Global sourcing—the practice of looking worldwide for raw materials suppliers and outsource manufacturing partners—has made clothing and footwear more affordable for all. In the last WSA of 2007, the president of the American Apparel and Footwear Association, Kevin Burke, said global sourcing had put this industry at the forefront of globalisation. Now, some important brands have begun to think about turning their backs on this trend.

Why global sourcing will survive 'homecoming' reaction

It will be a sort of homecoming. Outdoor apparel brand The North Face (TNF) says it intends to bring some of its production back to the US in the near future.

"It's true," confirms Winston Shih, TNF's advanced products manager. "For us, we can't necessarily go local with all our production—it's all offshore at the moment, the majority in Asia, but some in Mexico too—but we are looking."

He explains that the brand, which is owned by VF Corporation, has three strands to its mission in life. It wants to be at the top in what it does, to be authentic and to be technically innovative. The technological innovation is where he comes in.

Mr Shih came on board in 2006 to head up a new advanced products group that TNF was then setting up. His background is in the electronics industry but he grabbed the chance to move from New York City to his new employer's base in San Leandro, across the bay from San Francisco, because he loves the lifestyle in northern California, especially mountain-biking.

His remit is to investigate new ways in which TNF can combine performance textiles and electronics to make attractive new products and he believes this combination will open up some possibilities for TNF to make products in the US again.

Mr Shih continues: "What we want to try to do in the future starts with ideas, ideas that come from all the research and developments folks, all the people who are living the brand every day. If we don't get ideas, we can't go anywhere."

While this is the reason behind a recent drive within the company to file more patents—reported on sportstextiles.com at the end of last year—Mr Shih points out that innovation for its own sake will not tick the boxes for TNF. Instead, he says, any new idea that the company seeks to bring to market will have to be "a contribution to a story, or at least help us tell a story".

Soft sensors

Part of the story now is that what he calls "advancements in intelligent textiles" mean manufacturers can add electronics and sensors in "a soft and unobtrusive format". Like most of the companies in its field, TNF demands that the textiles it uses have the following key attributes: they must be waterproof, breathable, lightweight, have wicking capabilities, enough flexibility to allow freedom of movement and, finally, the ability to keep the wearer of a finished garment warmer or cooler as required, and dryer.

In such a competitive space, it cannot compromise on any of these properties just for the sake of adding iPod controls, pedometer functionality, or heart-monitoring and other healthcare applications to the finished product. However, if users can immediately see the benefit of a technological innovation in textiles, fabrics or finished apparel, and can see it working, they will see the value, Mr Shih says.

In those circumstances, even if it added $100 to the price-tag, he says it wouldn't matter. What's interesting about this point of view is that, suddenly, making a product as cheaply as possible to keep retail prices low is no longer the main contributor to competitive advantage. It's clear, then, that clever new ideas and technological innovation are becoming more important, at least for some TNF products



Wide reach. Big brands like adidas will continue to source their fabrics and finished garment production globally.

adidas

Sourcing them locally instead of globally will not affect their success if the public is willing to pay the necessary premium.

Winston Shih puts it this way: "If we can find new technology that meets a real need for customers, a current need—that's the sweet-spot. But all these ideas can be easily replicated, so it's a short-term edge." This could be another reason for keeping production close to the nerve-centre of the operation. It's a recognised fact that global sourcing blunts most competitive edges.

Seven deadly ideas

He says there are seven ideas in the TNF pipeline at the moment from which he can definitely see products coming to market in the coming seasons, products, that is, that potentially support the move away from global sourcing.

This will only apply to a limited number of items in the company's total range. TNF knows that the keys to its commercial success will continue to be jackets that sell 300,000 units in one style, in one colour, during one winter.

The technologically innovative products Mr Shih talks about will necessarily have a more limited appeal. He knows that in some instances the market will decide that a particular innovation falls short of justifying the mark-up his company applies to it. That's life, in a time of change.

Sustainable products

Ceasing to rely entirely on global sourcing is also a boost to TNF's sustainability story. The company has five long-term goals in this area. It wants to reduce its carbon emissions, to reduce waste, to inspire its employees, to inspire its customers and to invest in sustainable products.

If it can start producing some of its goods closer to home—as well as do more with bamboo, wool, hemp, soy, coconut, reclaimed leather and other renewable fibres—it will help it achieve goal number five.

"It's surprising to us that people already perceive us as green," Winston Shih admits. "We're not Patagonia. They are a private company and can afford to forgo profit and not be punished the way we would be. The people in our boardroom have accepted that there will be a cost implication if we are to bring production closer to home as part of our commitment to sustainability. It's going to take us years, but we're definitely on that path."

Loud reaction

Away from the big brands, it's interesting to note that a noisy reaction to global sourcing is building up in some design circles now, and that the combination of textiles and new technology features prominently.



Angel Chang's ruffled dress with an imprinted map of Manhattan in thermo-chromatic ink. The designer believes that a combination of wearable technology and high fashion is the right niche for her.

Lee Clower / Angel Chang

In high fashion, a young and relative newcomer to the New York scene, Angel Chang, first made a name for herself 16 months ago for the way in which she incorporated electronics into her designs. Her niche, as she describes it, is "luxury performance womenswear".

"There has been a mini-crisis in innovation in women's clothing, in my opinion," she says. "Everyone knows about the trend that has taken place, and that women are now multi-tasking more than ever, that a woman today has to be a mother, pursue a career, travel on business and so on and look good the whole time. But even while that was going on, women's clothing had not changed in four decades."

Her contribution to bringing about change has been to incorporate wearable technology into head-turning clothes for women in the 25-to-35 age group. She sees them as early adopters of technology, cultured women who do a lot of travelling, who want luxury in everything, including the gadgets they use.

"I'm the only designer in New York that's really focusing on technology," she claims. "I've done a lot of research on wearable electronics, but no one in fashion knew what I was talking about. So I've decided to launch and build up my own brand and do it myself."

In this specialist space, she feels that global sourcing is not an option. She needs cool, stylish, iron-free fabrics that will work well in any climate while allowing her to incorporate wearable technology ideas without making the outfit look bulky or the wearer "like a cyborg". At the same time, the technology she chooses to build in has to be "plug and play".

She feels she simply does not have time to pass on her ideas to fabric mills and manufacturers on the other side of the world, to travel there and work with them, check what they're doing, examine samples and so on.

Ideas she's come up with so far include a raincoat with a flashing light on the collar, powered by a nine-volt battery. She's also done iPod jackets but is moving away from them; apparently everyone in New York these days is using the all-encompassing iPhone instead and the connections are not compatible.

More recently, she designed a range of tops that had thermo-chromatic ink on the fabric. Touch the top and it will change colour, or, in one case at least, produce a wearable map of Manhattan. Another idea, for the future, is to produce a jacket that stores five days' worth of weather forecast information.

Emotional attachment

Still with a link to weather (as we shall see), although far-removed from fashion and brand-building, Elena Corchero's reaction to global sourcing is an extreme one. A research fellow at a UK-based organisation called Distance Lab, Ms Corchero also designs textile products with built-in technology, but her motivations have little to do with the cat-walk or the cash-register.



A fan with solar cells instead of mirrors and jewels. Designer Elena Corchero believes global sourcing is to blame for many of society's current environmental problems.

Elena Corchero

"I want to explore lost values through clothing and technology," she explains. "Technology and textiles have always been related. Nylon is a good example of how this can work. It very cleverly integrated itself into fashion through women's stockings."

You have to love what you wear, she insists, and early advertising—at the end of World War II when techniques appeared for producing the new fibre cheaply and commercially—told women that nylon stockings would give them 'something extra'. Women had grown tired of the heavy, uncomfortable lisle stockings they had to put on and put up with most of the time—saving silk for Sunday best—and when a lighter, affordable, hard-wearing alternative became available, offering a substantial increase in elegance into the bargain, women around the world waved lisle goodbye.

In this example, new technology replaced old, but one of Ms Corchero's main arguments is that human beings have emotional and nostalgic attachments to textiles, and this is something she seeks to explore and exploit in her design ideas.

Take her spiral-shaped shawl, which has an integrated voice recorder. The idea is that you have your friends and loved ones whisper recorded messages especially for you, which you can listen to every time you wear the shawl.

Then there's the weather connection, her idea for using solar energy. This is something many major outdoor and sports brands are keen to tap into too, but none of these big companies is likely to try to bring Elena Corchero's solar ideas to market.

She feels solar cells are a technology that is evolving in a similar way to timepieces: first it was only available in high towers, then people started introducing it into their homes. Now it's time for us to carry solar cells around with us.

There are jackets on the market with built-in solar cells to offer a power source for recharging the wearer's phone or iPod, but Ms Corchero argues that they have disappointed commercially so far. For her, building solar technology into traditional objects that require no plugging or playing will work better.

She has come up with a fan that uses solar cells instead of mirrors and jewels as decoration. "It's a very attractive and feminine accessory," she explains. "You can explore the use of colour to get the look you want, and it proves that the technology does not always have to be hidden."

In parallel with this, she has designed a parasol. After use on a sunny afternoon, both accessories use the stored solar energy to light up the home at night. In the case of the parasol, it can hang upside down from the ceiling and turn into a chandelier.

Slow fashion movement

Even in her native Canary Islands, where fans and parasols are still common (perhaps essential) items, these ideas are unlikely to become widespread, but she doesn't mind. What she is doing is the antithesis of fast fashion, as though fast fashion were the produce of a multinational hamburger chain and she were a one-woman slow-food movement.

Except that she insists she is not alone. She thinks many of the problems we have today with the environment come from mass production and that there is a powerful and growing reaction to it.

She says: "People in London, Paris and other big cities are reacting. There is a huge interest in craft, and I try to reflect that by using lots of lace and traditional embroidery methods that people have brought to Europe from India and Africa. If my ideas ever did go into wider production, I'd employ people with these skills to work from home."

Her vision, then, is of building a more beautiful world from the ground up.



An apparel factory in China. The American Apparel and Footwear Association insists we all benefit from the availability of cheaper clothes that global sourcing has made possible.

Held in check

The American Apparel and Footwear Association's great champion of global sourcing, Kevin Burke, would argue that ideas like Ms Corchero's and Ms Chang's do little or nothing to change the bigger picture.

His view wins a great deal of sympathy from one technical expert that *WSA* has spoken to who prefers not to be named, but who has worked in materials engineering roles at a senior level at major sports and outdoor brands, including Berghaus and adidas.

"I have the freedom to look at innovation in materials, no matter where it comes from," she says, "but thanks to the background I have, I am always able to keep in mind the idea that anything I come up with will have to translate in the end into a product that major brands would find it worthwhile to manufacture and bring to market. So I am able to hold myself in check a little bit."

She admits that she still finds herself going to her colleagues in the global sourcing team with an idea and seeing them roll their eyes before saying, 'Oh, here we go again. Another pipe-dream'. One recent example was when she suggested a new treatment to some of the cotton fabric her current employer uses.

She continues: "A lot of our cotton production happens in India now and we have set up a new office there to manage it. However, the treatment I was suggesting—I don't want to say exactly what it was—could not happen in India. The fabric would have had to go to the production centres we have elsewhere in Asia, Thailand or Indonesia for example, and then on to a third site for garment manufacture."

It was clear to her colleagues immediately that moving the cotton back and forward so much

was going to add too much to cost. But it isn't always about cost. She talks about trying hard to convince fabric suppliers to set up mills close to her brand's garment manufacturing plants to be able to make innovation more cost-effective and faster.

Capacity constraints

Yes, these facilities are all in Asia at the moment, even though the company she works for has its global headquarters in Europe. It's no surprise to hear her say that there really is no way for the company to produce the volume of fabric or apparel it needs for the world market in Europe.

"There isn't the capacity anywhere in Europe to do this and, it's true, the difference in cost would be huge," she says. "We need partners that have the capacity to cope if we experience a surge in demand for a particular product line. We need mills that could produce the fabric; we need garment manufacturers who have space on their lines to run off a few extra thousand garments for us."

She's talking here about the brand's need for a quick response, but even with the system running at its fastest, it takes her company between 45 and 60 days to get garments into stores.

There's a dilemma here. The big brands invest heavily in major sporting events and, apart from the Summer Olympics in Beijing, one of this year's most important will be the European Football Championship for national teams, which will take place in June in Switzerland and Austria.

Unlike in track and field or gymnastics or a host of other Olympic events, replica shirt-sales on the back of the football event could make 2008 a great year for the companies involved.

It was a struggle last year—an expensive struggle—for adidas to win an extension of its contract to supply the German national team; Nike was breathing hotly down its neck. A run to the final of the tournament in the early summer, and an eventual German victory, could spark a high enough volume of shirt-sales to offer a handsome return on the investment. The same would be true for Puma if Italy should lift the trophy and for Nike if Russia should win.

However, our technical expert explains, that doesn't mean it would make sense for any of these big companies to set up a local production facility to supply the European market quickly if there was a sudden surge in demand. Germany and Italy are two of the tournament favourites, but last time out Greece stunned the whole continent by beating hosts, Portugal, in the final to become European champions. Retailers and brands—in this case the supplier was adidas—were unprepared for that outcome.

Something similar could happen at the Switzerland-Austria event, and the only way shirt manufacturers could cover all eventualities would be to set up production in Europe. But it's not worth it.

Every four years or, at best, every two if you bring the FIFA World Cup into the equation, there would be the chance of meeting demand if a sudden surge came, but even this would fall short of justifying the extra expense.

The only thing she can envisage being produced in Europe in the near future would be niche developments in advanced technical textiles. For the rest, regardless of what smaller, niche players do, the big names in the industry are going to have to keep reaching out to the wider world.

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