

The importance of the textile industry in the Brazilian Economy



Economic Aspects

- The textile and apparel industry participates with equivalent amounts to 4.1% of the total Brazilian GNP, and 17.2% showing that this is an industry of great relevance for the Brazilian economy, and has strong social impact.
- The textile production worldwide grew 97% for the last ten years, international trade in textile and clothing grew by 175%, if we consider only the clothing, the growth was even greater, 220% over the same period.
- Brazil ranking among the eight largest world producers of yarns, fabric, and knitwear, and ranks seven in the production of apparel, behind only China, India, USA, Mexico, Turkey and South Korea.

International Trade

- In terms of international Commerce, the participation is very slow. In world exports, Brazil ranks 26st and imports 34rd.
- China and Hong Kong together account for 36.5% of world exports of textile products and clothing, but Italy and Germany while continuing its tradition of large exporters.
- On these last three years, the excessive valorization of the national coin caused new outbreak of growth of the imports and stagnation of the Brazilian exports of textile products and apparel.
- In the last 16 years, more than USD 10.5 billion were invested only in textile machines.

The Brazilian consumer- what makes Brazilians different from their neighbors in the Americas?

- Socio economic groups A and B consume 57% of apparel in Brazil, while group c buys 31%
- 73% of apparel consumption is in the 150 cities.
- 30 to 40 years old spend most on apparel. Consumers in their 30s prefer to shop in department stores(37%), then multi brand stores(29%) and single- brand stores(27 %)
- 68% of consumers bought apparel in the special dates as father's day, mother's day , Christmas and Valentines 'day
- 81% of consumers bought for themselves
- 48% bought on impulse on first sight of a piece
- 87% remembered the price
- 47% of purchases were made in cash
- 34% of credit sales are made with store cards

Luxury Market



Brazil has four TIFFANY'S stores



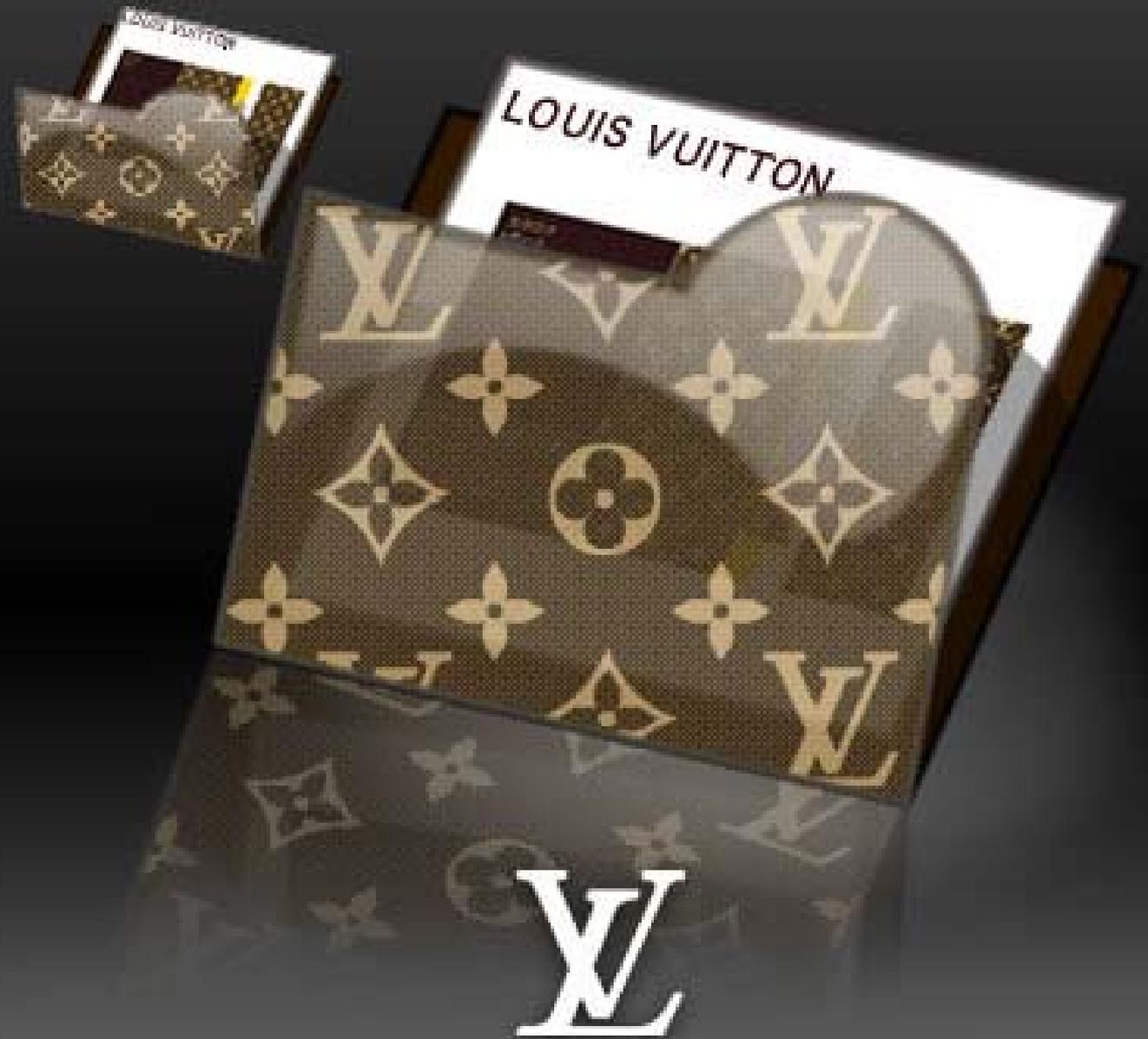


The only country with
three Bulgari stores

BVLGARI



**Brazil 's
Louis Vuitt
store
provides
more
profit to
the brand**



LOUIS VUITTON

Mont Blanc has
the store that sell
more pen outside
of Switzerland

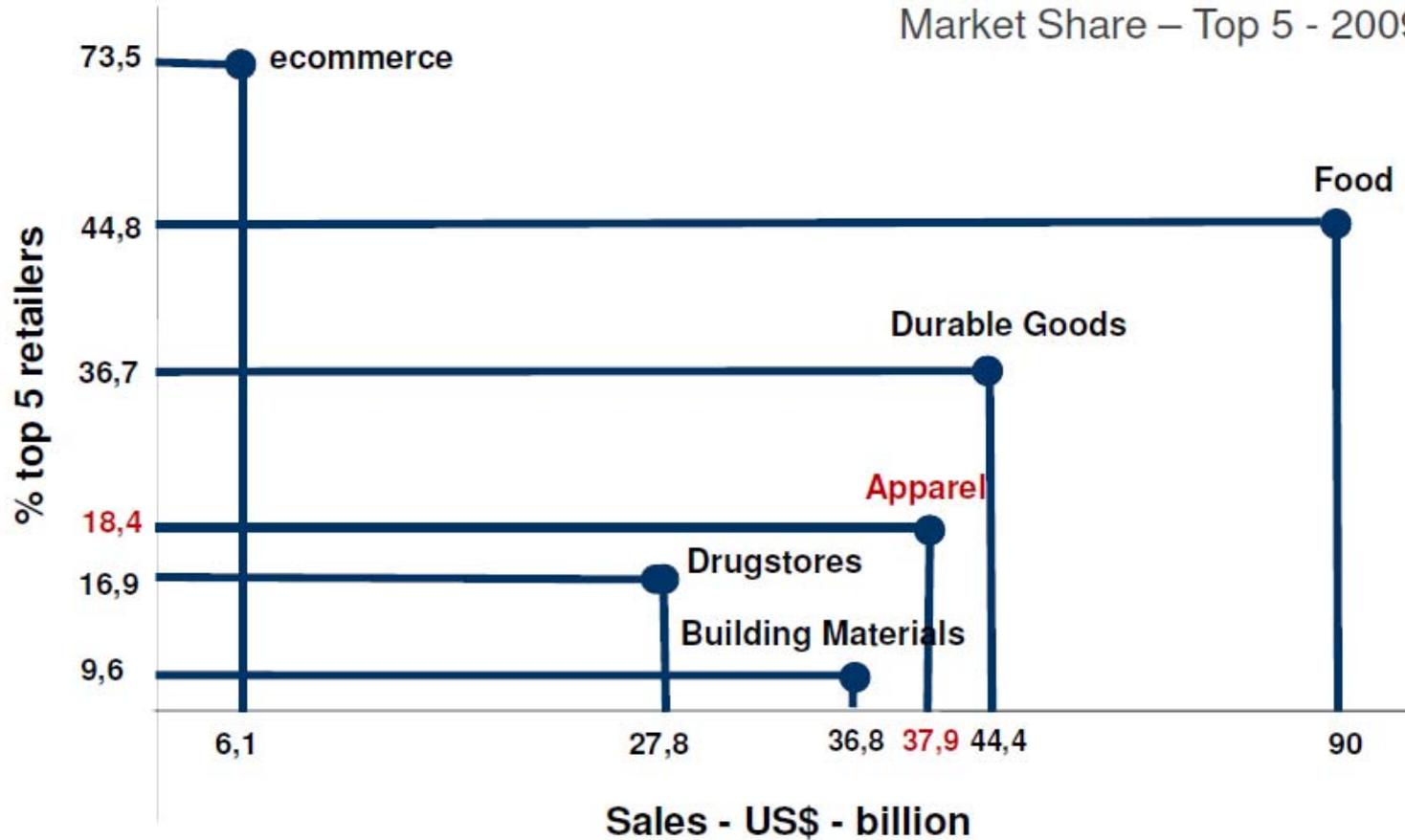


**A mature, competitive and innovative
retail market...**



LOW LEVEL OF CONCENTRATION

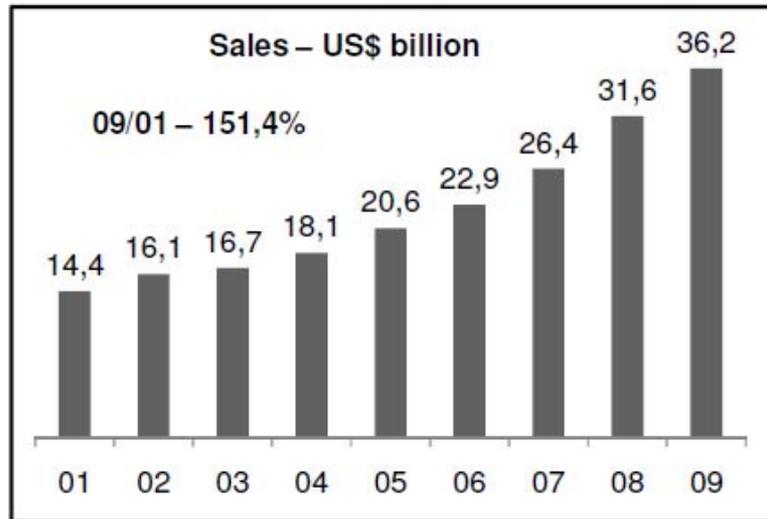
Market Share – Top 5 - 2009



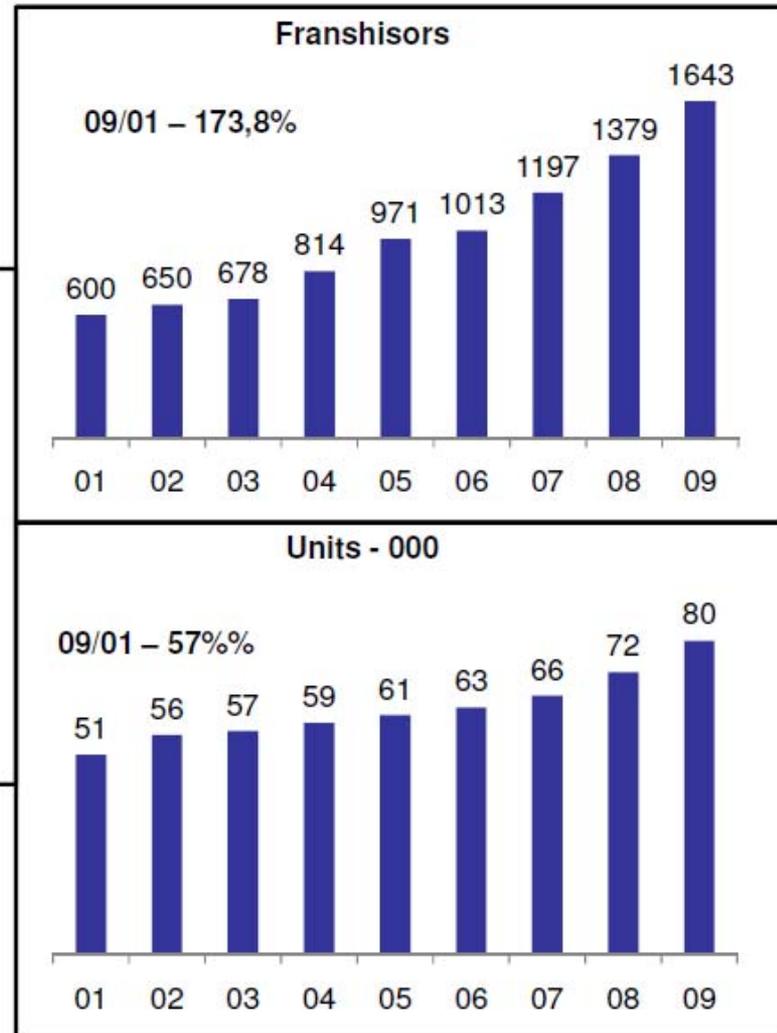
Currency exchange rate US\$/ R\$ = 1.7412



FRANCHISING DEVELOPMENT



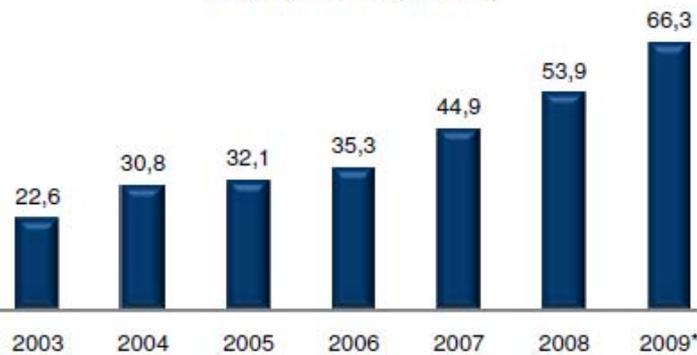
4th world's largest market
(after the US, China and Japan)



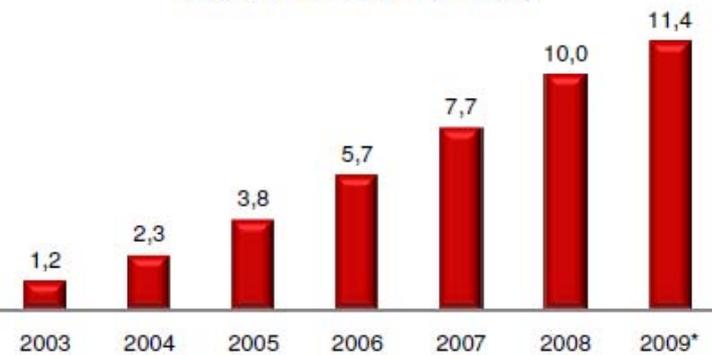


INTERNET AND MOBILE PENETRATION

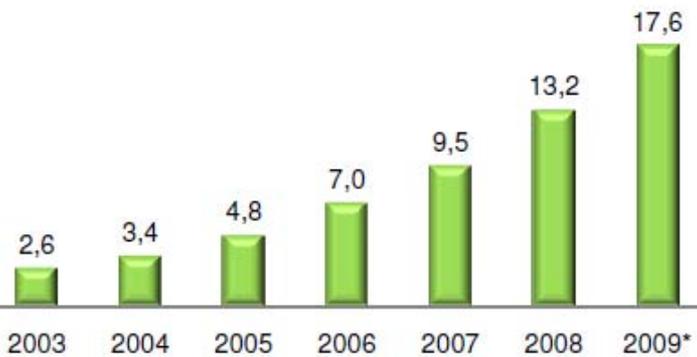
Internet users (million)



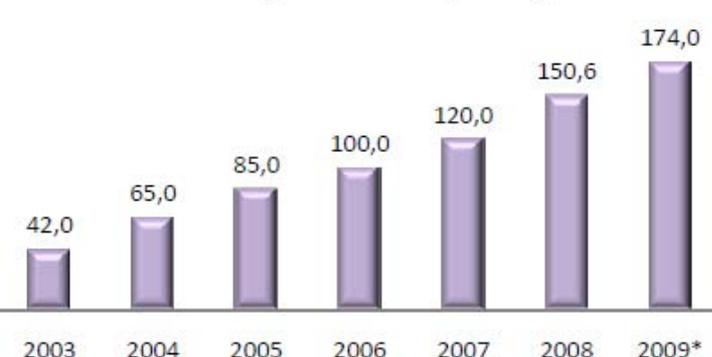
Broadband users (million)



Internet shoppers (million)



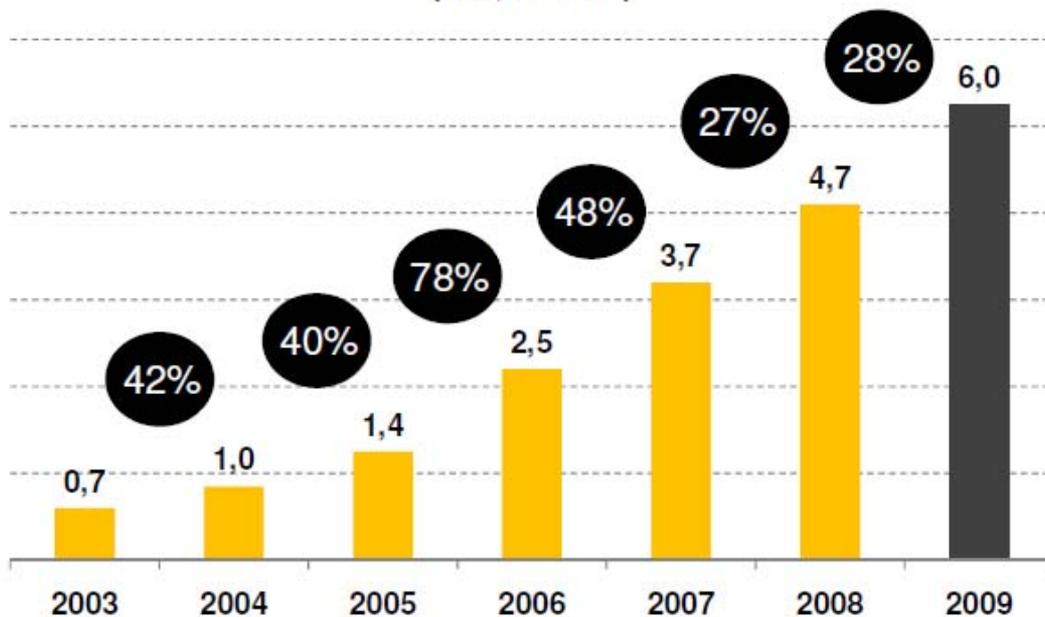
Mobile phone users (million)





FAST ECOMMERCE GROWTH

ecommerce sales evolution
(US\$ Billion)



R\$ / US\$: 1,7412

GS&M
Granda de Siza
20 anos





LUIGI BERTOLLI



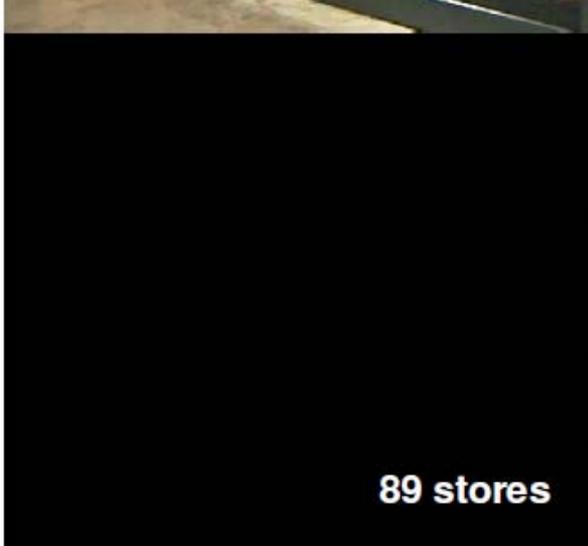
28 stores



Havaianas



227 stores



89 stores

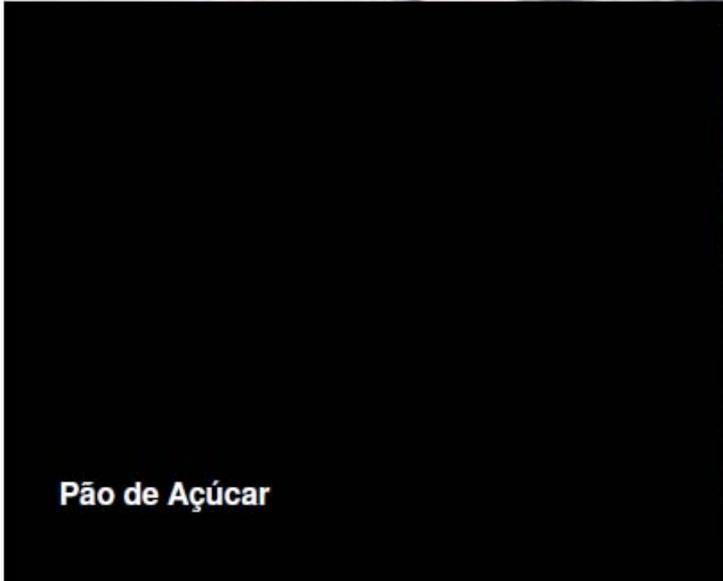




276 stores



145 stores



Pão de Açúcar

Where emerging middle class consumers shop





Foto: Wilson Brandão



181 stores





107 stores

39 stores





35 stores



54 stores



Best Prospects

- Luxury & branded products
- Children's wear
- Mid- high casual wear – denim
- Work wear for men and women
- Home line

THANK YOU

Denise Barbosa

Business Development Specialist

U.S. Commercial Service

Consulate General of the United States of America

Phone: 55/11 5186-7390

E-mail: denise.barbosa@trade.gov

<http://www.buyusa.gov/Brazil>

