



**Universidad Popular Autónoma  
del Estado de Puebla**

**MOC: Microeconomics of Competitiveness**



## **Textile & Apparel Cluster**

*Team Project*

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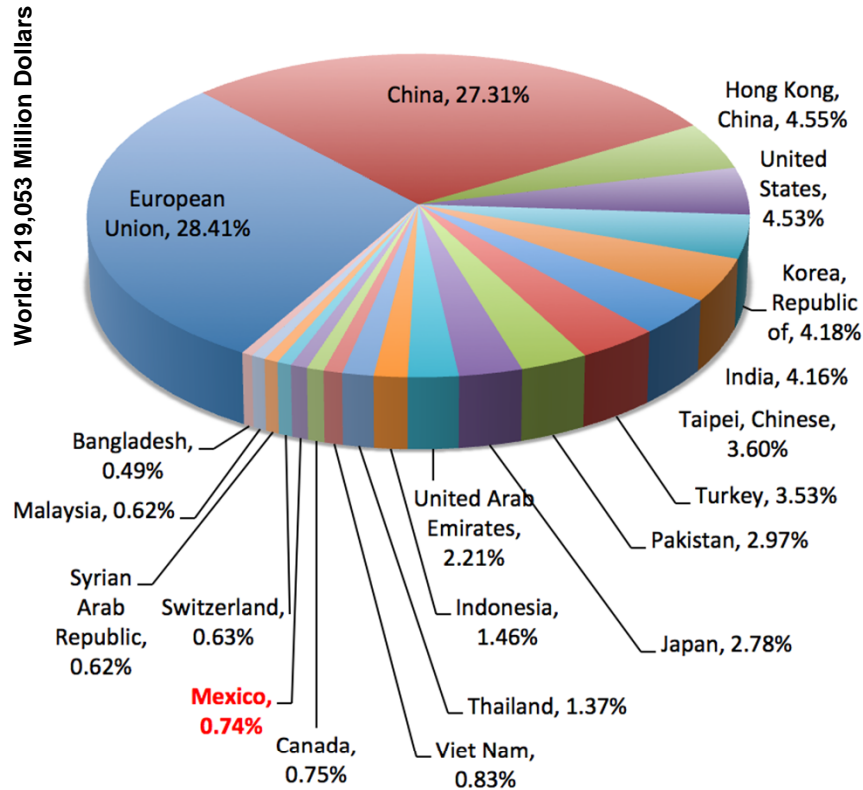
Puebla, Pue. May 15, 2012

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# 1. World Cluster Status

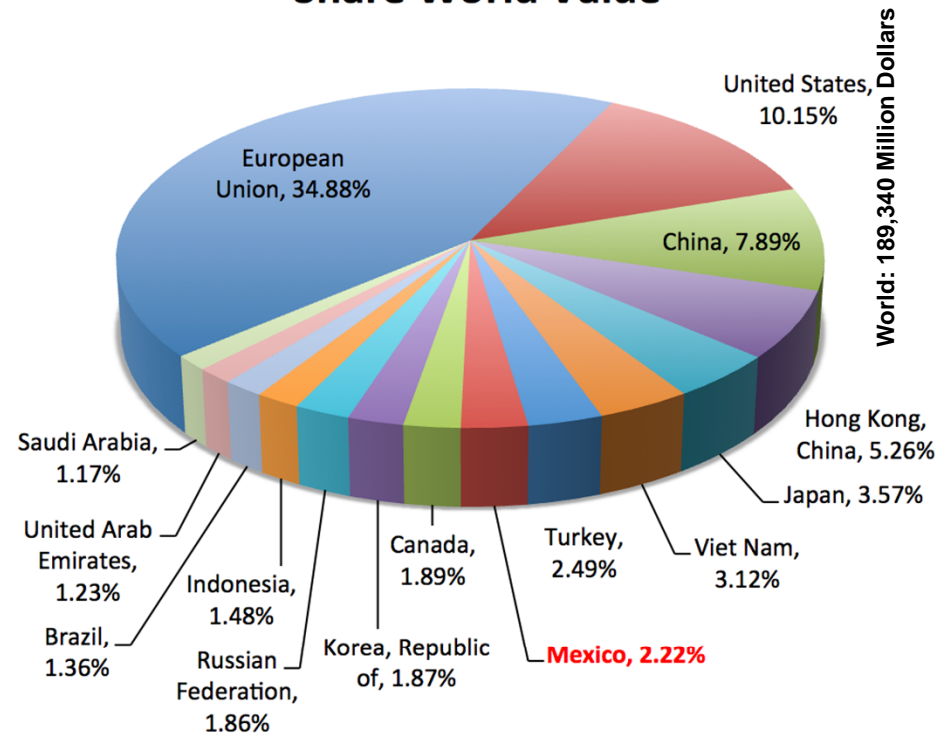
## Textile Exports 2009 Share World Value



Mexico Ranking: 16th

Mexico Ranking: 8th

## Textile Imports 2009 Share World Value



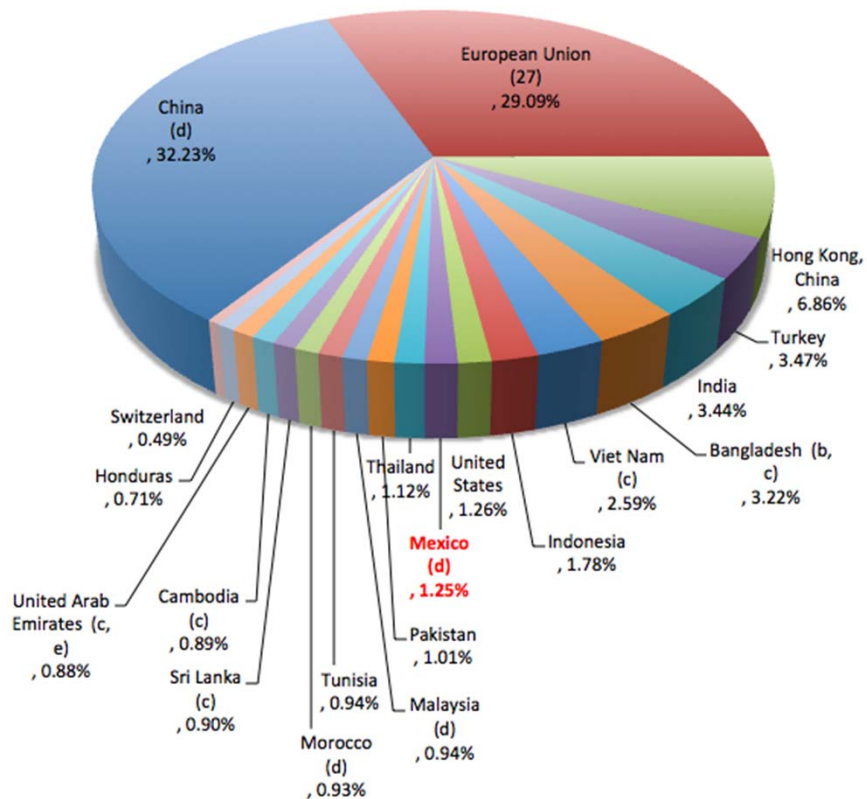
Source: WTO (World Trade Organization)

# 1. World Cluster Status

Mexico Ranking: 14th

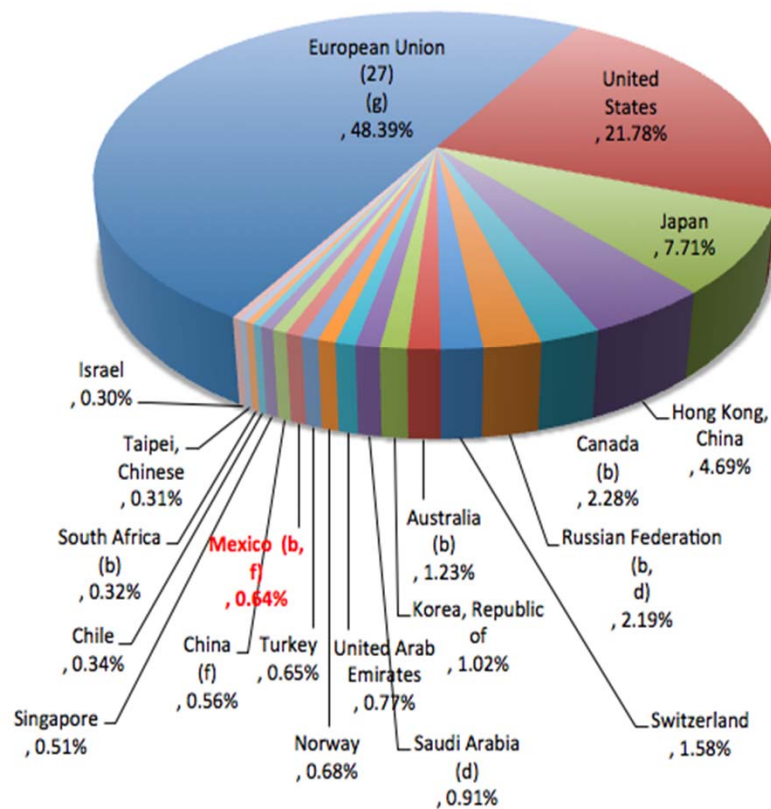
### Clothing Exports 2009 Share World Value

World: 332,805 Million Dollars



Mexico Ranking: 10th

### Clothing Imports 2009 Share World Value

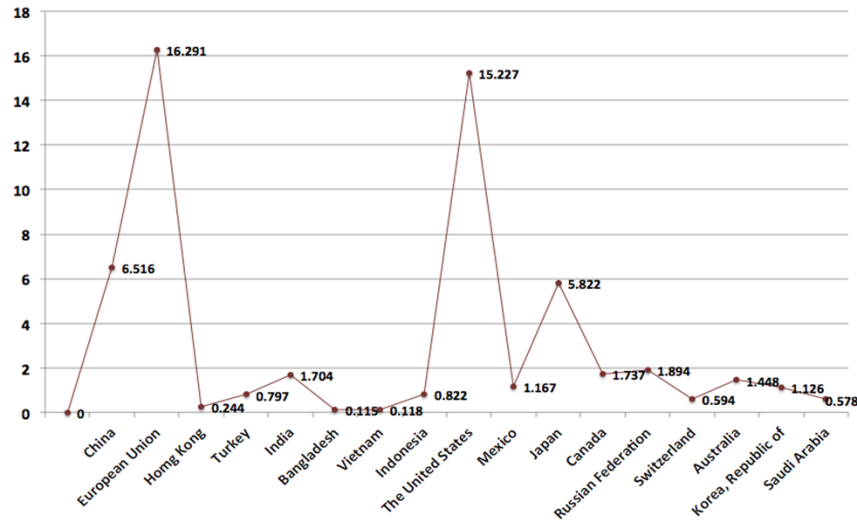


World: 330,867 Million Dollars

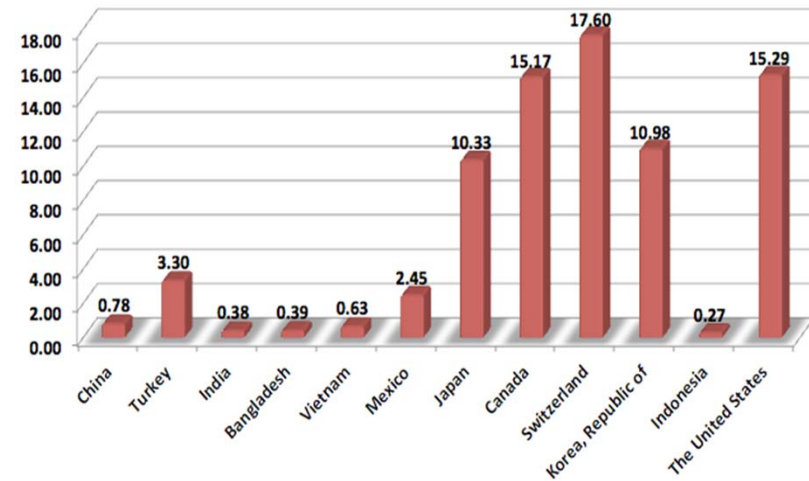
Source: WTO (World Trade Organization)

## 2. Relevant Cluster Charts

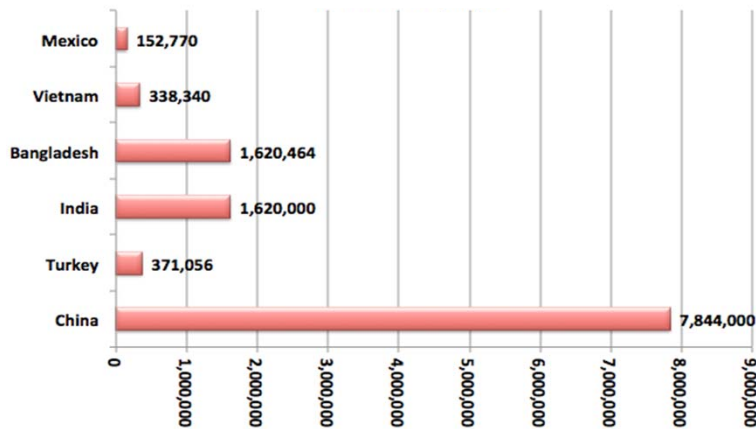
National GDP (Trillones, US Dollars)



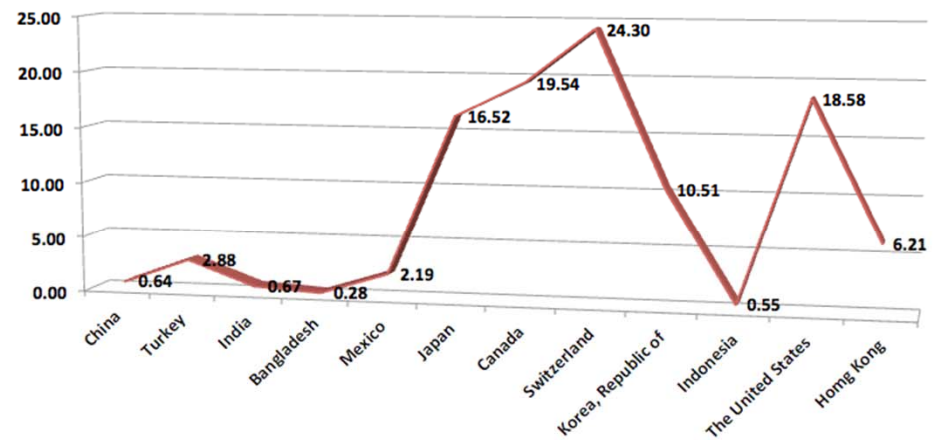
Average Hourly Labor Cost Apparel (US Dollars)



Number Employed

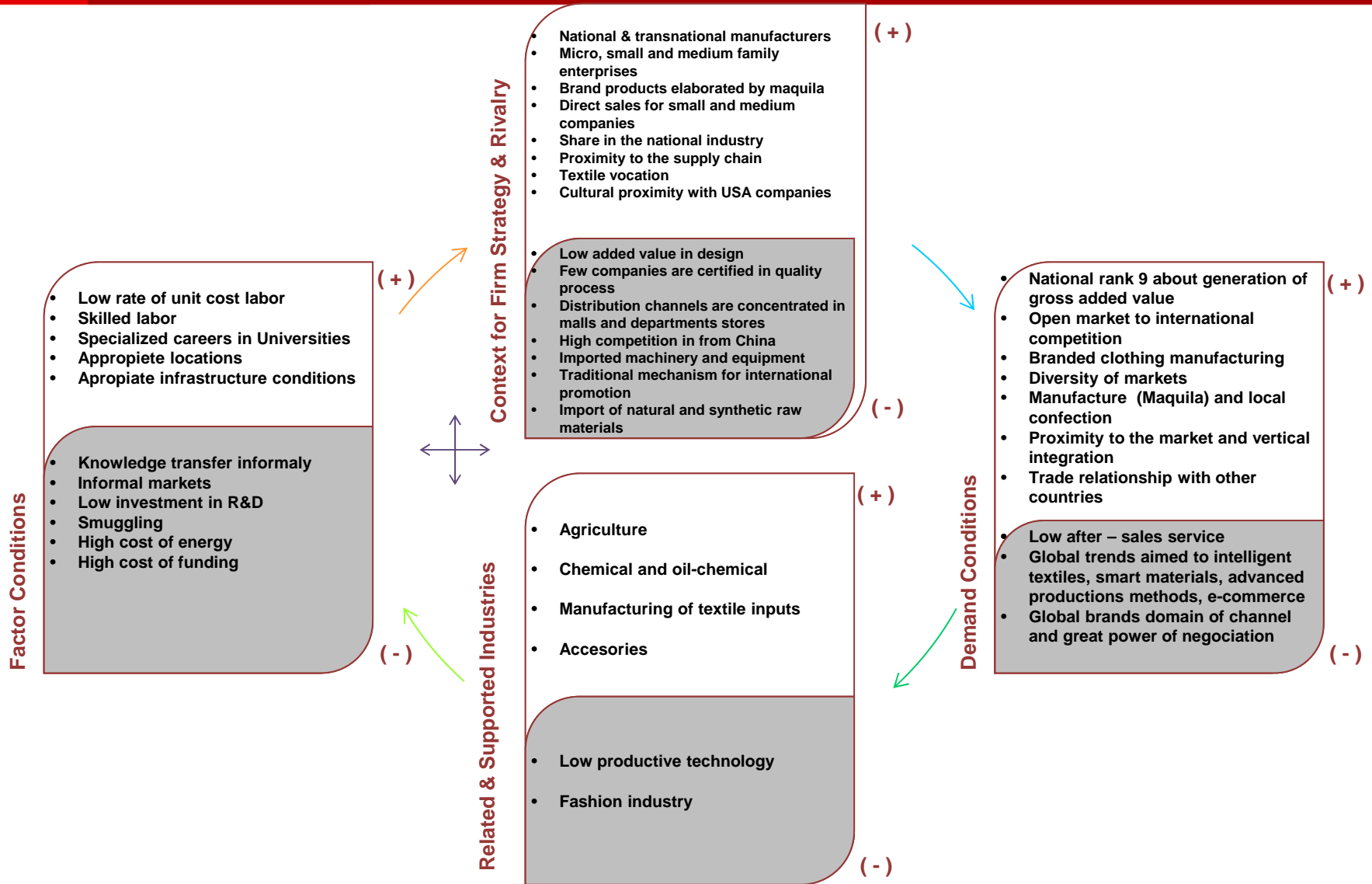


Average Hourly Labor Cost Textile (US Dollars)

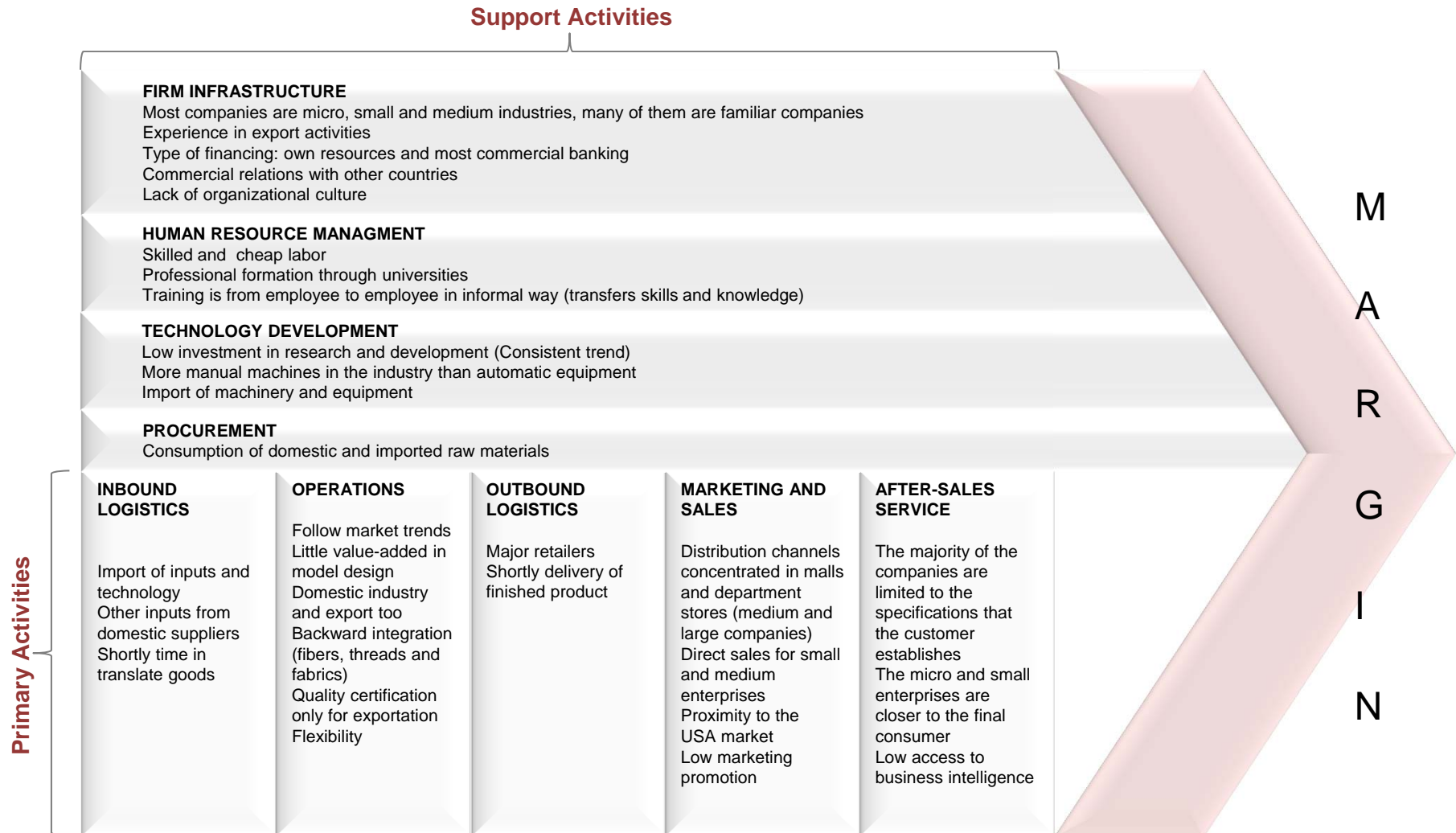


Source: World Trade Organization

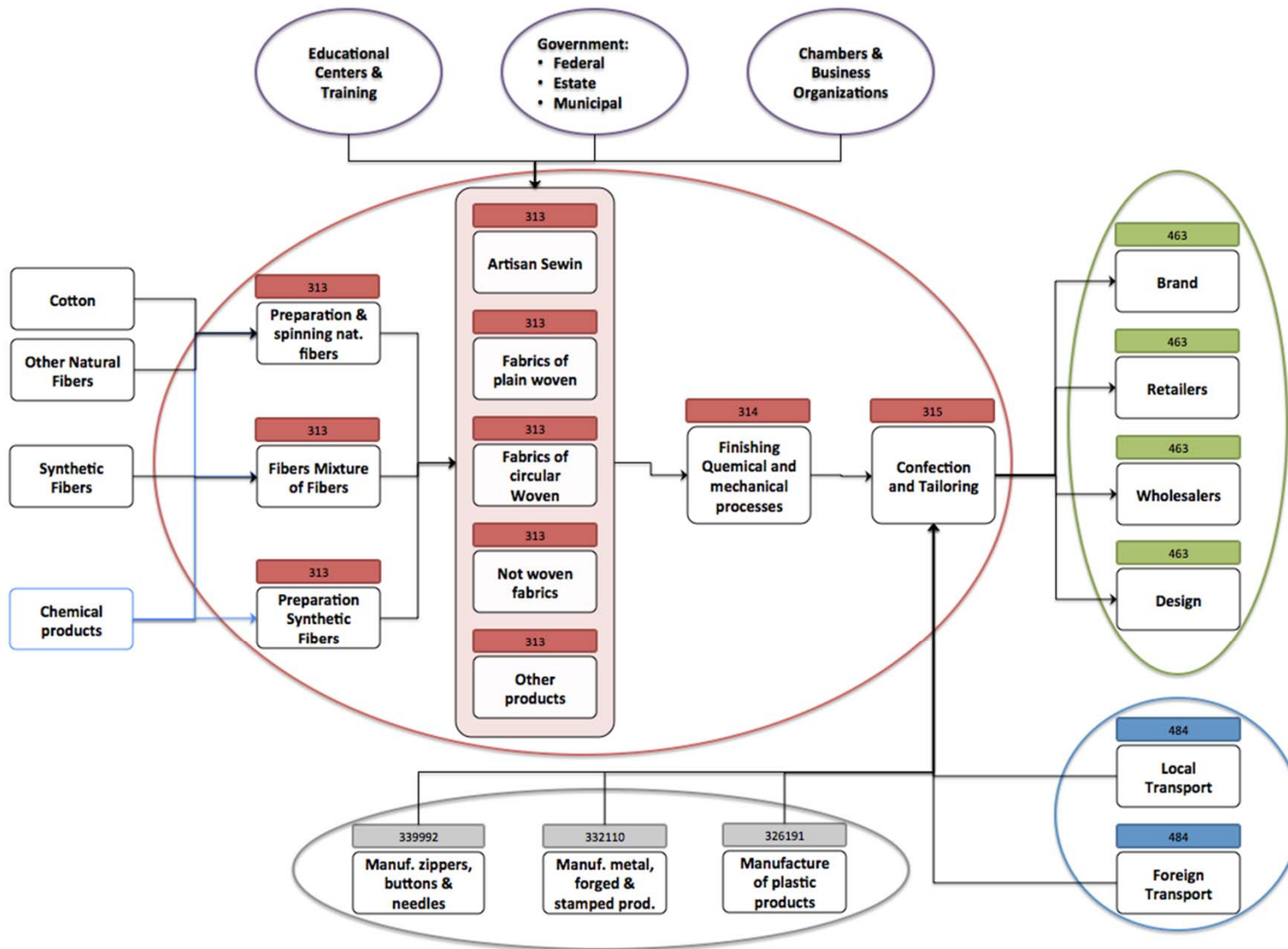
# 3. Cluster Diamond



# 4. Value Chain



# 5.Cluster Map





## 6. Synthesis of Current Situation

- Textile and Apparel industry represents the fifth in employment nationwide.
- Textile companies occupy the second position in the country.
- Only the textile industry accounts for about 25,000 employees in Puebla.
- The textile and apparel share 1.7% of state GDP.
- Low added value in design.
- “Maquila” leads the process of textile and apparel industry.
- Low cost in I&D.
- High competition from China.
- 5 out of 10 units sold in Mexico are from ilegal.
- There is not close collaboration between industry participants.
- Lack closer links between universities, government and companies.
- There is not a professionalization of the workforce in general, the training is from employee to employee.
- 80% are domestic raw materials: fibers, fabric, threads, ratings (brooches, zippers, ornaments, springs, buttons).
- Lack of quality certification processes.

## 7. Strategy: Cluster Value Proposition

- Diversify markets.
- Take advantages of Free Trade Agreements with other countries like USA.
- Professionalization of human capital.
- Funds to support training and consulting.
- Benchmark successful business models.
- Increase relationship with institutions for collaboration. Aitex (Spain).
- Concentrate sector information to generate development indicators to follow up the development.
- Vertical integration.
- Build a business philosophy.
- Formalize the sector.
- Strengthen EXINTEX (Textile Expo).

## 8. Relevant Project Priorities



### **Awareness campaign**

Sensitization on the importance of the modernization of industry and investment in research and development



### **Agreement for cooperation**

Sign an agreement for cooperation between government, universities, institutions and business support



### **Annual design contest**

Promote and create development of talent.



### **Database**

Create a database specializing in strategic industry indicators

## 9. Recommendations



Michael E. Porter  
Sintonía, Puebla April, 27  
2012

- Focused and discipline in the scope of the objectives.
- Define the segment that is going to develop in the Cluster.
- Consider the environment in which the Cluster is developing and take advantage of the synergies that can be achieved.
- Define a congruent goal.
- Working on the development of the clusters where we are strong.

## 9. Recommendations

- Accordingly, the possibility of extending the cluster to other states can support to detonate not only economic development in Puebla but also in the region.
- The state of Tlaxcala represents an important market for Puebla, in addition to its geographical proximity, there is a close business and social relationship, which can be harnessed.
- Both states form a metropolitan area that is the fourth in the country in population terms encompassing 38 municipalities.
- The proposal is expand the cluster to the state of Tlaxcala and analyze areas of opportunity in order to develop and strengthen it.