

Ready Made  Garments

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Growth tied to RMG



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Even for a local outfitter, making a dress is not just about taking measurements or cutting and stitching fabric. There are a lot of nitty-gritty elements that are needed to deliver a

finished garment.

Large-scale manufacturers spend 50 percent on fabric and 18 percent on accessories to make a finished garment. In the readymade garments sector, the items other than fabrics are called 'accessories'.

Accessories are as important as the fabric itself, manufacturers say. The garment accessories trade, therefore, has flourished worldwide along with the RMG sector, insiders say.

In Bangladesh, the garments sector grew rapidly over the last several years for a lower cost of production, but growth of the accessories industry crystallised later.

In the beginning, Bangladesh used to import almost all kinds of garment accessories. But as local companies thrived, dependency on imported accessories gradually subsided.

The country initially imported accessories from countries like China, Hong Kong, Singapore, Japan and India, spending a large portion of profits.

But now, the country is almost self-sufficient in garment accessory manufacturing, as the ancillary industries blossomed and flourished here, driven by high demand.

Zippers, buttons, labels, hooks, hangers, elastic bands, thread, backboards, butterfly pins, clips, collar stays, collarbones and cartons are the major garment accessories produced in Bangladesh.

The use of high-end accessories also adds value to the garment. As a

result, large manufacturers and exporters try to use sophisticated accessories to pull in better prices from international buyers.

The import of accessories declined sharply as many local companies have developed the capacity to supply, said Shamim Iqbal, chairman of KDS Accessories, a leading accessory maker.

The accessory market is dominated by multinational companies operating in Bangladesh, because in majority cases, garment buyers prefer accessories from them over the locally available items, Iqbal said.

"The buyers prefer accessories from the multinational companies on the grounds of quality, although local companies have also stepped up to meet quality standards," he adds.

The local accessories suppliers, however, dominate the low-end RMG segment, because the low-end manufacturers cannot pay big bucks for almost the same quality of accessories just because they carry the names of global giants, he says.

KDS Accessories, a Chittagong based factory, has set a target to export accessories worth \$36 million in 2011, which was \$24 million for

2010. He says the group expanded its production capacity recently to meet high demand.

Many small and medium accessory industries have grown here over the years, particularly to meet high demand from low-end garment makers, said Shafiqullah Chowdhury, an adviser to Bangladesh Corrugated Carton Accessories Manufacturers and Exporters Association.

Two important industries -- accessories and backward linkage -- have flourished in Bangladesh to support the garments sector, he says.

"The contribution of accessories exports will be to the tune of \$2 billion of the \$16 billion garment export figures," he says.

Local accessory makers are going for fully automated production systems from semi-automation modes to meet demand from international buyers, he says.

In January, the association set up a laboratory to test accessories at its office, said Chowdhury. Earlier, exporters had to have various accessories tested from Hong Kong, but now they can have it done in Bangladesh, he adds.

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