

STYLEGROUP

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Matthias Meyer Lutterloh

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Introduction MML

Studied in Italy Fashion design
Own collection with 19 years
Now mainly private label business for international brands
Collaboration with Far East since 16 years
6 companies in Europe China (Import / Export / Design /
Manufacturing / Retail)
20 retail shops in China

Let me repeat the Headlines of this conference

- The necessity of an instant connection of Greek and international designers with the trade market.
- The necessity of a co-operation between the clothes and shoes manufacturers and the designers.
- The necessity of exporting Greek fashion globally and approaching international fashion industry.

Why these requests? Aren't they the basic conditions for the fashion industry? To give you immediately an answer:

Yes, they are basic conditions.
But why? And why they are important?

EXPLANATION FASHION & CONSUMER & INDUSTRY

FASHION & CONSUMER

What is the definition of fashion?

The dictionary says:

Fashion defines in a certain period and a certain group of people the “up-to-date” kind of doing or purchasing things. Fashion can not be from large duration, but needs, employed to describe whether someone or something fits in with the current popular mode of expression, to be continuously exchanged again and again by new - then valid “up-to-date” - kinds of doing or purchase things, if they are also subject to cyclic change.

Meaning: Fashion, by definition, changes constantly. The changes may proceed even more rapidly than in most other fields of human activity.

Fashion is a seismograph, reflecting extremely sensitive our society, the opinion of people and evaluates globally the human environment.

The consumer is more and more informed about the global processes and matures in sense of consumer behavior and product knowledge.

What are key issues today?

- Globalization
- Environmental issues
- Quality of live
- Balanced live and behavior
- More Information

But Fashion, has also a direct connection with our emotional consciousness.

Because Fashion is used as a tool to express our personality, no matter if we wish to express conformity, individualism, status or opinions.

Therefore it has a strong correlation with the human psychology, seeing the constant change as a way to satisfy our desire to experience "new" and "interesting" things and to develop.

Fashion is a picture of this process of continuous change.

Quote from French writer End of the 19th Century Marcel Proust

"Fashion is changing, because Fashion is born by our wish to change."

Conclusion:

- Fashion, by definition, changes constantly.
- Fashion has to respond to global issues and to the emotional connection with the consumer.

Therefore, there is no fashion without innovation, consequently no fashion without designers.

- Today Fashion, in respect of the modern consumers' behavior and information level, needs to be global, reflect environmental, quality of live and live balance issues.

FASHION IS ALSO A BUSSINES

What needs a successful business?

No matter if we talk about a unique or a mass product, all the workflow from

- Concept
- Research
- Design
- Development
- Manufacturing / Supply chain management
- Finance
- Logistic
- Pricing
- Marketing
- Client relation
- Administration

have to be carried out professionally in order to be competitive.

Example:

It is ok if a single person (for example a designer) can do all of the listed work, satisfying the final client and creating a return of investment for himself.

But if one or more of these steps can not be followed, it will harm, eventually destroy the business. Many times, this is the key problem for designers but also the manufacturers.

Comment

Both designers and industry are facing these problems increasingly due to the necessary outsourcing of major value chain parts, caused by growing global competition and decentralization.

What does this mean for the Greek Fashion industry?

First of all this is already the wrong question. There can not be a “Greek” fashion industry in the future. The fashion industry is international, global and not national. It is already difficult to define a business geographical.

The inspiration comes from runway shows in Milan, Paris and New York, the design from Greece, the material from Italy, the Production takes place in China and the markets are Europe. What process defines the nationality?

Comment:

So:

Globalization has brought international competition and cracked down national market protections. Developed countries with high labor cost have to respond to this competition with new product strategies.

Is Greece ready for that?

To answer this we need a (tough) reality check. Where do we stand?

1. Manufacturing:

As already expressed, the fashion industry is a very global industry, with constantly increasing trade flows all over the world. Globalization and ongoing liberalization expose EU industry to ever more competition from a large number of low-labor cost countries (especially from Asia),

For Example. In the mid-1960s, developing countries accounted for nearly 15% of world textile exports and less than 25% of world clothing exports. In 2000, these shares are more than 50% and 70%, respectively. Between 1988 and 2000, the EU's trade deficit in textile and clothing trade has increased from € 6.5 bn to € 27 bn. (I think currently 31 bn)

Comment:

Greece runs the risk of their market shares being taken over increasingly by large textile nations such as India, Indonesia, Pakistan or – above all – China.

Not only in terms of export, but also for the local market.

2. How is that market?

Greece has a very small national market demand comparing with other nations (not to talk about China). The industry reaches quickly the maximum market Volume and needs export to increase business. But the high labor cost makes it difficult to provide manufacturing as an export service. Therefore the only possibility to export is through quality, innovative or branded products.

But Greece never developed such brand or quality identity like Italy, France or Germany. It was practicing the last years mainly the import of Fashion from Italy or France without adding a personalized Greek identity to products.

The Topic: “The necessity of exporting Greek fashion globally and approaching international fashion industry” is more than right and urgent, but Greece did not create the necessary product image required for exports.

Exception: Example BSB

3. Product scale & Innovation:

A prove that quality products are exported easier is the fact that the so called ‘high-quality segment’ creates more than 50% of Europe’s exports, but only 26% of its imports. (Europe Textile industry has a positive Trade balance only in this segment)

Greece has by far the lowest share in the HighQualitySegment export in the EU. However, it is interesting to note, that also its share in the LowQualitySegment is the lowest of all Member States, with most of its exports being concentrated in the MediumQualitySegment.

This indicates a possibility but also a need to invest in upgrading to this segment.

That leads to the next step.

4. Finance & Investment:

Innovation needs investments in research and development. Investments, especially foreign investments, do require certain standards in social ethics and protection of the investors by legal rights.

According to the charts of all international organizations from the International Monetary Fund to the World Bank, Greece has the highest corruption level. Greece is considered the most corrupted state in the 25-member bloc. Its corruption level is even higher than the one in countries of the third world, such as Chile and Egypt.

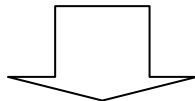
Comment:

Conclusion of the Industrial and political environment: Bad

But: There is a solution:

DESIGN, QUALITY AND INNOVATION COMBINED WITH GLOBAL SOURCING AND MANUFACTURING

- The sector needs to focus on design, innovation, creativity, and quality.
- Mass production has to be outsourced to low cost countries. This requires global networks and experience
- Only specialized products can and should be manufactured locally



“Greek Fashion” needs to become a Brand as it is for tourism

After all the good news

The tendency to individualism and unique quality products gives a chance to new brands and innovative products. Greece has a great and famous history. That makes it easier to create a competitive brand image.

As said in the headlines of this seminar: What we need is the collaboration between innovation, consequently designers and the industry.

But, with a realistic view.

These collaborations must be carried out with the right partners. The partners need to have the structure and experience for the international competition.

Final conclusion

- **Fashion is global; consequently it needs global players to run it.**

I am addressing both designers and industries. They need to know the international business

- **Fashion changes constantly, consequently it needs open minds to guide it.**

We can not ignore that the world is in front of our doorstep. The world is changing but this change is a challenge and a chance.

Comment

- **Fashion is an industry, but Fashion is human; consequently it needs emotion to reach the consumer.**

For my opinion the perfect platform to connect designers and industry