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NEWS

CFA, CIT: Industry Issues Discussed at Industry Meeting With Mayor

"Designed in L.A." carries cachet around the world and is worthy of a place alongside Hollywood in promoting Los Angeles.

That was one of several messages delivered to Los Angeles Mayor Antonio Villaraigosa at a recent meeting with owners of some of Los Angeles' best-known brands and largest manufacturers.

BCBG Max Azria, Joe's Jeans, Karen Kane, Jerry Leigh, Rhapsody Clothing, Velvet Heart, KWDZ, STC Textile and textile mill Design Knits were among the companies represented at the Nov. 8 meeting, held at the Omni hotel in downtown Los Angeles.

The meeting was called by the California Fashion Association, which presented the mayor with its newly released report, "The Los Angeles–Area Fashion Industry Profile," sponsored by financial-services company CIT and prepared by the Los Angeles County Economic Development Corp.

This was the first report on the state of the industry since 2003, said Ilse Metcsek, executive director of the CFA.

"There's a great potential for growth, and the city can help," she said.

The group, which included importers and manufacturers who produce domestically, was composed of owners and top executives—"just the stakeholders in the manufacturing process," Metcsek said. "They were the people who run the businesses—there were no egos there—to talk about positive things that can be done."

For CIT, it was a chance to bring members of the apparel industry together to develop a strategy for the future.

"I would call it an inaugural roundtable," said Mitchell F. Cohen, managing director and Western-region director of CIT. "It's something CIT has done around the country, bringing in key players and trying to come up with ideas."



FRONT ROW: Shala Tabassi, Pat Tabassi, Ilse Metcsek, Vera Campbell, Mayor Antonio Villaraigosa, Max Azria, John Blank, Moshe Tsabag, BACK ROW: Matthew Karatz, Jamie Laurent, Lonnie Kane, John Daly, Marc Grossman, Brian Weitman, Jeff Silver, Mitch Cohen, Lars Viklund, John Lucas, Kurt Krieser, Bryan Kang.

Jonathan A. Lucas, CIT executive vice president and chief sales officer, said the information discussed at the meeting should help finalize some realistic action items that can be implemented.

One suggestion concerned educating students about the industry. The Los Angeles region has 14 design schools, but there is not enough focus on the business of fashion, Metcsek said, adding that more emphasis should be placed on the apparel industry even at the high-school level. "Without education you don't get into this business," she said. "This is not an entry-level business. Even in the distribution center, they need to know computers."

Another suggestion was to promote Los Angeles fashion as a brand.

"L.A. is a special place," Cohen said. "We feel there's a huge value in the L.A. brand."

There is consumer demand for products that are "made in Los Angeles" (or California) or "designed in Los Angeles," the apparel industry executives said, and the city can help spread the word about the

work done in the region.

"When everyone talks about the city, they should talk about fashion in the same breath

the 'Created in Los Angeles' brand to tap into the city's reputation as a design and creativity center."—Alison A. Nieder

as entertainment," Metcsek said.

According to the mayor's office, "Mayor Villaraigosa came out of the meeting with members of the apparel industry with a better understanding of the challenges facing the industry. A key takeaway from the meeting was how important L.A.'s creative talent is to sustaining the fashion industry in this city. Mayor Villaraigosa is committed to assisting in branding L.A. and the companies that create, innovate and produce here. Discussions took place about ways in which the fashion industry could use

Apparel Industry: Challenges and Opportunities

"The Los Angeles–Area Fashion Industry Profile"—prepared by the Los Angeles County Economic Development Corp., released by the California Fashion Association and sponsored by CIT—includes an assessment of the industry's challenges and opportunities.

A few findings from the report:

- Although apparel employment in the Los Angeles region has dropped since its 1996 peak, the Southern California region's share of the national apparel employment has increased. For example, in 2002, Los Angeles and Orange County apparel employment accounted for 24 percent of all U.S. manufacturing jobs. In 2009, more than 33 percent of all U.S. apparel manufacturing jobs were in Southern California, more than 20 percent of apparel piece goods and notions wholesalers were based in the region, and nearly 7 percent of all textile-mill jobs were in the area.

- There's a need for equipment financing. According to the report, "finance availability keeps modernization for local manufacturing at bay."

- There are export opportunities, but there are

challenges, including protective tariffs for in-country producers and the need for export assistance and more export agents, many of whom are based in New York.

- Southern California is home to several fashion-related industries, including cosmetics, jewelry and footwear, which employ more than 19,300 people in Los Angeles and Orange County. In addition, Los Angeles is an advertising center where many photo shoots and commercials are produced, which helps support the fashion industry and its related businesses.

Among the report's suggestions:

- More marketing and a "strong proprietary local brand" are needed to promote Los Angeles fashion.
- Educational training in apparel-related business management could train future leaders.
- Occupational programs in high school can introduce students to the opportunities in the fashion industry.
- Promotion of Los Angeles market weeks will educate L.A. residents on the importance of the local industry.