The elimination/reduction of export-related fees and charges will help in reducing the time and cost of processing export documents, , thereby generating savings that can make our exporters more competitive."

As per resolution no. 1 Series of 2007 of the Garments and Textile Import Services (GTIS), exporters who import raw materials for apparel exports through bonded warehouse are no longer required to apply for import licenses prior to each importation.

The resolution also eliminates the collection of fees for the registration of subcontractors, accreditation of subcontractors, bonded manufacturing warehouse (BMW) filing fee and the Customs Bonded Manufacturing Warehouse (CBMW).

To further support Philippine exporters in their role in the promotion of exports, President Gloria Macapagal-Arroyo signed Executive Order 589, which exempts qualified exporters participating in international trade fairs, exhibitions, selling missions and trade negotiations from paying travel taxes.

Also, through Administrative Order 155, the DTI secretary is appointed as export enforcer, who will ensure that all export-related efforts are effectively and efficiently carried out.

As export enforcer, the DTI secretary has the power to act on behalf of the President on decisions reached by the Export Development Council (EDC), implement measures to lower the cost of doing business for exporters, call on all government agencies under the executive branch to implement such decisions, report on such implementation and exercise the EDC mandate of imposing sanctions on any government agency or officer or employee.

Fake Lacoste goods seized

THE National Bureau of Investigation (NBI) has seized PHP28m (US\$600,000) worth of alleged imitations of Lacoste bags, wallets and clothing from Chinese-owned establishments in Quiapo, Manila.

NBI national capital region director Edward Villarta said agents confiscated 14,000 bags and wallets bearing the Lacoste logo from establishments reportedly owned by Chana Cang. The law enforcers raided Cang's store in the Plaza Miranda Shopping Mall and the storage areas in Carriedo Center.

Villarta said they conducted the operation after the Bengzon, Negre and Untalan Law Office, representing Lacoste, filed a complaint and asked the NBI to verify reports that Cang's establishments were selling imitations.

Special investigator Rolando Besarra said they conducted a three-week surveillance and test buy operation in the area and were able to confirm the report. They then applied for search warrants from Judge Antonio Eugenio of Manila City Regional Trial Court (MCRTC) Branch 24.

Besarra said Cang has reportedly been selling imitations shipped from China for the past three years. He said they are now preparing to charge Cang with violating intellectual property laws.

Gap/Banana Republic by 2012

GAP has announced a franchise agreement to introduce the Gap and Banana Republic brands to the Philippines. Over the next five years, Gap's franchise partner Rustan Group plans to open eight Gap stores and four Banana Republic stores throughout the country. The first Gap store is expected to open by the end of this year, and the first Banana Republic stores by spring 2008. All outlets are scheduled to be open by 2012.

The US company will provide access to Gap and Banana Republic's clothing and accessories. In addition, Rustan will hold exclusive rights to operate Gap and Banana Republic stores in the Philippines, will purchase merchandise from Gap, or suppliers designated by Gap, and must adhere to Gap's quality standards.

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- Rustan Marketing Corporation (RMK), 3rd Floor, Midland Buendia, Building 430 Sen. Gil Puyat Avenue, Makati City 1200, Philippines. Tel: + 63 2 890 9703. Fax: +63 2 8904838.



Polyester fibre producers will continue to export

By Kustarjono Prodjolarito, Secretary General, Indonesian Synthetic Fiber Makers Association (APSyFI)

IN the past, the Indonesian textile industry has grown on the basis of low labour and energy costs and a huge domestic market. However, the domestic market's scale advantage is becoming diluted due to cheap imports of textile products from other Asian countries, either at dumped prices or through illegal imports (smuggling). Meanwhile, textile and clothing exports are facing increased competition from other low-cost supplying countries, which has led to an erosion of margins.

Indonesia's textile and clothing exports stagnated at around US\$7bn in 2002-03, but rose to US\$7.6bn in 2004, US\$8.5bn in 2005, and US\$8.9bn in 2006. However, domestic per capita consumption of textiles has stagnated at around 4 kg.

The textile industry plays an important role in the national economy, employing 1.18m people, which is equivalent to 10.7% of the total manufacturing sector employment.

There is an urgent need for the modernisation of downstream industry and a revival of new investment. However, this is being hampered due to the difficulty in raising finance and high interest rates.

Indonesia has total installed capacity of 1.73m tonnes/year of man-made fibres among 18 producers. Total production during 2006 is estimated at around 1.40m tonnes/year, with an average operating rate of 80%.

Polyester staple

Polyester staple fibre (PSF) consumption in 2005 declined by 5% due to increased use of other fibres. PSF consumption is expected to grow at 4% a year from 2007 onwards. Capacity will remain stable due to no major expansions planned; however, production will rise gradually due to



Kustarjono
Prodjolarito

better capacity utilisation.

PSF consumption was stagnant at around 450,000-460,000 tonnes/year during 2000-04, but this has gradually fallen to 440,000 tonnes/year in 2005 and 2006. The major consumer of PSF is the spinning sector, which consumes about 90% of available fibre. The current capacity of the spinning sector in Indonesia is around 8.0m spindles. PSF domestic consumption is expected to grow slowly with recent small expansions and better operating rates in the spinning sector.

PSF exports are likely to reduce due to the slight increase in domestic consumption, no increase in capacity and some producers having stopped operations. Imports increased sharply in 2004 due to PSF being offered at dumping prices from other Asian countries. Imports declined in 2005, but have started to rise again in 2006 and 2007.

Polyester filament

Polyester filament yarn (PFY) production marginally declined in 2005 due to some producers stopping or reducing their operations. Capacity will remain at 833,000 tonnes/year as there are no expansions in the pipeline. Consumption was stagnant in 2004 after growing by 3-4% in 2000-03; demand has been declining since 2005.

PFY consumption increased from 440,000 tonnes/year in 2000 to 510,000 tonnes/year in 2003 with a 4% average annual growth rate. Consumption was stagnant from 2003 to 2004, and declined in 2005 to 470,000 tonnes/year; this declining trend continued in 2006.

The major consumer of PFY in the domestic market is the georgette industry, which accounts for 60% of the total consumption. The remaining 40% is consumed by other fabric makers.

Domestic demand is expected to remain subdued because of the stagnant fabric sector. The PFY surplus will continue to be exported. Production will also show a declining trend.

PFY exports from Indonesia reduced by 10% a year during 2000-03, from 300,000 tonnes in 2000 to 195,000 tonnes in 2003. Exports increased by 6% in 2004 and 25% in 2005 reaching 265,000

Structure of the Indonesian man-made fibre industry

	PSF	PFY	NFY	VSF
Installed capacity ('000 t/y)	618	833	32	247
No. of producers	8	14	4	2
Average size ('000 t/y)	77	59	8	124
Capacity range ('000 t/y)	20-140	15-190	3-15	115-130
Operating rate, 2005 (%)	70	80	80	90

PSY = polyester staple fibre, PFY = polyester filament yarn, NFY = nylon filament yarn, VSF = viscose staple fibre

Source: APSyFI



tonnes. Indonesia imports a small amount of PFY, which has been growing since 2004.

Future scenario – PSF and PFY

No new capacity or expansions are planned for PSF and PFY. The PSF operating rate will surpass 80% this year due to increased domestic demand. The excess supply of PFY will continue due to the decline in domestic consumption; this excess will continue to be exported.

Oversupply and cheap imports have, at present, brought immense pressure on PSF prices, which are expected to remain subdued due also to the tough domestic internal competition for PFY.

Nylon filament/acrylic

Nylon filament (NFY) consumption — and production — has been declining for the past five years. Mill consumption in 2005 is estimated at 16,500 tonnes compared with 27,300 tonnes in 2000. Indonesia exports around 10,000 tonnes/year and imports around 3,000 tonnes/year of speciality grade yarn.

The NFY sector is currently operating at 80% of capacity; however, this is likely to decrease. Supply will continue to be higher in future compared with domestic demand, with the surplus being exported. A positive feature is the export of high-value items, such as monofilament yarns.

Indonesia does not have any acrylic fibre manufacturing facilities, so the entire demand is met by imports. Consumption is reducing as polyester is preferred.

Raw materials

Production of purified terephthalic acid (PTA) increased to 1.9m tonnes in 2006 from 1.78m tonnes in 2005 owing to a small increase in capacity utilisation. Operating rates have been healthy at around 90% since 2004. Indonesia is self-sufficient in PTA and exports around 25% of production. There is only one producer of monoethylene glycol (MEG) in Indonesia, and around 80% of domestic requirements are met through imports. The country will remain an importer of MEG for the foreseeable future as no new capacities are planned.

Structural issues/challenges

Indonesia needs to:

- establish a competitive vertical chain by developing new products and creating new distribution networks in each sector of the textile industry;
- expand the export market, based on the development of better quality and competitive manufacturing costs;
- develop technology and human resources aimed at increasing efficiency and productivity;
- promote new investment in midstream and

downstream sectors for modernising the facilities by providing the required financing on soft terms;

- provide a stable energy supply at competitive prices;
- improve the industrial infrastructure, including improved efficiencies at ports to improve global competitiveness;
- adopt appropriate and legally recognised trade relief measures, such as safeguards and antidumping measures;
- strengthen regulations to combat smuggling and illegal imports;
- overhaul labour laws to make them flexible and conducive to industrial activity.
- Indonesian Synthetic Fiber Makers Association (APSyFI), Gedung Bank EXIM Lt. 4 Suite 406, Jl. Tanjung Karang no. 3-4 A, Jakarta 10230, Indonesia. Tel: +62 21 314 8352. Fax: +62 21 314 8358. E-mail: info@fiber-indonesia.com

From a lecture given at the 46th Dornbirn Man-Made Fibers Congress, Austria, September 2007

Optimistic export target

INDUSTRY Minister Fahmi Idris believes Indonesia can reach its textile and clothing export target of US\$10.6bn, although the Indonesian Textile Association reports slow global demand this year. The association said that since the first quarter, demand, particularly from the US and Europe, has been on the decline and that the trend will continue until the end of the year.

Data from Otexa reveals that Indonesian exports of textile and clothing to the main US market up to August increased by 11.6% compared with the same period last year, while US imports globally were up by 5.0%.

Benny Soetrisno, chairman of the Indonesian Textile Association, said that about 70% of the country's textile and clothing production is for export due to the relatively low local consumption of 4 kg of fibre per capita, which is well below the world average of 7 kg per capita.

He said this contrasted with Indonesia's main competitor China, which exports just 30% of its production due to its huge domestic consumption. "People in China consume a lot of textiles as they have four seasons, which forces them to wear long dresses. This compares with Indonesia, where most people wear thin clothes as the climate is almost the same for the whole year," he noted.

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Developments in the domestic yarn market

THE US Commercial Service reports that demand for yarn in Indonesia has shown tremendous growth in parallel with the increasing output of the weaving and knitting industry. Almost all kinds of yarn are produced in the country; however, imports of microfilament, fine count and long-staple cotton yarn have been increasing.

In 2006, the domestic market for yarn was valued at US\$1.05bn, with imports of US\$307m, local production of US\$2.54bn and exports of US\$1.79bn. If the domestic and export markets remain stable, it is predicted that total domestic demand will increase by 10-15% annually over the next five years.

The US was the main yarn supplier in 2006 contributing 17% of Indonesia's imports, followed by China (16%), Japan (8%), Taiwan (7%) and Pakistan (5%). The main US imports were high-tenacity rayon yarn for tyre cord, and multifilament cellulose acetate yarn.

The main end-users of yarn are the weaving and knitting sectors, which include 374 weaving mills and 255 knitting mills. Some major producers have integrated facilities to produce yarn, fabric and garments. These integrated manufacturers consume most of the yarn produced by their factories and sell the remainder to the domestic and international market.

The Indonesian weaving industry has evolved from a handicraft and home industry. The country still has to import various fabrics to meet domestic demand. In 2000, there were around 230,000 looms, which increased to 250,000 in 2005 and is expected to increase further in 2007. In 2006, the total capacity of the Indonesian weaving industry was around 5bn metres a year.

The production capacity of the country's knitting plants was approximately 2m tonnes in 2006. Knitting plants are spread throughout Indonesia's eight provinces.

Market entry

In the textile industry, Indonesia eschews non-tariff barriers so that manufacturers can import any materials freely. Grey yarn import duty is 15% plus 10% value added tax (VAT); finished yarn is subject to 20% import duty plus 10% VAT. Importer-producers (producers that import yarn directly from foreign suppliers, and produce fabric from imported yarns) usually have their own export-import divisions. Smaller companies import yarn through trading agents/distributors.

Indonesia's textile yarn market (US\$m)

	2005	2006	2007 (Jan-Apr)	Growth* (%)
Imports	272	307	85.5	5-10
Local production	2,247	2,540	-	15
Exports	1,622	1,793	633	
Total market	897	1,054	-	10-15

* Estimated average annual real growth over next five years

Source: US Commercial Service

Cotton programme evaluated

INDONESIA'S cotton development programme for 2007-10 was evaluated during a recent meeting in Makassar, South Sulawesi. During the meeting, the Ministry of Agriculture received reports of progress being made by growers, as well as problems encountered during the first few months of the project. Among the problems experienced by farmers were the limited quantity of good quality seed, irrigation, working capital, low competitiveness of cotton compared with other agricultural products and climate change.

Ministry sources said Indonesia's seed industry has yet to develop, which makes it difficult to provide seed quickly, while uncertain weather makes it difficult for farmers to forecast plantation. The January-April sewing period achieved 43.8% or 6,466 ha of the 14,750 ha planned; the remainder should be completed during the November-December sewing period.

Achmad Manggabarani, director of farming at the Ministry, said the government is preparing to improve and build new irrigation projects. In addition, the Minister of Agriculture has released the Kanasea series 14 and 15 varieties, which are adapted to minimum water conditions. Three other hybrid varieties — HSC 51, HSC 138 and HSC 188 with yields of 3.3-4.0 tonnes of cotton with seed/ha — have also been released for South Sulawesi, which is Indonesia's traditional cotton-growing area and has the largest crop.

Achmad said there are about 300,000 ha of potential land suitable for cotton plantation in Indonesia. For 2008, the government will allocate state funding worth IDR20.8bn (US\$2.22m) to cultivate 20,000 ha, which could produce 6,600 tonnes of cotton. Around 7,500 ha will be planted to the hybrid varieties and 12,500 ha to the Kanasea variety.

The cotton programme, however, is considered too small-scale by many in the industry as the targets will only meet 5% of Indonesia's total



cotton consumption over the next three years. Ministry data reveal that by 2010, the cotton-growing area will be about 50,000 ha producing 23,350 tonnes of cotton, which represents just 4.7% of the current needs of the textile industry. Sources from several spinning mills are still unsure if Indonesia has the right climate for cotton plantation or can produce cotton with the right fibre characteristics for their needs.

Restructuring fund may be cut

ANSHARI Bukhari, director general of metal, machinery, textile, and multifarious industry (ILMTA) at the Ministry of Industry, is worried that the development of the textile and clothing industry might not be optimal in the future. The low uptake of government funds this year to replace ageing machinery through a restructuring programme may result in a reduced amount proposed by the Ministry next year. He said it is likely that the proposed IDR400bn (US\$42.6m) for 2008 will not be approved by the Ministry of Finance, but believes the fund allocated for next year's programme will be the same as for this year — IDR255bn (US\$27.2m).

In the 2007 second scheme for small and medium-sized enterprises (SMEs), the government extended the registration to 23 November, as only IDR40bn (US\$4.26m) or 50% of the IDR80bn (US\$8.53m) allocated was taken up by 16 SMEs. Other companies were considered ineligible as they proposed to buy used machines, which are not allowed under the programme. Anshari said the extension will force officials to go back to many areas, such as Bandung, Pekalongan and Tangerang, which will mean additional costs.

The government is also reported to have allocated IDR55bn (US\$5.86m) or 34% of funds starting early October up to late November for the first scheme for larger companies. The government is now in the process of verifying the machinery that has been bought, mostly from China and Europe, to prevent corruption by, for example, entrepreneurs painting old machinery to appear new.

The relatively low number of companies joining the programme suggests that the Ministry of Industry should speak directly with the industry in future. Reports from politicians about the need to be competitive globally can be misleading. According to some industry players, data used by the Ministry regarding the age of machinery are not valid as most of large producers, particularly export-oriented companies, have continued to upgrade their production equipment to meet market demands.

Additionally, many SMEs say their actual needs are working capital and market access. Most of them admit they need used machines to

be competitive on the local market as buying new machinery is considered too expensive.

Balinese garment industry

THE textile and clothing industry, particularly the garment sector, is a significant contributor to Balinese exports accounting for 30-40% of the total. It is reported that half of the 300 garment companies have closed because they are not competitive. Some say this is due to the high price of raw materials, which are not always available in Bali. However, efficient producers that pay attention to quality and continue to innovate can survive. In export markets, some companies admit they can no longer compete with China and India, particularly on price.

Ngurah Mahendra, chairman of the Indonesian Textile Association in Bali, pointed to the potential of the garment sector in Bali and called on the government to give incentives to the industry. He said that clothing originating from Bali has comparative advantages. Several producers on the island continue to offer their own designs and motifs, many of which are hard to copy. Some garment companies admit they do not have problems with buyers but with inconsistent raw material. They have asked the government to help find a solution, including the opening of agencies of factories from Java in Bali.

Others have actually reduced production or even closed down saying they can no longer compete with China and India on exports. They also said the number of tourists visiting Bali has significantly affected their business. Although their number has returned to normal after the bombing in 2002, a different type of visitor has affected demand for clothing. In the past, most tourists were European and American, but today the visitors are mostly Asian with lower purchasing power.

CSR for export growth

● *continued from page 1*

by 1.1%. "Exporters are optimistic that the target can be achieved and the export value is forecast to increase by 8% from the previous year," he said.

● International Garment Training Center (IGTC), Kompleks S. Oliver, Jl. Werner Schwebig, Kampung Legok Gaok, Desa Kadumangu, Babakan Madang-Citeureup, Cibinong 16810, Indonesia. Tel: +62 21 8795 2501. Fax: +62 21 8795 2912. E-mail: info@ggtc.or.id

● Asosiasi Pertekstilan Indonesia – Indonesian Textile Association (API), Adhi Graha 16th, Jl. Jend. Gatot Subroto Kav. 56, Jakarta 12950, Indonesia. Tel: +62 21 527 2171. Fax: +62 21 527 2164. E-mail: buscenter@bpnapi.org



Spanish company to build US\$3m thread factory

SPANISH thread, lace cord and elastic maker Trencilo has started work on the construction of a plant in Vietnam's Binh Duong province, making Trencilo the first Spanish investor in the country. The US\$3m factory will produce technical threads for use in the footwear industry for both the domestic and export markets.

"In the first phase of operations, beginning February 2008 and costing an initial investment of US\$1.5m, the factory will turn out 15-20 tonnes of thread a month," said Ramón Pujol, general manager of Trencilo Vietnam.

"The factory's monthly capacity will double in the second phase from 2010 onwards as will the investment capital, up to US\$3m," he added, saying some 50 employees, mostly highly skilled workers, will be recruited.

"The potential for technical thread in Vietnam is huge given most local companies now have to import it," Pujol said, adding that the province's transparent investment policy and proximity to Ho Chi Minh City were among the reasons for his decision to invest there.

Vietnam's entry to the World Trade Organisation will motivate many other Spanish companies in engineering and machinery manufacturing to come and seek business opportunities in the country soon, said Carlos Dominguez Agulleiro, the Spanish Embassy's chief trade officer.

● Trencilo s.l., Verge de Montserrat 23, E-08130 Sta Perpétua de Mogoda, Barcelona, Spain. Tel: +34 935 601950. Fax: +34 935 749170. E-mail: info@trencilo.com

Vinatex to build yarn plant

THE Vietnam National Textile and Apparel

Group (Vinatex) has signed an agreement with the People's Committee of Ha Tinh province to build a yarn plant there.

The new facility will have 100,000 spindles and be under management of a new joint stock company. It will produce several types of yarn to serve local textile production, including cotton, wool and jute yarn. Other fibre types are generally imported, especially polyester.

The plant will be financed by Vinatex, Hanoi Textile Co (Hanosimex) and Ha Ting Mining. The total investment capital of the plant has not been released.

In the first half of this year, Vinatex earned an export turnover of US\$661.1m, up 14.9% compared with the same period in 2006, while profits climbed to US\$13.7m.

● Vietnam National Textile and Garment Group (Vinatex), 25 Ba Trieu, Hoan Kiem Dist., Hanoi, Vietnam. Tel: +84 4 825 7700. Fax: +84 4 826 2269. E-mail: vinatexhn@vinatex.com.vn

● Hanoi Textile Garment Co (Hanosimex), No. 1 Mai Dong Street, Hoang Mai District, Hanoi, Vietnam. Tel: +84 4 862 1492. Fax: +84 4 862 2334. E-mail: hanosimex@hn.vnn.vn

Exports to reach US\$7.5bn

TOTAL export turnover from Vietnam's textile and clothing products this year is expected to reach US\$7.3-7.5bn, according to the Ministry of Trade and Industry's Trade Information Centre.

Vietnam earned a total of US\$5.1bn from exports of textiles and garments in the first eight months of this year, up nearly 30% against the same period of 2006, and continuing to be among the sectors with highest export turnover growth. In August alone, exports from these products are estimated at US\$830m.

The US is the biggest importer of Vietnamese textile and apparel products. Exports to the US market have increased by 20% year-on-year, accounting for 60% of the country's total textile/garment product export turnover.

● The Vietnamese Ministry of Trade and Industry reports that the country's textile and apparel exports rose by 31% in the first nine months of this year to

TSEA's GUIDE TO SOUTH EAST ASIAN CURRENCIES

		US\$	EURO	£ STG	YEN (x100)
Brunei	(Brunei \$)	1.4650	2.0877	2.9979	1.2744
Cambodia	(Riel)	4007.00	5710.38	8199.72	3485.71
Indonesia	(Rupiah)	9380.00	13008.70	18868.30	8151.91
Laos	(New Kip)	9090.00	12953.70	18601.30	7907.44
Malaysia	(Ringgit)	3.3585	4.7861	6.8727	2.9216
Myanmar	(Kyat)	6.4200	9.1491	13.1376	5.5848
Philippines	(Peso)	44.2350	63.0371	90.5203	38.4803
Singapore	(\$)	1.4650	2.0877	2.9979	1.2744
Thailand	(Baht)	34.1650	48.6868	69.9136	29.7203
Vietnam	(Dong)	16087.50	22925.50	32920.70	13994.60

Source: Financial Times, 22 October 2007



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US\$5.805bn. Textiles are expected to surpass crude oil earnings of US\$7.74bn next year to reach US\$9.45bn.

Industry awards

THE fourth Vietnamese Textile and Apparel Industry awards ceremony, co-organised by the Vietnam National Textile and Garment Group (Vinatex) and the *Saigon Economic Times* was held in Hanoi in October.

Out of 280 companies, 50 were selected as the most successful enterprises in 2007, an increase of eight compared with 2006. Of these, Viet Tien and Phong Phu were honoured as two special representatives of the Vietnam textile and clothing sector.

The other eight enterprises listed in the top ten include Nhabe, Saigon Garment, Dong Nai, Scavi, Red River Garment (Nam Dinh), Garment 10, Thanh Cong and Thai Tuan.

This year's award focused on criteria such as production efficiency, management skills, technology application, trademark promotion and design.

● Vietnam National Textile and Garment Group (Vinatex), 25 Ba Trieu, Hoan Kiem Dist., Hanoi, Vietnam. Tel: +84 4 825 7700. Fax: +84 4 826 2269. E-mail: vinatexhn@vinatex.com.vn

● Viet Tien Garment Co (VTEC), 7 Le Minh Xuan St., Tan Binh Dist., Ho Chi Minh City, Vietnam. Tel: +84 8 864 0800. Fax: +84 8 864 5085. E-mail: vtec@hcm.vnn.vn

● Phong Phu Textile Co (Phongphu Texco), Tang Nhon Phu Village, Dist. 9, Ho Chi Minh City, Vietnam. Tel: +84 8 896 0731. Fax: +84 8 896 0881. E-mail: pptexco@hcm.vnn.vn

● Nhabe Garment Joint Stock Co (Nhabe), Ben Nghe Street, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam. Tel: +84 8 872 0077. Fax: +84 8 872 5107. E-mail: info@nhabe.com.vn

● Saigon 2 Garment Co, 15 Tran Trieu Luat Str., Tan Binh District, Ho Chi Minh City, Vietnam. Tel: +84 8 864 5331. Fax: +84 8 864 0031. E-mail: saigon2@hcm.fpt.vn

● Dong Nai Garment (Donagamex), Road #2, Bien Hoa Industrial Zone 1, Bien Hoa City, Dong Nai Province, Vietnam. Tel: +84 613 836151. Fax: +84 613 836141. E-mail: donagamex@hcm.vnn.vn

● Scavi Vietnam, Lot 14, 19A St, Bien Hoa Industrial Zone II, Dong Nai Province, Vietnam. Tel: +84 61 994994. Fax: +84 61 994996. E-mail: scavivietnam@scavi.com.vn

● Nam Dinh Garment Co (NAGACO), 46 Tran Hung Dao St., Nam Dinh City, Vietnam. Tel: +84.35.848298. Fax: + 84 35 849151.

● Garment Company 10, Sai Dong, Gia Lam District, Hanoi, Vietnam. Tel: +84 4 827 6293. Fax: +84 4 827 6925.

● Thanh Cong Textile Garment Joint Stock Co, No. 8 Truong Chinh Street, Ward 15, Tan Binh Dist., Ho Chi Minh City, Vietnam. Tel: +84 8 815 4005. Fax: +84 8 815 4008.

● Thai Tuan Textile & Garment Co Ltd, 1/148 Nguyen Van Qua, Dist. 12, Ho Chi Minh City, Vietnam. Tel: +84 8 719 4612. Fax: +84 8 719 4609. E-mail: thaituantextile@hcm.vnn.vn

US apparel imports

US apparel imports from Vietnam are up 25% this year and are expected to reach US\$4.25bn in 2007. This represents 40% of the total US\$10bn US imports from Vietnam, making this sector crucial for overall trade between the two countries.

The US Department of Commerce monitors imports of Vietnamese textile and apparel products under its Vietnam Textile and Apparel Import Monitoring Program.

Monitoring began in mid-January 2007 upon Vietnam's accession to the WTO. As part of the programme, the Department evaluates imports of these products on a biannual basis for possible dumping.

● The first full six months of import data covering shipments from Vietnam to the US in 22 apparel categories are now being analysed by the US Department of Commerce as part of its Vietnam Textile and Apparel Import Monitoring Program.

VIETNAMESE BRIEFS

Vietnamese clothing manufacturer Viet Tien (VTEC) is to build a garment complex at the Dong Nam Economic Zone, a newly-established zone of the Nghe An province in central Vietnam. E-mail: vtec@hcm.vnn.vn

Vietnam's state-owned textile and clothing group Vinatex has signed a rental agreement with Lien Anh, owner and operator of the Lien Anh centre, which supplies fabric and accessories for apparel and footwear production. E-mail: vinatexhn@vinatex.com lienanhcom@hcm.vnn.vn

The Vietnamese Ministry of

Trade and Industry has submitted a US\$7bn plan to boost the development of the textile and apparel industry to 2015, including the recovery of its cotton sector and centralised production zones.

Vietnam has joined the list of the world's top ten textile and clothing exporters following sharp and stable growth in recent consecutive years,

according to a report by the Biella Chamber of Commerce and Industry, Italy. E-mail: urp@bi.camcom.it

Reports from just-style



Export boost for US cotton announced at workshop

THE US will boost cotton exports to Vietnam, a big potential market for the material, the Cotton Council International (CCI) announced at a workshop in Ho Chi Minh City in October.

According to the Vietnam Textile and Apparel Association (Vitas), the country needs around 200,000 tonnes of cotton a year but the domestic cotton sector can only supply 15,000 tonnes. The CCI said Vietnam's cotton import volume from the US currently accounts for 28% of the total.

The workshop, held jointly by the CCI, Vitas, the Vietnam National Textile and Garment Group (Vinatex) and the Vietnam Fiber Association, provided information on US cotton production and exports and cotton trading through the New York Board of Trade.

The workshop was an opportunity for Vietnam's textile and apparel businesses to meet with the American Cotton Shippers Association (ACSA), the US Cotton Marketing Cooperatives (AMCOT), the American Cotton Producers (ACP) of the National Cotton Council of America, Allenberg Cotton and Weil Bros Cotton.

- Cotton Council International (CCI), 1521 New Hampshire Avenue NW, Washington, DC 20036, USA. Tel: +1 202 745 7805. Fax: +1 202 483 4040. E-mail: cottonusa@cotton.org
- Vietnam Textile and Apparel Association (Vitas), 25 Ba Trieu, Hoan Kiem Dist., Hanoi, Vietnam. Tel: +84 4 825 1256. Fax: +84 4 826 2268. E-mail: vitashn@hn.vnn.vn
- Vietnam National Textile and Garment Group (Vinatex), 25 Ba Trieu, Hoan Kiem Dist., Hanoi, Vietnam. Tel: +84 4 825 7700. Fax: +84 4 826 2269. E-mail: vinatexhn@vinatex.com.vn
- American Cotton Shippers Association (ACSA), 88 Union Avenue, Suite 1204, Memphis, TN 38103, USA. Tel: +1 901 525 2272. Fax: +1 901 527 8303. E-mail: mail@acsa-cotton.org
- US Cotton Marketing Cooperatives (AMCOT), PO Box 2827, Lubbock, TX 79408, USA. Tel: +1 806 763 8011. Fax: +1 806 762 7335. www.amcot.org
- National Cotton Council of America, PO Box 820285, Memphis TN 38182-0285, USA. Tel: +1 901 274 9030. Fax: +1 901 725 0510. www.cotton.org
- Allenberg Cotton Co, 7255 Goodlett Farms Parkway, Cordova, TN 38016-3254, USA. Tel: +1 901 383 5000. Fax: +1 901 383 5010. E-mail: allenberg.info@allenberg.com
- Weil Bros Cotton Inc, 4444 Park Boulevard, Montgomery, AL 36116, USA. Fax: +1 334 271 4238. E-mail: weilbros@interoz.com

Co-operation with Cambodia

A CAMBODIAN delegation and officials from Vietnam's Ministry of Trade Industry agreed in Hanoi in September to increase co-operation in the textile and clothing industries. Ath Thorn, president of the Coalition of Cambodian Democratic Apparel Workers Union (CCAWDU) and the Cambodian Labour Confederation, said he was impressed by the Vietnamese textile industry's growth rates during the past five years.

He added that Cambodia is keen to co-operate with Vietnam, particularly in the areas of cotton supply and cultivation. Cambodia is also interested in Vietnam's experience in policies related to labour and textile industry development.

Vietnamese Deputy Minister of Industry Bui Xuan Khu said the Vietnamese textile industry is currently having to deal with a lack of materials, the need for more prestigious brands and poor designs.

Mekong fund investment

MEKONG Capital has announced that the Mekong Enterprise Fund 11 has invested US\$5.4m in clothing manufacturer Venture International (Vietnam) (VIVCO), which is reportedly experiencing strong growth, with four workshops operating at full capacity.

VIVCO employs more than 1,800 people, and plans to open two new workshops by July 2009. Its production is mainly sold on markets in Europe.

The company has annual capacity to produce up to 2m items of clothing, mainly jackets, shirts, trousers, children's wear and workwear. Its turnover increased from US\$5m in 1999 to US\$10m in 2006.

- Venture International (Vietnam) Joint Stock Co (VIVCO), Room 317-320, Block E1, Trung Tu Diplomatic Compound, Dong Da District, Hanoi, Vietnam. Tel: +84 4 852 8084. Fax: +84 4 852 3876. E-mail: venture@netnam.org.vn

Cuban interest

CUBAN officials visiting Hanoi in October said Cuba is interested in sourcing reliable supplies of raw materials for its textile industry from Vietnam.

Also possible is bilateral trade in fabrics and jeans, said the officials. They visited the Hanoi Garment and Textile Group during their visit to



VIETNAM

the Vietnamese capital.

Vietnamese Deputy Minister of Industry Bui Xuan Khu, said Vietnamese and Cuban businesses plan to expand their co-operation to include the textile and clothing industries. Khu urged Cuba to offer incentives for Vietnamese businesses to invest in the Caribbean island.

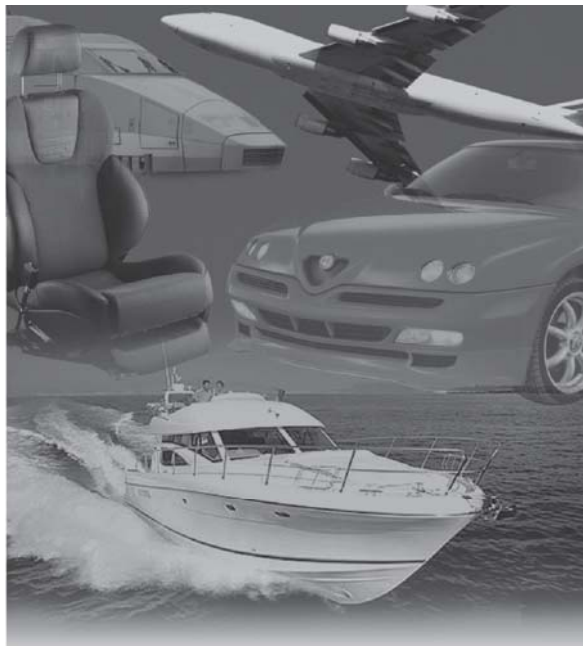
Monitoring of US exports

VIETNAM'S Ministry of Trade and Industry is formulating a mechanism for monitoring exports of domestically made clothing to the US. The aim is to avoid the possibility of dumping measures being taken by the US.

An official from the Ministry's Import and Export Department said it is essential to establish a watchdog agency or taskforce responsible for monitoring the volume and prices of garment shipments, and head off sudden jumps in exports or unreasonably low prices.

New denim factory

SOUTH Korea's Taechang Enterprise (TCE), the Vietnam National Textile and Garment Group (Vinatex) and the Thien Nam Investment and Development have started building a US\$40m



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Retail clothing price changes

(%)	Month-on-month			Year-on-year		
	Latest	As of	Over	Latest	As of	Over
Brunei						
Cambodia						
Indonesia	-0.4	6-07	5-07	+5.9	3-07	3-06
Laos						
Malaysia	-0.4	8-07	7-07			
Myanmar						
Philippines	+0.1	9-07	8-07	+2.0	9-07	9-06
Singapore	+1.5	8-07	7-07	+0.8	8-07	8-06
Thailand						
Vietnam	+0.3	9-07	8-07	+5.9	9-07	9-06

denim plant in the Hoa Xa Industrial Zone in Nam Dinh province. The plant will become operational in 2008 and employ 600 people. Its annual production capacity will be 30m metres of denim.

● Taechang Enterprise Co Ltd, 910-22 Soto-ri, Sangbuk-myeon, Yangsan-si, Gyeongsangnam 626-856, South Korea. Tel: +82 55 375 3311. Fax: +82 55 375 3330. E-mail: webmaster@tce.co.kr

● Vietnam National Textile and Garment Group (Vinatex), 25 Ba Trieu, Hoan Kiem Dist., Hanoi, Vietnam. Tel: +84 4 825 7700. Fax: +84 4 826 2269. E-mail: vinatexhn@vinatex.com.vn

● Thien Nam Investment and Development Joint Stock Co, Dong An Industrial Park, Binhduong, Vietnam.

Thanh Cong listing

THE Ho Chi Minh City Stock Exchange has listed the shares of Thanh Cong, which recorded a profit of VND62bn (US\$3.9m) in the first half of this year, more than three times higher than in the same period in 2006.

● Thanh Cong Textile Garment Joint Stock Co, No. 8 Truong Chinh Street, Ward 15, Tan Binh Dist., Ho Chi Minh City, Vietnam. Tel: +84 8 815 4005. Fax: +84 8 815 4008.

Apparel fabric

LE Quoc An, chairman of the Vietnam Textile and Apparel Association (Vitas), says that in order to reach the export target of US\$10-12bn in 2010, 1bn metres of fabric will need to be produced by 2015 to serve garment exports.

● Vietnam Textile and Apparel Association (Vitas), 25 Ba Trieu, Hoan Kiem Dist., Hanoi, Vietnam. Tel: +84 4 825 1256. Fax: +84 4 826 2268. E-mail: vitatshn@hn.vnn.vn

Higher exports to Mexico

VIETNAM is looking to increase its clothing exports to Mexico. Vietnamese imports from Mexico currently include small volumes of cotton. Bilateral trade stands at around US\$300m a year.

BUSINESS OPPORTUNITIES

COTTON MOP YARNS

INDONESIA

Company that produces and supplies mop yarns, exports its products around the world, including destinations such as Poland, Hungary, Greece, Argentina, Canada, Italy, South Africa, India, Malaysia, Philippines and Mexico. Mop yarns include cotton yarn, T/C yarn, white bleached yarn, coloured yarn, synthetic yarn (rayon). These yarns are count ranges Ne 0.3-1.2, single and twisted. The composition of yarn and colour depends on buyer requirements. Yarns are produced on DREF friction spinning machines with a capacity of 500 tonnes/month, produced without colouring process and with good strength and high absorbency.

Contact: Alexander Stefan, Panji Mas Textile PT, Raya Driyorejo Km 25 Semabung, Gresik 61177, East Java, Indonesia. Tel: +62 31 7122 6587. Fax: +62 31 750 7139. E-mail: panjitextile@gmail.com

POLYESTER FLEECE

THAILAND

We have stocks of printed fleece 100% polyester fabric ready for prompt shipment, 20 tonnes, for blankets or other applications.

Contact: Nattiya Stapol, Material Sourcing Co Ltd, 89/56 Moo 5, Changwattana Road, Pakkred, Nonthaburi 11120, Thailand. Tel: +66 9 611 9199. Fax: +66 2 960 9736.

FABRIC

MALAYSIA

We have ongoing supply of stock-lot fabrics on roll, including cotton, nylon, rayon and leather. Most are from shoe textile factories in Taiwan. Around 40 tonnes/month available.

Contact: Victor Wong, Wilson Products & Marketing Co, No. 1, 11200 Georgetown, Ipoh, Malaysia. Tel: +60 12 467 5033. Fax: +60 12 467 5034.

MELANGE YARN

THAILAND

Kongkiat is one of the largest spinning plants and also a leading manufacturer and ex-

Companies are invited to provide entries on this page for business opportunities, services or contacts. For further information on costs and deadlines, contact the Advertising Department, tel: +44 1535 656489, fax: +44 8700 940868, or write to: Textile Media Services Ltd, 2A Bridge Street, Silsden, Keighley BD20 9NB, UK. E-mail: info@textilemedia.com

porter of top dyed melange yarn in Thailand since its establishment in 1985.

Contact: Adul Kongkiatkrai, Sales Director, Kongkiat Textile Co Ltd, 259/1 Moo 6, Soi Ratburana 44, Ratburana Road, Bangkok 10140, Thailand. Tel: +66 2 463 0020. Fax: +66 2 463 1914. E-mail: sales@kongkiat.com Website: www.melangeyarn.com

UPHOLSTERY

SINGAPORE

All types of leather material used for furniture as well as chenille material. We have a wide range of products readily available for our customers. We are currently selling to Asia and would like to extend our services to the other nations.

Contact: Regan R, Shaan Enterprises, Changi Road, Singapore, Singapore. Tel: +65 9007 1424.

FABRIC

INDONESIA

Exquisite throw made from 60% rayon chenille/40% polyester. Other compositions possible, such as 100% acrylic, 100% rayon, polyester/rayon. Sizes 150 cm x 200 cm, 130 cm x 180 cm; other sizes available.

Contact: Cai Yan, Run Trading Llc, Jalan Usj Subang Laya, Penang, Sumatera Barat 47620, Indonesia. Tel: +62 3 342 3113. Fax: +62 3 342 3114.

RECYCLED FIBRE

INDONESIA

Company offers recycled fibre/shoddy made from cotton (raw/grey and bleached), TC (raw/grey, bleached and elastic), polyester (raw/grey and bleached), acrylic, jute hard textile waste, such as clips/scrap, yarn/thread waste and mixed. Currently running eight machine lines of re-opened

fibre with a capacity of 800 tonnes a month.

Contact: Antonius Andy, Panji Mas Textile, Driyorejo Km25, Gresik, Propinsi Jawa Timur 61177, Indonesia. Tel: +62 31 7507060. Fax: +62 31 7507778.

HANDMADE TEXTILES

THAILAND

Company produces and distributes handmade textiles for personal use or home textile decoration.

Contact: Vallee Nakeesatit, Bannfaikhram, 49/2 Soi 3 Thoong-hotel Road, Tambon Wat Kate, Muang, Chiang Mai 50000, Thailand. Tel: +66 53 242289. E-mail: baanfaikhram@hotmail.com

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Contact: Dendy Rindani, General Manager, Derindo Global PT, Jl. Cikini Raya FG6 No. 8, Bintaro Jaya, Tangerang 15322, Banten, Indonesia. Tel: +62 21 7486 0260. Fax: +62 21 7486 0261. Website: www.derindoglobal.com

TEXTILES

VIETNAM

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Contact: Mr N T Khiem, TTL Co, 36 Le Trung Nghia St., Ward 12, Tan Binh Dist., Ho Chi Minh City, Vietnam. Tel: +84 8 6087. E-mail: ngtuankhiem@yahoo.com.vn

TEXTILES

VIETNAM

Company represents Vietnamese suppliers of textiles and garment products.

Contact: Ona Tran, BEST, 32 A Cao Ba Nha St., Dist. 1, Ho Chi Minh City, Vietnam. Tel: +84 8 837 3437. E-mail: myoverseasassistant@best.com.vn Website: www.myoverseasassistant.com

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