textiles Scotland

A strategy for the
Textiles Industry in Scotland
2011–2015

Designed with **passion** Made with **integrity**

A flexible, innovative and efficient industry characterised by world class reputational excellence and a collaborative approach to new products and processes.

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Image: Culzean Textiles Solutions

Industry foreword

With an irresistible blend of rich heritage, innovation and unrivalled creativity, Scotland delivers much sought-after textiles around the globe.

The sheer variety of products from the Scottish textiles industry is growing year on year. Our customers, found in over 150 countries across the world, recognise the value of craftsmanship and beautiful design which is the signature of every textile product from Scotland.

The industry's reputation is constantly enhanced through partnerships with international designers and global brands. Our wealth of technical textiles, composites, sophisticated woven and printed fabrics for both fashion and interiors attract the biggest names. For many we produce the finest cashmere, tweeds, leather, lace and knitwear products in the world, and our tartan, of course, in which we are the world leaders - Scotland caters for every textile need.

Under the 'Textiles Scotland' name the entire industry in Scotland comes together to focus on promoting the very best design, innovation and quality. Around the world our reputation precedes us and allows us to work with the very best - we invite you to enjoy, celebrate and discover what Scottish textiles has to offer.

David Breckenridge
Chairman, The Scottish Textile Industry Association

Industry vision

A flexible, innovative and efficient industry characterised by world class reputational excellence, its use of sustainable energy and its collaborative approach to new products and processes.

Scottish textiles have a proud tradition and enviable global reputation which has been built on the skills and innovation of its people. Scotland offers a unique mix of reputation, product and excellent service which continues to win over new customers as well as enhancing existing commercial relationships. Customers come to Scotland for professional textiles solutions made with care - from technical textiles and composites, to sophisticated woven and printed fabrics for interiors, to arguably the best cashmere, tweeds and tartan products in the world.

Image: Perident dental floss

Industry Advisory Group – National Textiles Forum

The shared goal of all stakeholders must be to maximise the impact of the sector on the Scottish economy. This strategy aims to address a variety of issues facing the sector - and develop actions which will contribute towards this shared goal.

Working in partnership, the Scottish textiles industry can:

— Increase its contribution to economic output
— Increase Scotland's position as a major player in high quality textile design and innovation
— Attract fresh talent into the industry

This strategy outlines our shared commitment to sustaining and developing Scotland's world class position within the global textile industry.

Image: J&D Wilkie and Replin

Industry stakeholders

- Scottish Government
- Scottish Enterprise
- Scottish Development International
- Skills Development Scotland
- Higher Education
- Sector Skills Council
- Trade Unions
- Highlands & Islands Enterprise

Significance of the sector

The textiles industry in Scotland is broad in its scope and diversity with some 640 businesses involved in the sector, employing almost 10,000 skilled individuals and even more in the wider supply chain.

Number of companies

22%	designer
27%	performance
51%	aesthetic

There are distinct sub-sectors within the textiles sector:

— ***aesthetic*** – such as woven fabric, knitwear, clothing, accessories and interior furnishings markets.

— ***performance textiles*** – such as materials for medical, defence and transport markets.

— ***designer fashion*** – which is a subset within the Creative Industries sector and accounts for a small yet vitally important element of the industry.

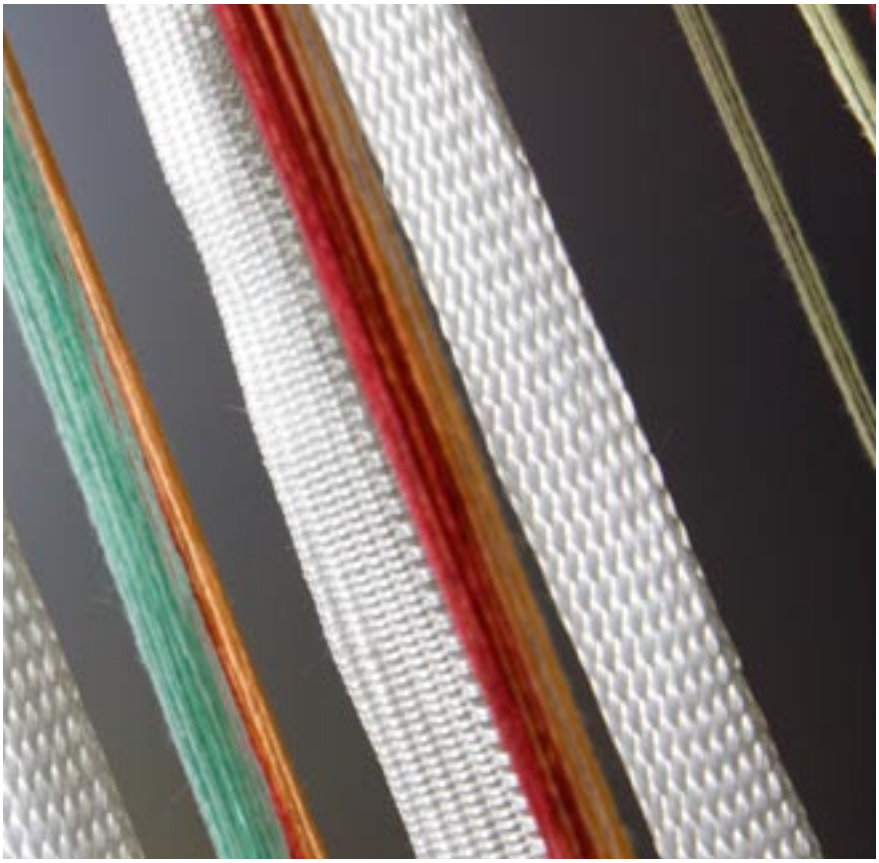


Image: Culzean Textiles Solutions

Aligned with Scottish Government Economic Strategy

The textiles sector is closely aligned with the aims and ambitions of the Scottish Government Economic Strategy. In particular, the textiles industry delivers:

— a focus on added-value, high end margin products

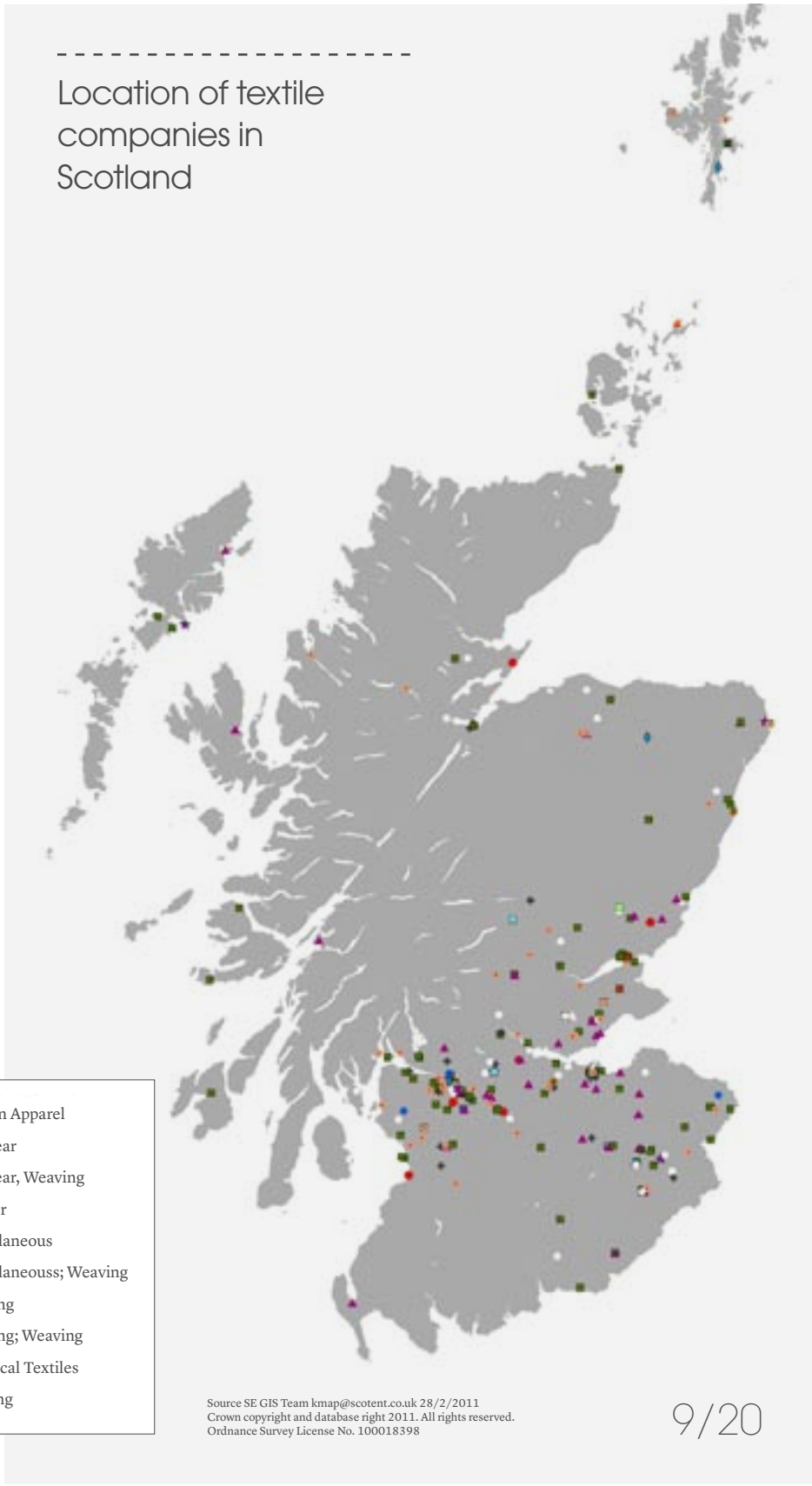
— significant contribution to exports

— investment in research and development activity

— a commitment to training and skills development

— a capacity and desire to increase productivity

— a commitment to driving sustainability throughout the entire industry



Changing global markets

Global markets are rapidly changing and the recent economic downturn has presented significant challenges for the industry in Scotland, perhaps more so than other countries. Textiles in Scotland must continue to innovate and improve if it is to emerge as a stronger industry.

Changes in the global marketplace also bring opportunity: in emerging markets, product diversification and authentic branding/ provenance. Scottish textiles are widely recognised in international markets and the industry benefits from a global network of contacts and representation. Building on this base will require a focus on core values and key strengths, including design, provenance and technical innovation as well as a knowledge and understanding of the available opportunities

Key global market trends:

— consumer demand for value: encompassing design innovation and ethical business practices with the desire for luxury and authenticity

— different business models: increased use of technology to maximise efficiencies and meet customer needs

— social and environmental responsibility: at the forefront of the overall brand proposition

— market diversification: into emerging markets with long term growth potential

Image: Jaggy Nettle cashmere and Pea Cooper Millinery

Image: Lochcarron

What are the main challenges?

— Environmental sustainability › manufacturing processes/ energy usage/raw material sources

— Availability of credit, particularly with regard to cash flow financing › increased pressure to cut costs › the loss of skilled staff to the industry

— Availability of lower cost manufacturing countries › pressure to out-source and compete on cost

— Industry image › limited growth within new markets as competitors become more sophisticated in managing the business image

— Attraction and retention of skilled staff › difficult at the best of times, worse during recession › uncertain future for manufacturing capabilities as staff are lost › reduced investment in training at a time when this is critical to the survival of the industry

— Low level of recorded R&D within Scottish textile companies › perceived lack of innovation and technology within the sector compounded by a lack of understanding of assistance available

— Increased government financial support for other EU textile industries › uneven 'playing field' threatening the short to medium term growth of the sector in Scotland

Image: Hawick Cashmere, Eribe and House of Cheviot

What do we need to do?

The industry needs to be in a position of competitive strength. The skills and talent of the workforce is a key driver of productivity but it is not the only one. Others include: enterprise; innovation; investment; and competition. Research shows that skills underpin innovation, drive enterprise, unlock investment and allow businesses to adapt to competition. It follows that if there is an alignment of skills investment with these other drivers, the ability to increase productivity within the industry will be optimised.

Profile: Build the industry's profile within and beyond Scotland by influencing, marketing and communicating effectively

— articulate and use the Scottish voice and Textiles Scotland brand values
— broaden the perspective and enhance the understanding of the Scottish industry, particularly with key stakeholders
— collectively market the industry to key sectors/ niche markets

We need to better exploit our Scottish credentials, recognising that particularly in international markets the strength of Scotland cannot be underestimated.

Skills: Strengthen the world class workforce and improve the business infrastructure

— ensure the industry has world class skills with education and labour force initiatives to meet industry needs
— ensure increased update of graduate skills within the industry
— develop global aspirations and world class leadership to match
— implement the Textiles Skills Strategy

As an industry we cannot succeed without investment in skills. Not only do we need to have a world class workforce we need to ensure that we attract younger people into the industry in order to secure its future. We want textiles to be a career of choice.

Internationalisation: Encourage greater internationalisation and build a globally competitive sector

— drive the development of internationally recognised brands
— encourage new market development and new business models to access them

— encourage the adoption of a strategic approach to internationalisation
— encourage a more collaborative approach to international market development
— maximise UK business and near European markets
— encourage greater levels of inward investment

Exporting is one of our great strengths – but also one of the greatest opportunities. Not just for 'big brands' but for collaborative ventures between companies. We need to get the critical mass to go for new markets, for new business in existing markets and we need to work together to ensure that we do so cost effectively.

Driving growth through improved productivity is critical for textiles in Scotland, particularly at this time when the industry is starting to emerge from the current recession.

Image: Todd & Duncan

How are we going to do it?

Key Delivery Themes:

Maximising Markets – encouraging diversification, identifying and appraising opportunities in new and existing markets

Improving Customer Intimacy – improving the quality of relationships between buyers and manufacturers to achieve competitive advantage

Value Through Innovation – innovation in process, product and collaboration; knowledge exchange and advanced manufacturing capability

Improving Industry profile – creating a viable, sustainable brand for the industry which will enhance Scotland's reputation

Industry Development - strengthening the overall business environment through increased and improved industry intelligence & leadership

Image: Mackintosh

How do we measure success?

Whilst the economic context has changed, the drivers within the industry remain relevant.

Image: JC Rennie

The industry set demanding and realistic targets which have been translated into SMART objectives for 2015, agreed by the National Textiles Forum:

- increase total Scottish sector turnover by 3%
- increase value of export sales by 3%
- increase expenditure on research & development by 2%
- increase investment in design by 1%

Within the current economic context these targets are exceptionally challenging, yet they do provide the focus for the industry moving forward. There are major global opportunities for Scotland and there are significant challenges. Working in partnership, the Scottish textiles industry can increase competitiveness, develop more flexible business models, overcome issues of critical mass through collaborative working and drive forward an increase in productivity.

Strategic aims

Low carbon industry: Utilise new technology/ new products throughout the supply chain

- encourage the use of technology to drive efficiencies in production processes
- develop new products and processes which minimise environmental impacts and maximise authenticity and provenance
- move to power generation rather than consumption
- ensure low carbon/ sustainability is inherent in the Scottish textiles industry

Talk about sustainability in textiles and it can mean either the long term survival of the industry and the contribution it makes to the Scottish economy or how the industry responds to the ever increasing environmental challenges. As an industry we're big water users for example but we've been at the forefront of waste minimisation programmes and continue to drive efficiencies.

Innovation: Exploit market opportunities through innovative products and services

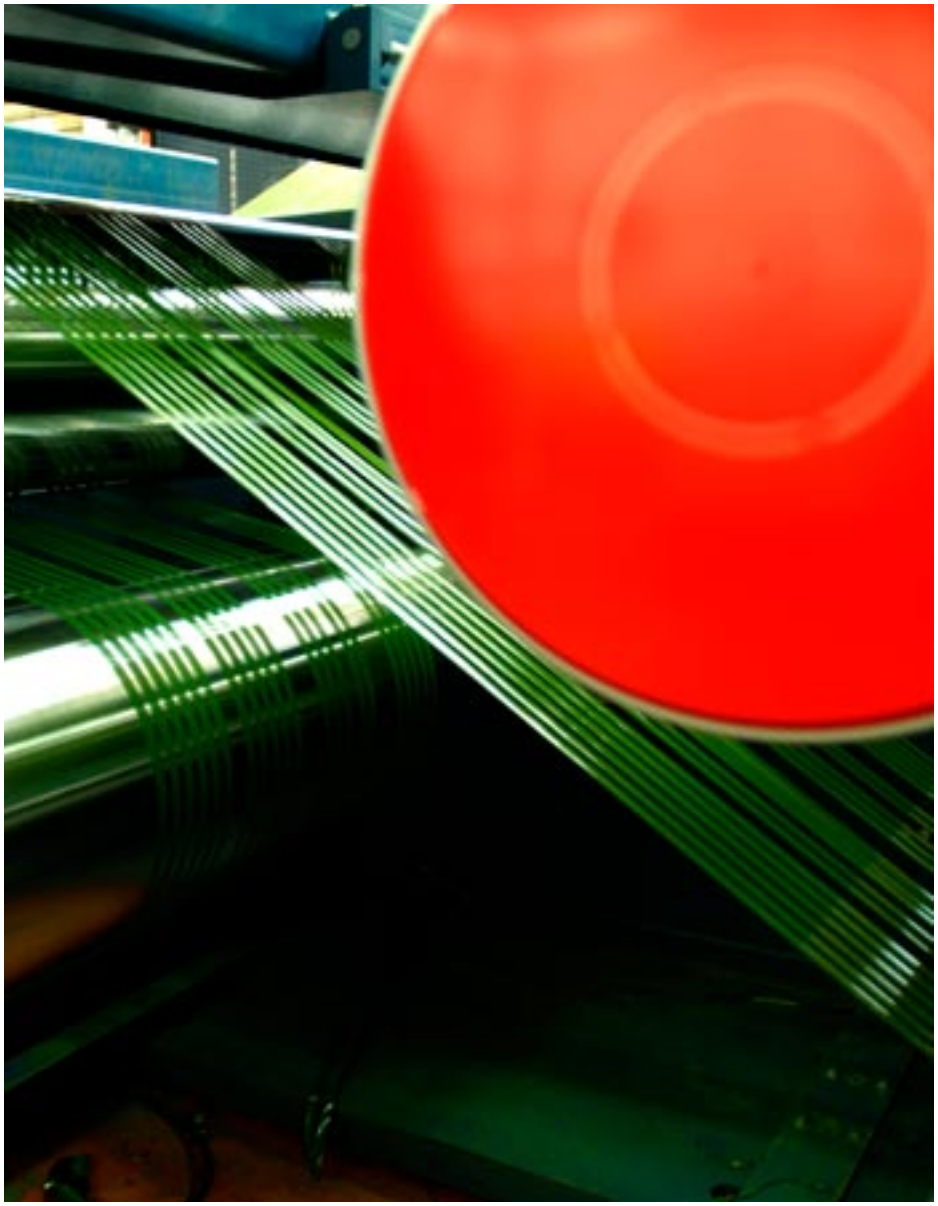
- develop collaborative cross-industry projects to exploit expertise
- encourage linking design innovation to technical ability
- lever technical academic work through the Scottish Academy of Fashion and increase productivity
- embrace new business models
- build a culture of collaboration

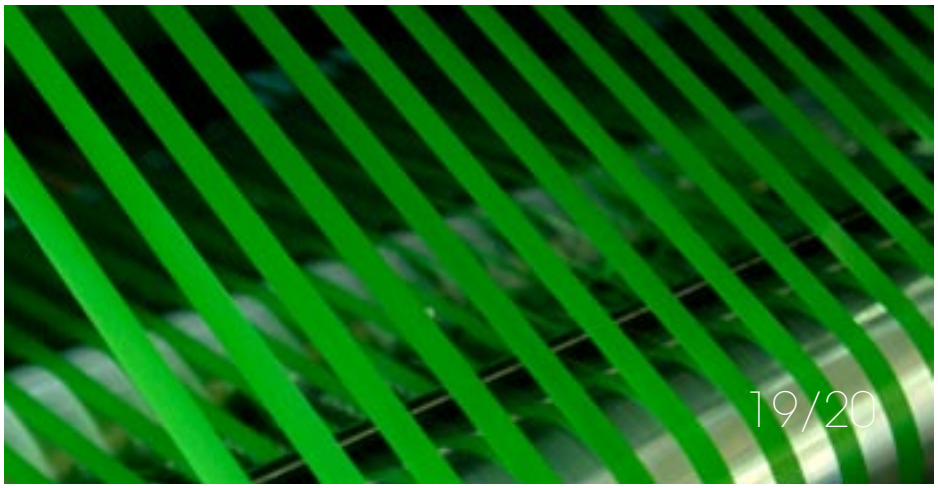
Innovate or die – we need to be better at deriving commercial benefits from academic research. We have world class institutions and we need to get better linkages between them and the industry.

Textiles Scotland: A World Class Industry

- encourage a move to world class excellence in customer service
- maximise authenticity and provenance through world class quality and presentation
- drive manufacturing excellence and world class productivity

We need to drive our own unique selling points; what makes us different, why customers buy from Scotland. Positioning ourselves as world class through the Textiles Scotland brand will not work unless it is backed up with an industry that operates with a world class ethos.





Images: Bonar Yarns

Images courtesy of McAteer Photography/Graham Jepson

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