

FASHION FROM PORTUGAL AT TECHTEXTIL FRANKFURT **STRONG TEXTILE IMAGE BASED ON TECHNOLOGIC INNOVATION**

The Portuguese and Textile Industry reached, in 2016, 5 billion euros of exports, anticipating the strategic goal set up for 2020. If we considered that the sector turnover in Portugal reaches 7,3 billion euros, it is confirmed its great ability to access external markets, since 70% of this figure is exported, ensuring a net annual Trade Balance of more than € 1.1 billion.

This figure, which had only been obtained at the beginning of the first decade of the century, is a good illustration of the current profile of the Portuguese textile and clothing industry, which was able to carry out an extraordinary reconversion and modernization of its companies, being an international case study, since it achieved the best results now with half of the companies and workers it had at that time.

Currently the Portuguese Textile and Clothing Industry is organized in a dynamic cluster, essentially located in the north coast region of the country, where companies from all subsectors of the pipeline can be found - spinning, weaving, finishing, knitting, apparel manufacturing, home textiles and technical textiles - working in a complementary and synergistic way, supported by a developed scientific and technological system, in which the Technological Centre of the Textile and Clothing Industry (CITEVE) and the Centre of Nanotechnology and Smart Materials (CENTI) stand out.

Fashion, design, technological innovation, logistics and internationalization of companies are the pillars of the new reality of the Portuguese Textile and Clothing Industry which, over the last two decades, has transformed its paradigm from price to value, to differentiate itself and to avoid competition from low-cost countries. The geographical and cultural proximity of the main customers, who rely on the fast and flexible response, has determined the Portuguese textile industry to offer the shortest lead time in the world, which varies from 2 to 6 weeks, depending on the type of product.

Technological innovation has increased the fast growth of high technicality textiles in the Portuguese Textile and Clothing Industry. This is clearly evident with the 40 companies that are now exhibiting at 2017 Techtextil in Frankfurt. It is our estimate that technical and functional textiles – which are equally present in the traditional textile and clothing industry – represent around 35% of the whole textile activity and it is hoped to grow up to 40% until 2020. If so should happen, it will be the complete fulfilling of a strategic intent of the sector.

For all of this, ATP is carrying out a program to reinforce the image of the Portuguese Textile and Clothing Sector, called "FASHION FROM PORTUGAL", which will last until the end of this year, focusing in four strategic markets with growth potential, such as Spain, Germany, Nordic countries and the USA, promoting specially 3 subsectors: 'brands, fashion and design', 'private label' (in the broad sense of manufacturing and product engineering competences) and 'home textiles'.



DESIGNED IN PORTUGAL
PRODUCED IN PORTUGAL
DRESSED WORLDWIDE

The communication actions that will be part of the program will be coordinated, preferably with textile and fashion fairs, which ATP in consortium with Selectiva Moda Association, already organizes, thus seeking to amplify the effects of the commercial presence of the companies in these fairs and markets. After being present in several exhibitions in Spain and Germany, the Fashion From Portugal Program will complete the round in the USA and the Nordic countries until the summer.

Fashion editorials, advertorials and advertising in specialized media, outdoors near the fairgrounds where the exhibitions of the sector will take place, and other transversal actions, as thematic magazines, style and prestige books, viral videos, among others outputs, will be the main activities carried out by ATP to promote, in a coherent, organized and consequent way, the new and valued image of the national textile and fashion chain.

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Paulo Vaz

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Main Indicators of the Portuguese Textile and Clothing Industry

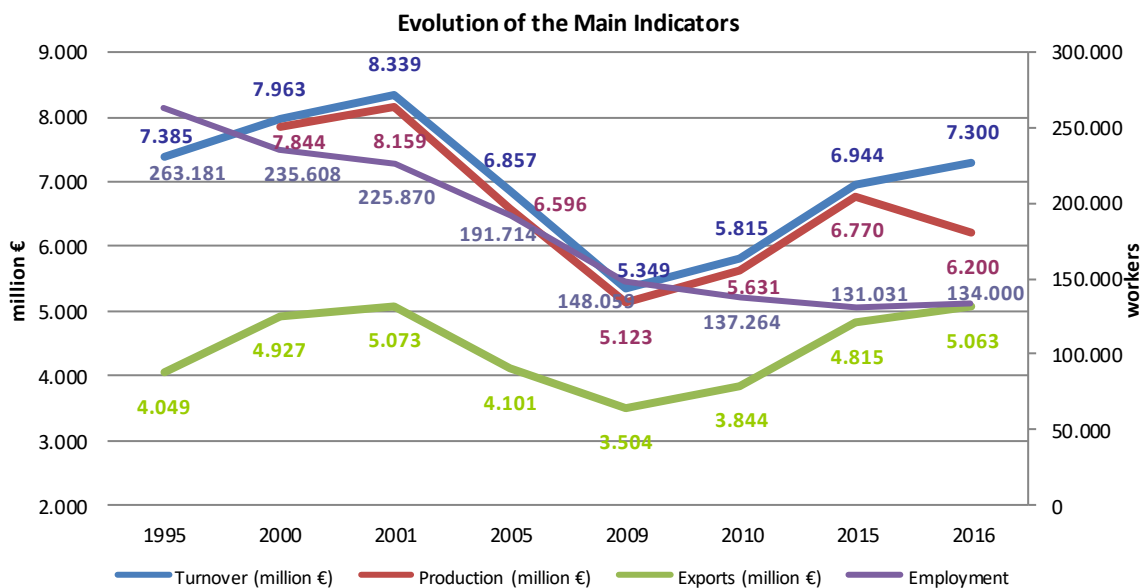
2015

Turnover: 6.944 M€*
Production: 6.770 M€**
Employment: 131.031*
Exports: 4.815 M€*
Imports: 3.835 M€*
Trade Balance: 981 M€*
Enterprises: 11.766*
Societies: 6.123*
Individual enterprises: 5.643*

2016

Turnover: 7.300 M€**
Production: 6.200 M€**
Employment: 134.000**
Exports: 5.063 M€*
Imports: 3.912 M€*
Trade Balance: 1.151 M€*

*INE (provisional data) / ** ATP forecast.



The Textile and Clothing Industry represents:

10% of national exports / 3% of EU T&C exports
20% of the employment in the Portuguese Manufacturing Industry / 8% of the EU T&C Employment
8% of the turnover in the Portuguese Manufacturing Industry / 4% of the EU T&C turnover
9% production in the Portuguese Manufacturing Industry / 4% of the EU T&C production

International Tradeⁱ of Textiles and Clothing

Exports (million euros)	2015	2016	Evol. 15/16	Imports (million euros)	2015	2016	Evol. 15/16
Textiles	1.238	1.248	1%	Textiles	1.675	1.706	2%
Clothing	2.874	3.102	8%	Clothing	1.952	1.990	2%
Home Textiles*	704	713	1%	Home Textiles*	207	216	4%
TOTAL	4.815	5.063	5%	TOTAL	3.835	3.912	2%

* and other made-up textiles

Main Clients 2016

- 1.º Spain (35%)
- 2.º France (12%)
- 3.º Germany (9%)
- 4.º UK (8%)
- 5.º USA (5%)
- 6.º Italy (4%)
- 7.º Netherlands (4%)
- 8.º Sweden (2%)
- 9.º Belgium (2%)
- 10.º Denmark (2%)

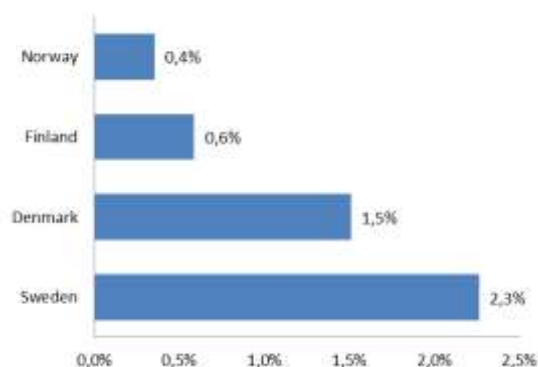
Main Suppliers 2016

- 1.º Spain (39%)
- 2.º Italy (12%)
- 3.º France (7%)
- 4.º Germany (7%)
- 5.º China (6%)
- 6.º India (5%)
- 7.º Netherlands (4%)
- 8.º Belgium (3%)
- 9.º Turkey (3%)
- 10.º UK (2%)

Portuguese Exports to Nordic Markets

million €	2000	2005	2010	2015	2016	Jan.-May16	Jan.-May17
Textile Materials	46	37	23	18	23	10	11
Technical Textiles	24	14	14	43	23	11	10
Home Textiles and other Made-up Textiles	69	47	34	39	39	16	17
Clothing	315	157	122	133	154	58	57
Total	454	255	193	233	239	95	96
Share in Total T&C Exports	9,0%	6,2%	5,0%	4,8%	4,7%	4,5%	4,4%

Importance of each Nordic Market in Total T&C Exports



ⁱ Source: INE (data treated by ATP)