



Textiles industry in New Zealand

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In this document:

- **Overview**
- **Major markets**
- **Industry facts**
- **Significant products**
- **Innovation**
- **Industry structure**
- **Industry contacts**

Overview

The textile manufacturing industry is a small but significant sector of the New Zealand economy.

New Zealand is the world's largest producer and exporter of crossbred wool and enjoys a reputation for producing some of the finest quality wool in the world. It is not surprising then that much of New Zealand's export success in this sector is with high quality pure wool carpets and carpet yarns, pure wool and woollen blended textiles.

The New Zealand textile industry originally developed to supply New Zealand's domestic needs, but the removal of import tariffs during the last decade had a major impact on the sector. Today the textile and carpet sector employs 9,400 people, an 18.1 percent decline since 2001, and a 34.6 percent decline since 1996.

However, several New Zealand companies have managed to thrive in this sector, both supplying the New Zealand domestic market and recognising the need to find niche export markets for their products to ensure ongoing viability.

Their success has been due to their use of New Zealand wool to produce high quality textiles, innovative New Zealand and Pacific-inspired designs, and developing niche products and successfully marketing them internationally. These companies have made considerable investment in machinery, plant personnel and research to produce high quality textiles.

New Zealand-made carpets and textiles are renowned for their strong colours. New Zealanders use bold colours in their homes, and New Zealand mills produce yarns in a wide colour palette for yarn to satisfy this demand. The strong New Zealand sunlight means considerable research and investment is made to produce colourfast and fade-resistant textiles.



Because of the removal of tariffs, some New Zealand textile importers have successfully formed links with overseas manufacturers to produce quality textiles offshore. These companies develop the designs in New Zealand and use their overseas partners to manufacture the textiles. They have developed strong talents at procurement, supply-chain management, and quality control to manage this process and enable them to re-export quality interior furnishing and apparel textiles competitively.

Major markets

Carpets and textiles from New Zealand are exported to Australia, the United States, Europe and Asia. South America is becoming an increasingly important market. Australia is the major destination for New Zealand textile exports.

Industry facts

In the year ended December 2006, New Zealand companies exported textile floor coverings to the value of NZ\$123.3 million, and textiles to the value of NZ\$287 million. This includes:

- miscellaneous textiles – \$44.4 million
- woven apparel – \$142.3 million
- knitted apparel – \$100.7 million.

This figure does not include exports of knitted or crocheted fabrics, which contributed another NZ\$40 million in export earnings in 2006.

The textile, clothing, footwear and carpet industry enjoyed export growth of 5.7 percent in 2006 over 2005.

Significant products

- Carpets – New Zealand last year exported more than four million square metres of carpet, mostly to Australia, followed by Saudi Arabia, the United States, China and Japan (in descending order). Carpet yarn is also a significant product.
- Woven and knitted wool and woollen blend textiles, both knit and woven for apparel, and both domestic and commercial interior furnishings.
- Woven and knitted textiles using imported raw materials such as cotton and man-made fibres for apparel and interior furnishings, including impregnated text fabrics, artificial fur and manmade filament fabric.
- Safety fabric for specialised use.
- Industrial textiles such as cloth for crop protection and the automotive industry.
- Shade cloth – for horticulture, domestic use, and for infants' pushchairs and prams.



- Associated activities such as embroidery, screen printing, dying and printing of fabric.
- Individually designed and crafted hand-woven woollen textiles for apparel and decorative uses.

Innovation

Carpets and Rugs of New Zealand

Carpets and Rugs of New Zealand (CRONZ) designs, markets and manufactures innovative and luxurious rugs and carpets made from 100 percent pure New Zealand wool. Manufacturing is based in the South Island of New Zealand, home to the finest wool producers in the world. The wool is from a sustainable resource, from a country renowned for its sensitivity to the natural environment. CRONZ's innovative manufacturing techniques enable yarns to be dyed vibrant colours, enhancing texture and design features. The rugs and carpets are created to the customer's requirements, in any size, shape, colour and texture. CRONZ works directly with designers, architects and specifiers on projects of all sizes in the residential, commercial and hospitality sectors around the world.

Cavalier Bremworth

Cavalier Bremworth is New Zealand's premier luxury carpet manufacturer and a company with a long and proud heritage. For almost 50 years its designers and craftspeople have been combining colour, pattern, texture and design to create the renowned Cavalier Bremworth collection of carpets, using only the best of New Zealand wool. A completely integrated operation enables Cavalier Bremworth to set the highest quality standards and maintain total control over the entire manufacturing process, from buying the wool at the farm gate to scouring and dyeing, spinning the yarn, then tufting the carpet and shipping it to clients throughout New Zealand and the world.

Designer Textiles

Designer Textiles is a world leader in designing and manufacturing New Zealand merino fabrics and garments, customising products for a growing portfolio of international fashion houses and active outdoor brands, including Nike, Adidas, Helly Hansen, Smartwool and Ibex.

Dilana Rugs

A commitment to outstanding design that has seen it collaborate with many of New Zealand's prominent artists is behind the success of Dilana, a Christchurch company whose hand-crafted wool rugs are sought the world over.

Summit Wool Spinners

When Summit Wool Spinners broke into the United States in the late 1990s, it revolutionised the way wool yarn was sold to rug and carpet manufacturers in that country. As a result, its annual sales grew from



20 tonnes to 2,000 tonnes in just two years, and it captured a majority share of the available import market.

Industry structure

As with the apparel industry, the textile-manufacturing sector was hard hit by New Zealand's trade liberalisation and restructuring during the 1980s and 1990s.

Following the reductions in protective tariffs many businesses left the industry. Of those that remain, the majority are small and medium-sized enterprises successfully marketing niche products.

The carpet industry is dominated by Cavalier Bremworth and Godfrey Hirst.

Textiles New Zealand

Textiles New Zealand helps the textile industry maximise its potential and grow export and domestic sales. Its work includes facilitating ways for individual companies in the textile, carpet, footwear and apparel sectors to cooperate to compete internationally.

The organisation also works with companies and groups to overcome sector-specific challenges and to deal with issues common across the industry, such as creating a sustainable business, keeping skills and attracting new talent, expanding into new international markets, contemplating an international approach to servicing customers, maintaining science skills, and leveraging off the New Zealand brand.

Industry contacts

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