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The Rupp Report: ITMF Report On Cost Comparison

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The International Textile Manufacturers Federation (ITMF), with its headquarters in Zurich, Switzerland, is one of the oldest nongovernmental organizations. It was founded in 1904 at a meeting held in Zurich and convened on the initiative of the British cotton-spinning industry. That's why it still has a very close relationship with the whole cotton industry. ITMF is probably the most important and high-ranking textile association around the world. Members are associations and other constituted organizations of textile manufacturers. **Textile World** and its sister magazines have reported on various occasions about ITMF.

The next big event will be in June 2009 on the occasion of the International Year of Natural Fibres, declared by the United Nations (UN) General Assembly at the request of the UN's Food and Agriculture Organization.

Important Statistics

ITMF is dedicated to keeping its worldwide membership constantly informed through surveys, studies and publications; and through the organization of annual conferences, participation in the evolution of the industry's value chain and publication of considered opinions on future trends and international developments.

Recently, it released the 2008 edition of its biennial International Production Cost Comparison. It is said to be the only consolidated source for benchmarking yarn and fabric production costs prevailing in eight of the world's most important textile manufacturing countries - Brazil, China, Egypt, India, Italy, Korea, Turkey and the United States.

Different Cost Factors For Different Sectors

The textile industry segments analyzed are spinning, texturing, weaving and knitting. Individual results are supplied for ring-spun, open-end (OE) and textured yarns, and for fabrics woven and knitted from each of these yarn types.

In the different segments analyzed, the lowest production costs are achieved in different countries. Total costs in ring-spinning are the lowest in India, closely followed by Turkey. In rotor-spinning, the lowest total costs are recorded in the United States, followed by Turkey and India.

In texturing, Korea realizes the lowest total costs, followed by India. For weaving, the total costs of fabrics made of ring-spun yarn are similarly low in India, China, Egypt, Brazil, Turkey and Korea. Fabrics made of rotor yarns can be produced at the lowest costs in Brazil, India and Turkey. The production of fabrics knitted using ring-spun yarn can be realized at lowest costs in India, followed by Turkey, whereas the lowest total costs of fabrics knitted using rotor or OE yarn can be achieved in the United States, followed by Turkey.

The report highlights the changing cost structure in the primary textile industry by tracing the impact of cost factors borne by manufacturers and presenting them on a standardized basis. This allows the reader to readily compare elements of total manufacturing costs across representative production facilities.

Detailed Breakdown

The presentation of manufacturing and total yarn and fabric costs incorporates a detailed breakdown into the various cost components per kilogram of yarn and per meter of fabric, presenting their relative importance in the countries under review.

The study incorporates a wide range of influences on the cost picture, from externally determined factors like raw material and machinery prices to the local costs of labor, capital, energy and other inputs to production.

For more information, visit www.itmf.org.

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