



UKFT brings together designers, manufacturers, agents and retailers to promote their businesses and our industry throughout the UK and internationally but we are also the voice of the industry. We talk to the UK Government and to the Commission in Brussels, keeping them informed on the key issues facing the industry.

This month UKFT's CEO Adam Mansell addressed the Westminster Media Forum, delivering the keynote speech on policy priorities at *'The UK fashion industry - digital strategies, IP, international competitiveness and policy priorities'* seminar, chaired by Lord Purvis of Tweed, Secretary, All-Party Parliamentary Group for Fashion and Textiles.

Adam spoke of the four key policy priorities for the UK fashion industry: Manufacturing, Exports, Skills and Innovation.

Excerpts from the keynote speech delivered on 12th April 2016:

Manufacturing

There is a rapidly growing interest in UK manufacturing. Whether this is a fashion fad or part of a realisation that manufacturing closer to home can have benefits, both in terms of brand position and cost, remains to be seen. But long may it continue.

Designers, retailers and, most importantly, consumers are increasingly looking for high quality, design led products. For fabrics and clothes that come with a story, and that haven't travelled halfway round the world, clothes with authenticity and heritage, that have been made with expert craftsmanship.

In fact it is worth pausing for a moment to consider that in actual fact UK fashion and textile manufacturing never went away; it just went rather quiet, particularly as retailers looked for increased margins. And that highlights my first priority for the manufacturing sector.

We need a national asset register of UK manufacturing capabilities. There are a series of initiatives around the mapping of who does what – the UKFT's own letsmakeithere.org database, the fantastic Meet the Manufacturer Show, the work done by the Alliance Project. All these initiatives need to come together to provide one, simple to use, trusted source of UK manufacturing capacity – who they are, where they are, and what they do.

We need Government to recognise the need to help with investment in capital, people and research and development. The 'Northern Power House', the 'March of the Makers' and the

'Rebalancing' of the economy are all great sound bites but they are ultimately devoid of much meaning without real investment in companies.

Over the past two years the Alliance Project has had great success in showing what can be done with concerted public and private investment throughout the industry, leveraging nearly £5 for every £1 of public spend, creating 2,000 jobs in 18 months.

We need more of this type of joint investment and we need it across the country.

And a message to the large retailers out there, looking to source UK manufacturing. Our manufacturers aren't like the vast factories in China, Sri Lanka and Bangladesh. You need to re-learn how to work with UK manufacturing and UKFT can help you do that. You can't just turn the production tap on and off at will or there really will be no UK manufacturing left. You need a long term relationship with UK manufacturers – I'm talking a three year relationship. And you need to amend your payment terms. If you really want UK manufacturing to continue to thrive you can't offer them 60 or 120 days. You are billion pound companies; it isn't right asking the little guys to run your cash flow. ®

Export

Exports are key to the industry and last year we exported over £8.2 billion pounds worth of fashion and textiles. Export growth in our sector has been significant – growing by over 30% since 2010. This growth has been despite price deflation, difficult currency conditions and reduced support from the Government.

In 2015 UKFT took 650 companies to overseas tradeshows and our research shows that for every £1 of government export support over £40 comes back in taxable revenue. The government gave those 650 companies a combined £790,000. The companies produced £32 million in sales.

The fact that we can pass £790,000 to the industry sounds quite good. Well let me put it in some context. Last year the Italian Government gave the Italian Fashion Industry over \$20 million dollars for a one year campaign to boost Italian fashion sales in just one country - the US. The money was spent on media campaigns, promotional events and partnerships with major US retailers.

Now back to that £790,000. £790,000 from a government that wants to rebalance the economy, has set targets to double the number of SMEs exporting and to raise UK exports to £1 trillion. At the same time this is a government that year on year has cut the support available to those SMEs to start them on their export journey.

The industry, represented by the UK Fashion & Textile Association, is asking Government for a long-term and holistic approach to export.

We are pushing for a 4 year plan for the industry, which would double the number of SMEs exporting and drive export sales of over £10 billion for the sector by 2020.

But to achieve this we need the Government to provide much better financial support. We need a minimum of £1.4 million pounds a year being available in direct export grants for companies.

Training & Skills

In the UK it is estimated that some 20,000 new jobs will be needed in textile and clothing manufacturing to keep up with growing demand. There is a huge amount to do in terms of changing the next generation's perceptions of the industry and of ensuring we have a talent pool of people with the right technical skills.

At the same time there are some 15,000 people on fashion courses in this country. And despite the glamour of Fashion Week, not all of these students will become designers, or buyers come to that. However, there is a huge range of opportunities in manufacturing in the UK.

There is a chronic shortage of people with sewing skills - spinners, weavers, linkers, menders, engineers are all in short supply and the UK industry suffers from an ageing work force. But designers, brands and retailers all desperately need a vibrant and growing manufacturing sector to help them meet the demands of today's consumer.

The government has changed the funding landscape for skills training through the introduction of the Apprenticeship Levy. And some estimates suggest that the Levy will mean that just 1 major retailer will have the ability to fund 700 apprenticeships. This in an industry where last year there were less than 500 apprenticeship starts across the country.

The government has also put the content of apprenticeships in industries' hands.

So what does the industry need in order to react to these changes? Well a good starting point would be to develop a National Skills and Training Strategy. A strategy to reach school kids and let them know about the exciting careers available in the industry.

A strategy that ensures that there is a ready pool of people able and willing to take on an apprenticeship – unfortunately too many young people aren't 'work ready' when they leave school and we need to roll out a pre- apprenticeship programme to overcome this.

Industry needs to deliver a simple web portal that acts as a one stop shop for information on routes in to jobs and the progression routes available once you've joined this great industry. A strategy that puts the needs of small and micro businesses at its heart. And a strategy that looks not just at apprenticeships but business skills, export skills and selling skills. UKFT, together with the British Fashion Council and others, are trying to prepare just such a strategy. So watch this space.

Innovation

Skin for robots made from woven textiles. A phone made of textiles that you can stuff in your pocket like a hanky, textiles that can monitor vital health signs and administer medication directly to patients – these are all either being researched or are coming to the market via a UK manufacturing company near you!

Textile innovation in the UK is ranked number 3 in the world and number 1 in Europe and a recent survey by the Alliance Project shows that spending on R&D in the industry stands at some 5% of turnover – above the average for all manufacturing industries.

There are major growth opportunities for UK companies in medical textiles, advanced materials and smart textiles. What is missing is a much closer, clearer, linkage between firms and universities to invest in the fashion and textile innovation ecosystem that will stimulate future growth.

Key actions should include promoting policies that ensure Government facilitates innovation in the UK Fashion and Textile manufacturing supply chain. Introducing innovation competitions specifically for the fashion and textile industry alongside advice and guidance that would allow micro and small businesses to access funds and invest in new product development. Providing support for industry collaboration as the Government has done in the aerospace and automotive sector to encourage joint approaches to research, investment and training.

None of this is new. But it's never happened. Perhaps from inertia or the lack of a co-ordinated industry plan or fears over IP rights but it is worth highlighting that innovation and collaboration can work.

In the US recently the Department for Defence together with 89 universities and manufacturers have come together under the Advanced Functional Fabrics of America Alliance which aims to accelerate technology transfer to enable revolutionary commercial and defence applications. And it's not just a talking shop. Federal Government has put in \$75 million dollars. This dwarfs anything our government has ever invested in UK fashion and textiles but industry and government could and should learn from across the pond.

So to sum up – just what have I been talking about?

Well quite simply I'm calling for two things – one from industry and one from Government

We as industry must come together to agree national strategies for manufacturing, for exports, for skills and for innovation. In return we need real, long term investment from Government - and yes that does mean cash.

Sound simple? Well that's because it actually is simple. It will be hard work, there are many competing demands from industry but unless we come together to put forward a simple, coherent strategy then we can't expect help from the Government and we won't be able to ensure that the industry reaches its potential.

UKFT is willing to commit time and resource to get this moving but we can't do it alone, we need the help, support and investment of all those interested in seeing the UK Fashion and textile sector thrive.

Adam Mansell, Chief Executive Officer, UK Fashion & Textile Association

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