

North Carolina Textile Industry

Stacey Frederick
College of Textiles-
North Carolina State
University

November 2006

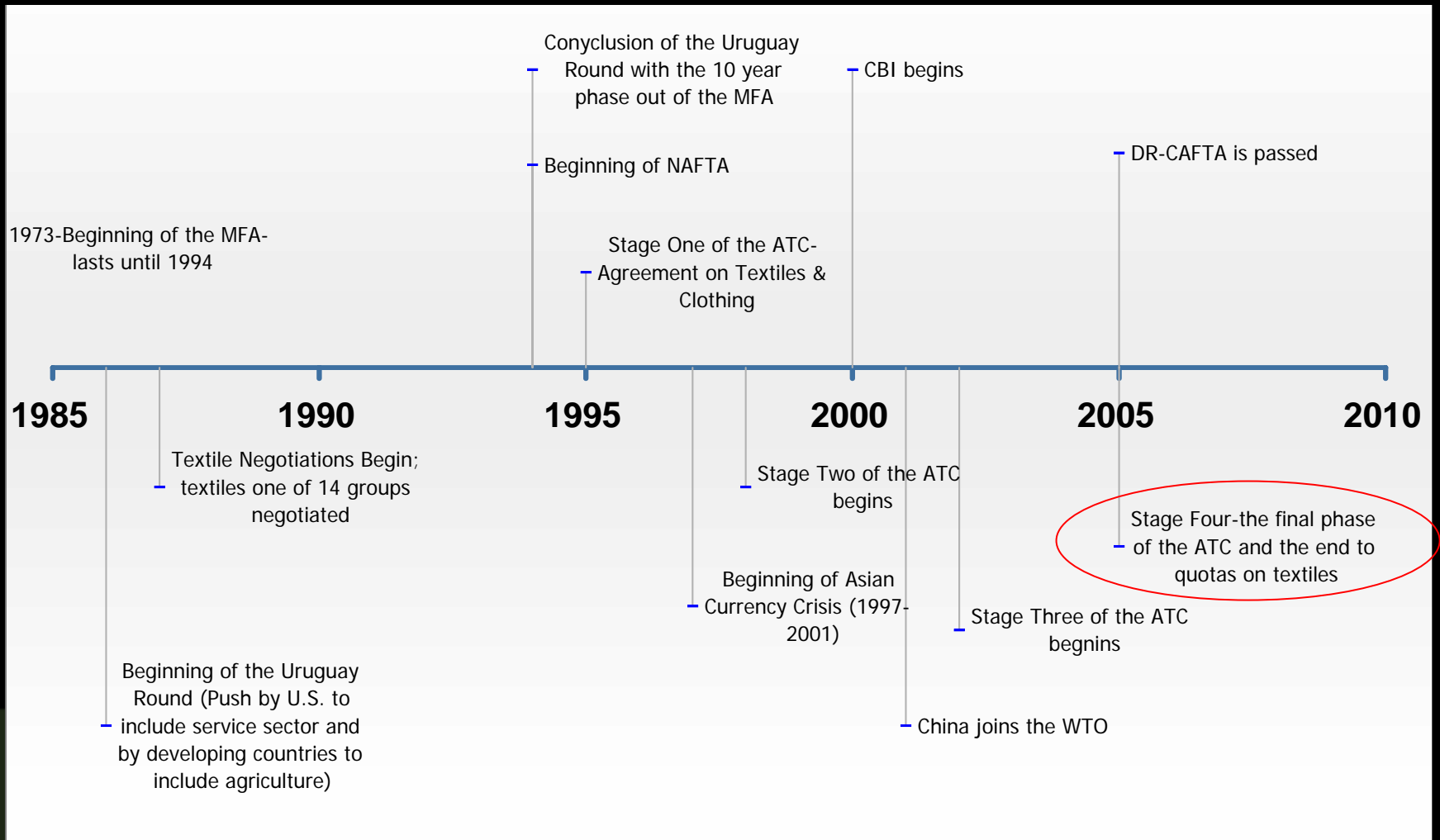


My Background

- B.S. in Textile Management
- First year Ph.D student:
 - Textile Technology Management
- Intern/Employee of NC Department of Commerce
 - International Trade and Policy & Research
- *State of the N.C. Textile Complex* Research by North Carolina State University

textiles

Important Dates in US Textile History



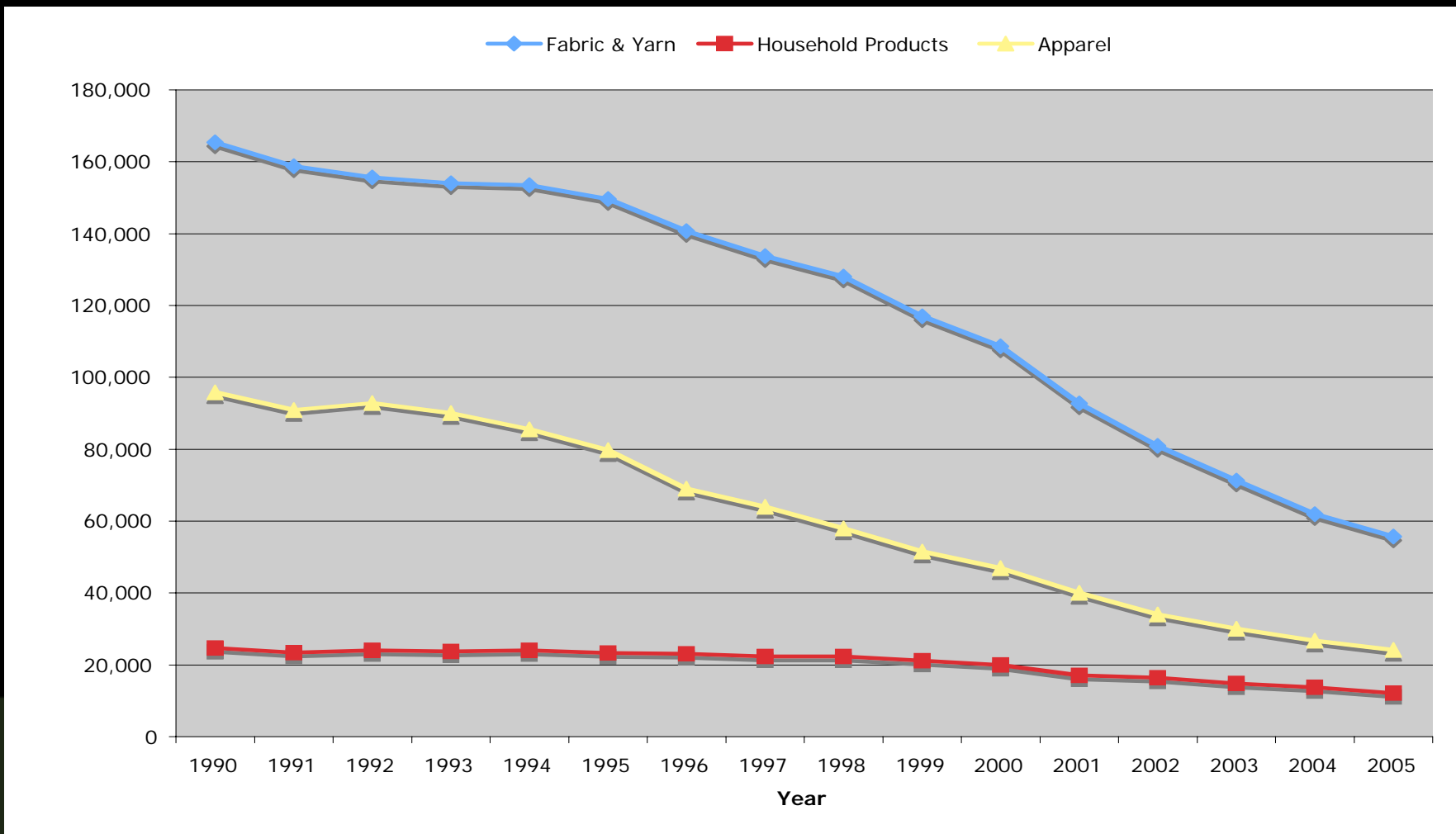
State of the Textile Industry: Project Objectives

- 1) *Market Analysis of North Carolina textile complex*
 - Searchable and sortable database by select variables
- 2) *Analyze North Carolina textile companies using Clusters and Global Competitiveness Framework (fishbone diagram)*
- 3) *Determine needed assistance for companies*
- 4) *Identify future collaborative projects*

- **** New way of thinking of textile complex in North Carolina – present and future!!!!*

From NC Textile Complex Research, NCSU

Employment in NC Textile & Apparel Industry (1990-2005)



N.C. Employment Security Commission

About the Textile Complex

- The textile complex includes traditional manufacturing of yarn, fabric, household products and apparel, but it ALSO includes
 - Distribution, transportation, machinery, labeling/ticketing, research/testing services, and other auxiliary industries.

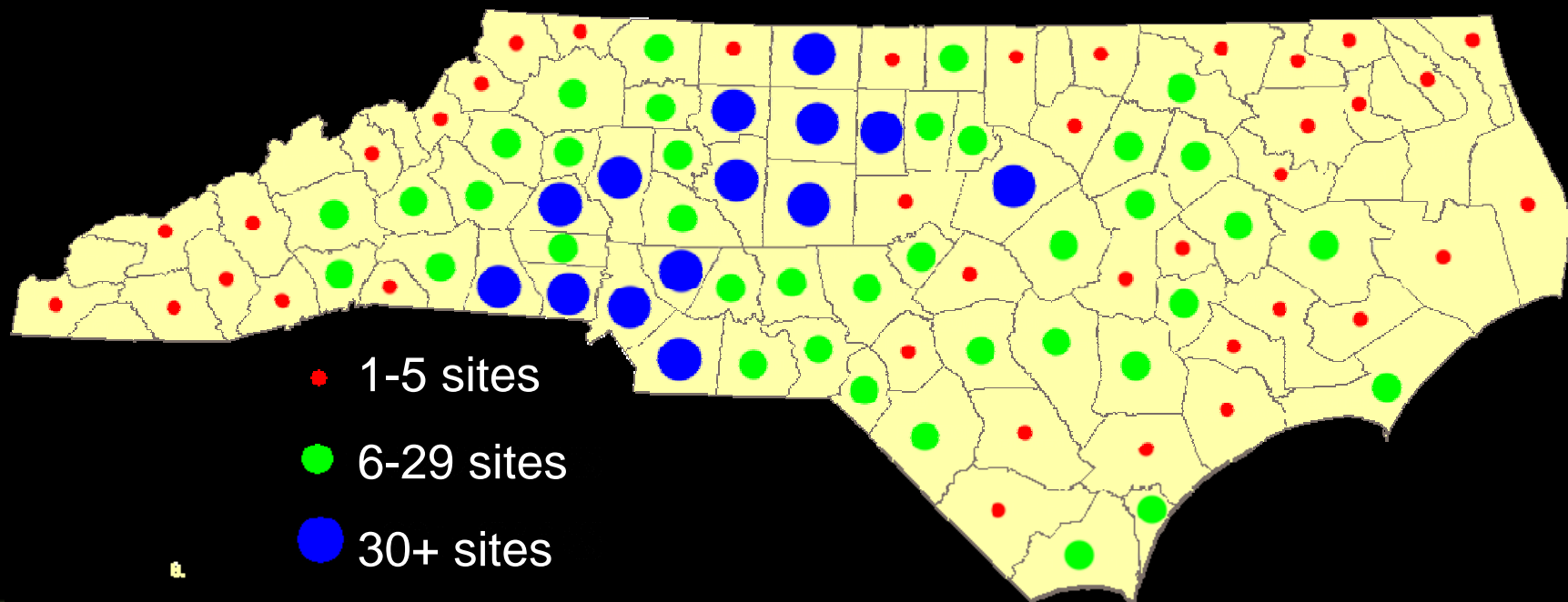
textiles

About the NC Textile Complex

- 1,500+ locations
- Over 130,000 employees
- Only 9% are public
- Total Sales are over \$34 billion
- North Carolina is the largest Textile Manufacturing State
- 4th largest Apparel manufacturing State
- #1 State for Yarn Production
- #1 State for Nonwoven Roll Goods Production
- NC is home to 4 of the 5 largest home textile suppliers

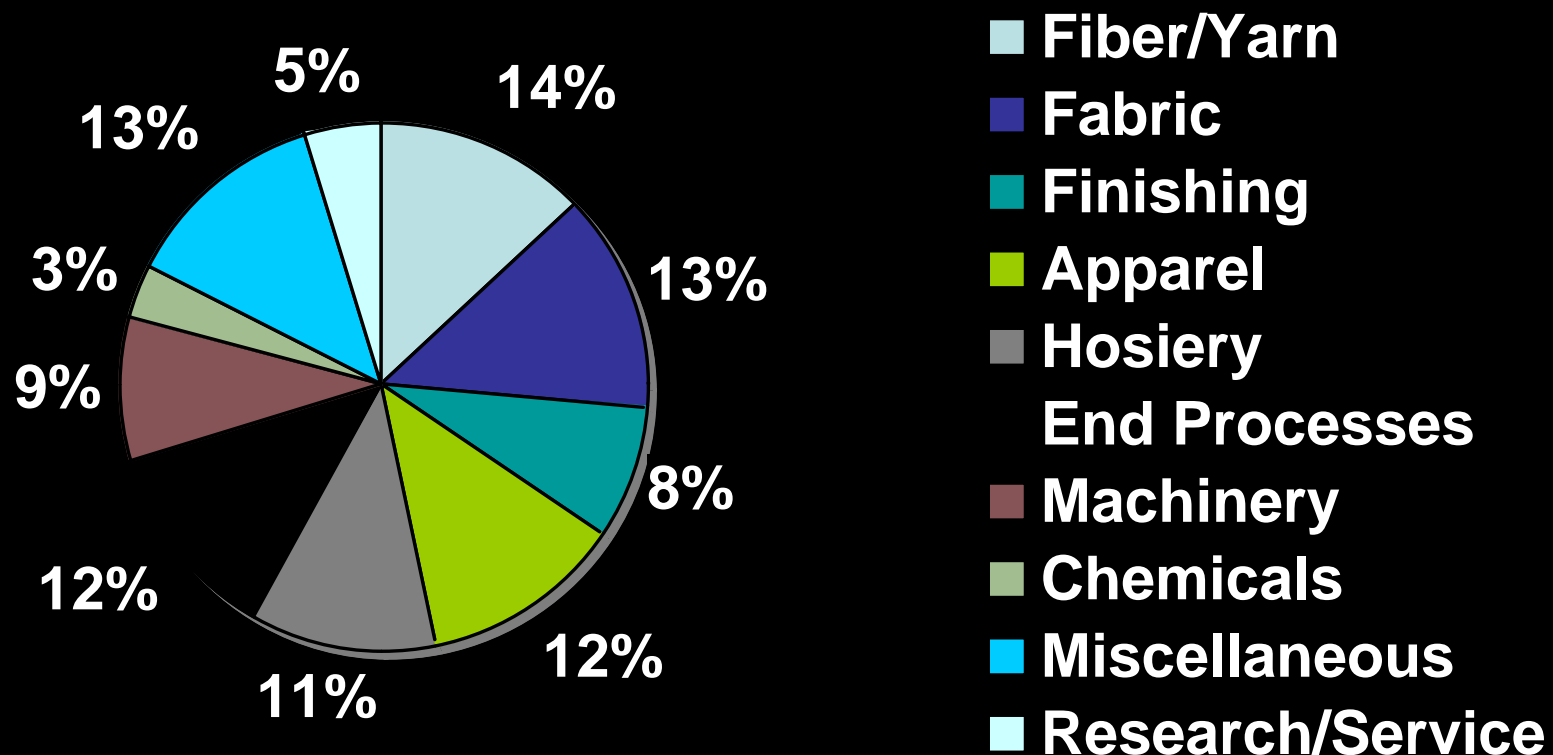
textiles

Textile Locations by County



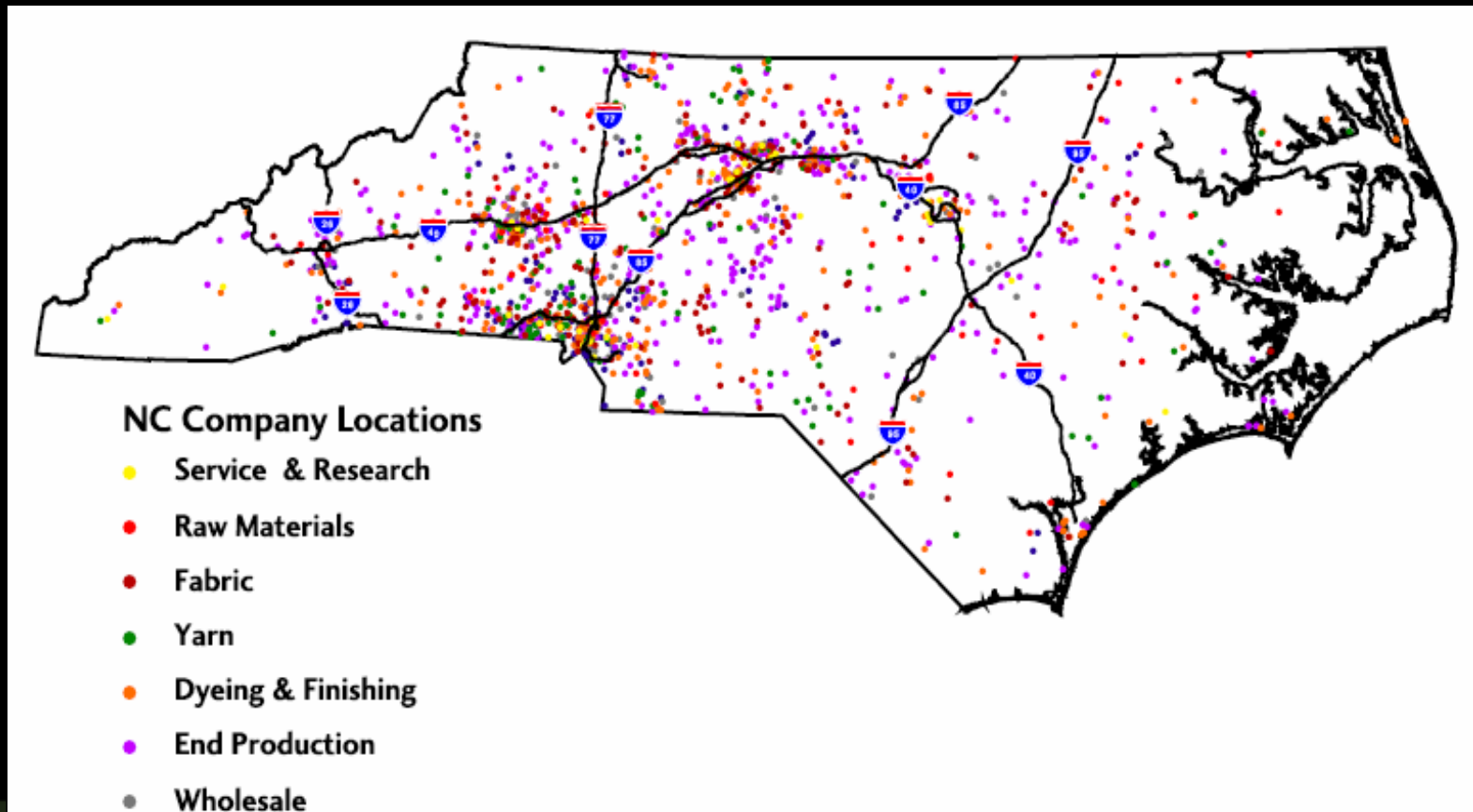
From NC Textile Complex Research, NCSU

Breakdown of NC Locations



From NC Textile Complex Research, NCSU

North Carolina Textile Complex



From N.C. Dept. of Commerce

Fabric

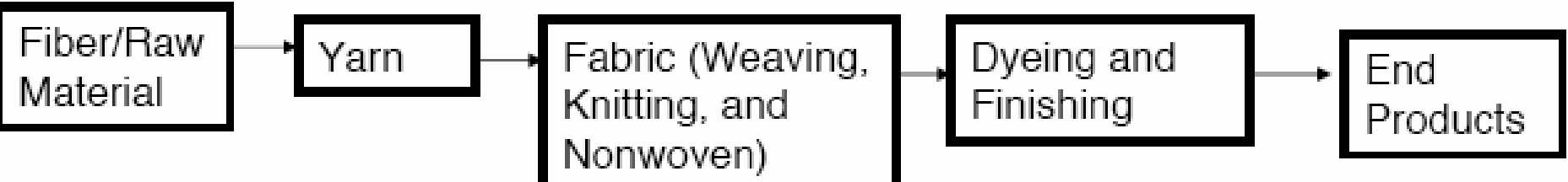
- Total: 167 (12% of total)
 - Woven (52%), Knit (36%), and Nonwoven (12%) Fabric
- Employees: 19,512 (16.26% of total)
- Guilford Mills, Freudenberg, PGI, Glen Raven, ITG, Mastercraft (*sample of companies*)
- Sales: \$4.4 billion



Guilford, Mecklenburg, Gaston,
Alamance, Stanly

From NC Textile Complex Research, NCSU

Textile Supply Chain (NC)



1. 60 Companies	1. 138 Companies	1. 227 Companies	1. 297 Companies	1. 497 Companies
2. 5,448 Employees	2. 22,273 Employees	2. 29,581 Employees	2. 18,291 Employees	2. 48,689 Employees
3. Sales - \$1,569,245,515	3. Sales - \$7,321,372,108	3. Sales - \$6,016,127,707	3. Sales - \$4,113,025,495	3. Sales - \$13,191,097,861

NAICS:
 115111
 325221
 325222
 325211
 324191

NAICS:
 313111
 313113
 314991
 314992

NAICS:
 313210
 313221
 326150
 313230
 313241
 313249

NAICS:
 313112
 313311
 313312
 313320
 323113
 323119
 314999
 325132
 325199
 325998

NAICS:
 314110
 314121
 314129
 314911
 314912
 337121
 337122
 337910
 333411
 339113
 all 315

Textile Supply Chain Extended (NC)

Processing

1. 108 Companies
2. 6,047 Employees
3. Sales - \$982,714,410

Wholesale

1. 122 Companies
2. 5,202 Employees
3. Sales - \$2,153,050,264

Associations and Research

1. 43 Companies
2. 1,150 Employees
3. Sales - \$158,205,117

NAICS:

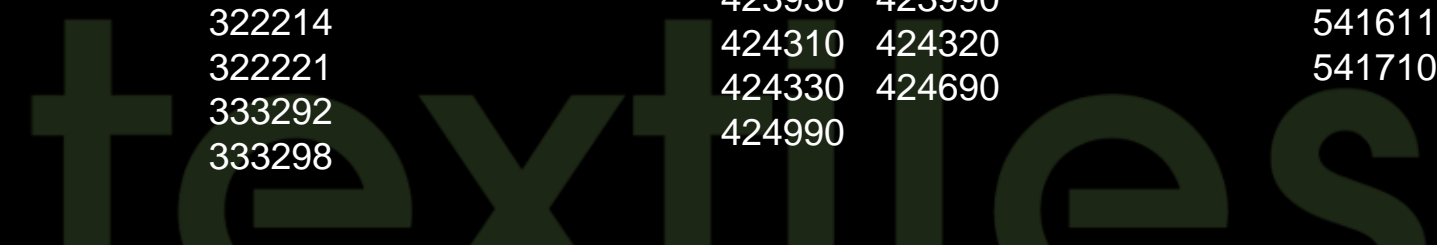
323121
322222
322214
322221
333292
333298

NAICS:

423220 423830
423930 423990
424310 424320
424330 424690
424990

NAICS:

813910
813940
5416113
541710



Global Value Chain

- http://www.soc.duke.edu/NC_GlobalEconomy/textiles/value.php

textiles

State of the Textile Industry:

Project Objectives

- 1) *Market Analysis* of North Carolina textile complex
 - *Searchable and sortable database by select variables*
- 2) *Analyze* North Carolina textile companies using Clusters and Global Competitiveness Framework (fishbone diagram)
- 3) Determine *needed assistance* for companies
- 4) Identify *future collaborative projects*

- **** New way of thinking of textile complex in North Carolina – present and future!!!!*

textiles

From NC Textile Complex Research, NCSU

About the Database

- Prior to this research, there was no comprehensive, up to date, unrestricted database of all the textile complex companies in North Carolina.
- Existing databases are limited in scope, and are not comprehensive in nature.

textiles

Resources for the Database

- 1) 2006 NC Manufacturers Directory-Harris Info Source
- 2) Textile Organizations' Listings:
INDA, SEAMS, Hosiery Center, Military Business, NCRC,
NCTO, North Carolina Textile Foundation
- 3) Business cards from previous interactions
- 4) Regional Partnerships
- 5) Hoovers Online
- 6) Reference USA
- 7) Company websites/internet sources
- 8) Chambers of Commerce
- 9) Personal phone calls

textiles

Database Structure

- Excel Database with 1,500+ textile related companies
- Database sortable by components
- General Information: contact, address, sales, year est., public/private
- Geographic Information: county, zip code, area code, city
- Supply Chain: raw materials, manufacturer, converter, wholesaler, retailer, sales office, distribution center, researcher/service provider
- End Use Industries: automotive, home furnishings, military/protection, medical, apparel, accessories
- Trade Show and Organization Membership
- Web Presence: website, e-commerce, online catalog, email

textiles

What are NAICS codes?

- North American Industry Classification System
- NAICS was developed jointly by the U.S., Canada, and Mexico in 2002 to provide new comparability in statistics about business activity across North America.
- Establishments that use the same or similar processes to produce goods or services are grouped together.
- It is a six-digit system that provides for comparability among the three countries at the five-digit level
- NAICS allows each country to recognize activities that are important in the respective countries, but may not be large enough or important enough to recognize in all three countries. The sixth digit is reserved for this purpose.

Broadwoven Fabric Mill: 313210

NAICS

- 2-digit: Sector
- 3-digit: Subsector
- 4-digit: Industry Group
- 5-digit: NAICS Industry
- 6-digit: National

NAICS: 313210

- 31: Manufacturing
- 313: Textile Mills
- 3132: Fabric Mills
- 31321: Broadwoven Fabric Mills
- 313210: Broadwoven Fabric Mills

textiles

State of the Textile Industry:

Project Objectives

- 1) *Market Analysis* of North Carolina textile complex
 - Searchable and sortable database by select variables
- 2) *Analyze* North Carolina textile companies using Clusters and Global Competitiveness Framework (fishbone diagram)
- 3) Determine *needed assistance* for companies
- 4) Identify *future collaborative projects*

- *** *New way of thinking of textile complex in North Carolina – present and future!!!!*

textiles

From NC Textile Complex Research, NCSU

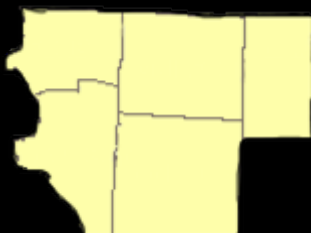
What are the textile *industry* clusters in North Carolina?

- Traditional Textile & Apparel Manufacturing
- New/Emerging Clusters
 - Textile & Apparel **Trade**
 - Textile & Apparel **Distribution**
 - Textile & Apparel **Creative Innovative**
 - Textile & Apparel **Post-Assembly Customization**

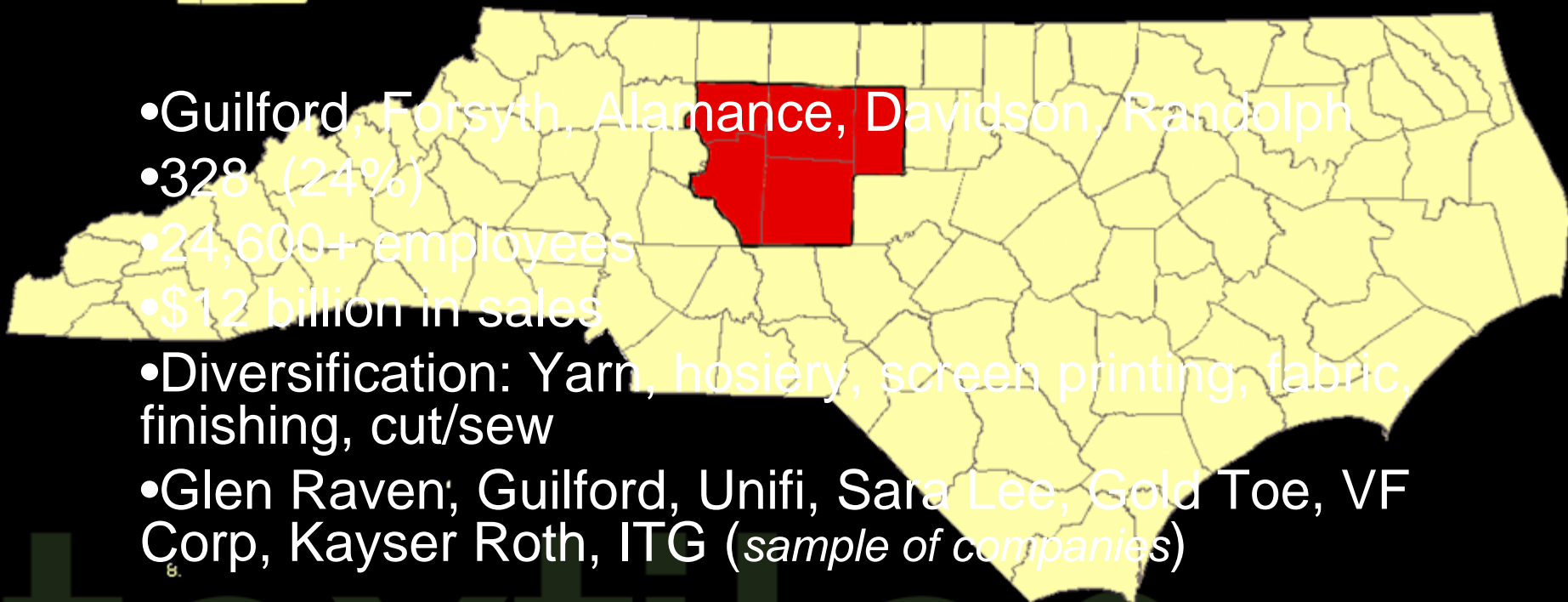
Hypothesis: Competitive companies participate in several cluster activities

From NC Textile Complex Research, NCSU

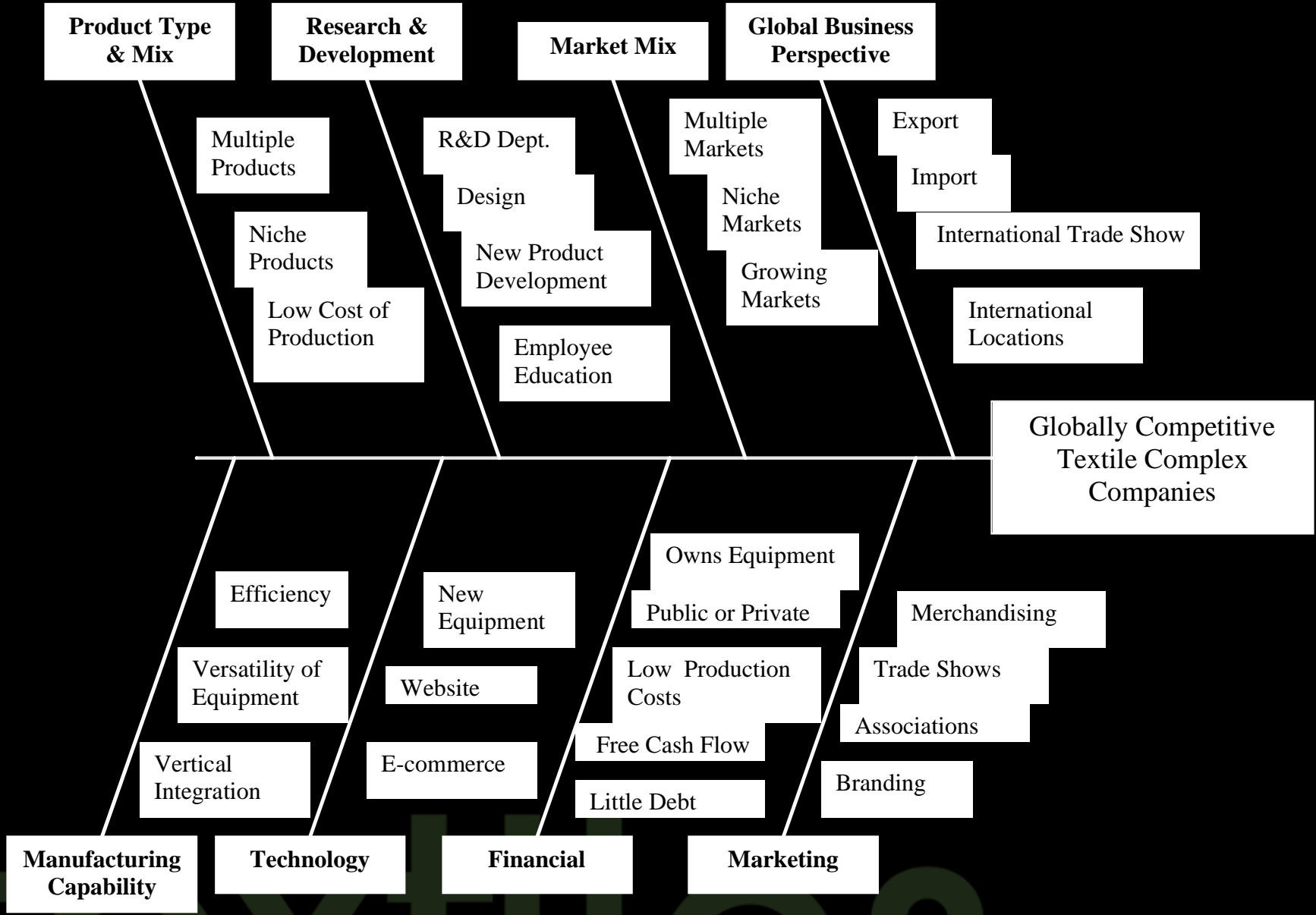
Traditional Manufacturing Cluster Triad Area



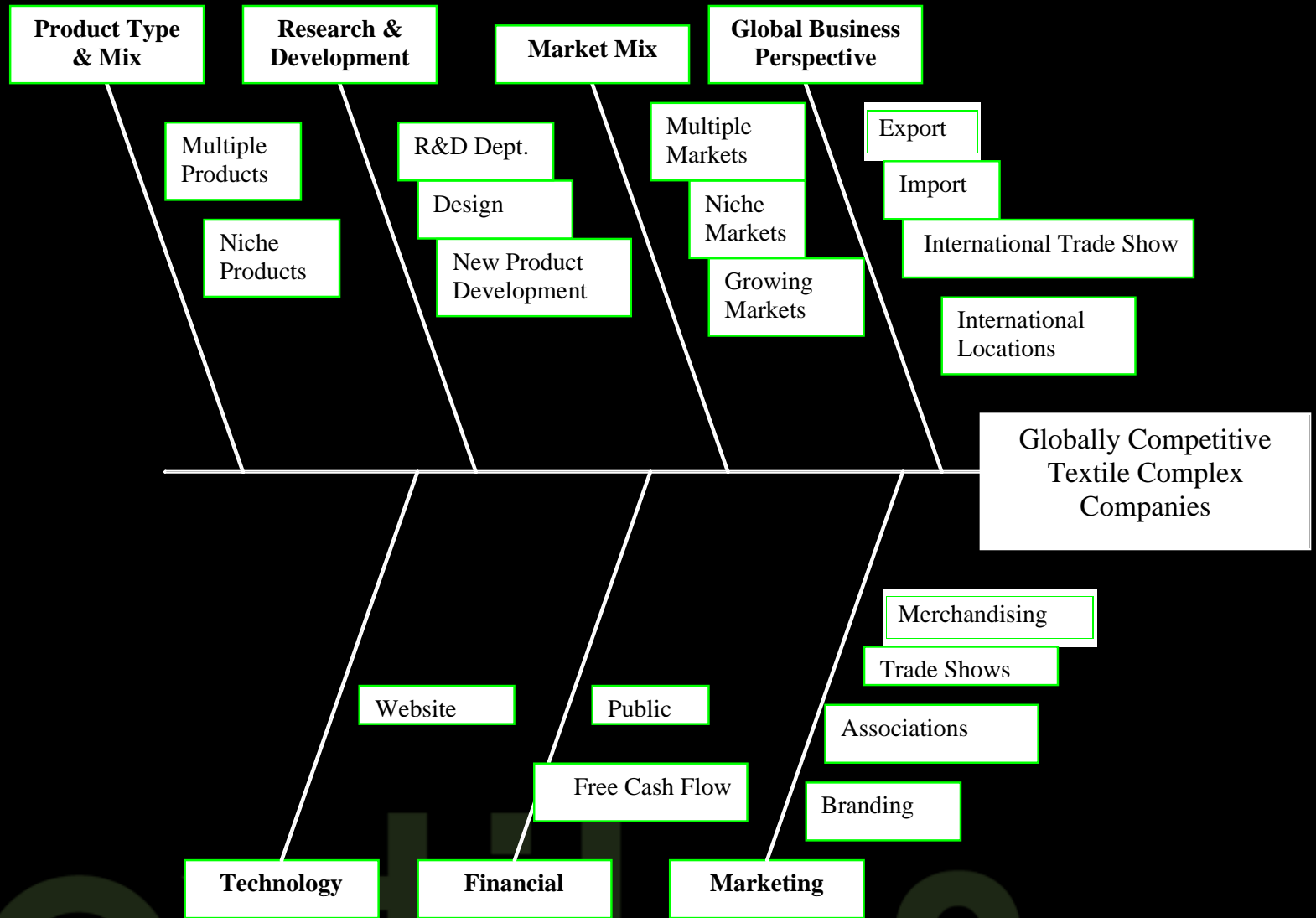
- Guilford, Forsyth, Alamance, Davidson, Randolph
- 328 (24%)
- 24,600+ employees
- \$12 billion in sales
- Diversification: Yarn, hosiery, screen printing, fabric, finishing, cut/sew
- Glen Raven, Guilford, Unifi, Sara Lee, Gold Toe, VF Corp, Kayser Roth, ITG (*sample of companies*)



From NC Textile Complex Research, NCSU



VF Corporation



State of the Textile Industry:

Project Objectives

- 1) *Market Analysis* of North Carolina textile complex
 - Searchable and sortable database by select variables
- 2) *Analyze* North Carolina textile companies using Clusters and Global Competitiveness Framework (fishbone diagram)
- 3) *Determine needed assistance for companies*
- 4) *Identify future collaborative projects*

- **** New way of thinking of textile complex in North Carolina – present and future!!!!*

From NC Textile Complex Research, NCSU

Identify Ways to Help Companies

- Use fishbone to match companies with programs available throughout the Department of Commerce such as:
 - International Trade Assistance
 - Tax grants and incentives
 - Training grants
- Or put companies in contact with other resources throughout North Carolina...

textiles

Other Resources

- Trade Associations
 - INDA, Cotton Inc, [TC]2, AATCC, Hosiery Association
- Training Centers and Education
 - College of Textiles, ITT, Hosiery Technology Center, Gaston Technology Center
- Business Development
 - SBTDC, Small Business Center, Joblink

textiles

Challenges in Today's Industry

- Global Perspective
 - *Firms are marketing their products in the most profitable places in the world and manufacturing in the most economical and efficient places in the world*
 - 44% do not report import and/or export activity
- Rapid Development of New Technology
 - 34% of the companies do not have websites
 - Less than 25% belong to trade organizations

textiles

Challenges

- Predominately negative publicity
 - In the last two years there have been 144 new or expanded textile companies in North Carolina
- Lack of information on available resources and other existing members of the supply chain in North Carolina
 - My work this summer and Phase II of project

textiles

Questions?

*The Only thing Constant is
Change...*

textiles

References

- *State of the Union of the Textile Industry in North Carolina*
 - Research by NC State University
 - Dr. Nancy Cassill, Dr. Trevor Little, Dr. Blanton Godfrey, Stacey Frederick
- Research in Progress by Stacey Frederick

textiles