

APPAREL MANUFACTURERS

The most important users of fabric in Mexico are apparel manufacturers. They account for as much as 70 percent of domestic purchases and more than 85 percent of imports. About 3,000 apparel companies belong to the *Cámara Nacional de la Industria del Vestido (CNIV)*, National Chamber of the Apparel Industry. However, the Chamber estimates that there are another 9,000 small, undocumented producers in the industry. Forty percent of the apparel industry is located in Puebla, Tlaxcala and Mexico City.

The larger apparel makers prefer to buy direct from Mexican textile manufacturers, who sell both their own and imported fabrics. In the case of imported fabrics, some major producers buy through New York brokers. They buy direct from foreign textile producers mainly when exclusive lines are involved.

The Mexican apparel industry includes a large number of very small operations which generally cannot manage the lead times or minimum orders that direct purchases demand. Instead, they buy most of their fabric from agents and distributors.

The large integrated companies manufacture most of the yarns and fabrics which they use to make clothing. They are significant importers of fibres and yarn, because they tend to be adept at recognizing fashion trends, and need a wide variety of materials. Many of the larger non-integrated firms are fairly well served by the domestic fabric producers because they are able to purchase large quantities and can have some influence on what is produced.

Mexican textile producers are not generally responsive to the needs of the smaller or more fashion conscious clothing manufacturers. Interviews with a number of Mexican apparel producers revealed the following complaints:

- minimum order sizes are too large. Most small manufacturers are interested in order sizes of 300 metres or less. Mexican apparel manufacturers have minimums of 2,000 metres or more per colour;
- deliveries, particularly for smaller orders, are slow and unreliable;
- quality is often not up to international standards;
- service is poor and it is often very difficult to return unsatisfactory goods;
- many fabrics are not available in colours and patterns to suit current fashions; and
- prices are high relative to imports.