

THE MARKET DEVELOPMENT COOPERATOR PROGRAM AWARD HELPS NEW YORK DRAW FOREIGN BUYERS

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In the days before New York Fashion International's (NYFI) export promotion campaign, U.S. apparel manufacturers lost sales and countless opportunities for future business. An order cancellation a couple of years ago by the buyer for a Brazilian department store illustrates the severity of the problem. When the Brazilian buyer asked that his order be shipped back to him in Brazil, the U.S. seller told him that that was impossible. When the U.S. company suggested that he take his purchases back "in suitcases", the Brazilian canceled his order.

While foreign buyers liked what they found in New York City's fashion district, they often found U.S. sellers unprepared to sell to them. Moreover, many foreign buyers, put off by other obstacles, never even made it to the fashion district in the first place.

PARTNERSHIP MAKES COUNSELING POSSIBLE

Although "cash and carry" is still popular in the fashion district, you won't find many New York apparel manufacturers making the suitcase suggestion

to foreign buyers anymore. Most U.S. sellers are now knowledgeable about the arrangements that usually accompany an export sale, such as shipping and export financing. This new preparedness is the result of an export promotion campaign led by NYFI. NYFI partnered with the International Trade Administration (ITA) and received funding through ITA's Market Development Cooperator Program (MDCP) to create a program to educate and counsel New York City apparel manufacturers. This program promotes New York fashion abroad and makes it easier for foreign buyers to buy New York fashion products.

Prior to beginning its partnership with ITA through the MDCP award, NYFI was formed as a partnership of the Garment Industry Development Corporation and the Fashion Center Business Improvement District. Through the award, ITA is underwriting one-third of the million-dollar export-promotion project.

Since winning its MDCP award in late 1997, NYFI has individually counseled over 200 New York apparel companies, including over 30 businesses that had not previously exported. Special seminars on maximizing export sales complement the individual attention

apparel companies receive from NYFI Director Marianna Panoussaki.

CONSUMER PROFILES AND RUNWAY DICTATES

At the seminars, New York apparel companies learned many of the nuts and bolts of exporting like shipping options, finding the right agent or distributor abroad, and getting paid. They



Located in the heart of New York City's fashion district, this information kiosk incorporates the world's largest button, held upright by a 31-foot-long steel needle.



The Guide for International Buyers, produced by NYFI, includes a color-coded map of the fashion district, detailing the location of producers by type of apparel.

also explored the peculiarities of each of the largest fashion markets of Western Europe.

ITA's Office of Textiles and Apparel brought experts to the seminars from Germany, France and the UK. The experts identified "who is the consumer" and explained "how they buy" to the American apparel makers. For example, experts in each of the markets discussed which consumers were more likely to purchase via mail-order as opposed to in a store.

The experts also advised how to promote American apparel in each market. French fashion expert Barbara Ende advised U.S. producers that some American fashion industry attitudes do not work well in some markets. She warned U.S. producers not to stray too far from the beaten path of the runway, "color and silhouette trends dictated on the runways and in the fashion press

are more closely adhered to in France than in the USA."

BEYOND THE BIG NAMES

Inexperienced U.S. sellers like the one who lost the Brazilian customer were not the only obstacles to foreign buyers. The New York fashion industry was, in part, a victim of the success of internationally known American labels. "New York fashion isn't just about Donna Karan, Tommy Hilfiger and Ralph Lauren," as former NYFI Director, Gene Cleckley, said early on in the project. "There are a lot of manufacturers who are very big over here but practically unknown in Europe, and we're keen to introduce them to a larger audience."

To accomplish this, NYFI launched a campaign in targeted European markets to promote the versatility, quality and creativity of New York fashion.

Using promotional material that incorporated distinctive New York City images, such as a yellow taxi or the majestic Chrysler Building, the invitations, brochures and announcements paid off. The fashion press in France, Germany, the UK, Italy and Spain all provided favorable coverage of NYFI's campaign. Since the campaign began in 1998, more and more foreign buyers have ventured into the fashion district, beyond the big labels, to small and medium-size apparel manufacturers.

GOTHAM OBSTACLE

Although New York City is chock-full of intriguing American icons and familiar skyscrapers, some foreign buyers viewed it as too dirty, dangerous or confusing to merit a visit. The Fashion Center Business Improvement District, one of the NYFI partners, addressed the "dirty" and "dangerous" image with physical improvements and additional



New York fashion's presence is evident on the runway at the Premier Womenswear Exhibition in Birmingham.

security. The overall improvement of city life in the past few years has also helped.

The Improvement District also helped to increase the appeal of New York's fashion district by incorporating its recently completed high-profile, kiosk into NYFI's foreign outreach. The kiosk, with its unmistakable giant button, is a starting point for foreign buyers looking to "source" New York fashion. The kiosk offers promotional material, brochures and an attendant who fields general questions.

To address concerns of foreign buyers that the fashion district was too complex and to overcome communication problems, NYFI created the Guide for International Buyers.

One of the more popular sections of the Guide, is a color-coded map of the fashion district. The map shows the location of producers by type of apparel (e.g. textiles or accessories) and activity (e.g. trimming or commercial).

The Guide is published in German, French, English and Spanish, and

includes a brief overview of fashion merchandising in the United States, different types of U.S. retail outlets, buying seasons and price point categories.

When producing the Guide, NYFI did not take anything for granted, including a common language. Some fashion terms don't travel well across the Atlantic, even when the language doesn't change. Referring to the "Product Classification" and "Sizing" sections of the Guide, the British trade publication Draper's Record alerted its readers, "Did you know that 'sportswear' in the U.S. refers to the mixing of casualwear and careerwear? Or that 'missy' is a size classification?"

Draper's concluded that the Guide is "a must for those planning to hit the U.S. to source." The Guide has been so popular with foreign buyers that the initial run of 1,000 copies was soon exhausted. It is now in its third printing.

MADE IN THE USA

Foreign buyers from beyond NYFI's original target markets have also discovered the value of New York fashion. When ITA's New York Export Assistance Center brought a Kuwaiti delegation to the city, members expressed their frustration over the proliferation of apparel made in China in some U.S. showrooms: "If we wanted clothes made in China, we would be going to China, not the USA."

Although NYFI has succeeded at enticing foreign buyers to linger and buy from several fashion district manufacturers, not all of the traffic has been inbound. NYFI has been the vehicle for smaller U.S. apparel manufacturers to have a presence at major European trade shows like Britain's Premier Womenswear Exhibition, Germany's CPD and France's Prêt à Porter. Without NYFI's efforts, many New York manufacturers would have had no exposure in these markets.

With Western Europe well established

as a venue for New York fashion sales, NYFI has expanded its campaign to include Japan. The Guide has just been translated into Japanese, and market research has identified strategies to lure more Japanese buyers both to the fashion district and at trade shows abroad.

PARTNERSHIP PAYS OFF

In the last twelve months, NYFI estimates that the partnership's efforts have yielded \$15 million in apparel exports. The success results from an effective partnership with several parts of ITA: the Office of Textiles and Apparel, the Export Assistance Center in Manhattan and the Foreign Commercial Service. All have contributed advice, training and logistics to the project. ■

The MDCP is a competitive matching grants program that builds public/private partnerships by providing federal assistance to non-profit export multipliers such as states, trade associations, chambers of commerce, world trade centers and other non-profit industry groups that are particularly effective in reaching small and medium-sized enterprises. MDCP awards help to underwrite the start up costs of new export marketing ventures, which these groups are often reluctant to undertake without federal government support.

ITA makes awards annually to deserving export multipliers like NYFI. Additional information is available by telephone at (202) 482-2969 or via the Internet at www.ita.doc.gov/mdcp.