World Markets for Silk:

FORECASTS TO 2000

A high value luxury fibre

Silk has been known as a textile fibre for about 4,000 years. It is synonymous with luxury, beauty, sensuality and elegance. Its qualities are unrivalled by any other fibre — it is light but strong, smooth, soft and versatile. And as a natural fibre that "breathes", silk is comfortable to the skin.

Silk accounts for less than 1% of the world fibre market by volume but its importance in value terms is several times greater. Exports of silk goods from China have exceeded US$3 billion in recent years — more than 10% of the entire Chinese textile and clothing export total. And in 1995 the USA imported almost US$2 billion worth of silk textiles and garments.

Silk is within reach of most consumers

Imported silk garments from China are today highly affordable by Western and Japanese consumers. Silk used to be perceived as a luxury fibre worn only by the rich. But in the early 1990s silk became "democratised" with the rising popularity of machine-washable sandwashed silks.

But is silk's luxury image at risk?

Silk garments from China sell at retail prices comparable with clothing made from cotton or man-made fibres. But traditional firms producing high priced silk merchandise fear that the image of silk has been devalued. Can the newly created market for silk products coexist with the old? Will consumers continue to pay for high quality from French, Italian or Swiss producers?

Western Europe or China?

Until recently, Western Europe was a centre of manufacturing for silk products while China supplied the raw material. However, China has been using more raw silk in its own factories, turning out cheap silk textiles and garments and exporting them to the West. Can European firms survive the competition? And will China continue to supply them with high quality raw materials?

Import threat or investment opportunity?

China has flooded Western markets with cheap garments. However, it is looking to upgrade its quality and is turning to Western and Japanese silk processors and machinery manufacturers for expertise and technology. Possibilities for joint ventures are springing up. Western and Japanese firms are already capitalising on the opportunities.

Will China face competition from other countries?

Labour-intensive raw silk cultivation has declined rapidly in advanced economies leaving China with 70% of world output. However, other countries are becoming more competitive. Brazilian silk production has been developed with the aid of Japanese investment. India and Vietnam are upgrading their sericulture and could become additional sources in the future. Will China itself be able to preserve its own sericulture as it undergoes rapid industrialisation?

Will silk face competition from other fibres?

Decentralisation of silk production in China has led to a proliferation of suppliers, volatile prices and inconsistent quality. This can be a problem for large volume retailers, and developments are proceeding apace to develop silk substitutes made from man-made fibres. Will consumers, looking for a new look to replace sandwashed silk, be tempted to switch to silk substitutes such as lyocell?

World Markets for Silk: Forecasts to 2000 addresses these and other issues.

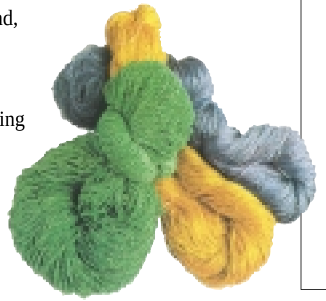
- The report examines recent economic and political developments in China and predicts how these are likely to impact upon the availability and price of silk.
- The report assesses the competitiveness of other silk producing countries and identifies those which could become important in the future.
- The report highlights the competitive threat posed by cheap Chinese silk garments to the markets for cotton and man-made fibre clothing in advanced economies. However, it also helps to identify areas for investment in silk processing via joint ventures.
- The report examines the impact of EU and US quotas on the world silk market, and assesses their implications for future trade.

World Markets for Silk: Forecasts to 2000 will provide you with:

- comprehensive data on trade in silk and silk products;
- information on joint ventures and technology transfer between silk producers in Asia and South America, and firms in Japan and the West — where design and technology remain strong;
- fashion trends in silk, silk blends and competing fibres;
- profiles of 38 companies based in eight countries that are involved in the production, converting or retailing of silk products;
- detailed forecasts of supply, demand and prices in the silk market to the year 2000.

THE REPORT IS DIVIDED INTO 21 CHAPTERS AND 4 APPENDICES

- *Chapter 1* provides an introduction and overview.
- *Chapter 2* traces the development of silk and silk cultivation, and examines the processes for throwing, spinning, weaving, knitting, dyeing and finishing.
- *Chapter 3* looks at the production of silk worldwide, and examines the main end-use markets for silk yarns, printed fabrics and made-up garments.
- *Chapter 4* examines the role of international bodies that support and promote silk and its special applications.
- *Chapters 5-7* examine silk production and trade in Western Europe, the USA and Japan.
- *Chapters 8-13* examine silk production and trade in China, Hong Kong, India, South Korea, Brazil, Thailand and Vietnam.
- *Chapters 14-20* present a series of profiles of companies based in France, Hong Kong, India, Italy, Switzerland, Thailand, the UK and the USA.
- *Chapter 21* looks at the prospects for silk worldwide, including its future as a fashion fibre and the role of China over the rest of the decade. It assesses the outlook for supply and demand under three scenarios — each based on different assumptions about future events in China and in the world market as a whole. Forecasts are presented, for each scenario, of average silk prices to the year 2000.
- *Appendix 1* provides a useful glossary containing definitions and descriptions of fibre, yarn and fabric types referred to in the report, as well as the processes used in their manufacture.
- *Appendix 2* lists the names and addresses of national and international organisations associated with the silk industry in Belgium, Brazil, France, India, Italy, Switzerland, the UK and the USA.
- *Appendix 3* lists the names and addresses of selected companies involved in silk manufacturing and trading in France, Hong Kong, India, Italy, Switzerland, Thailand, the UK and the USA.
- *Appendix 4* contains a list of some of the books and periodicals used in the preparation of this report.



VITAL INFORMATION

Much of the information has been obtained from interviews with companies and is not available elsewhere. **World Markets for Silk: Forecasts to 2000** provides vital information about present and future trends for anyone with an involvement in the global fibres, textiles and clothing business — whether as importer/exporter, manufacturer, machinery maker, merchant, retailer, investment analyst or consultant.

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THE AUTHOR

Philippa Watkins is a textile consultant and freelance writer based in London. She is also a research fellow and lecturer at the Royal College of Art, from which she graduated with a masters degree in textile design. She has worked for Deryck Healey International and was head of the fabric division at Nigel French Enterprises — a colour, fabric and fashion consultancy with clients worldwide. Subsequently, she became textile design manager for the clothes division of Laura Ashley. There she was responsible for sourcing and selecting fabrics, and working with fabric manufacturers on cloth design programmes. Later, she became design controller for Liberty of London Prints. Philippa Watkins is author of **Luxury Fibres: Rare Materials for Higher Added Value,** Textiles Intelligence Special Report No 2633, published in July 1992. Also, she reports twice a year for **Textile Outlook International** on the European textile fairs.

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La Soie, published by Inter Soie France
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Gainsborough Silk Weaving Company, UK
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