



# BY THE NUMBERS

Examining the Resurgence  
of the Textile Industry

American textile workers are busy making things customers around the world want to buy, rewriting the popular narrative of the industry's demise.

Mount Vernon Mills Vice President and Secretary Ned Cochrane has seen it all in his 30-plus years at the Mauldin, South Carolina-based manufacturer. He said the industry's resurgence is real and sustainable thanks to a confluence of factors and circumstances.

"Servicing the customer is the most important thing we do, and we do it better (domestically) than any country in the world," he said. "Customers today want something special or unique. They want to be different from the next guy. They want consistent quality, and they know that in order to get that, they have to do business domestically."

### Bringing Textiles Home

Higher labor rates, transportation costs and energy tabs in Asia, coupled with a substantial appreciation in the value of the yuan, have helped spur a blended marketplace strategy with a strong focus on American-made textiles. The industry generated \$54 billion in shipments in 2015 – a five-year increase of 7.3 percent – decades after many thought U.S. textiles were dead.

### 'Made in America' Is Back, and It's Likely To Stay

Retailers from Wal-Mart to Abercrombie & Fitch are responding, creating sections for American-made items and sourcing goods domestically. In fact, Wal-Mart, which pioneered global sourcing to find the lowest-priced goods for customers, said it would increase spending with American suppliers by \$50 billion over the next decade — and save money by doing so. Businesses in need of fast-turn, high-quality, low-risk goods have found a new sourcing spot—right where it used to be.

"We believe that U.S. consumers will increasingly position their support behind brands and companies that are investing in the USA," said Senior Vice President of Public & Corporate Affairs Peter Iliopoulos of Gildan, a leading supplier of quality branded family apparel. "We have invested \$350 million in the U.S. in the past three years. Gildan has leveraged the great quality and superior value of USA cotton complemented with a strong base of skilled labor, low energy costs and a stable investment climate."



## From 2001 to 2013, the U.S. textile industry invested \$20.5 billion in new plants, equipment and recycling centers.

### Building the Modern Factory

Advantages of today's U.S. textile industry include new manufacturing facilities filled with state-of-the-art equipment and a world-class workforce that can do substantially more with less. Between 2002 and 2012, U.S. textile mills increased productivity by 34 percent, one of the largest increases of all industry sectors. Gone are the days of dungarees and lunch pails. Today's U.S. factories aren't the clangorous, dusty places where lappers fed raw cotton into the sharp metal teeth of carding machines for eight hours a day. Low-wage, low-tech jobs are out, and comprehensive computer skills and specialized training are in. The new "Made in America" economic ecosystem relies on customization, cutting-edge technologies and workers who have mastered the machines.

"Our ownership has reinvested more than \$100 million back into the company to modernize facilities and increase productivity," said Cochrane. "We went out and got the best equipment money could buy, so we needed a more skilled workforce to handle it. As a result, our productivity is through the roof."

"We have invested (significantly) in new equipment, technology and process improvements over the last 10 years," said Iliopoulos. "Many of the innovative solutions now in our facilities were deployed through collaboration between our employees and our suppliers. We do not believe we could have achieved this level of success without that connection between our people and technology."

### Creating Jobs and Growing the Bottom Line

Increased demand and investments in technology have helped American textile companies achieve phenomenal growth, both in domestic job creation and the bottom line.

The increased demand for quality, domestically-sourced textiles from state-of-the-art U.S. facilities has stemmed the tide of job losses that characterized the industry during the Great Recession. Today, the textile sector as a whole – from textile fibers to apparel – employs more than 500,000 workers.

The rise of the machines also correlates with a rise in pay for skilled textile workers. In 2014, the average textile wage was \$37,900, compared to \$28,216 in 2002. In fact, textile workers earn 143 percent more than apparel-store workers while also receiving health care and pension benefits.

## Now innovation is a part of our DNA.

### Ned Cochrane

Vice President and Secretary,  
Mount Vernon Mills

“The introduction of more sophisticated technology within each process, with complicated circuitry and software driving almost all textile equipment, has elevated textile jobs,” Iliopoulos said. “We believe the shift toward sustainability in textiles has also created (job) opportunities, and the factors driving these changes will likely continue into the future.”

### Innovating for the Future

“When things get tough, the easy thing to do is quit,” said ITG’s Burlington Group President Jeff Peck. “And once you quit, you’ve sealed your fate. So even when we were down, we never stopped development, and we never stopped innovating. Our customers today want products that do more and that have a story to tell, so they can create differentiation in the marketplace.”

Thinking differently has paid off for ITG. In 2007, just six years after filing for bankruptcy, ITG’s Burlington Group launched Burlington Labs, a state-of-the-art “petri dish” where ideas become reality.

“We have become a lightning rod for inventors and for emerging technology, because we can take raw ideas and commercialize them at lightning speed. Customers see this and ask, ‘Can you do this?’ And because of Burlington Labs, we can say, ‘yes.’”

**By the end of 2016, Gildan’s investment in domestic yarn-spinning operations will have created 700 jobs in the U.S.**



## We believe strongly in the strength and sustainability of the fundamental advantages within the U.S. (textile) industry. Our investments over the last 24 months reinforce that.

### Peter Iliopoulos

Senior Vice President of Public & Corporate Affairs, Gildan

Innovation in the industry has led to two new growth categories: nonwovens and technical textiles. Nonwovens are fiber-based products made of fabric that is compressed, heated or tangled (like felt). Envelopes, facial wipes, mops and medical scrubs are nonwovens. In the last decade, North Carolina has gained 1,945 jobs in the nonwoven products business.

Technical textiles are manufactured for non-aesthetic purposes, where function is the primary criterion. Products include protective clothing for firefighters, welders and astronauts; medical applications such as implants; and geotextiles that include reinforcements for embankments. Technical textiles have become one of the hottest growth categories for the industry, with a 34.9 percent increase in exports between 2007 and 2014.

“Innovation was our salvation,” Cochrane said. “When times were tough, we were forced to innovate to find new products that helped boost sales, like technical textiles. Now innovation is part of our DNA. It’s who we are. After all, what you make is what makes you.”

The U.S. textile industry has grown by leaps and bounds, but Made in America is far from done. U.S. companies are recognized as world leaders in research and development and are innovating new products every day, from body armor to conductive fibers and from fabrics that adjust to climate change to smart textiles that purify water with nothing but sunlight.

“Today’s end users don’t just wear textiles for comfort, they rely on them,” Peck said. “They need textiles for their safety, their health and their wellness. What we do now is more important than it’s ever been.” ❧