



TEXTILE INDUSTRY URGES TREASURY SUPPORT FOR CIT GROUP

**CITES HARSH REPURCUSSIONS FOR INDUSTRY,
SMALL BUSINESSES IF LENDER IS ALLOWED TO FAIL**

(Washington DC) In letters to members of Congress and to Treasury Secretary Timothy Geithner, the National Council of Textile Organizations (NCTO) urged that the government provide necessary assistance to CIT Group, citing member reports of potential bankruptcies and job losses across the textile sector if CIT is allowed to fail.

NCTO President Cass Johnson said, "In this terrible economic climate, our member companies tell us that the loss of factoring and loan instruments from CIT could put many textile companies and their suppliers out of business. Textile mills, like much of the manufacturing base, have seen orders decline by 20 percent or more during the last six months. Many manufacturers are running on survival mode right now – a major disruption in financing and factoring would be enough to put many of them under, particularly since there is no substitute for an institution which offers the size and breadth of services to small business that CIT does."

Johnson noted that U.S. textile mills and their suppliers are providing badly needed employment in the rural Southeast which includes some of the most economically distressed region of the United States.

Key Facts about U.S. Textile Industry

- One of the largest manufacturing employers in the United States, the overall textile sector employed over 675,000 workers in 2008. Textile mills alone employed 298,000 workers.
- The 3rd largest exporter of textile products in the world – more than \$16 billion in 2008.
- Nearly two-thirds of U.S. textile exports during 2008 went to developing countries. The U.S. textile industry exported to more than 50 countries, with 20 countries buying more than \$100 million a year.
- Supplies more than 8,000 different textile products a year to the U.S. military.
- U.S. textile shipments totaled \$68.5 billion in 2007.
- Invested more than \$9 billion in new plants and equipment from 2001 to 2006.

- Has increased productivity by 50 percent over the last 10 years and ranks second among all industrial sectors in productivity increases. 'Lewis Gossett (gossett@myscma.com)'
- In 2007, textile workers on average earned 136% more than clothing store workers (\$524 a week vs. \$222) and received health care and pension benefits.

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