



AL-INVEST IV INFORMS

N°25 - SEPTEMBER 2011



AL-INVEST IV - EUROCHAMBRES - Avenue des Arts, 19 A/D - B-1000 Brussels - info@al-invest4.eu

Find us on Facebook

www.al-invest4.eu

CONTENTS

Special Issue on Fashion and Tailoring

Letter from the Editor
The Fashion Industry in the European Union1

Central America, Mexico and Cuba
Mexico: Tailoring; Mexico's Strength2

Mexico: Training for Traditional Companies in Jalisco2

Success Cases
Experiences at the International Fashion Fair in Madrid (SIMM) 2011 - TAKASAMI2

Mercosur, Chile and Venezuela
Brazil: So Fashionable2

Andean Region
Peru: The Biggest Exporter to the EU Continues to Grow3
Bolivia: Opening to New Horizons3
Colombia: Cartagena de Indias, at the Forefront of Fashion4

Interview to...
Two Professionals Involved in the Business Mission to the SIMM 2011 Fair and a Latin American SME Present at the Fair 4-5

Activities
"Network of Chambers", Cooperation and Collaboration for the Future (Ecuador)6

Welcoming FIDE, the New Partner of the CAMC Consortium (Honduras)6

Social Responsibility and SMEs (Mexico) ...6

Success Cases
Salvadorian Artisans and New Designs6

Coming up7

Contact7

Special Issue on Fashion and Tailoring

LETTER FROM THE EDITOR

The Fashion Industry in the European Union

Fashion and tailoring is a heterogeneous industry, making up an important portion of European manufactures. Design, innovation, creativity and high-added-value products are the main competitive advantages of this sector in the European Union. The current textile market size in the EU is estimated at €10 million and amounts to 200,000 jobs approximately. According to forecasts, EU exports could grow by 50% approximately in the next 10 years. European imports of textile and tailoring products have grown 3.94% from 2006 to 2009. The most important European Union markets were above the average growth rate, except Poland, where the increase has been even steeper, at 32.51%.

countries buying these garments are Germany, the UK, Italy, France and Spain.

The knitwear sector grew considerably between 2004 and 2008 in the European market. The big five markets abovementioned account for roughly three quarters of knitwear sales in Europe. The same applies to tailoring, both men and womenswear.

Imports of tailored menswear to the EU accounted for more than 40% of imports worldwide in 2009. The European market for tailored womenswear accounted for more than 50% worldwide.

From 2006 to 2009, strong competition from producers in China, Pakistan, India, Hong Kong and Turkey made Latin American exports of tailored menswear and womenswear fall. However, exports of leather garments increased in certain countries, such as Guatemala.

The main strength of the European tailoring market continues to be the quality-price ratio, followed by new concepts, such as consumers' demand of environmentally friendly products. Responsible shopping has expanded in the last few years, since consumers want to know where products come from and how they are manufactured.

Tunics, sandals and leather garments inspired in the 1970s are the new hits of European women's fashion. Dresses below the knee with sexy cleavages in the far west style will be the delight of the season. For men, pink is the new black. Rolled-up jeans, wool caps and ethnic chains will become new men's best allied.



Source: GIZ

The EU market for leather garments has grown more in turnover than in value. Sales have increased shyly in the last few years, the international financial crisis having affected some markets more than others. The main European

Adriana Nunes,
GIZ Project Coordinator

Facilitating the internationalization of Latin America SMEs

The AL-INVEST IV Programme is co-financed by the European Union

This publication has been made with the assistance of the European Union. The sole responsibility for its content lies with AL-INVEST IV and in no case shall it be deemed to reflect the EU point of view.

Central America, Mexico and Cuba

Fashion and tailoring are one of the most strategic market industries for countries in the CAMC Consortium. The Consortium puts all the effort into boosting them, offering necessary tools for its partners' technical assistance to ultimately remain competitive globally.

MEXICO

Tailoring; Mexico's Strength

Roughly 9,000 companies specialized in tailoring have ranked Mexico number 6 among textile exporters worldwide in 2011. They provide 2% of the supply to international markets. At a national level, it contributes to 5% of the manufacturing sector's GDP and 1% of the national GDP. 300,000 direct jobs and more than 1 million indirect jobs prove the significance of the sector, amounting to 8.1% of jobs in manufacturing and 2.1% of the total employment in Mexico.

A main pillar in the transformation of the Mexican tailoring industry has been its international footprint, attained through competitive prices, quality and innovation. Mexican exports reach more than 60 markets in the world: the United States of America, Canada and Colombia among others. Germany, Belgium, the Netherlands, France, Greece and Spain are Mexico's main clients within the EU.

Contacts: Alejandra J. Pérez alejandra@eurocentro.mx
Rocío González rocio@eurocentro.mx



Training for Traditional Companies in Jalisco

In 5 different 1-week sessions throughout 2011, traditional sectors in the Mexican region of Jalisco, such as jewelry, furniture, tailoring and shoe wear have profited from training and technical assistance provided by the AL-INVEST IV Program, Monterrey's Technology Center (Mexico) and the School of Industrial Design ITESM. Thanks to renowned European experts, students and businesspeople learned techniques to face the competition from powerful emerging markets and their designs and prototypes were object of extensive follow up.

In collaboration with the Government of Jalisco and the City Councils of Guadalajara and Zapota, this project has provided companies with the opportunity to access new designs, improve their production quality and contact new generations of designers that bring freshness and a better understanding of the current market.

Contact: Paz Díaz Nieto paz.diaz.nieto@itesm.mx



Success Cases

Experiences at the International Fashion Fair in Madrid (SIMM) 2011 - TAKASAMI

María Rosario Mendoza, director of the Mexican company Takasami, shared with us the results of her experience. Ms. Mendoza said the event "was above and beyond" her expectations. "More than 100 people have shown an interest in our fabrics or materials. I was also congratulated for the garments' design", she pointed out.

A total of 30 contacts interested in Takasami designs, 20 formal orders and requests to send samples make up a successful balance for this Mexican fashion firm.

Mercosur, Chile and Venezuela

Many projects seeking to increase training in companies and among designers to boost competitiveness of SMEs beyond their borders have been initiated in Brazil.

BRAZIL So Fashionable

The Brazilian fashion industry is a job and income creator for the Brazilian economy. It has all the potential necessary to tap into exports. Developing actions that require studying the consumer profile, brand identity, the theme and colors make all the difference to Brazilian SMEs. From 'prêt-à-porter' to custom made, it is essential for professionals in the field to have a fine knowledge of the backstage of the fashion and tailoring industry.

Seeking to encourage actions of Brazilian companies in this industry, with differentiated products and a strong identity, the AL-INVEST IV Program has developed two important projects this last year: "Generating Trends among SMEs in the Textile and Tailoring Industry" and "Fashion Business Mission to Berlin and Paris". According to Joao Paulo Gomes, Manager of the National Confederation of Industries (CNI by its Spanish acronym), "businesspeople need to be in contact with foreign markets to be up to speed with market trends, new technologies and marketing strategies".

Contact: Cristina Alves Rocha cristina.rocha@fiepr.org.br

Andean Region

SMEs in the fashion and tailoring industry in the Andean Region aim at expanding to international markets, namely Europe. Thanks to Peru's experience in the field and training activities promoted by the AL-INVEST IV Program, Andean countries have the brightest possible outlook in the sector.

PERU

The Greatest Exporter to the EU Continues to Grow



Source: RA

Models of the Speed Fashion show, organized by the Chamber of Commerce of Lima (Peru)

Peru has the most important tailoring industry in Latin America and is the biggest Latin American exporter of tailoring products to the EU. Peru will continue to grow despite the crisis in international markets. This is what the Foreign Trade Center (CCEX by its Spanish acronym) of the Chamber of Commerce of Lima has positively declared. In 2010 the EU was already the top destination for Peruvian textile exports, billing 6% more exports than the year before, totaling \$120 million. Italy, Germany, the UK, France and Spain are the main clients of this country.

To maintain its leadership position and even increase the presence of Peruvian SMEs in the European market, the Chamber of Commerce of Lima, in collaboration with the AL-INVEST IV Program, develops many training and technical assistance programs and marketing actions to improve the competitiveness of SMEs in Europe.

Contact: Miguel Viaña mviana@camaralima.org.pe

BOLIVIA

Opening to New Horizons

Quality products and the jobs created make of the textile industry a truly essential sector in Bolivia. Due to the undertakings of the Chamber of Commerce of Bolivia, an institution partnering with the AL-INVEST IV Program along with the Bolivian Textile Conglomerate (COTEXBO by its Spanish acronym), this effort goes beyond its borders to promote competitiveness and the integral development of the sector.

The Chamber of Commerce of Santa Cruz (CADEX) works with three industrial clusters, including 90 companies in tailoring since 2009. The goal is to respond to the main difficulties Bolivian SMEs may encounter by carrying out activities and specific actions. The 'Buy Bolivian' Program has improved the visibility of regional SMEs by developing physical and virtual catalogs, an activity developed by CADEX.

What's the result of all these business actions? Many Bolivian garments are already in Canada and Australia and continue to progress in their

expansion to Central and North America and Europe. This is a key goal for Bolivian SMEs, which hope to close many deals in the Old Continent shortly. The AL-INVEST IV Program has supported the internationalization process of Bolivian SMEs in the textile business. Through catalogs, information update processes and support from international experts, the Bolivian fashion industry is taking leaps forward.

Contacts: Pilar Hoyos - Chamber of Commerce of Bolivia

p.hoyos@boliviacomercio.org.bo

Marco Zárate - Chamber of Exporters of Santa Cruz (CADEX by its Spanish acronym)

comunicacion@cadez.org

COLOMBIA

Cartagena de Indias, at the Forefront of Fashion



Source: RA

Companies participating in IXEL MODA 2010

29 companies in the textile industry from Cartagena de Indias, Colombia are working really hard to define the right marketing strategy bringing together quality product and innovation. The AL-INVEST IV Program and the Chamber of Commerce of Cartagena encourage SMEs through these business clusters. The SMEs benefit from technical assistance in designing products, participating in events, fairs and national and international events.

The Eimi Fair in Bucaramanga, the III Latin American Congress for Garments, Tailoring, Textile and Inputs, Accessories, Leather and Leather Garments IXEL MODA and the Business Round Bogotá Emprende are some examples of events attended by many SMEs in 2010 in Colombia. Internationally, they highlighted the Exploratory Fair Peru Fashion in 2010, the Business Mission to Panama 2011 and the International Fashion Fair in Madrid (SIMM) 2011.

Contact: Andrea Piña Gómez apina@ccartagena.org.co

Special Issue on Fashion and Tailoring

Interview to...

The business mission of the AL-INVEST IV Program in the International Fashion Fair of Madrid 2011 aimed at guiding Latin American SMEs through their first or following steps in European markets by undertaking several activities at the Fair. AL-INVEST IV INFORMS has talked to two professionals involved in the missions and one Latin American SME present at the Fair to learn about the results first hand. Manolo Jiménez, head of the Business Department at the European Institute of Design, Ana Martínez Páramo, Head of the American Division of the Chamber of Commerce of Madrid, and Mónica Olmedo, Representative of the Mexican company Syra Carús, told us how the experience went.

Manolo Jiménez, head of the Business Department European Institute of Design (IED by its Spanish acronym), Madrid

Many Latin American companies participating in the Fashion Fair in Madrid, 2011, profited from the business mission organized by the Coordination and Services Consortium of the AL-INVEST IV Program. Conferences focused on "Design Nowadays and Fashion Trends", "Visual Merchandising: Interior Design at Stores and How to Set and Present a Showroom" were organized together with the European Design Institute in Madrid. The Business Department head, Manolo Jiménez, shared with us some advice for Latin American SMEs in the fashion and tailoring industry.

"Not losing your identity is essential. Latin American products are original, strong and have a solid visual identity unseen in Europe". According to Mr. Jiménez, based on this, the next step towards success are introducing technology and innovation.

"Being original is Latin America's greatest asset. Latin American SMEs have proven their wealth and it is time they express their individual identity and their common background". Besides, he highlighted how important are other factors. "Craftsmanship is a key element, and factoring in design and innovation make for something too".



Ana Martínez Páramo, Head of the American Division. Chamber of Commerce of Madrid

The Chamber of Madrid took part in the International Fashion Fair SIMM 2011. What is the balance of this year's event?

We are very satisfied with results obtained through the technical assistance, in general. Particularly, many companies closed deals during the 3-day Fair, which can be read as a great success. Internationally, more countries have participated this year, rising from 50 in 2010 to 62 this year.

What motivated the Chamber of Madrid to put together an inclusion project for Latin American companies in the Fair?

Latin America is a priority market for Spanish companies, therefore, the Chamber of Madrid is working hard in this direction. This very year we have organized 16 Business Meetings in Latin America, participated in five Fairs, organized 18 sessions on foreign markets, welcomed several Latin American delegations and organized two technical assistances. A total of 2,200 companies have profited from this.

How did Latin American SMEs benefit from the SIMM Fair 2011?

Latin American SMEs have scouted the market and learned first-hand the key details to tap into the European market, such as the situation of the sector, how to enter it, trends, distribution, and so forth.

They have shown their product and have observed the response to it.



They have been able to establish their first contacts and close some deals.

What can these companies contribute to the international fashion and tailoring market, particularly in Europe?

Garments are original, and certain fabrics and materials are new recycled in the way they have been used for the garments.

What are the B2B dates? What are the results sought?

They are customized agendas to present the Latin American offering and the European demand. A total of 96 interviews were organized and results were excellent, since companies made many contacts.

Mónica Olmedo, Mexico Syra Carús' Representative and Attendant to the Fair SIMM 2011



Do you see opportunities for Syra Carús in the European market?

Positively, since there is a small niche of consumers looking for different high-quality products. Getting to them is a long process, but once you connect to them, they become loyal consumers and great fans.

How did the AL-INVEST IV Program impact your development?

The AL-INVEST IV Program came through at the right moment. We have been present in the market for 20 years with a line of accessories for children called "Cocoletas". Despite it all, the brand and the essence were not correctly defined. Thanks to the 'Eurocentro' support courses, as part of the Program, we have started to see clearly the direction we need to take.

What was your experience at the SIMM fair? Did it fulfill your expectations?

The International Fashion Fair in Madrid 2011 (SIMM) has been the

first European fair we have attended. It's been a great, very fulfilling experience. We have gained knowledge we will be putting to good use quickly. Likewise, it has helped us learn about the taste of Europeans.

What are your short and long term projects?

In the short term we want to maintain the contacts made at the Fair to continue learning from their experiences and opinions. In the long term, we could develop lines geared towards them.

PROFILE

Sector: Artisan fabrics and furs

Headquarters: Alica nº 46 depto 5. Col. Molino del Rey 11040. México, D.F.

Website: www.syra.com.mx

“Network of Chambers”, International Cooperation for the Future

August 2011, Quito, Ecuador

Several institutions grouping business organizations from Bolivia, Colombia, Ecuador, Peru and Europe have joined forces to strengthen international competitiveness and offer better services to affiliated companies. This is the framework where the “Network of Chambers” is generated, a platform to cooperate and collaborate and achieve regional and international integration.

In the framework of the first Meeting of Presidents of Andean Business Institutions of the AL-INVEST IV Program, which took place in Quito last August 24, the Chamber of Industry, Commerce, Services and Tourism of Santa Cruz - Bolivia (CAINCO by its Spanish acronym) led the initiative along with the Ecuadorian Federation of Exporters (FEDEXPOR by its Spanish acronym), the National Association of Foreign Trade of Colombia (ANALDEX by its Spanish acronym) and the Chamber of Commerce of Lima- Peru (CCL by its Spanish acronym) to sign the agreement and consolidate this Network seeking to exchange knowledge and experiences among member institutions and guide the internationalization of affiliated companies.

“This Network seeks to grow by bringing in more institutions from around the world”, said Luis Fernando Barbery, president of CAINCO.



Member leaders of the “Network of Chambers”

For more information: <http://www.alinvest4can.org/?p=1625>
Contact: Vanessa Borcy vanessa.borcy@cainco.org.bo

Welcoming FIDE, the New Partner of the CAMC Consortium

August 2011, Honduras



The Foundation for Investment and Export Development (FIDE by its Spanish acronym) became the latest partner of the Central America, Mexico and Cuba Consortium (CAMC) last August in Honduras. This private, non-profit institution was founded in 1984 to promote sustainable development in the Central American country by fostering investments and exports and improving competitiveness of national businesses abroad.

As partner in the AL-INVEST IV Program, FIDE will expand its effort to support Latin American SMEs in their internationalization, to complement activities undertaken by the Honduras partner FPX since 2010. What are their tools? The Foundation’s programs, such as “Honduras does exports” offers trade intelligence services, assessment in the export process and marketing for SMEs in Honduras.

Contact: Liliana Sánchez lsanchez@fidehonduras.com

Social Responsibility and SMEs

October 20-21, 2011, Mexico DF, Mexico

Currently, corporate responsibility is key when developing public policies, playing a key role to face challenges and solve difficulties such as lack of stability, inclusion problems and lack of governance and trust in the institutions.

The Coordination and Services Consortium of the AL-INVEST IV Program will offer the ‘Seminar on Corporate Responsibility in Latin America’ next October in the capital city. The event will favor the exchange of best practices, experiences and support tools to SMEs in the region.

For more information: <http://www.al-invest4.eu/actividades2/actividades-consorcio-servicios/servicios-para-organismos-intermedios/seminarios-tematicos/responsabilidad-social-y-pymes>



Salvadorian Artisans Towards New Designs

Four SMEs in the craftwork business in El Salvador have shared their potential to export together, achieving an unprecedented innovation process, approaching the manufacture of funerary urns for ashes differently. This product is very much in demand. They manufacture it with new methods and are tapping into new markets.

The result has been a 700-unit order by the German businessman Bern Riebel for early September. Riebel visited the Latin American country and witnessed the progress in the production. He was very satisfied with the effort carried out by the four SMEs: Madero de Jesús, Taller Patty, La Campiña and the Salvadorian Cooperative of Craftworkers (ALSAR by its Spanish acronym).



Source: CAMC

Contact: Ana de Castro coordinacionalinvest@coexport.com.sv

Salvadorian SMEs involved in the project

Coming up

Events

Specialized agendas. July 1, 2011 – December 31, 2011 (CAMC)

Training and Technical Assistance of SMEs in the hotel and services sector in the Atlantic, Island Region of Honduras to implement handbooks and improvements and obtain the 'Green Globe' certification. July 1, 2011 – November 12, 2011 (CAMC)

Tourism, new products, brand strategies and regional brand. July 1, 2011 – December 31, 2011 (CAMC)

Corporate image and e-business for the gift and interior design sector. August 1, 2011 – September 30, 2011 (CAMC)

Brazilian business mission to the 'Polagra Food Fair 2011' Poznan, Poland. September 12, 2011 – September 16, 2011 (MCV)

ANUGA 2011. Koln. October 8, 2011 – October 12, 2011 (CS)

Corporate Responsibility and SMEs. October 20, 2011 - October 21, 2011 (CS)

FIMMA-Maderalia. Valencia October 25, 2011 – October 28, 2011 (CS)

More events: <http://www.al-invest4.eu/calendario/656>

Contact

For more information visit our website
www.al-invest4.eu,
or Check our Facebook profile



<http://www.facebook.com/pages/AL-Invest-IV-Consorcio-de-Servicios/175340069146180?ref=ts>



Contact:

info@al-invest4.eu



Share your comments!

Publications

Sector Analysis on "Aquaculture":

<http://www.al-invest4.eu/minisite/acuicultura/>

"Exporting to Europe" Handbook:

<http://www.al-invest4.eu/guia-como-exportar-a-europa/1001-guia-como-exportar-a-europa/521-guia-como-exportar-a-europa>

Leading editors:

Paolo Baldan, Director of the Coordination team

Simona Obreja, Communication Expert

AL-INVEST IV - EUROCHAMBRES- Avenue des Arts, 19 A/D - B-1000 Brussels - info@al-invest4.eu

"The AL-INVEST IV Program is one of the most relevant regional economic cooperation programs of the European Commission in Latin America. The main goal of the IVth phase of the Program is to promote social cohesion by supporting Latin American SMEs in their consolidation and internationalization, sharing innovation and knowledge and creating economic relations with their European counterparts".