

# AUSTRALIAN FASHION DIRECTIONS – GETTING IT RIGHT



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# Executive Summary

The Australian Textile, Clothing and Footwear (TCF) Industry faces an uncertain future in the light of changing global trends. Manufacturing in Australia has diminished dramatically and management of the Supply Chain has been restructured. Very few large clothing factories remain, while small fashion designers and entrepreneurs are emerging and sometimes thriving. Additionally, an analysis of skills within the TCF Industry identifies that many 'early' skills associated with the industry have been lost and the implications of new trends have yet to be fully appreciated.

The output of designer-driven businesses is characterised by small production runs of high fashion content items/garments and a quick turn around from concept to customer. The fashion content fulfils specific niche markets and satisfies the demands for innovative, unique design. Compact networks are important for speed, accessibility and economy of supply and distribution. Priorities for these businesses are networks that facilitate accessibility, economic information exchange, specific training on a needs basis, and trouble-shooting solutions.

In the larger retail-driven fashion sector of the TCF Industry, design is managed by product developers rather than creative designers. Businesses feature medium to large scale corporate Supply Chains, directed from local centres, but reliant on economies of off-shore production to meet competitive price points and linked to specific retail outlets.

Mainstream, medium to large scale, retail-driven Supply Chains seeking lowest price, quickest delivery and with a 'knock-off' mentality mean that the design component is one of direct copying at worst and adaptation at best. Many design concepts and product ideas are electronically sourced and cheap imports flood stores with limited design points of difference. The department/chain store 'designers' limit fashion choice as they are not sufficiently confident (or funded) to support local emerging designers.

The TCF Industry is moving towards a free-trade market with the reduction of tariffs, 5% downwards to 0%. This reduction of tariffs will inevitably bring about increased competition from an escalated flood of cheap fashion imports, while the increased access to overseas markets may bring opportunities. There are several Australian brands which are personality-driven with well-established and maintained international design identities. This type of business could be poised to expand.

At this time, a new perspective on training is required and insights gained into the techniques and specialised skills required in order to prosper and survive in new global markets.

Areas where skill enhancement is needed include:

- Support systems, networks and linkages for talented individuals and creative start-up businesses
- Support for the rapid adoption and integration of advanced technology and innovative materials
- Identification and adoption of IT solutions specific to the TCF
- Fostering and supporting the acquisition and utilisation of advanced skills and industry training programs

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- Sustainability – conservation of natural resources in manufacturing and distribution
- Ethical practices – non-exploitive behaviour, and compliance with relevant awards
- Logistics – adopting and utilising proven global Supply Chain models in an Australian context
- Triple bottom line – operating within acceptable financial, environmental and social parameters.

The 'Identifying the Skills Deficiencies' chapter discusses these skills deficiencies.

The aims of this Fellowship were to undertake an overseas study program to gain skills and a comprehensive understanding in the fields of:

- Creative and quality design within the context of a rapid response to market demands and Supply Chain for local and international settings, including marketing and sales strategies
- Building the business of textile and fashion design, manufacturing and distribution, with management models based on innovation and flexibility
- Understanding the Inditex group with a focus on Zara, Spain, as an example of fast-fashion, and transporting those contexts to firms and vocational training in Victoria, Australia, as specified within the Fellowship agreement
- Study other international fashion companies, industry organisations, professional activities and education and training leaders.

Stemming from the Fellowship study, six major recommendations have been made, and are detailed in the 'Recommendations' chapter. These broadly align with the Australian Government's review of the TCF resulting in the 'Building Innovative Capacity' report released in August 2008.