



Trade Development Authority  
Government of Pakistan  
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No. TDAP-PA/JA/QTEC/2012

Karachi, October 5, 2012

**Secretary General,  
Pakistan Hosiery Manufactures and Exporters Association (PHMA),  
Karachi**

**Subject: Holding a workshop (Nov. 5-7) to introduce JIS (Japan Industrial Standard) for textile products by QTEC (Japan textile test center) in Karachi**

This is a letter from JICA (Japan International Cooperation Agency) Advisor to TDAP, who try to support the export of Pakistan's textile products to Japanese market.

During last four months, while I was visiting many textile companies, many of them who started or try to start its export of their products to Japanese market, are confronting with some difficulties to understand the procedure of JIS (Japan Industrial Standard) for textile products that differ from EU and USA ones. Without understanding and passing this standard, it would be difficult to export textile products to Japanese market.

In order to solve this urgent problem, I met and discussed with Japan textile test center (QTEC) which is one of most established test center in Japan to dispatch a trainer to Karachi to introduce the system and procedure of JIS for textile products to Pakistani textile companies.

QTEC kindly agreed to send an instructor to hold a workshop on Nov 5-7 (tentative) to explain JIS for bed sheets and casual wear.

The workshop will be

1. First day- JIS standard overview and the procedure for casual wear (technological part) 6-7 hours
2. Second day-JIS standard overview and the procedure for bed sheets (technological part) 6-7 hours
3. Third day- Introduction of QTEC global activity and discussion about requests from textile industry. (3 hours)

The attendance fee is for free and it is supported by JICA.

JICA and TDAP would like be that this event be the first ice-break to have mutual cooperation between Japan and Pakistan on textile industry sector.

I have heard that PHMA is one of most active association, which has 1,200 members.



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JICA and TDAP would like to invite both quality inspectors from your member, especially ready-made garments and bed wear manufactures who wish to know the JIS and plan to export their products to Japanese market, and trainers of technical institute of PHMA to the workshop.

In order to explain details, we would like to have a meeting with your association as soon as possible.

With best regards,

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**YUJI AOKI**  
**JICA Advisor to TDAP**



## Invitation:

### Workshop to Introduce JIS (Japan Industrial Standard) for Textile Products by QTEC (Japan Textile Test Centre) at TDAP, Karachi from November 5-7, 2012

This is an invitation from JICA (Japan International Cooperation Agency) and TDAP. JICA is supporting TDAP to promote exports of Pakistan-made product to Japanese markets. Textile Products have established strong relationships with US and EU markets; however, it has slight connection with Japanese market. Pakistani Companies which starts to export or try to export their products to Japanese markets are confronting with some difficulties to understand the procedure of JIS (Japan Industrial Standard) that differ from EU and USA ones. In order to solve this urgent problem, JICA and TDAP are invited a trainer from Japan textile quality test centre (QTEC) to Karachi to introduce the system and procedure of JIS to Pakistani textile companies on Nov 5-7 (tentative) especially for bed sheets and casual wear. The attendance fee is free. If your company has an interest, please fill the participation form below and send it to below fax number or send by E-mail.



### **PARTICIPATION FORM**

Now the workshop will be held on 5-7 November, 2012 at Conference Room, Block-A, 3<sup>rd</sup> Floor, Trade Development Authority of Pakistan, FTC Building Shahrah-e-Faisal, Karachi.

Day 01 : 05<sup>th</sup> November 2012 (Monday) – Timings: 10:00 am to 04:00 pm (Limited 30 seats)

- ❖ JIS standard overview and the procedure for **Casual Wear** (technological part)

Day 02 : 06<sup>th</sup> November 2012 (Tuesday) – Timings: 10:00 am to 04:00 pm (Limited 30 seats)

- ❖ JIS standard overview and the procedure for **Bed Sheets** (technological part)

Day 03 : 07<sup>th</sup> November 2012 (Wednesday) –Timings: 10:00 am to 12:30 pm (Limited 30 seats)

- ❖ Introduction of QTEC global activity and discussion about requests with textile companies

Company Name			
Address			
Contact No.		Fax:	

Participant's Details	Name:		Designation:	
	E-mail:		Cell No:	
Please tick which days you would like to join	<input type="checkbox"/> <b>Day 01</b> Casual Wear	<input type="checkbox"/> <b>Day 02</b> Bed Sheets	<input type="checkbox"/> <b>Day 03</b> Discussion & Exchange	

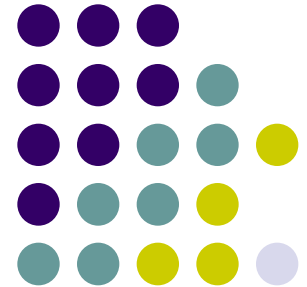
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Kindly fill this form and send through fax or email (written below) before 20<sup>th</sup> October, 2012 to reserve your seat. Contact No. 99202717, 0301-2705380 Fax No. 99206464

Email: [asim.khan@tdap.gov.pk](mailto:asim.khan@tdap.gov.pk) [yuji.aoki@tdap.gov.pk](mailto:yuji.aoki@tdap.gov.pk) ,

# Textile industry market situation in Japan (plus bed wear market)



Japan International Cooperation Agency

Expert: YUJI AOKI, BT Development Ltd.

# 1. Textile industry market size in Japan



Manufacturing part: Textile industry in Japan is roughly divided into three parts; original yarn, raw cotton (upstream), spinning, weaving, dyeing and knitting (middle stream), sewing and finishing (downstream).

The value of production is 49 billion USD in 2009 and the industry employs 420 thousand people. This textile industry includes production of not only clothes but also industrial fiber.

**Value of production in Textile industry** (Unit: 10 million USD)

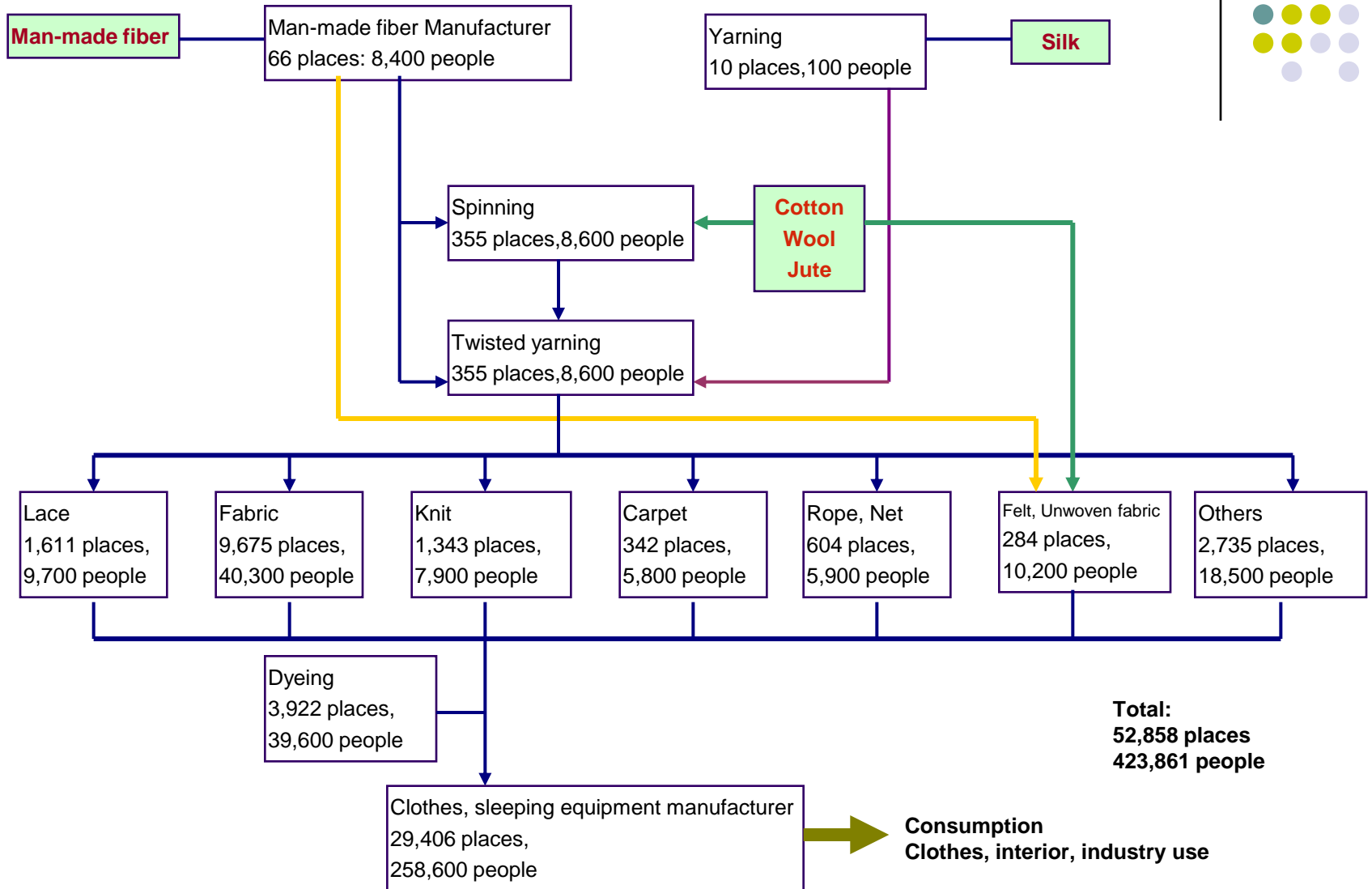
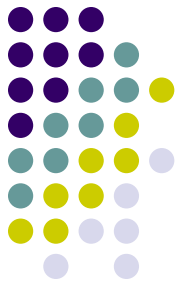
Year	Man-made fiber (A)	Textile (B)	Spinning	Weaving	Knitting	Dyeing & finishing	Apparel/ (C)	A+B+C
1995	878	4,446	477	1,152	254	1,115	5,377	10,701
2000	730	3,162	263	738	188	786	3,674	7,567
2007	423	2,296	124	481	141	517	2,175	4,894

**Apparel retail sales:** The size of market is around 40 billion USD.

Top 5 seller	Sales (2009)
Fast retailing	6,850
Shimamura	4,296
World	3,141
Onward	2,486
Aoyama	1,946

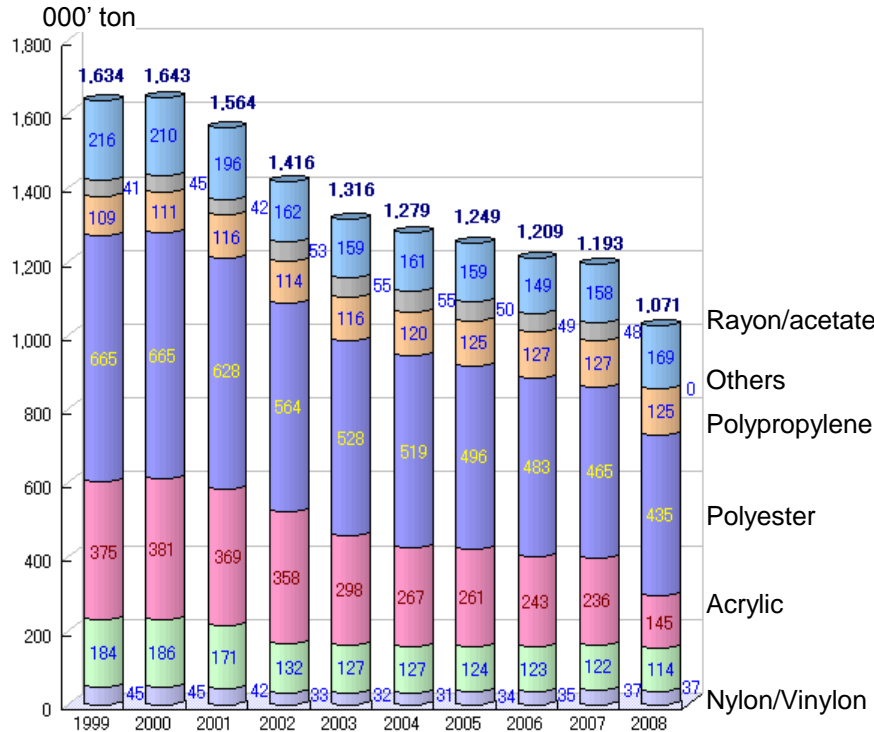
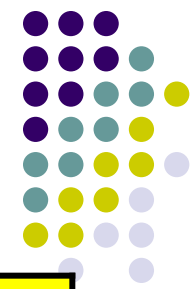
Unit: million USD

# 2. Structure of textile industry in Japan



Source: Japan chemical fiber association

# 3. Production of man-made fiber / Trade balance of textile in Japan



Trade Balance of textile in Japan (2008)

	Export from Japan	Import to Japan
Korea	456	603
Taiwan	302	446
Hong Kong	795	47
China	3,410	25,176
ASEAN	1,337	2,791
India/Pakistan	106	463
Middle east	505	41
West Europe	921	2,193
America	713	579
Ocean islands	54	110
Others	517	784
<b>Total</b>	<b>9,115</b>	<b>33,233</b>

Unit: million USD

- In 2010, the production dramatically decreased to 600,000 ton.
- For last 10 year, the production decreased by 60 %.
- For clothes manufacturing, many textile companies cannot make profit anymore and stopped operation.

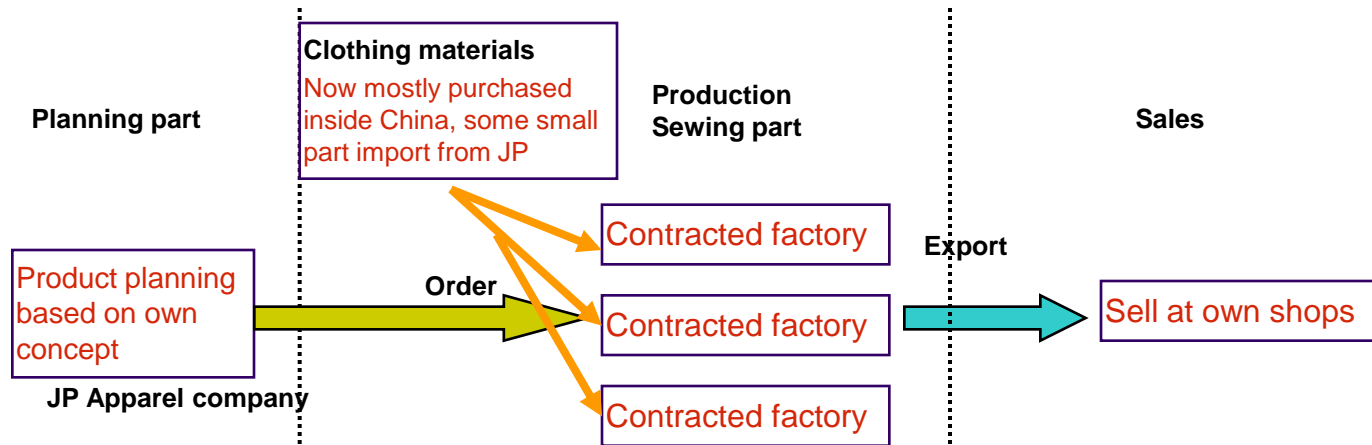
- Import exceeds over export by 24 billion USD.
- 70 % of textile is imported from China.
- Importing textile from Europe is mainly the high value added ones.

# 4. SPA company business style

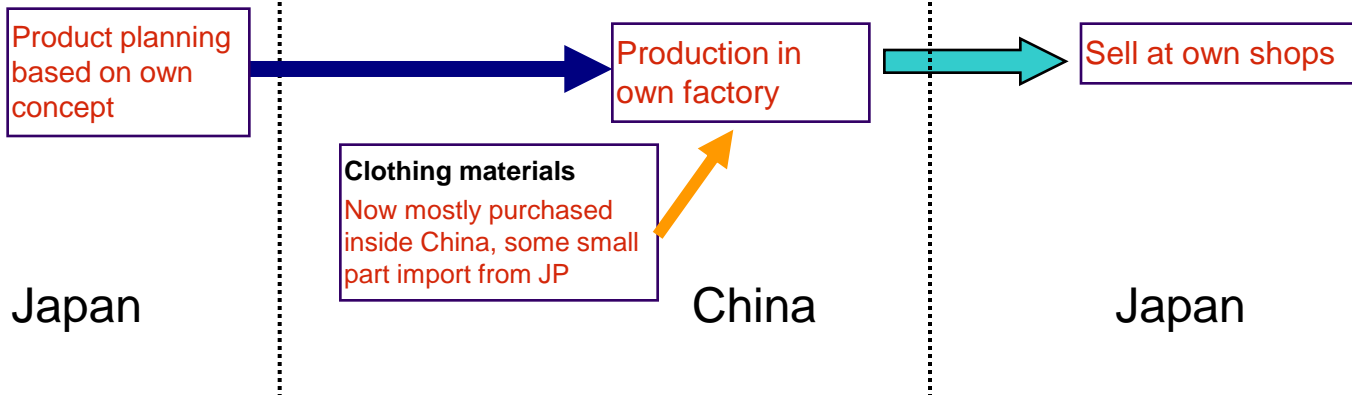


Note: SPA means specialty store retailer of private label apparel.

## CASE 1: SPA company to consign production to contracted companies

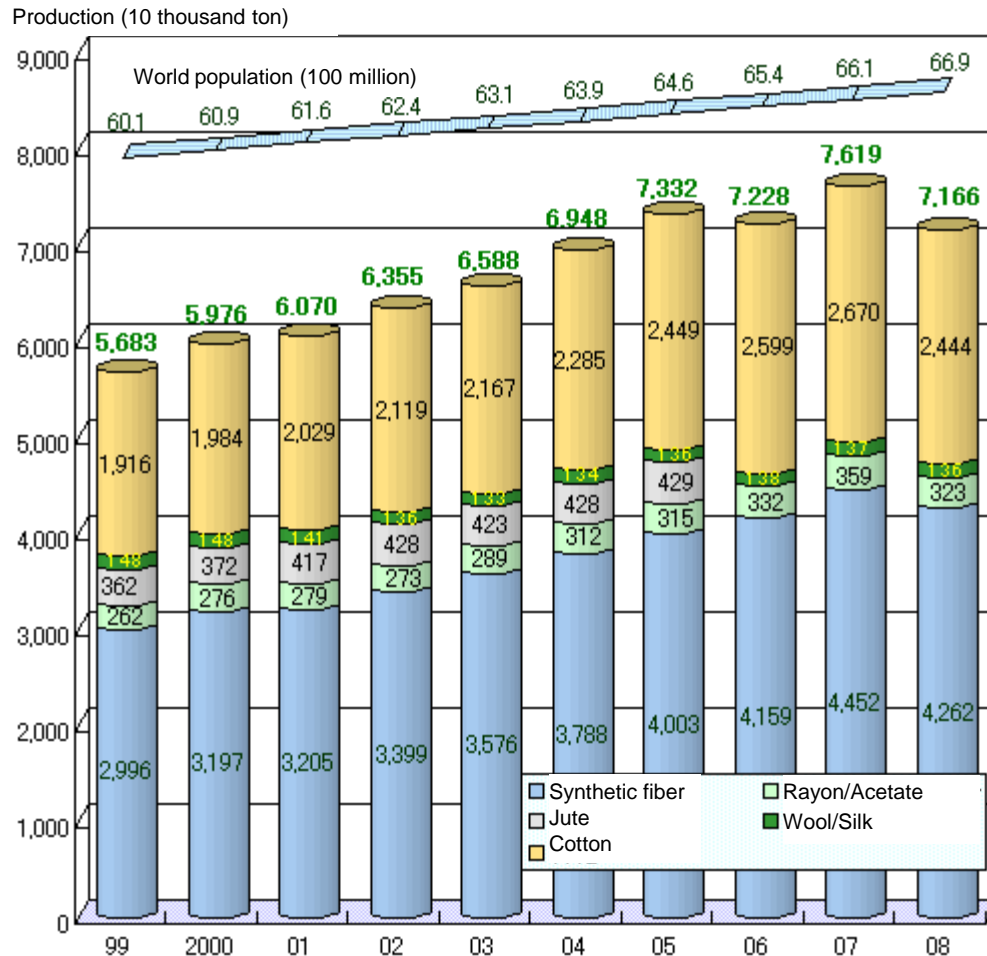


## CASE 2: SPA company to have own factories





# 5. World production trend of textile industry



- With world population growth, textile production has been increasing almost every year.
- Cotton production also increased by 5 million tons for last 10 years.

## 6. Textile trade balance of main countries in the world



Unit: (100 million USD)

Country		2003	2004	2005	2006	2007	2008
Japan	Export	77.8	86.2	83.4	84.0	87.9	91.1
	Import	251.3	278.7	288.5	304.7	307.0	332.3
	Balance	▲173.4	▲192.6	▲205.2	▲220.7	▲219.1	▲241.2
China	Export	799.2	962.3	1,164.0	1,412.7	1,732.7	1,872.4
	Import	197.2	235.4	239.8	263.3	260.8	256.0
	Balance	601.9	726.9	924.2	1,149.4	1,471.9	1,616.4
Taiwan	Export	122.9	129.7	122.2	121.6	119.9	112.4
	Import	25.1	28.2	27.4	28.6	28.1	28.4
	Balance	97.7	101.5	94.8	93.0	91.8	83.9
Korea	Export	152.7	151.9	139.5	132.3	134.5	133.2
	Import	64.5	63.6	67.7	80.4	89.1	88.0
	Balance	88.2	88.3	71.8	51.9	45.4	45.2
Hong Kong	Export	365.5	396.6	413.3	425.2	423.9	403.2
	Import	293.3	316.1	325.6	332.0	330.8	311.5
	Balance	72.1	80.4	87.8	93.2	93.2	91.7
EU	Export	383.9	434.4	436.7	424.3	484.9	...
	Import	754.8	868.6	925.9	982.8	1,115.2	...
	Balance	▲370.9	▲434.2	▲489.2	▲558.5	▲630.3	...
US	Export	204.1	219.2	218.7	226.3	219.9	225.5
	Import	805.2	867.8	926.5	962.5	992.1	958.7
	Balance	▲601.1	▲648.6	▲707.9	▲736.2	▲772.1	▲733.3

- China has become world textile production hub.
- Import of textile in Japan, EU and USA exceeds over its export to great extent.
- China's textile production increased five times for last 10 years. Even for clothes by synthetic fibers, China now produces 26 million tons a year.

## 7. Top Apparel retailers in the world (2009)



Ranking	Name	Sales (Million USD)	Growth (%)	No. of shops	Brand name
1	Inditex	13,425	+10.3%	4,264	Zara 65.5%
2	GAP	13,291	△7.8%	3,167	GAP 41%, OldNavy 39.3%
3	H&M	11,244	+13.0%	1,738	H&M 100%
4	Limited Brands	8,274	△10.8%	3,014	Victoria'sSecret 62%
5	Fast Retailing	6,850	+16.8%	2,258	Uniqlo 84%
6	Next	4,871	△1.8%	410	Next 94%
7	Shimamura	4,108	△0.04%	1,551	Shimamura 84%
8	Primark	3,446	+19.7%	191	Primark 100%
9	Abercrombie & Fitch	3,239	△5.6%	1,125	A&F 43.3% Hollister 42.8%
10	Arcadia	2,826	+2.7%	3,115	Dorothy perkins, Burton, Topshop/Topman, Evans

-Sales volume of SPA companies are becoming larger with higher quality and oligopolizing the market. Contrary to that, Share of European fashion top brand in the market is decreasing.

## 8. Brief Summary of textile market situation in Japan (1)

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-Annual consumption for clothes per household (3.3 person) in Japan is 1600 USD. Per person, spend approx. 500 USD. Consumption level is slowly decreasing.

-With its acceleration of overseas factory establishments by Japan, USA and EU, China has become world textile production hub.

-SPA (specialty store retailer of private label apparel) companies are now major players for clothing market. SPA companies that can be manufacturers or retailers, design clothes, consign its production to local textile factories, import and sell them at their own shops.

-Currently, 95 % of clothes sold in Japan is imported.

-Except Uniqlo and Shimamura, other apparel companies are decreasing sales.



The reason: Sluggish private consumption, sales downturn of department stores, cannot catch up change of values for consumers' consumption trend.

## 9. Brief Summary of textile market situation in Japan (2)

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-In price competition for general purposed textile, JP companies are not able to compete with those in China, Korea, India and Taiwan with big volume production by low cost. For clothes, it will be difficult to make profits for JP companies by producing them inside Japan anymore.

-Trade flow such as exporting parts, assembles them outside Japan and import finished goods, is not observed in textile industry as can be seen in electronics and automobile industries. In China, procurement of materials and production of finished goods can be completed inside China. For that, many JP textile companies only keep design function in Japan and outsource all other parts to China now.

-Many big JP textile companies are now shifting their focus from clothes to industrial use.

-In clothes production, to avoid China country risk, some JP companies started to produce them in other emerging countries such as Vietnam or Bangladesh etc.

# Basic data of Bed wear market in Japan



-In 2010 each category's domestic market size are:  
Interior fabrics (curtain, screen, carpet, wall paper) 5,210 million USD  
Night wear and home wear 1,445 million USD  
Table Linen 104 million USD  
Bed wear 4,708 million USD

**Total import of bed wear (bed linen, mattress and blanket) was 1.4 billion USD.**

## Bed linen, mattress and blanket market in Japan

Year	2001	2005	2008	2009	2010
Million USD	6,622	5,680	4,878	4,681	4,708

## Import destination of bed linen (2011)

	Total	China	India	Pakistan	Bangladesh	Vietnam
Million USD	373	357	3.8	2.3	2.2	0.9
% of the total	100	95.80	1.04	0.64	0.60	0.24

## Basic data of Bed wear market in Japan (2)



-Cotton Bed linen 53 million USD imported,  
For cotton bed linen, China 45 million USD, Bangladesh 1.87 million USD,  
Pakistan 1.6 million USD.

### Import destination of Mattress (2011)

	Total	China	USA	Italy	Malaysia	Denmark
Million USD	157.1	101.6	11.4	9.9	7.1	7.1
% of the total	100	64.7	7.3	6.3	4.5	4.5

3.55 million pcs were imported in 2011.

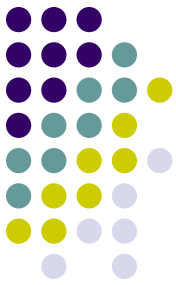
### Import destination of Blanket (2011)

	Total	China	Vietnam	Denmark	Italy	Germany
Million USD	880.4	807.7	26.3	9.7	8.6	4.4
% of the total	100	91.7	3.0	1.1	1.0	0.5

Amount of import is 220,000 ton. From Europe, mainly feather type.  
From Pakistan, 1.3 million USD imported.

# Home Fashion Retailer in JAPAN (includes interior fabrics, bed wear)

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<b>01 Nitori</b> <b>【3310.16 million USD】</b>	<b>IKEA type discounter, last 10 years, big growth.</b> <b>Their target customers are 20's and 30 's.</b>
<b>02 Nafuko</b> <b>【2173.55 million USD】</b>	<b>Home center, shops are concentrated at south part of Japan.</b>
<b>03 Simatsu</b> <b>【1589.82 million USD】</b>	<b>Home center (DIY) and furniture, strong around Tokyo area.</b>
<b>04 Ootsuka Furniture</b> <b>【543.67 million USD】</b>	<b>Furniture seller, mainly sell high end imported products. High reputation from senior customers</b>
<b>05 Kassina</b> <b>【53.08 million USD】</b>	<b>Italian Furniture, Kassina sales agent in Japan</b>
<b>06 Misawa</b> <b>【46.21million USD】</b>	<b>Private home builder, also sell interior fabrics together when they get order for home making. Main business sales is 4 billion USD.</b>



# Summary of Bed wear market



- Diffusion rate of bed in Japan is 64.7 % at home.
- Demand for Towels and bed sheets are mainly for gift purpose.
- Bed wear with reasonable price, good design are popular.
- Customers are casual and modern life style conscious.
- Imported products, more price conscious .
- Home Solution style sales is popular at shops.
- Import tariff for bed linen for Pakistan 3.6 %.
- For Mattress and blanket, 0%.



Popular type of bed wear in Japan



Japanese style blanket (Futon) and pillow