USAID
FROM THE AMERICAN PEOPLE

Exporting Apparel to the United States

A Guide for Moroccan Apparel Makers

August 2009

This publication was produced by Nathan Associates Inc. for review by the United States Agency for International Development.

Exporting Apparel to the United States

A Guide for Moroccan Apparel Makers

Contents

Illustrations

Figures

Tables

Exhibit

Introduction

This guide to exporting apparel to the United States is intended for Moroccan apparel makers. It was produced by the Morocco New Business Opportunities Program (NBO) of the United States Agency for International Development (USAID).

The U.S.–Morocco Free Trade Agreement (FTA) gives Moroccan apparel manufacturers an excellent opportunity to do business with the U.S. market. Thanks to the FTA, U.S. companies may import certain apparel produced in Morocco free of the high customs tariffs normally applied to apparel imports. But duty-free preference is only one criterion that U.S. buyers use when deciding where to source apparel, so Moroccan apparel manufacturers who want to do business with the United States must also follow certain business processes and meet quality and delivery time requirements.

NBO Program

The Morocco New Business Opportunities Program was designed to help export-oriented Moroccan enterprises pursue business opportunities that emerged as a result of implementation of the U.S.-Morocco FTA. The main objective of the program is to establish lasting business-to-business linkages between U.S. buyers and Moroccan manufacturers. The program provided technical training through seminars and workshops as well as through reports and studies. It was funded by USAID. More information about the NBO Program can be found on its website, www.nbo-program.com

The Moroccan apparel industry already reaches a significant export market, mostly Europe, which uses retail business and apparel-sourcing models that differ from those in the United States. The U.S. apparel market is large and complex, and serving this market requires an understanding of the U.S. retail sales environment as well as the business models used by buyers that source apparel from foreign manufacturers.

This guide provides this information. It explains the competitive advantages provided under the FTA, gives tips on how to find success in supplying the U.S. apparel market, and directs exporters to the sources with answers to their questions.

1. Apparel Exports under the U.S.–Morocco Free Trade Agreement

In 2006, the Kingdom of Morocco joined the small group of countries that have bilateral free trade agreements (FTA) with the United States, becoming the second Arab nation and the first African nation with such an agreement. The provisions of the U.S.–Morocco FTA offer attractive opportunities for both countries.[1]

GENERAL TERMS OF THE FTA

The FTA opens up markets in Morocco and the United States significantly, giving duty-free treatment to 95 percent of consumer and industrial goods and eliminating the remaining duties by 2015.

To qualify for benefits under the FTA, a product must meet at least one of the following standards:

- It must be wholly the growth, product, or manufacture of the United States or Morocco.
- It must be substantially transformed in the United States or Morocco into a new and different article of commerce (according to a change in its tariff classification at a prescribed level), *and* if transformed through a manufacturing process, at least 35 percent of the value of the completed article (materials and direct costs of processing) must originate in the United States or Morocco.
- Goods must be exported directly from one country to the other—that is, they must not enter the territory of any other country before arriving at the port of entry.

The FTA also establishes conditions for manufacturing and trade. These include protection of intellectual property rights through trademark, copyright, and patents; environmental protection and enforcement; and cooperative promotion of worker rights. Both countries enforce prohibitions against bribery and corruption, and both countries commit to transparent customs procedures and to publishing customs laws and regulations on the Internet.

Some products are subject to complex, product-specific requirements that exporters must meet to take advantage of the free-trade opportunities created by the agreement and avoid penalties. Textiles and apparel are subject to such product-specific requirements.

---

[1] The U.S. Trade Representative website has the full text of the U.S.–Morocco FTA (see p. 26 for reference information).

Although most U.S. importers review FTA requirements closely and provide guidelines for their suppliers, they nevertheless expect their suppliers to be familiar with the rules and to share responsibility for compliance.

BENEFITS FOR THE APPAREL SECTOR

U.S. duties on textiles and apparel are high, averaging 15 percent and reaching 30 percent on some products. For cotton apparel, normal duty rates range from 10 percent for jackets to 20 percent for some shirts. Reducing or eliminating that cost is an important consideration for any importer. The FTA allows Moroccan exporters to offer a real competitive advantage to prospective customers.

Duty Elimination

The U.S. Morocco FTA divides textile and apparel products into groups depending on their sensitivity in U.S. trade. It specifies four phase-out schedules for textiles and apparel:

- Group A—duty free effective January 1, 2006
- Group D—duty reduced by 50 percent on January 1, 2006, and then in five equal annual stages until becoming duty free on January 1, 2011 (but also eligible for tariff rate quotas, see below)
- Group F—prorated into nine equal stages, becoming duty free January 1, 2014
- Group H—duty reduced in 10 stages: 3 percent each year through Year 4 (2009), then prorated into six equal stages until January 1, 2015.

Annex 4 of the FTA includes the U.S. tariff schedule; pages 243–279 cover apparel products.[2] The general notes on the tariff schedule contain details on tariff treatment under the FTA.[3]

Tariff Rate Quotas

The staged elimination of duties for Moroccan textiles and apparel entering the U.S. market is intended to create gradual, but not disruptive, growth in the market. But because the small initial duty reductions on some products might not be enough to encourage new trade, the FTA includes tariff rate quotas (TRQ) for apparel from Group D—that is, a specific quantity of apparel is entitled to receive duty-free treatment each year beginning in 2006. The TRQ, calculated in square meter equivalents, rises every year from year 1 through year 5, becoming duty free in year 6 (2011).

The TRQ schedule applies to some knitted apparel in HTS headings 6104, 6105, 6106, 6108, 6109, 6110, and 6111. Eligible woven apparel is in headings 6201, 6202, 6203, 6204, 6205, 6206, 6208, 6209, 6211, 6212, and 6303. Not all products in those headings are eligible, however, so manufacturers should consult the tariff and the schedules, as well as utilization levels of the TRQ. This information can be obtained from the Ministry of Commerce, Industry and New Technology Textile and Leather Division (MCINET).

---

[2] http://www.ustr.gov/sites/default/files/uploads/agreements/fta/morocco/asset_upload_file35_3875.pdf

[3] http://www.ustr.gov/sites/default/files/uploads/agreements/fta/morocco/asset_upload_file791_3876.pdf

Tariff Preference Levels

Benefits were also extended for a limited quantity of nonoriginating goods—that is, products that do not meet the requirements to be considered "originating goods" under the FTA. This program, called Tariff Preference Levels (TPL), allows manufacturers to construct garments from fabric of third parties. Eligible yarns and fabrics exported to the United States must be formed in the territory of Morocco or the United States but the fabric used in the construction of a garment may be may be of any origin under the TPL scheme. The TPL is limited to a specified quantity of non-originating products each year for 10 years (see Table 1).

Table 2-1

Tariff Preference Phase-out Schedule, in square meter equivalents

Year	Quantity
Year 1 (2006)	30,000,000
Year 2 (2007)	30,000,000
Year 3 (2008)	30,000,000
Year 4 (2009)	30,000,000
Year 5 (2010)	25,714,000
Year 6 (2011)	21,428,000
Year 7 (2012)	17,142,000
Year 8 (2013)	12,856,000
Year 9 (2014)	8,571,000
Year 10 (2015)	4,285,000

A separate TPL allows Moroccan textile exporters to use cotton fibers originating in least-developed countries of sub-Saharan Africa that are spun, woven, knitted, or otherwise formed into yarns and fabrics that are otherwise subject to a fiber-forward origin rule. Because apparel is generally yarn forward, this does not affect clothing but might still be of interest to some exporters. The quantity of sub-Saharan African cotton is limited to 1,067,257 kilograms annually but may be adjusted by the Moroccan and U.S. governments after consultation.

At the end of 2014 the TPL will no longer apply. The Moroccan Ministry of Industry, Commerce, and New Technology (MCINET) has more information on the TPL or acquiring a quota for importing third-party fabric (see p. 25 for reference information).

RULES OF ORIGIN FOR APPAREL AND TEXTILE PRODUCTS

Apparel goods are classified under Chapters 61 (knitted apparel) and 62 (non-knitted apparel) of the Harmonized Tariff Schedule (HTS), the international system coding to all internationally traded goods. Under each category with a two-digit heading, specific products are identified by longer codes (to as many as 10 digits, depending on the makeup of the garment). Products in the product-specific origin rules for textiles and apparel include textile luggage and handbags of chapter 42 of the HTS; textiles of chapters 50 through 60; apparel and clothing accessories of chapters 61 and 62; and other textile made-ups, including household linens and other articles of chapter 63. Glass fibers and yarns of chapter 70 and comforters (i.e., down or feather filled) of chapter 94 are also included.

The basic rule ("yarn forward") is easy to understand, but understanding all the exceptions, special rules, and benefits for nonoriginating goods according to certain conditions is more complicated.

In general, textile accessories and apparel must be made from yarn originating in the United States or Morocco, and all further processing must take place in the United States or Morocco. Yarn exported to the United States must be spun from fibers originating within the territory of the agreement.

If a garment incorporates fibers or yarns that are NOT originating and do not undergo the required tariff shift, but make up less than 7 percent by weight of the product, it still qualifies as an originating good except when the nonoriginating materials are elastomeric yarns. This is known as the *de minimis* rule.

If the product consists of multiple garments packaged and sold as a set (e.g., pajamas or suits), each article must satisfy the rule of origin unless the nonoriginating article in the set does not exceed 10 percent of the total value of the set according to the customs-appraised value.

These general rules have exceptions (for example, men's and boys' woven shirts of certain woven fabrics are originating if cut and sewn in the territory, regardless of the origin of the fabric), and the specific rule for each product to be manufactured must be verified before the product can be marketed as FTA-eligible.

Annex 4-A of the FTA provides the origin requirement for every textile and apparel product.

Chapter Rules

Apparel is subject to additional rules of origin; sometimes the rules simplify the requirements to establish origin but sometimes they result in disqualification of a product that otherwise would be eligible for FTA benefits. Chapter rules apply to apparel in Chapters 61 and 62; rule 2 also applies to goods of Chapter 63 (accessories and made-ups).

Visible linings are required generally to originate in the United States or Morocco.

If a product incorporates more than one type of fabric, the materials used in the component of the garment that establishes essential character (and is the basis for classification in the HTS) must meet the origin rule. Many factors go into a determination of what constitutes the essential character of a garment type, but usually the outer shell of the garment is the determining component. If the front and back are different, the front usually is the determining component. If there is a visible lining, the requirement for visible linings described above applies *only* to the lining in the main body; so, for example, the lining of a sleeve would be exempt, as are removable linings.

Apparel made from the materials identified in the North American Free Trade Agreement as unavailable in the United States are considered originating goods if they are cut and sewn in Morocco. This is a very short list, including some velveteen, corduroy, wool that is certified Harris tweed, fine woven wool blends (HTS 5112.30), and some batiste fabrics.

Nonoriginating Goods Eligible for Benefits

Products that satisfy the requirements described above are considered "originating goods" under the U.S.–Morocco FTA. The FTA also provides benefits to nonoriginating textiles and apparel that are made with cotton fibers originating in a least-developed sub-Saharan African country, if the fibers are carded or combed in the least-developed country, the United States, or Morocco. These goods (only products with a fiber-forward rule of origin) are subject to the TPL.

RECORDKEEPING

The FTA is clear in its stipulation that benefits are not granted to all products of Morocco, only to those that meet certain requirements. Both the exporter and the importer must be able to prove that goods are eligible, and proof requires well-organized recordkeeping.

Both exporter and importer must retain for five years documents to establish the origin of inputs, the nature of the manufacturing processes carried out in Morocco, and direct shipment to the United States. In addition, both the U.S. and Moroccan governments agree to specific controls and monitoring of claims to ensure that only qualifying goods receive benefits. Any firm wishing to enjoy the trade benefits of the FTA but lacking a system for recordkeeping should implement such a system before attempting to claim benefits. In fact, buyers often require evidence that suppliers can provide supporting documentation to substantiate claims, and Moroccan exporters should make the same demands on companies providing inputs.

When goods arrive in the United States, the importer claims duty-free benefits by entering the goods under the appropriate HTS designation, with the special product indicator MA or MA* to show the benefits derive from the U.S.–Morocco FTA. U.S. Customs and Border Protection may also require a declaration from the importer that the responsible party knows and can demonstrate that the shipment qualifies for benefits. To satisfy the occasional request for additional information, importers must keep, and require that suppliers keep and be able to furnish on demand, the following documentation:

- ***Evidence of the origin of yarns and fabrics and other inputs.*** Because many garment makers purchase finished fabric, Moroccan exporters should obtain a certificate from fabric supplier and yarn spinner confirming the origin of the yarns used to weave or knit the material, and of the actual fabric weaving or knitting. If the U.S. buyer sources the fabric on behalf of the Moroccan garment makers, the garment maker should still require either copies of the certificates or a letter from the buyer taking responsibility.
- ***Transportation documents and warehouse receipts*** proving that the fabric was received by the factory, that enough material was purchased and received to produce the goods, and that it was moved from inventory to work in process.
- ***Daily production records*** such as cutting records, sewing tickets; bundle, finishing, and packing tracking; and similar evidence that the goods were produced in the factory; and
- ***Receipts*** for transportation to the shipping company and bills of lading for export to the United States.

If a factory fails to keep such records or cannot produce them when the authorities request, the U.S. importer risks being charged duty for up to five years after the entry of the goods into the United States. Both the vendor and the buyer may be penalized.

In most cases, U.S. Customs and Border Protection will allow entry of goods on the basis of the entry declaration, but if it determines that additional information is necessary, it will request it from the importer. It may request a declaration describing

- The goods, quantity, numbers, and invoice numbers and bills of lading
- The operations performed in the growth, production, or manufacture of the goods in the territory of one or both parties, as well as identification of the direct costs of processing operations if applicable
- Any material used in the growth, production, or manufacture of the goods that is wholly the growth, product, or manufacture of one or both of the parties, and a statement as to the value of the material
- Operations performed on, and a statement as to the origin and value of, any material used in the goods that is claimed to have been sufficiently processed in the territory of one or both of the parties to be material produced in the territory of one or both of the parties, or is claimed to have undergone an applicable change in tariff classification specified in Annex 4-A or Annex 5-A
- Origin and value of any foreign material used in the good that is not claimed to have been substantially transformed in the territory of one or both of the parties, or is not claimed to have undergone an applicable change in tariff classification specified in Annex 4-A or Annex 5-A of the FTA.

A U.S. buyer may ask the Moroccan exporter to provide this information with each order, although U.S. Customs and Border Protection may not require it for each shipment. With a well-organized system, meeting this requirement is not difficult.

2. The U.S. Apparel Market

The U.S. apparel market is the largest in the world, and many of the world's largest apparel retailing and marketing firms are based in the United States. In 2008 the United States imported over $71 billion worth of apparel. The apparel industry is complex, with many retail sales channels that dictate how apparel is sourced, who makes the buying decisions, and the expectations they will have of their overseas suppliers.

SOURCING FACTORS

Apparel manufacturers seeking to sell to the U.S. market must understand which sales channels they are best positioned to supply and who in the supply chain uses foreign manufacturing. More important, apparel manufacturers must have an appreciation for the competitive factors and strategies that influence how U.S. apparel buyers place orders in overseas factories. Manufacturers should ensure that they are prepared to satisfy the buyers' demands—before seeking orders.

Before 2005, apparel trade with the U.S. market was regulated by quotas that limited the quantities of apparel a country could export to the United States. The quotas forced U.S. buyers to place orders in multiple countries because quotas from some countries were filled quickly. When the WTO Multi-Fibre Arrangement expired on January 1, 2005, U.S. apparel buyers shifted strategy from distributing orders according to quota availability to competitive factors such as price and quality. At the same time, consumer pressure drove U.S. companies to adopt socially responsible sourcing practices and ensure that worker standards were acceptable in the factories where they placed orders. U.S. companies expect and increasingly demand, "compliance audits" and third-party certification such as the Worldwide Accredited Responsible Production (WRAP). These three factors—low price, high quality and decent working conditions—are now the standard in U.S. apparel sourcing and no longer give a competitive advantage to factories supplying the U.S. market.

Competitive advantage is now found in two additional capabilities: being a "full package" supplier and providing excellent speed to market. "Full package" manufacturing, described in greater detail below, shifts responsibility for more of the supply chain from the buyer to the manufacturer. Fortunately, advances in supply chain capabilities, such as improved logistics and electronic communications for sourcing input materials, allow factories to take greater responsibility for the production of a finished good.

Buyers also expect suppliers to be more efficient and reduce the time to market from design, order, manufacture, and shipment of the goods. Factories that can produce high-quality product with short lead times are the most in demand. A period of 30 days from receipt of raw materials to the export of the finished product is a typical goal, regardless of the size of the order.

Because of the relatively high import duties applied to apparel, U.S. buyers seek manufacturers in countries whose goods are given duty-free preferences when imported into the United States, through preferential trade acts or a free trade agreement. Moroccan manufacturers should note the proliferation of U.S. trade agreements and preferential trade acts that provide duty-free preference to imports of qualifying apparel from many other countries (Exhibit 1). These countries, as well as the well-known Asian powerhouses, should be viewed as direct competitors.

U.S. apparel buyers also take practical steps to make sourcing more competitive. To improve speed to market, buyers may place production orders in countries closer to the final market for retail sales. They may also consolidate production orders of different brands in the same country or factories to ease procurement. Regional consolidation lowers buyers' costs of travel to factories for inspection and makes the import paperwork easier. Some buyers opt to shorten the supply chain by eliminating the use of agents and closing foreign sourcing offices; others, depending on their business model, eliminate in-house sourcing departments and contract all activities to an agent or representative.

In summary, apparel manufacturers that want to do business with U.S. apparel companies must not only meet specific industry norms but also provide some competitive advantage to the U.S. buyer. Furthermore, they must be prepared to take on the responsibility for delivering final products and servicing the buyer rather than just manufacturing to specifications with buyer-owned materials. Not all apparel manufacturers are prepared or willing to adapt to U.S. apparel market norms, but success in the market is more likely to come to those who understand the unique and demanding requirements that drive U.S. apparel sourcing.

Exhibit 2-1

U.S. Trade Agreements

FTAs in Force

- Australia
- Bahrain
- Central America and Dominican Republic
- Chile
- Israel
- Jordan
- Morocco
- North America (Mexico and Canada)
- Peru
- Singapore

Preferential Trade Acts

- AGOA
- APTDEA
- CBI/CBTPA
- HOPE

Agreements Pending Congressional Approval

- Colombia
- South Korea
- Panama
- Oman
- Malaysia
- Thailand
- United Arab Emirates
- Southern Africa Customs Union

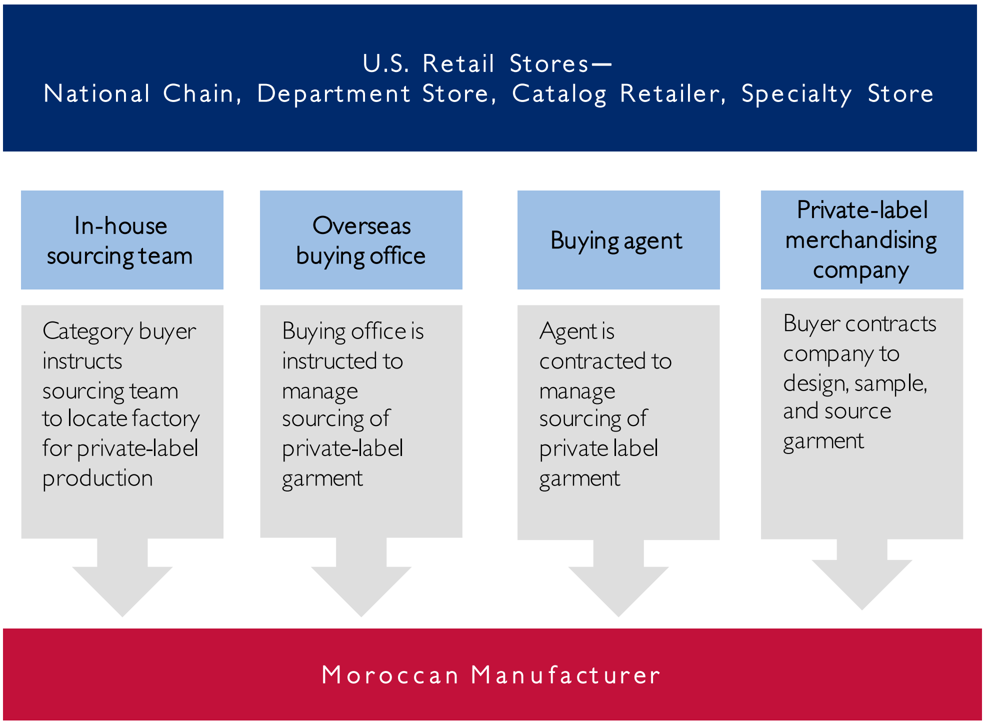
RETAIL OF APPAREL IN THE UNITED STATES

Understanding how to sell apparel manufacturing services to U.S. apparel companies requires understanding how apparel is sold to the U.S. consumer. There are essentially two primary markets: the mass market, which sells huge volumes of apparel both under private-label programs and as branded merchandise; and the specialty store market, which tends to sell only one brand or specialized designer label for a specific consumer demographic. Six primary retail sales channels (1) directly source apparel from other countries, (2) contract manufacturing and delivery to third parties, or (3) do no sourcing at all, relying on brand merchandisers to deliver a final product to their stores.

- ***Mass merchants*** such as Wal-Mart and Target concentrate on the value-oriented customer; they keep prices low in order to sell large quantities of product. As a result, most of their apparel purchases are in price- and volume-sensitive basics like T-shirts, cotton pants, and undergarments. Apparel brands often develop products specifically for the mass merchants, adapting the products to meet the price point that the merchant sets.
- ***Department stores*** such as Macy's and Bloomingdales offer a wide array of products that besides apparel include accessories, makeup, house wares, furniture, and electronic appliances. Many belong to merchandising groups or buying offices that develop and source private-label apparel on their behalf. Department stores carry brand apparel in their merchandise mix, but they also develop and source their own private-label apparel, which can make up 20 percent or more of a department store's product offerings. In addition to self-sourcing, department stores work with private-label development firms in the United States, which, in turn, contract production to factories in other countries.
- ***National chains*** such as Nordstrom offer a narrower range of products than department stores, omitting furniture, appliances, and similar departments. Their product mix also includes branded apparel and their own private labels. Depending on the store and its target customer, they may offer national brands at various price points (for example, Levi's jeans as well as more expensive Calvin Klein jeans), and private labels at corresponding price points.
- ***Specialty stores*** such as Gap and Victoria's Secret sell branded garments manufactured for their own label or a branded label under a licensing agreement. They may carry branded labels to fill a niche market, but they are identified closely with their own core product and brand name. These stores target a specific demographic or niche (e.g., high-end, fair trade) or a particular style (dress or sportswear).
- ***Catalog firms and e-tailers*** sell goods directly to consumers through printed or online catalogs. Some began catalog and online sales as established companies seeking additional distribution channels, and some began selling only through catalog or online. Moreover, some companies that began with strictly catalog sales now are opening retail stores. The trend, among those that originally offered other brands the trend toward private-label merchandise is also apparent.
- ***Outlets.*** Some retailers, such as Ross Stores and TJ Maxx, specialize in the clearance of off-price merchandise such as overstock and returned merchandise from other retailers**.** Besides these specialized clearance retailers, most major U.S. brands and retailers now operate their own discount outlet stores. Initially, these stores sold overstock and unsold merchandise returns, but today, most apparel brands and many retailers create and source apparel especially for their outlet stores.

Stores make purchasing decisions only for their own private labels. Specialty stores may source their private-label apparel through their own sourcing departments or through third-party sourcing agents. For branded merchandise, department stores and national chains take delivery of the final product but do not take responsibility for production or transport. Supplying department stores and national chains with branded merchandise is the responsibility of the brand. Figure 2-1 illustrates the various tactics for sourcing apparel available to retailers.

Figure 2-1
Sourcing Possibilities of a Private-Label Garment for a Retail Store



COMPANIES THAT SOURCE APPAREL

As recently as 20 years ago, apparel production both domestically and internationally was the business of U.S. branded firms. Branded firms designed and developed products, arranged production and delivery, and sold the products to retail stores, which then sold the goods to consumers. Today, a significant percentage of apparel sold in the United States is sourced directly by retailers and their private-label brands. As a result, the industry is multilayered, with companies managing similar functions but operating in different sales channels or in different locations in the supply chain (i.e., agent, manufacturer, retailer). For Moroccan garment exporters, understanding the sourcing functions of the different players in the U.S. apparel industry is critical for selecting the market and type of buyer to pursue. Figure 3-2 shows the key players in the U.S. apparel industry that handle sourcing and how directly.

Retailers of Private-label Merchandise

Products bearing a store's proprietary label may be designed and created for a particular chain of stores, or it may be a basic piece of apparel, such as a polo shirt, purchased from stock-lots with the chain's label sewn in. Originally, private-label production was limited to basic apparel such as knit and woven shirts, pants, and sweaters. Today, retailers consider their private-label brands critical to differentiating themselves from competitors, and private labels are prevalent in niche, fashion, and value-added apparel categories.

Key Contacts

- Chief sourcing officer (vice president or executive vice president)
- Product-specific sourcing officer
- Regional buying officer or product sourcing manager

U.S. Branded Merchandisers

Apparel is still manufactured in the United States, but even U.S. brands classified as manufacturers outsource a significant share of production to foreign suppliers. The brand owner continues to control product development and design, fabric research, sourcing, quality control, sales of brands to retailers, and advertising and marketing to consumers in the United States, but plays very little part in production. Some major brands have moved even further from the traditional model and now rely on specialty sourcing agents to manage sourcing and production functions; these agents may be regional, but the largest have global operations and can support production in many countries. As a result of this trend, foreign manufacturers hoping to expand their market to U.S. branded products must build relationships with sourcing agents, who can often introduce them to more than one brand. Furthermore, the consolidation of brands under umbrella groups is growing. A small number of U.S. corporations increasingly controls a large number of national apparel brands.

Key Contacts

- Chief sourcing officer (usually a vice president or director)
- Product-specific sourcing officer (e.g., for knits, wovens, tops, bottoms)
- Buying or sourcing agent representing the company

Private-Label Development Companies

Thirty years ago, retailers began to produce private-label versions of branded products to lower production costs and improve profit margins. The work of developing products, identifying manufacturers, and coordinating logistics, however, distracted them from their core activities. To provide support to retailers in the design, product development, and sourcing of private-label apparel, service companies grew up. These companies may be commissioned agents or sellers, but are distinctive in their role as a contracted product development and sourcing department.

Key Contacts

- Regional branded product sourcing officer
- Regional product-specific sourcing manager
- U.S. brand sourcing officer or merchandiser

International Buying Offices and Sourcing Agents

When the U.S. apparel trade was regulated by quotas, U.S. companies either found new production every year or faced price increases and growth limits. Moreover, lacking time to build relationships with new factories, they needed representatives to oversee production and protect their interests. Larger companies established buying offices in producer countries, but the need for personal representation could be met only at great expense. In response, buying agents built global businesses around their ability to help buyer companies manage sourcing and production in diverse countries.

Key Contacts

- Regional product sourcing manager
- Country product sourcing manager.

Whether proprietary buying offices or contracted agents, these representatives have a major influence over the sourcing decisions of their U.S. clients. They research and oversee the apparel contractors working with their brands, monitor production, quality, and social compliance, and often test new manufacturers. Some proprietary offices are being closed as the supply chain tightens, but these operations continue to play an important role in the industry. Approaching the U.S. market through a sourcing agent may increase the overall cost of a garment because these firms work on a commission basis, but many companies will not work with a new supplier directly; the sourcing agents and offices can be the most direct route to a test order. The major overseas buying and sourcing offices often have U.S. offices to provide customer service to their U.S. clients and participate in major trade shows.

SELLING ACCORDING TO BUSINESS MODEL

Potential exporters to the U.S. apparel industry must understand how the industry's players organize their sourcing and must be able to meet the demands imposed by the different business models.

Retailers of Private-label Merchandise

Making apparel for sale to U.S. retail stores, such as private-label apparel for a department store, imposes specific demands on the manufacturer. All types of stores are under competitive pressure that influences their buying; if a manufacturer fails to understand and adapt to the retail companies' needs, whether selling to them directly or through a sourcing agent, the manufacturer may get one order but may never see another.

Most retail operators depend on constantly changing merchandise to offer a fresh assortment of goods. Once there were four seasons in the production year, then early and late seasons were added. Today some stores change their floor set every three to six weeks. In the retail environment, the goods on the floor must be coordinated to create the look that the marketing experts have selected for that period. As a result, they have little tolerance for any product delay. If they receive the plaid jacket, but the coordinating solid-color skirt, made in another factory, is late, they lose sales not only of the skirt but of the jacket as well.

Stores generally want to offer a new product in every store in the country on the same day; as a result, manufacturers can expect large initial orders. Reorders are usually limited to basic products.

Apparel makers dealing with U.S. retailers must keep in mind that timeliness is paramount:

- Retailers will work only with factories that can handle the full-package production model.
- Samples for approval must be completed and returned on schedule.
- Materials to be used in production must be purchased and delivered in sufficient time to begin manufacturing on schedule.
- Sourcing organizations, buying offices, and agents monitor production and expect updates on the status of orders.
- Quality must be maintained because repairs delay completion of orders.
- Size ranges and color ranges must be respected.
- Shipment must be on time, although if a delay occurs, a buyer usually accepts delivery by air freight at the factory's expense.
- If goods are received late and the retailer accepts delivery, it may apply charge-backs and fees or expect the factory to share the cost of markdowns they are forced to take because they could not sell all of the product in the time allotted.

Catalog Distributors

Catalog distributors and online retailers are subject to the same market pressures as retail sellers. Although they do not offer goods for sale on a floor where the customer views a coordinated array of products, they also offer coordinating products and sets. In addition, catalogs must be printed before merchandise is received, so all goods to be offered through the catalog must be in the distribution center and available for sale on the day the catalog is delivered to customers. This is also the subject of U.S. commercial regulations, and a company can be penalized for offering goods for sale that it has not received.

Initial catalog orders are usually smaller than orders for retail store distribution. If a product sells well, however, reorders typically follow.

U.S. Branded Merchandisers

Some branded merchandisers maintain their own overseas offices that have sourcing specialists and buyers; some rely on specialized agents who manage their purchases of garments produced overseas. For example, the major branded group Liz Claiborne recently decided to assign the sourcing function for all its brands to the international sourcing agency Li & Fung.

If sourcing is conducted in house, the manufacturer of the apparel may be asked to provide full-package terms. Full package requires the factory to handle many functions related to production and delivery. With full-package production, the buyer usually sends a technical sketch or "tech pack" and relies on the manufacturer to propose fabric and trim options to within the target unit price. Some buyers will have already identified fabric resources, but even those buyers will not purchase the fabric. Financing the materials and arranging the purchase is the manufacturer's responsibility. The supplier's ability to source inputs such as fabric or trim is of growing importance to buyers.

In the full-package model, the manufacturer is expected to organize and finance not only production but also shipment and delivery of the merchandise, sometimes delivered duty paid (DDP) (see Incoterms, p. 20), which presents particular challenges for the manufacturer. As a DDP supplier, the manufacturer must have a business presence in the United States or hire an established customs broker that can import goods under their ownership and act as importer of record. Only Moroccan firms with extensive international trade experience should try to engage in DDP sales without an intermediary agent. In general, a buyer company of size has well-established import processes or already works with knowledgeable sourcing agents who can support logistics.

Some U.S. companies still purchase goods free on board (FOB) foreign port. In this case, the supplier is responsible for all services *up to* the loading of the goods onto the vessel for shipment. U.S. Customs and Border Protection assesses duties according to FOB cost, excluding ocean freight and marine insurance. This is an important distinction from sales to the European Union, for example, for which freight and insurance make up part of dutiable value. The buyer or sourcing agent specifies which international transportation company will accept the shipment at origin. It is the responsibility of the factory to deliver the goods, packed ready for shipment to the transportation company, in sufficient time to make the vessel sailing date specified in the purchase order.

International Buying Offices and Sourcing Agents

International buying offices and sourcing agents source merchandise and contract manufacturers on behalf of clients. Purchasing terms are the same as if the manufacturer dealt dealing directly with the U.S. retailer. Some buyers are located outside the United States. For the Moroccan manufacturer, marketing to sourcing agents is easier than working directly with the retailer because agents sourcing from the North African market (which includes Morocco, Tunisia, and Egypt) are often located in Turkey or Europe. Contract terms and conditions are generally the same as when working directly with the U.S. buyer. Historically buying offices and sourcing agents have not procured goods themselves, although this is changing as retail companies put more responsibility on agents as a cost-cutting measure.

MARKETING AND BUSINESS DEVELOPMENT

As in all business development, several strategies and marketing tools can be used when selling apparel manufacturing services to the U.S. apparel industry. When manufacturers have determined which U.S. sales channels and sourcing entities suit their capabilities, certain business communication and marketing tools are standard. Marketing and business development can be overwhelming initially, but they can be broken down from least to most expensive.

Stay up to date on fashion trends. Understanding what styles of apparel are preferred in the U.S. market is a key tactic to ensuring U.S. business. Manufacturers should visit websites of leading fashion resources (See chapter 5). Because so many buyers like to work with manufacturers that provide full-package services, a manufacturer that is prepared to source the fabrics and colors that are in fashion has a strategic advantage.

Develop a communication toolkit. Buyers want information about a manufacturer quickly: technical details on the factory, references of other clients, and contact information. As in other industries, the Internet is the primary medium of communication and information dissemination. A website that includes pictures of the manufacturer’s factory and a listing of certifications and other information relevant to buyers is an excellent way to convince buyers of a manufacturer’s capabilities. Brochures are not as important as one-page profiles that can be sent by e-mail or printed for handing out to visitors. All marketing materials aimed at U.S. buyers should be in grammatical English; it is worth hiring professional editing assistance to produce an appealing package of information. [4]

Target U.S. or regional sourcing agents. Sourcing agents are accustomed to working with manufacturers and are often more accessible than buyers. Sourcing agents usually validate capabilities faster than buyers because buyers send sourcing personnel to inspect factories when they place orders. If a target client has an office in the region, manufacturers should contact that office. Sourcing agents are paid to find good factories, so they want to meet capable Moroccan manufacturers.

Participate in a trade show. At trade shows manufacturers meet many potential clients from across the United States. Deciding which trade fair to attend depends on the type of buyer the manufacturers is trying to reach and whether that trade fair is oriented toward that type of

[4] The NBO project produced communication toolkits, including samples and website templates, for Moroccan apparel and footwear companies to use in marketing to U.S. buyers. They are available from AMITH in Casablanca.

buyer. For example, regional trade fairs are unlikely to include buyers that place orders with overseas factories—buyers that participate at this level tend to buy from established brands. Trade fairs such as the Magic Show feature global sourcing opportunities as well as branded booths, and thus present the best opportunities for foreign manufacturers to identify buyer prospects. Recommended trade fairs are listed in Chapter 5.

Targeted sales trips. It is common in the U.S. for manufacturer representatives or the manufacturers themselves to seek appointments directly with buyers in their offices. This task is difficult to achieve but highly recommended if the opportunity presents itself. Buyers are busy planning procurement and prefer prearranged one-on-one meetings in which they may evaluate quickly a factory's capabilities and the sourcing advantages from the country of the manufacturer. A contact made previously with a sourcing agent can be helpful in obtaining appointments with the right people.

Showrooms. Maintaining a showroom in a major market, such as New York City, is a technique of large manufacturers to bridge the distance between the buyer and the factory. Showrooms are expensive and normally are visited only during key trade fairs. But because buyers scrutinize factories by looking at physical samples to evaluate capabilities, having a showroom with representative product in the same city is an advantageous strategy. Smaller manufacturers or export trade associations should consider sharing the costs of a showroom to feature their products.

Become affiliate members of major U.S. trade associations. The members of major U.S. trade associations such as the American Apparel and Footwear Association and the U.S. Association of Importers of Textile and Apparel are the apparel manufacturer's potential customers. The apparel maker that appears in the association's newsletters and seminars and attends networking events such as annual meetings will become visible to these potential customers and will be able to meet and speak with senior sourcing executives from major brands and retailers.

3. Managing the Relationship with the U.S. Buyer

VENDOR'S MANUAL

All major U.S. brands and retailers provide manufacturers with manuals containing the instructions the manufacturer needs to meet buyers' specifications. This is called the "vendor manual." A vendor's manual is more than technical specifications, measurements chart, and packaging requirements. It is a contractual document stipulating the terms and conditions that vendors must comply with. Vendors must follow these manuals to the letter because buyers may refuse merchandise for even a very small infraction.

Each company has its own manual, and instructions may vary widely from company to company, but the most important sections of a vendor's manual typically cover these topics:

- Purchase order process
- Documentation requirements
- Packaging requirements
- Inspections and testing
- Social compliance and ethics
- Payment terms and conditions

Buyers often do not give vendors a printed manual but instead a password for accessing the vendor's manual electronically on their websites.

U.S. buyers often require vendors to assert that they understanding the requirements in the vendor manual, typically in language such as the following:

> Vendor's acknowledgement shall constitute vendor's agreement to comply with and be bound by all of the agreements, terms and conditions stipulated in this manual. Failure to comply with any provision may result in termination or suspension of the business relationship between the buyer and vendor. Penalties or compensation may also result.

It is the vendor's responsibility to ensure that the information in the vendor's manual that is necessary for executing the work order is disseminated throughout the vendor's firm—in the planning, purchasing, production, packaging, export, and other relevant departments.

SAMPLE PRODUCTION AND SHIPMENT

Sample production or a preproduction sample is a necessary part of the sales process. Vendors should consider sample production a part of the buyer's assessment of the vendor's export readiness, so vendors should manage sample production accordingly. Making a production sample not only allows the vendor to become aware of problems in the production cycle—such as in the dyeing, printing, or sewing processes—but also enables the vendor to give a fair, competitive cost estimate. Preproduction samples are submitted to the buyer for approval, usually through express air carrier (such as DHL and FedEx) directly from the factory to the buyer's door, before bulk production can commence. Failure to deliver preproduction samples may result in cancellation of the order.

PREPARATION FOR THE FIRST ORDER

Before the first order can be negotiated, several preliminary steps must be taken:

- Good communication with the customer has been established. A fluent English speaker handles the file with the U.S. buyer, using e-mail to reply to requests immediately. Leaving a request unanswered could lead to losing the customer.
- The tech pack to develop the sample is in hand and has been read thoroughly so pricing can be constructed on a sound basis.
- The price of the final product, based on factual information about the supply chain, from raw material and accessories through delivery logistics, without added security margins that increase the price and risk the sale, has been approved by both parties.
- The production schedule has been established, taking into consideration the identity and location of the raw material supplier, the time needed to import the raw material and accessories (if necessary) and deliver them to the factory, and export transit time.
- The sample has been made, adjusted to customer's requirements, and approved for production.
- The vendor manual has been received, understood, and disseminated to all departments.
- U.S. regulations covering the properties of the raw material used in the apparel to be produced for the U.S. market, especially as they apply to the U.S.–Morocco FTA, are perfectly understood.

NEGOTIATION OF THE DELIVERY DATE

Negotiating a final delivery date that both meets the buyer's needs and that the vendor can realistically meet is critical to success with the U.S. buyer. Meeting this deadline is imperative; failure to deliver on time may result in charge-backs or cancellation of orders. Reverse planning for the production process helps the vendor set deadlines at each production stage, from development to delivery. Planning should take into account suppliers' lead time and minimum order quantities, shipment lead time, and production capacity.

PRICE OFFER FOR THE FIRST ORDER

When the preliminary steps have been taken, the terms of the first order can be finalized. The terms will be part of the purchase order, which serves as a contract and is binding. A price offer specifies

- Description of the product in terms of material breakdown, colors, and styles.
- Packaging—type of packaging, number of packages per carton, and number of cartons per container.
- Container type—40 feet or 20 feet dry or high cube.
- Incoterms—for U.S. customers, usually product delivered according to a recognized Incoterm (see p. 20), for which the vendor's responsibility could include

- — Loading product into the container
- — Shipping it to the United States
- — Clearing the merchandise through customs
- — Delivering the container to the point of delivery specified in the purchase order.

- Delivery time—taking into account delivery logistics requirements and qualified with a clause excluding the vendor from responsibility for shipping company–caused delay.
- Final third-party inspection—in which an inspection service (such as Interteck or SGS) inspects the products at the vendor's premises, thus giving the vendor a chance to correct defaults, if any, before shipment. Failing to include final third-party inspection means that the U.S. customer inspects on arrival, which exposes the vendor to potential default declarations, rejection of the merchandise, charge-backs, or even nonpayment for the goods.
- Payment terms—Most U.S. customers request payment by wire transfer 60 to 90 days after receipt of the goods, thus transferring all nonpayment risk to the manufacturer

Because of the risk that the vendor runs in accepting payment terms of 60 to 90 days after receipt of the goods, export insurance in case of nonpayment is strongly recommended. Obtaining a credit report on the U.S. customer to determine its creditworthiness and record in paying other vendors is also strongly recommended (see chapter 5 for references for companies that provide these services).

INCOTERMS

International commercial terms, or Incoterms, are sales terms published by the International Chamber of Commerce that are used widely in international commercial transactions. They divide transaction costs and responsibilities between buyer and seller and reflect current transportation practices. Figure 4-1 presents a summary of terms commonly used by U.S. buyers. FOB, DDU, and DDP are especially common.

Figure 3-1
Incoterms

Service	EXW Ex-Works Who Pays	FCA Free Carrier Who Pays	FAS Free Alongside Ship Who Pays	FOB Free on Board Who Pays	CFR Cost and Freight Who Pays	CIF Cost, Insurance, Freight Who Pays	DES Delivered ex-Ship Who Pays	DDU Delivered Duty Unpaid Who Pays	DDP Delivered Duty Paid Who Pays
Warehouse storage at point of origin	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Warehouse labor at point of origin	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Export packing	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading at point of origin	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Inland freight	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Port receiving charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Forwarders fee	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Loading on ocean carrier	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Seller
Ocean/Air freight charges	Buyer	Buyer	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller
Charges at destination port or airport	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller
Customs, duties, and taxes at destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller
Delivery charges to final destination	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Seller

COMMUNICATION WITH THE CUSTOMER

Good communication, with much back-and-forth during order fulfillment, is essential to successful business in the U.S. apparel industry. To build relationships with U.S. customers, vendors must be able to communicate in a timely manner in English. The following steps improve communication with customers:

- Take the time to know the buyer's team and obtain their phone numbers and e-mail addresses
- Establish a reporting schedule and forms for each production cycle, such as
    - — Work-in-process report, daily or weekly
    - — Out-of-production report
    - — Finished-garments status
- Providing ongoing feedback, especially about any situation or event that could jeopardize delivery or work flow
- Appoint a contact person for conference calls to provide meeting minutes

- Adopt software and technology used by clients—such as product lifetime management software, virtual sampling, new fit technologies, radio frequency identification—and train staff on them.

TIMELY SHIPMENT

Timely delivery is critical in the apparel business, and speed to market is a significant criterion when buyers select manufacturers. As a result, filling orders in a timely manner is a major part of working with U.S. buyers. When events occur that may jeopardize a manufacturer's ability to meet the original confirmed delivery date, the manufacturer must immediately contact the buyer to plan corrective action or seek approval for a revised delivery date.

In the absence of approval of a revised delivery date, or when a vendor has not notified the client, penalties for late delivery may apply, depending on the delay and according to the noncompliance fee schedule, which is usually stated in the purchase order or in vendor manual.

The following are common penalties:

- Air prepaid— for a delay of a few days is the difference between the cost of shipping by ocean and the cost of air freight, and is at the vendor's expense
- Air prepaid 100%— for a considerable delay, the total cost for an air freight shipment is at the vendor's expense
- Discount on cost—for goods undelivered to the agreed incoterms point after a certain number of days after the confirmed delivery date, the buyer might request a considerable discount on the agreed incoterms point cost, as well as full cost for air shipment, at the vendor's expense.

SHIPMENT LOGISTICS

A successful order shipment encompasses a thorough knowledge of shipping procedures, required documents, and methods. The mechanics of order shipment include packaging, documentation, and shipping routes and carriers.

Packaging

The vendor's compliance with the buyer's packaging requirements is important to both vendor and buyer. Packaging serves two functions: it protects the product from damage during shipping, storage, transportation, and distribution; and it promotes the product to the consumer. If finished goods are damaged during storage, transportation, or distribution, the packaging has failed. If the package injures the user, the vendor could be liable for damages, or future orders could be lost.

Shipping Documentation

The documentation of exports is just as important as the finished garments. Faulty information or incomplete documentation can lead to delays in transporting goods. Freight forwarders can often provide advice and assistance about documentation for shipping goods. Table 3-1 summarizes export documentation and the party responsible for preparing each item (see also Recordkeeping, p. 6). This table does list additional forms that a buyer might require in its vendor manual.

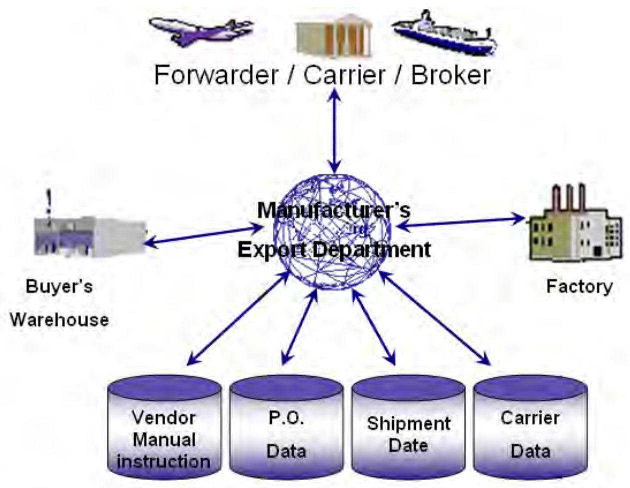
Table 3-1
Typical Shipping Documentation and Party Responsible

Documentation	Prepared By
Commercial invoice	Exporter
Export packing list	Exporter
Certificate of origin	Exporter, delivered by the MCINET
Letter of credit (if this is the agreed payment arrangement)	Importer (Buyer)
Bill of lading	Freight forwarder
Shipper's export declaration :	Freight forwarder
Insurance Certificate	Freight forwarder
Attachment A : Data element for the statement made under the Moroccan Free Trade Agreement	Exporter
Export license	Exporter
Pass final quality inspection certificate	Third party (inspection body)
Importer security filing (ISF) for sea shipments	Exporter
Certificate of compliance with all applicable safety rules, bans, standards, and regulations for children's and adult products (for children's apparel if required by customer)	Exporter
Laboratory composition test results (if applicable)	Third party (Laboratory)

Shipping Routes and Carriers, or Itinerary Protocol

Sending products from one country to another involves many parties—freight forwarders, transportation carriers, customs agencies, and more. In general, finished goods are delivered to U.S. buyers' warehouses. To deliver to a U.S. customer's warehouse, or to comply with Incoterms such as CIF or DDP, which are commonly demanded by U.S. apparel buyers, manufacturers should have logistics specialists in house to ensure not only tight coordination but also efficient shipment tracking. The vendor's export department plays a key coordinating role with the actors in the shipment operation (see Figure 3-2).

Figure 3-2
Coordinating Responsibilities of the Export Department



DELIVERY FOLLOW-UP

Even when an initial order is received and delivered on time and the product meets quality standards and is delivered according to packaging and labeling specifications, the vendor still must follow up with the buyer to generate continued business opportunities. The midlevel or senior English-speaking manager who is the vendor's liaison with the U.S. client should take the following marketing steps:

- Find out from the U.S. sourcing executive about the sell-through rate of the product at retail—the percentage of the product sold at full price, discounts applied to the remainder, and the reasons for the discounts, if known;
- Suggest to the U.S. client that if the vendor's design team (if it has one) can work with the client's product development team to develop products at various price-points;
- Provide the client with updates on any new equipment, software, raw material provider, and the like that the vendor has developed;
- Have the factory certified by recognizable social and environmental compliance agencies;
- Tell the client about new logistic and trade advantages in Morocco; and
- Visit the client in the United States, to exhibit readiness and ability to be a full partner; depending on the buyer's visits to Morocco to maintain a business relationship is no longer enough to remain competitive.

4. Information Resources

MOROCCAN EXPORT SUPPORT

Moroccan government agencies and private associations assist apparel manufacturers in exporting to the United States. The most important agency is the Ministry of Industry, Commerce and New Technology. The Textile and Leather Division of the ministry oversees the TPL and TRQ functions and works with Customs on apparel exports. AMITH is the largest trade association representing the apparel industry and has many services for apparel exporters. The following organizations have more information.

Industry Contacts

Moroccan Textile and Clothing Industry Association
http://www.amith.org.ma/

Textile Restructuring Fund
http://www.ccg.ma/

Moroccan Quality Association
http://www.umaq.ma/

Clothing and Textile Technical Center
http://www.ctth.ma/

Casablanca International Trade Fair Agency (OFEC)
http://www.ofec.co.ma/

Export Control and Product Analysis Institute (EACCE)
www.eacce.org.ma/Home.html

Employment Promotion and Professional Training Office (OFPPT)
www.ofppt.org.ma

Intertek Lab test services Morocco
www.intertek.com/contact/ema/morocco/

S.G.S
http://www.sgs.com/contact_us.htm?clickedcountry=84

Bureau Veritas http://www.bureauveritas.fr/wps/wcm/connect/bv_fr/Local/Home/Worldwide-Locations/Afrique/Maroc/

Government of Morocco

Ministry of Commerce, Industry and New Technology
www.mcinet.gov.ma/

Ministry of Foreign Trade
www.mce.gov.ma

Foreign Exchange Office
www.oc.gov.ma

Customs Service
www.douane.gov.ma

Small and Medium-sized Enterprises Agency (ANPME)
www.anpme.ma

International Trade Associations

Tangiers Free Zone
www.tangiersfreezone.com

Tangiers Mediterranean Special Agency
www.tmsa.ma

CGEM (Moroccan Employers Federation)
www.cgem.ma

Moroccan Exporters Association
www.asmex.org

Maroc Export (Moroccan Export Promotion Center)
www.cmpe.org.ma

Moroccan Foreign Trade Council
www.cnce.org.ma

U.S. GOVERNMENT

U. S. Trade Representative—for U.S.–Morocco Free Trade Agreement information
www.ustr.gov

U.S. International Trade Administration, Office of Textiles and Apparel (OTEXA)—import data and regulations for textiles and apparel
www.otexa.ita.doc.gov

U.S. Customs and Border Protection—import regulations and documentation requirements
www.cbp.gov

U.S. Consumer Products Safety Board—information on Consumer Product Safety Improvement Act governing labeling and composition of garments, especially for children's clothing and sleepwear
http://www.cpsc.gov/about/cpsia/cpsia.html

U.S. International Trade Commission—import data and tariff treatment by product
www.usitc.gov

MARKET INTELLIGENCE

Fashion Trends and Market News

Women's Wear Daily
www.wwd.com

James Girone's Guide to Childrenswear
http://www.jamesgirone.com

Just Style
www.just-style.com

Apparel Magazine
www.apparelmag.com

Emerging Textiles.com
www.emergingtextiles.com

California Apparel News
www.apparelnews.net

Technical Resources

Fashionindex.com web resource
www.fashiondex.com

Apparel research.com resource
www.apparelsearch.com

Cotton Council International
http://www.cottonusa.org/

Cotton USA Sourcing Program
www.cottonusasourcing.com

American Apparel and Footwear Association
www.apparelandfootwear.org

U.S. Association of Importers of Textile and Apparel
http://www.usaita.com/

Ecotextile News
www.ecotextile.com.

U.S. APPAREL INDUSTRY ASSOCIATIONS

U.S. Association of Importers of Textile and Apparel (USAITA)
www.usaita.com

American Apparel and Footwear Association (AAFA)
http://www.apparelandfootwear.org/

The Organic Trade Association
www.ota.com

Organic Exchange
http://www.organicexchange.com/

TRADE FAIRS FOR THE U.S. APPAREL INDUSTRY

Manufacturers should attend trade fairs strategically, according to the market they are seeking to serve. Not all apparel industry trade fairs held in the United States are appropriate for Moroccan manufacturers. Some are regional and target the small retail buyer who is unlikely to purchase apparel from overseas. The trade fairs listed below are appropriate for overseas manufacturers seeking to enter the U.S. market.

Large Trade Shows

MAGIC Show—the most important apparel trade show; includes WWD MAGIC, Sourcing at Magic, Kids, Men's Marketplace, Ecollections, SWIM, and Slate.
www.magiconline.com

Material World—held twice a year, alternating between Miami and Los Angeles, covers textiles, machinery and technology, and apparel sourcing.
www.material-world.com

FAME—a recent addition to the trade show calendar; features exhibitors from contemporary apparel branded firms.
www.fameshows.com

International Sourcing, Customs and Logistics Integration Conference—an annual conference organized by the leading trade association for apparel, the American Apparel and Footwear Association
www.apparelandfootwear.org/

Smaller Trade Shows

Smaller trade shows target a specific market niche.

E.N.K. Productions—display the latest fashion trends; visited by leading designers and niche manufacturers
www.enkshows.com

Coterie—small trade show on the piers in New York City (West Side) that exhibits about 1,500 higher-end brands, mostly bridge to designer levels, both U.S. and international.
www.infomat.com/calendar/infse0000016.html

Blue—A trade show for contemporary denim apparel held at the same time as The Collective, an ENK better men's wear show

www.enkshows.com/blue/

Children's Club: A trade show for higher-end U.S. and international children's fashions, accessories, shoes, etc. Held in New York at the Jacob K. Javits Convention Center.

http://www.enkshows.com/childrensclub/