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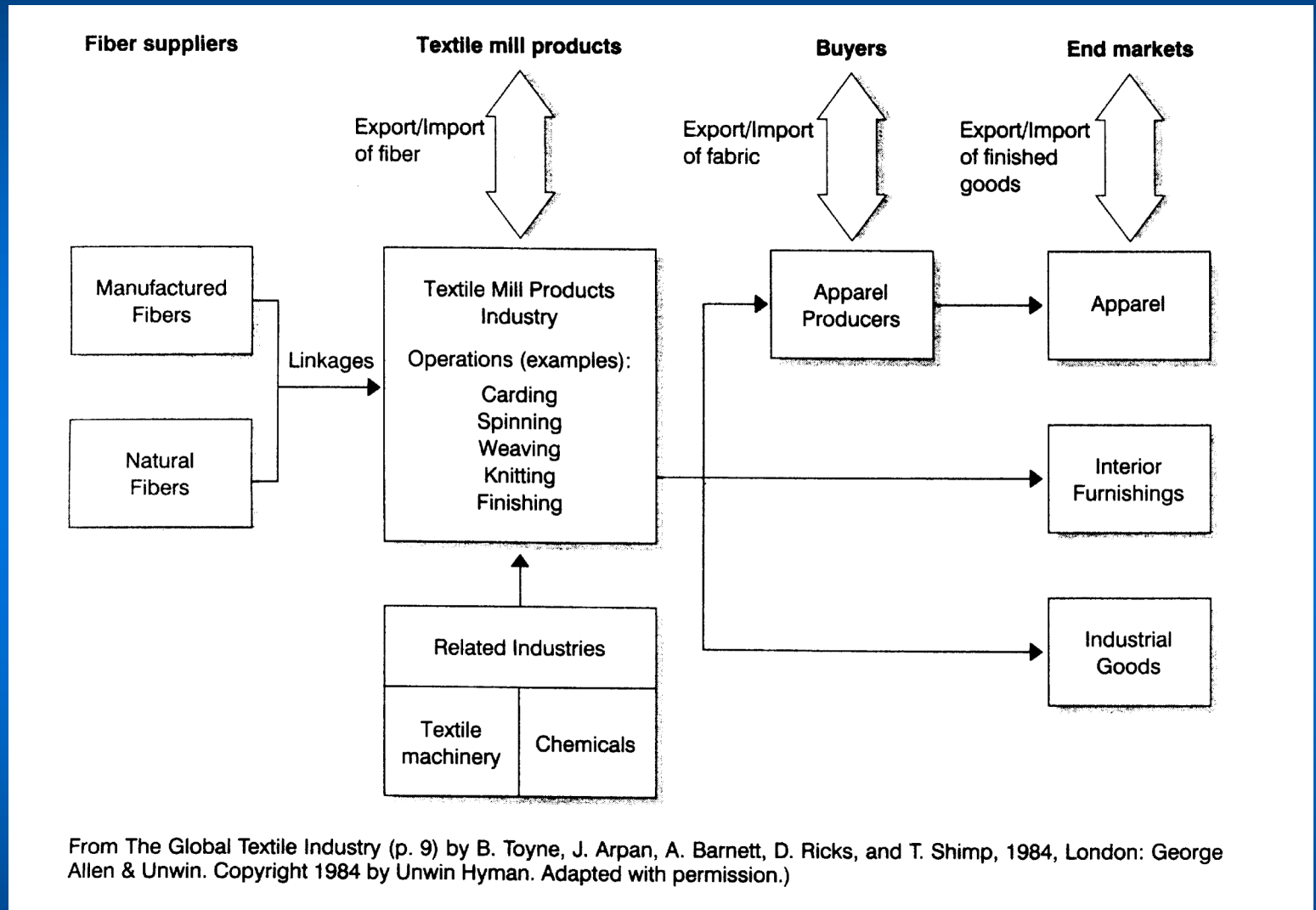
Wool

Textiles & Apparel in the Global Economy

Produced for the CRC for Premium Quality Wool undergraduate program by;
Dr. Peter Auer, The University of New South Wales.



The Textile Complex

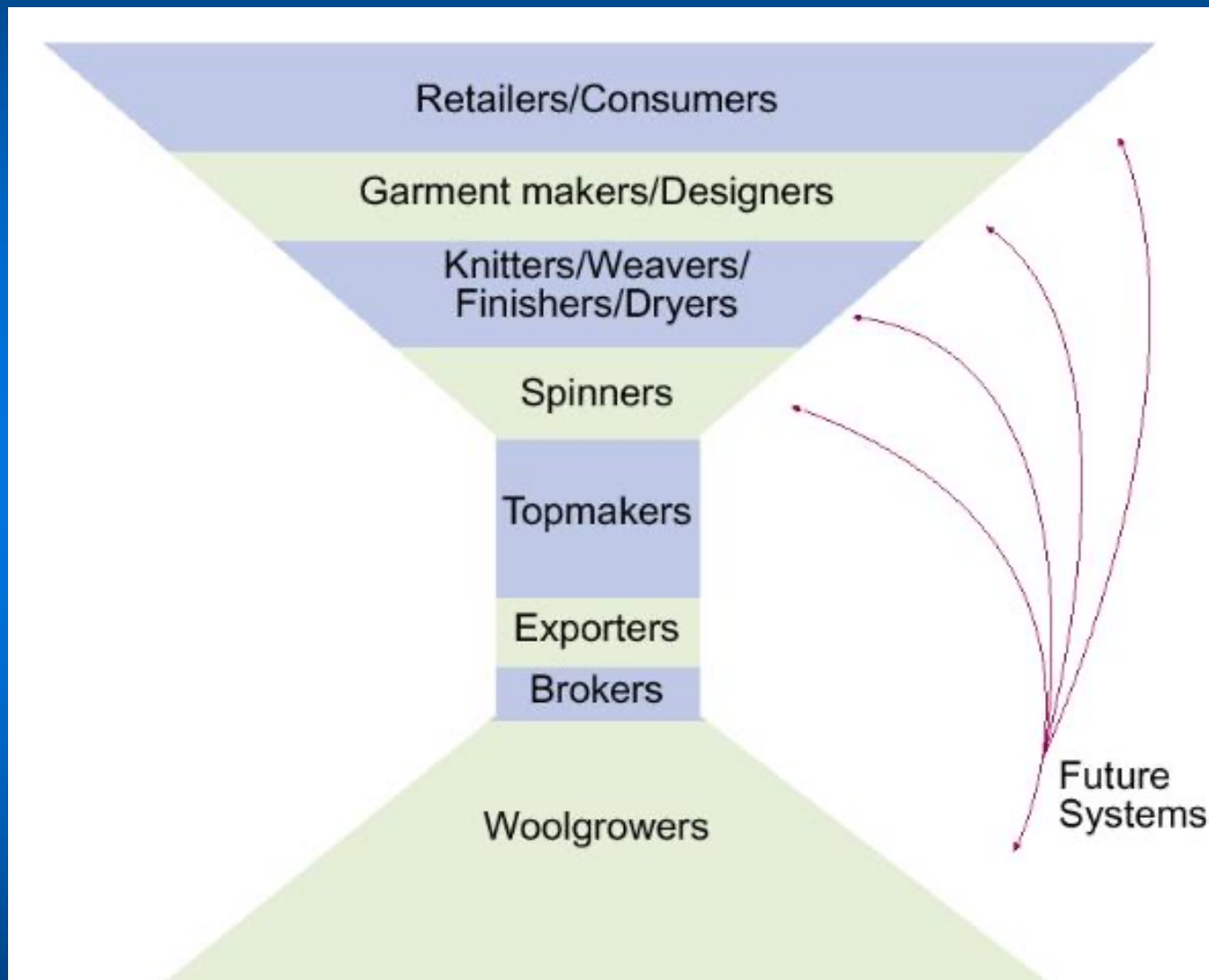


From The Global Textile Industry (p. 9) by B. Toyne, J. Arpan, A. Barnett, D. Ricks, and T. Shimp, 1984, London: George Allen & Unwin. Copyright 1984 by Unwin Hyman. Adapted with permission.)

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Wool Taskforce View



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World Fibre Production 1900 - 1992

(millions of metric tons)

Year	<u>Natural Fibres</u>		<u>Manufactured Fibres</u>	
	Cotton	Wool	Artificial (Cellulosic) Fibres	Synthetic (Noncellulosic) Fibres
1900	3,162	730		
1950	6,647	1,057	1,608	69
1960	10,113	1,463	2,656	702
1970	11,784	1,659	3,579	4,818
1973	13,738	1,497	3,856	7,767
1980	14,040	1,599	3,557	10,625
1986	15,196	1,701	3,276	13,765
1992	18,115	1,676	2,620	17,213

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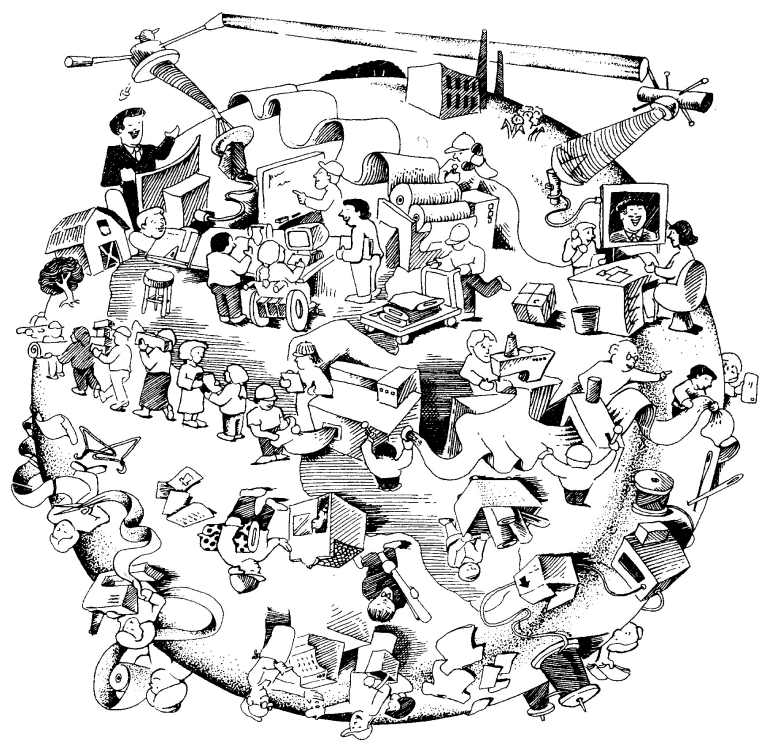
Source: adapted from Dickerson, K. G. (1995)



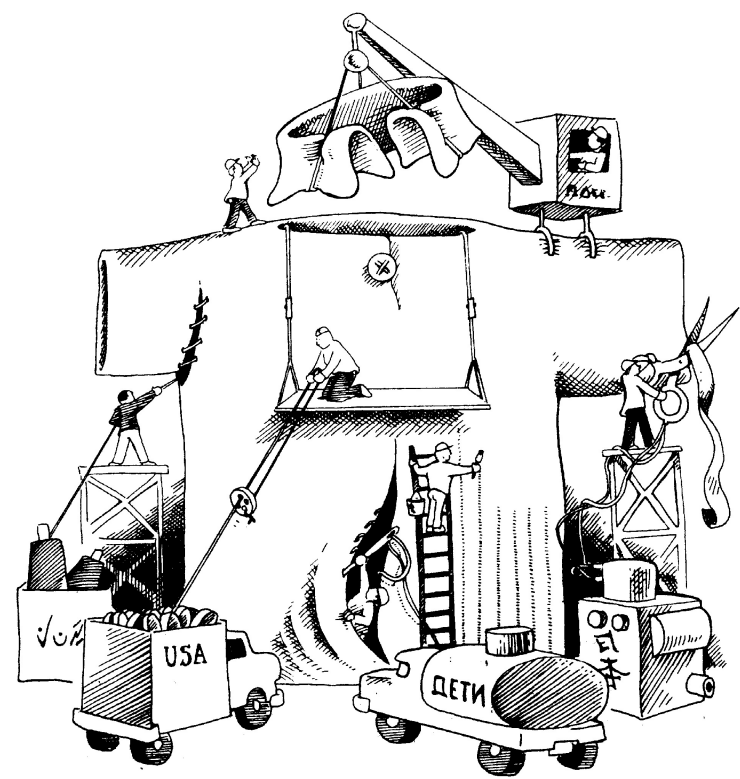
Global Industry, Global Products

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FIGURE 1-1
Today's textile and apparel industry is an interconnected global production and distribution network.



Source: Illustration by Dennis Murphy, based in part on a *Leviworld* graphic, adapted with permission by Levi Strauss & Co.



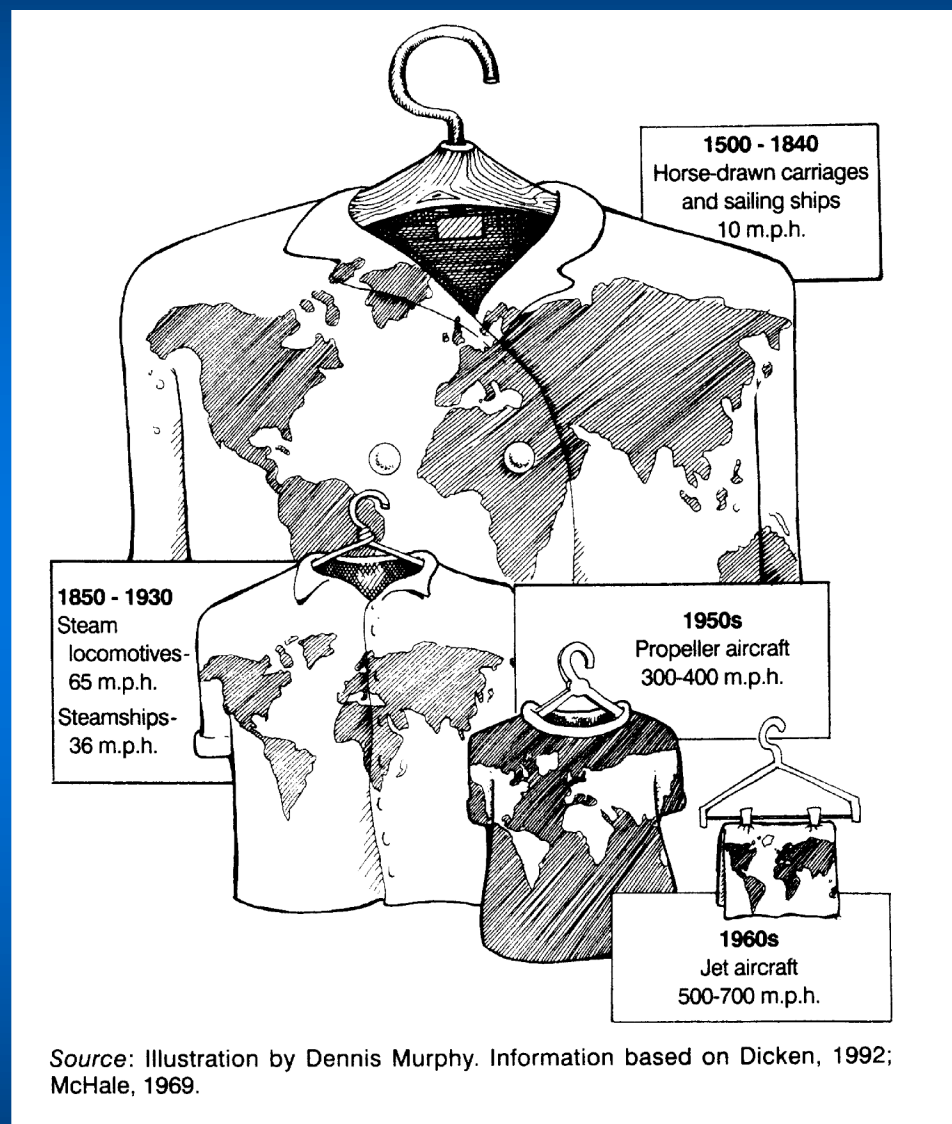
Source: Illustration by Dennis Murphy.

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Source: Dickerson, K. G. (1995)



Global Shrinkage

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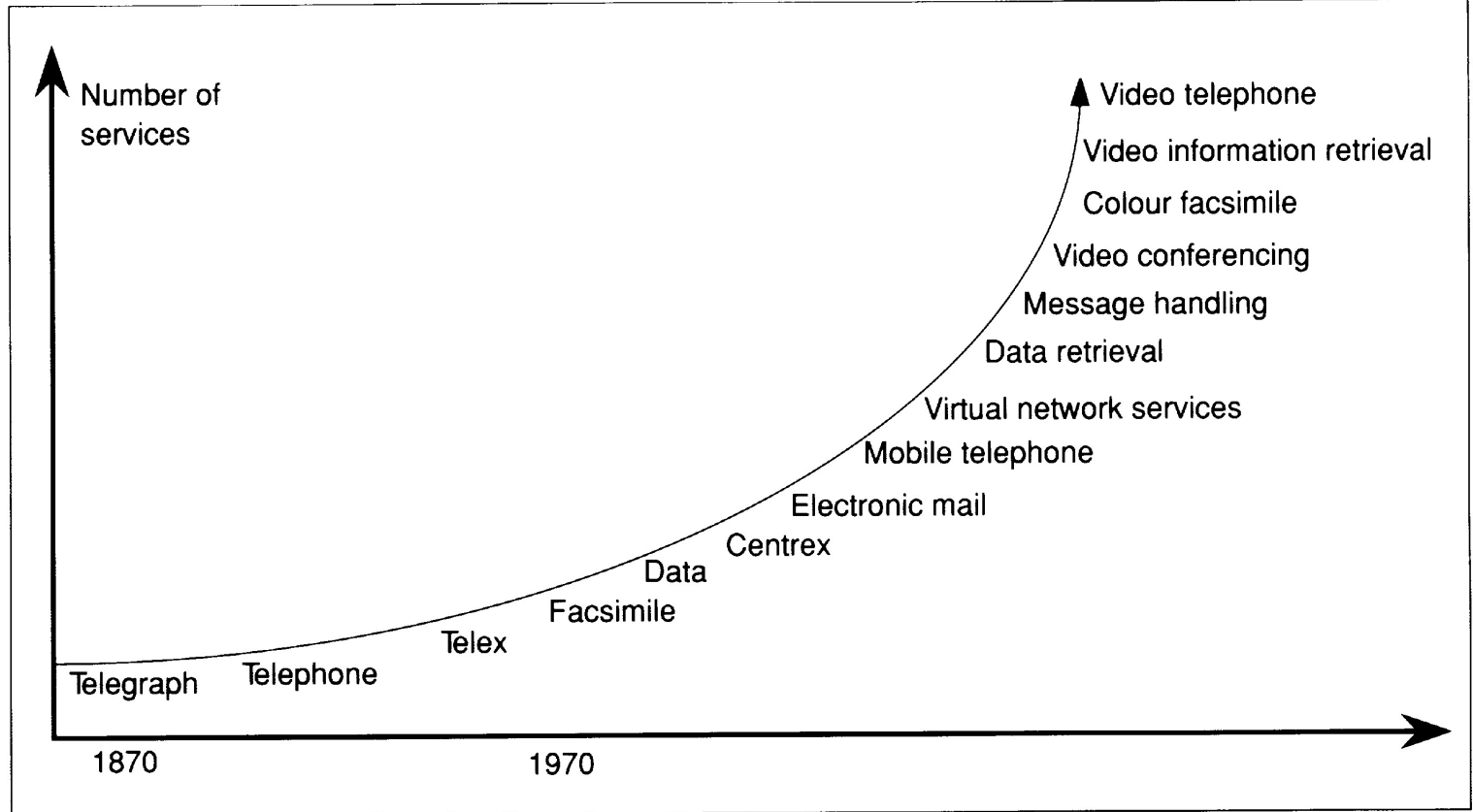


Source: Illustration by Dennis Murphy. Information based on Dicken, 1992; McHale, 1969.



Communication Innovation

Figure 2.1: Timing of innovations in telecommunications services



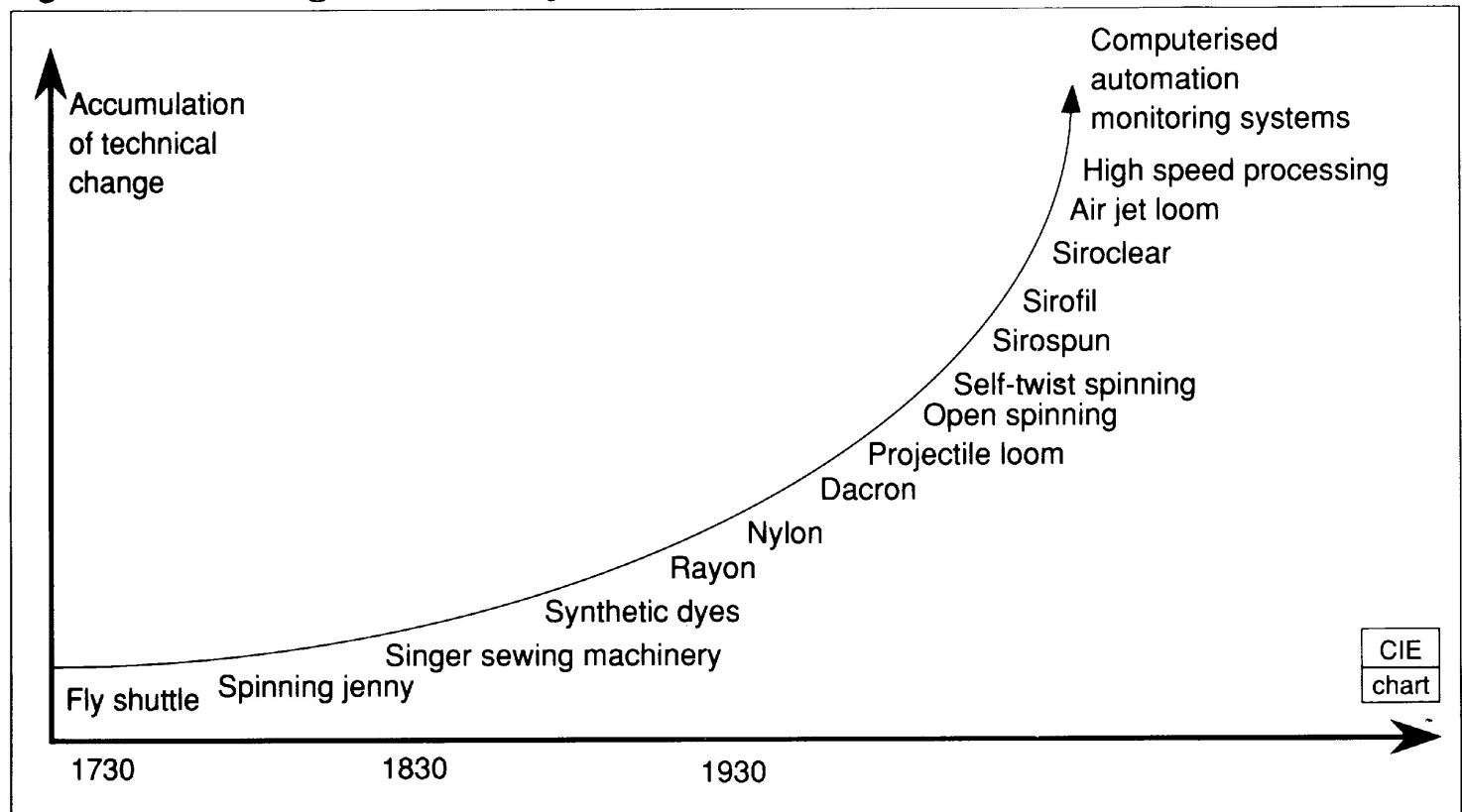
Source: Lipasti and Quelch (1989).

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Fibre Processing Innovation

Figure 2.2: Timing of some major innovations in fibre processing

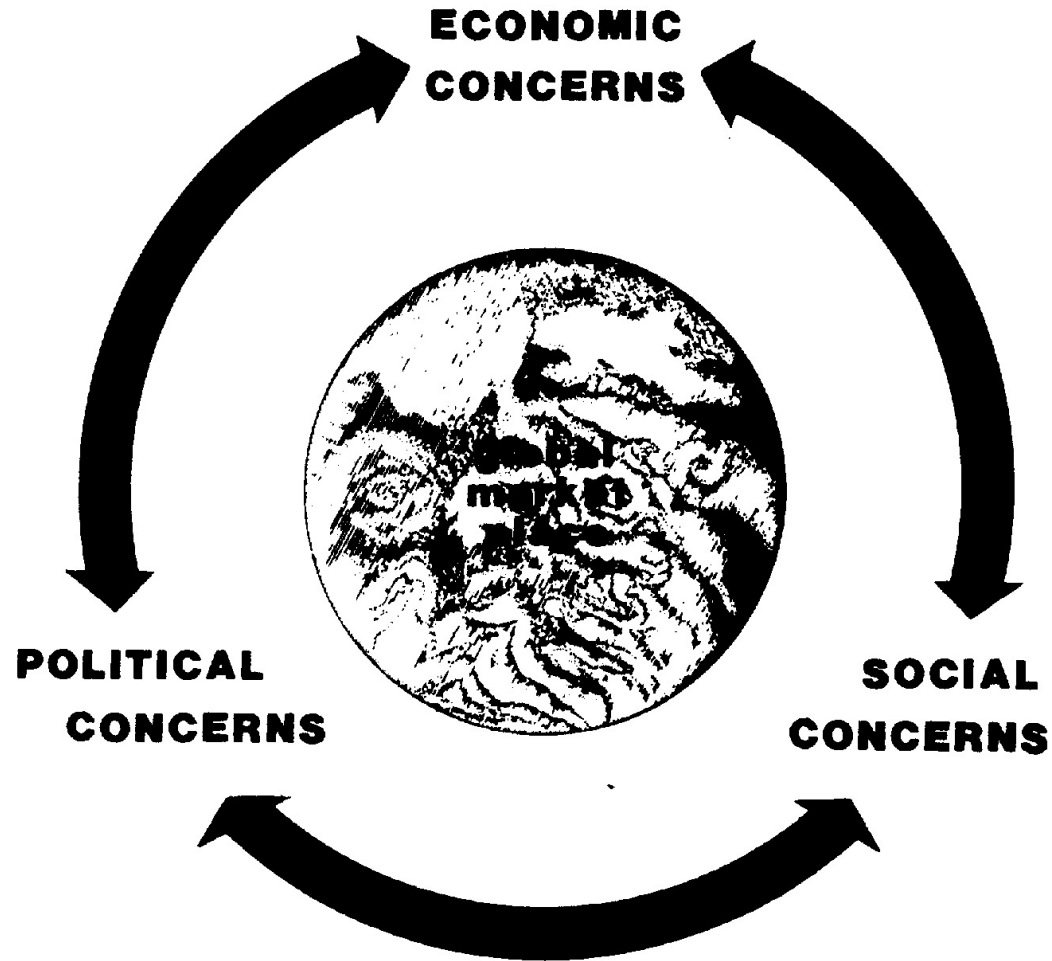


Data sources: International Wool Secretariat; Centre for International Economics.

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Textiles cause Concerns



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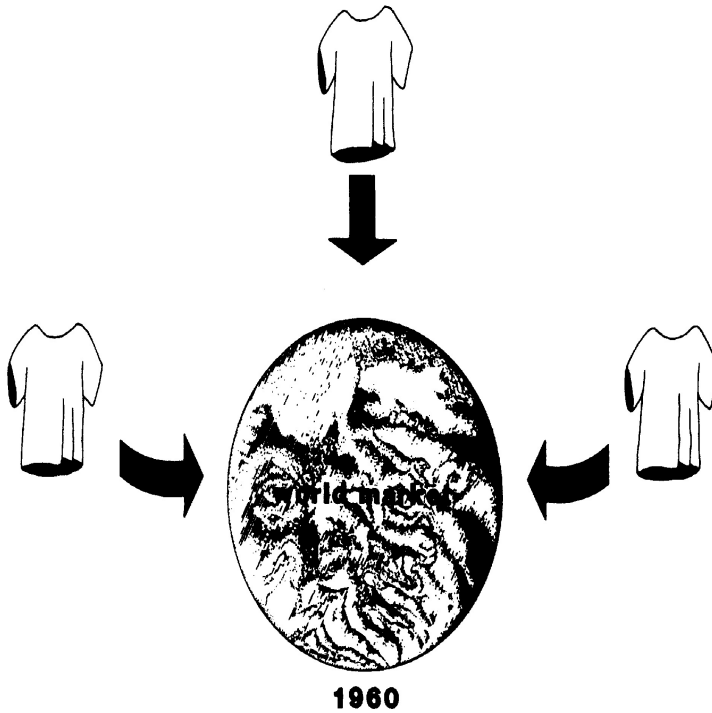
Source: Dickerson, K. G. (1995)



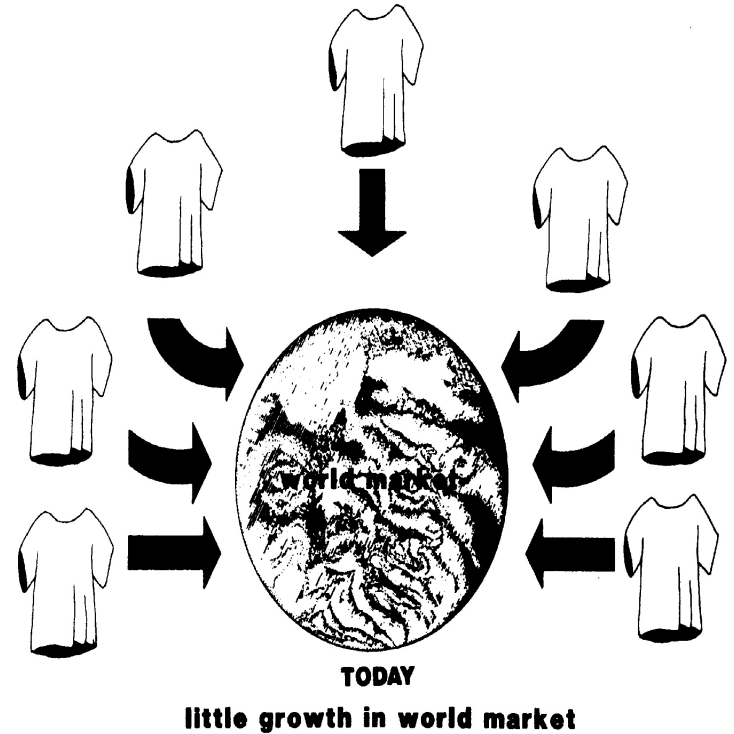
Textile Producers: 1960 & Today

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TEXTILE-PRODUCING COUNTRIES (a limited number)

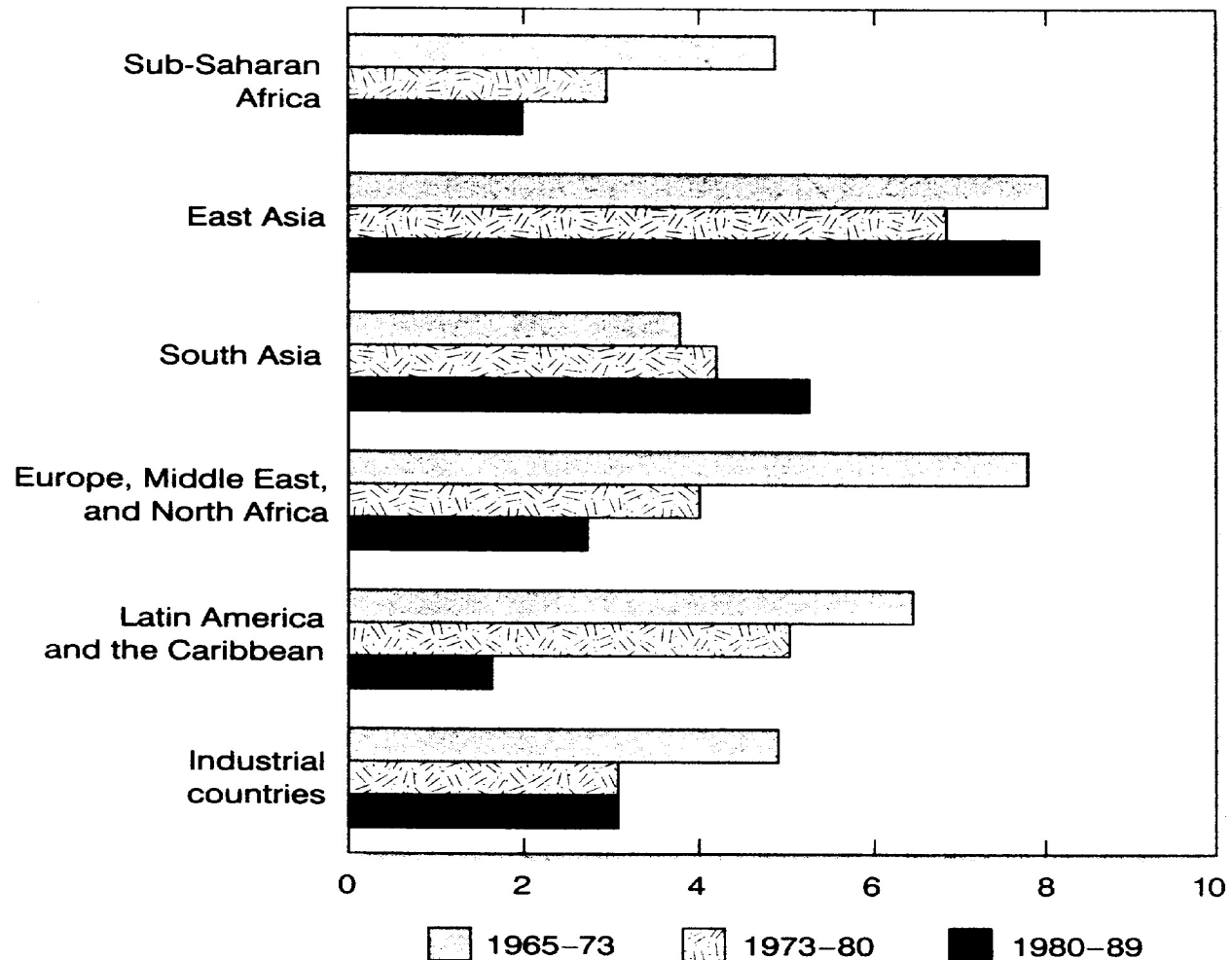


TEXTILE-PRODUCING COUNTRIES





Textiles: role in GDP growth



Source: From *World Development Report 1991* (p. 19) by World Bank, 1991, Washington, DC: Author. Reprinted by permission.

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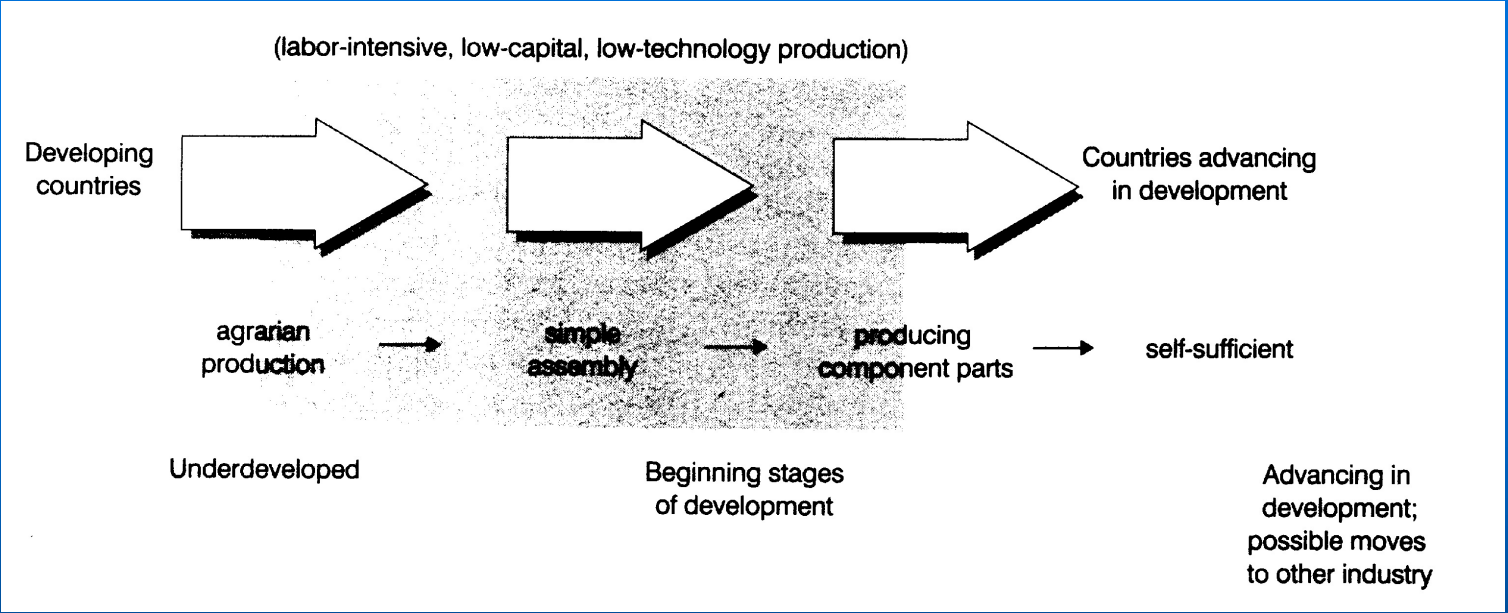
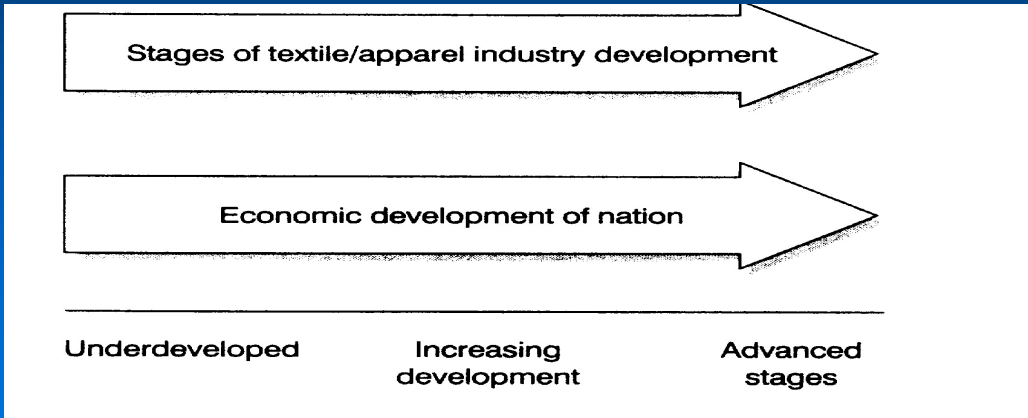
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Textiles: mirror of development



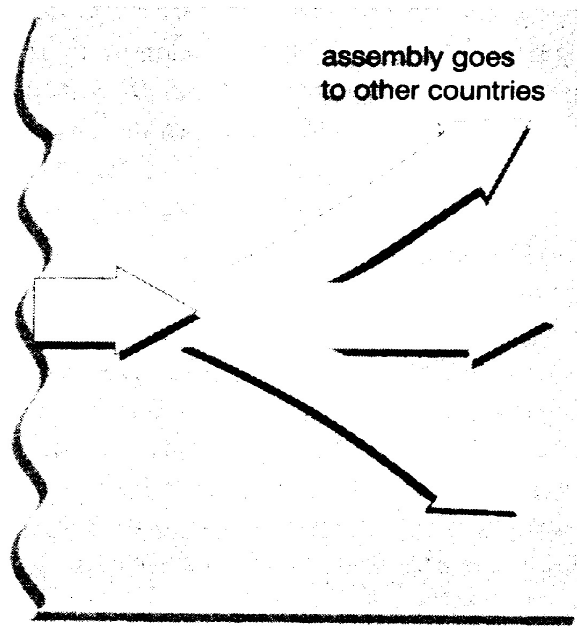
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Fosters further Development

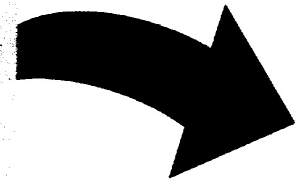
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More Developed Stages



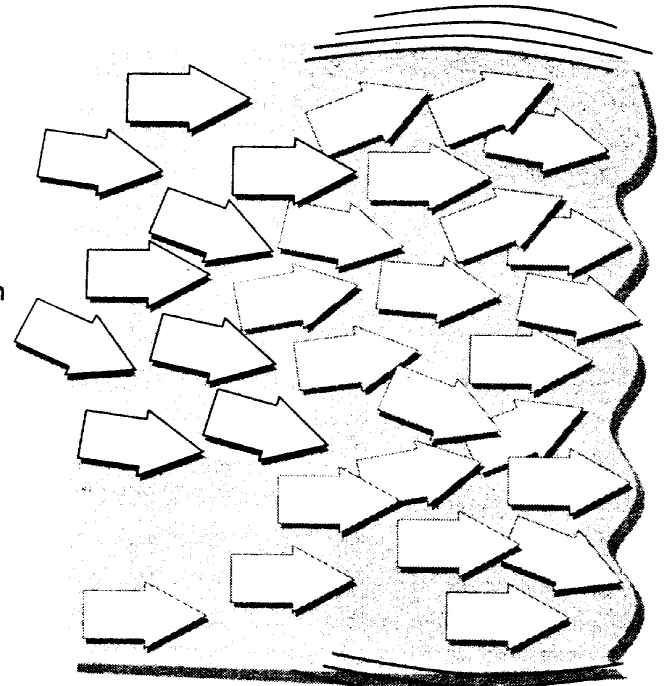
assembly goes to other countries

Critical changes to remain competitive



Fosters production in less developed countries

Developing Stages

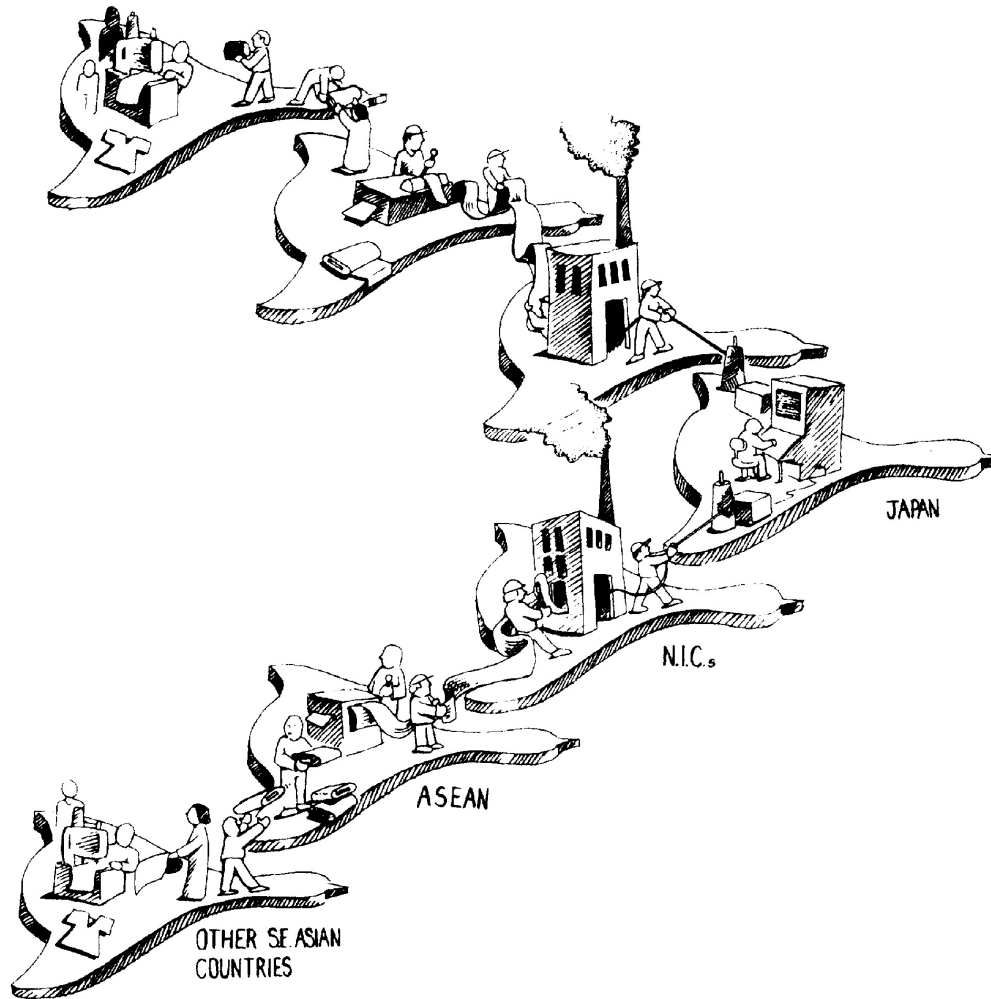


Under developed

Beginning stages of development



“Flying Geese” pattern



Source: Illustration by Dennis Murphy.

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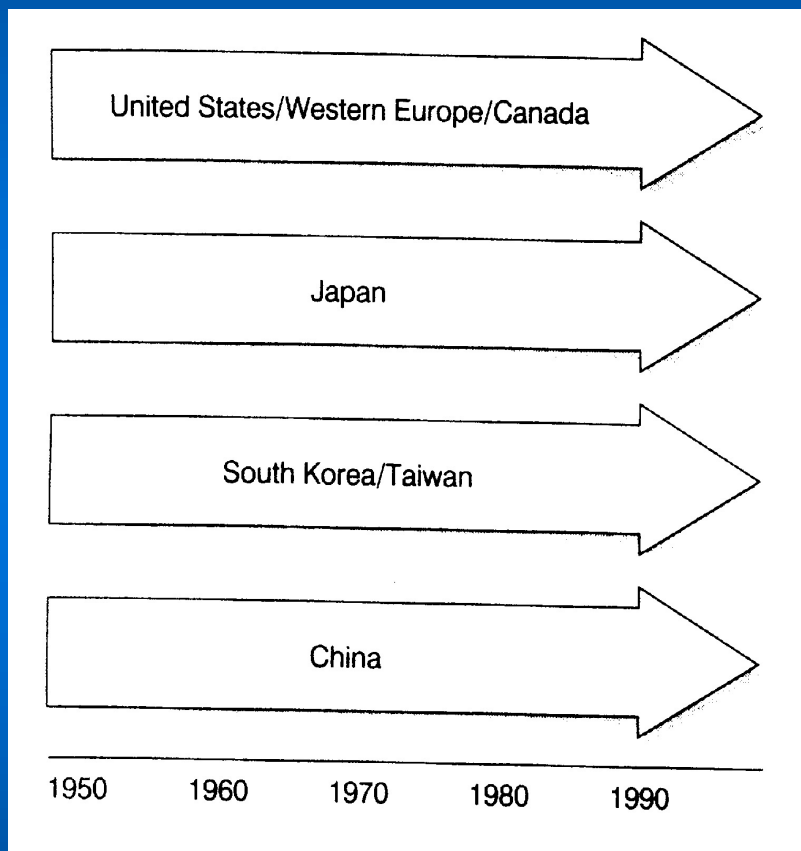
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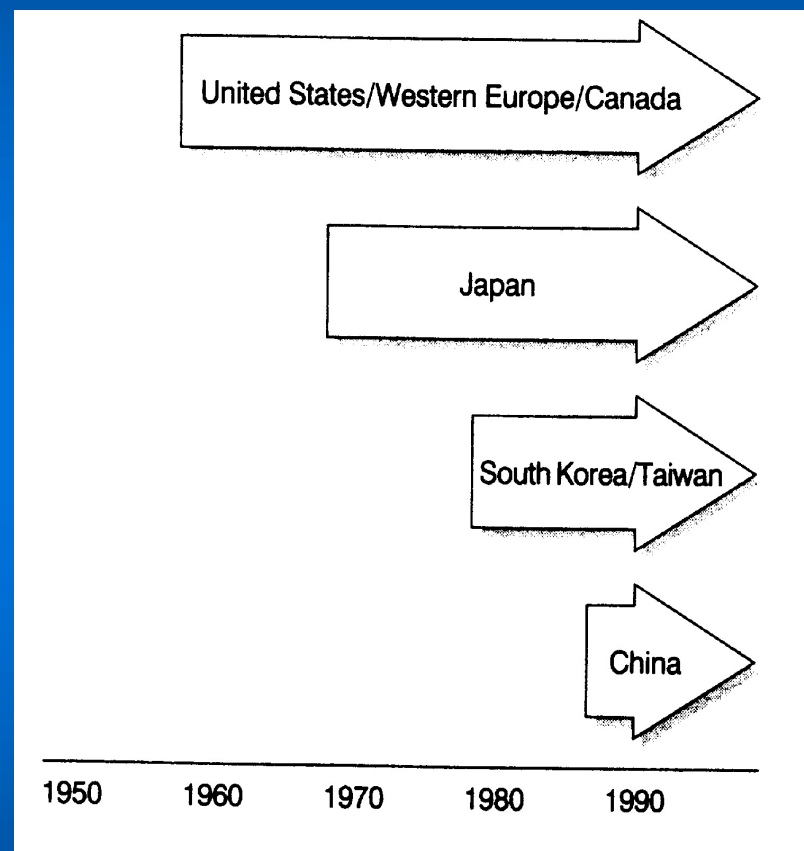
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Apparel Assembly



Manufactured fibre



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China's Textile Complex

Product	1992 output	% increase over 1987
Manufactured fibres	2.08 million tons	77
Yarn	4.90 million tons	12
Fabric	18.5 billion tons	7
Woollen fabric	300 million metres	11
Garments	2.9 billion pieces	28

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Source: adapted from Dickerson, K. G. (1995)



Global Textiles & Retailing

- OS markets, OS production
 - industry relocation
 - cost (labour)
 - “export platforms”
 - speed of response
 - “customising” production
 - developing markets important
 - local market access
- Retailer / Manufacturer
 - relationships
 - speed of response
 - flexibility of response
 - “green” consumers
- some factors acting against globalisation in retailing

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Global Retailing

- **success**

- identify target consumers
- develop specific products
- global information network
- global distribution
- global manufacturing
- eg. Benetton, IKEA, Laura Ashley

- **structure**

- manufacturing
- distribution
- “dispersion retailing”
 - middle step out

- **benefits**

- capture target consumers
- quicker response
- higher profit

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What does it mean for Woolgrowers?

- **global textile economy**
 - production over-capacity
 - intense competition for markets
- **clothing prices have fallen**
 - consumers have become intensely price conscious
- **technology has spread**
 - quality is expected
- **synthetic fibres are aggressively marketed**
 - growth in China accelerating
 - Dupont sells factories not fibre
- **dispersion retailing**

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Major References

- **Dickerson, K.G. (1995), Textiles and Apparel in the Global Economy, Prentice-Hall Inc., New Jersey**
- **Elson, Diane (1990) Marketing Factors Affecting the Globalisation of Textiles, EIU Textile Outlook International, March 1990 p.51-61**
- **Barry, Mary E. and Warfield Carol L. (1988) The Globalisation of Retailing, EIU Textile Outlook International, January 1988, p62-76**

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