5 SPAIN

5.1 GENERAL ECONOMIC SITUATION

The world economic climate fell sharply in October 2001. The assessment of the current situation in most Western European economies deteriorated further and is now – with the exceptions of Finland, The Netherlands, Ireland, Spain, Greece and Switzerland below the "satisfactory" level.

Spain's mixed capitalist economy supports a GDP that ranges on a per capita basis of 80% of the four leading West European economies. The government has continued to advocate liberalization, privatization, and deregulation of the economy and has introduced several tax reforms to achieve this goal. Unemployment has been steadily falling, but still remains the highest in the EU with 14%. Spain will face enormous challenges in adjusting to the monetary and other economic policies of an integrated Europe plus further reducing their unemployment rate in the next few years.

In 2000, Spain's GDP was € 720.8 billion, GDP real growth rate 4%, inflation rate 3.4% and labour force at 17 Mio. people. The main industries in Spain consist of textiles and apparel (including footwear), food and beverages, metals and metal manufactures, chemicals, shipbuilding, automobiles, machine tools and tourism. 64% of the labour force is employed in the services industry, 28% in manufacturing, mining and construction and 8% in agriculture.

The September 11th shock heightens the challenge for a slowing global economy. Growth in the EURO area has been less affected than in the United States. Given the unfolding nature of events, it is difficult to develop a secure projection for the Spanish economy; however, it seems it will maintain a growth rate well above the EU-area average. Despite this, growth is predicted to be only some 2.3 percent in 2002. Consumer price inflation will fall to under 2 percent by the end of 2002, and the unemployment rate will decline slightly further. These developments require the labor market reformers and labor unions to prioritize job creation within the setting of a credible monetary framework. And there may be a stronger impact than anticipated of lower energy prices and interest rates with monetary conditions, certainly facilitating the hard times for the Spanish economy.

5.2 THE MARKET FOR OUTERWEAR

5.2.1 Market size

Unlike in other Western and Northern European countries, the textile and clothing industry is the most important industrial sector in the Spanish economy. Spain is a major world producer of textiles and apparel and the country's economy relies heavily on this sector. The Asian crisis and the low growth of other world markets caused a strong entrance of foreign textile products into European markets including Spain, creating fierce competition.

The first 6 months of 2001 can be characterized by a steady situation for the textile/apparel sector, in which the dynamic of the foreign demand (exports) partly compensated the lower increase of the home market. In fact, the slowing down of the family consumption (2.8% in the first 6 months of 2001 compared 4% in 2000 – based on an average four person household), the loss of dynamic in the house building sector and the stagnation of the industrial production had a slowing down effect on the demand for clothing per household.

Table 5-1: Development of the Spanish clothing industry in comparison to other EU countries, 1999/2000

Country	Growth in % in 2000/1999
France	–14,0
Belgium	–13,0
Germany	–8,0
Austria	–5,0
Portugal	–5,0
Italy	–3,0
UK	–2,0
Spain	**–2,0**
Netherlands	+1
EU total	**–5,0**

Source: German Chamber of Commerce in Spain, Madrid 2001

57% of total Spanish apparel production in 2001 were for men's, ladies and children's outerwear. Since 1980, many Spanish companies have been trying to reduce costs by moving their production to Northern Africa.
Table 5–1 underlines the strong position of the Spanish clothing industry at EU level: The clothing industry in 2000 shrank by only 2% compared to 1999 (EU average 5%).

The Centro de Información Textil y de la Confección (CITYC) reports that the total production in 2000 for men's, women's and children's outerwear amounted 295,484,000 units worth of 821.8 Billion Ptas. It showed a 2 % increase in volume and a 6% increase in value over 1999 (excluding knitwear).

According to CITYC in Spain, statistically there is no distinction between the size (volume) of the textile and the clothing market. Accordingly,
Table 5–2 shows the size of the total Spanish textile and clothing market from 1999 to 2000 and the estimations for 2001. Other statements from reputable sources state that app. 60% of the total market indicated below stands for apparel only.

Table 5-2: Size of the Spanish textile and clothing market, 1998–2000

	1999 (Mio. US $)	2000 (Mio. US $)	2001 (Mio. US $)	+/– from previous year
Imports	7.480	8.228	9.050*	+10%
Local Production	17.104	17.959	18.856*	+5%
Exports	5.500	6.050	6.655*	+10%
Total Market	**19.084**	**20.137**	**21.251***	**+5.5%**

* Data based on extrapolated average growth rates in 1999 and 2000

Source: 'Textile/Apparel Sector Developments 2000 – Report, prepared by the Spanish Textile and Apparel Information Center and the Spanish Ministry of Industry

5.2.2 Market characteristics

The present situation of the clothing market in Spain is obviously very much related to the status of the Spanish clothing industry. Based on desk-research and interviews made for this market survey, the situation in the apparel market can be characterized as follows:

The total Spanish knitwear and made-up clothing industry is highly fragmented with 4,525 clothing manufacturers and 820 knitwear companies.
The production is to a great extent outsourced to small and medium-sized workshops. Many large companies are looking for lower labor costs in other countries such as Portugal, Morocco and Tunisia.
2/3 of total Spanish clothing exports go to other European markets. The main 'clothing suppliers' are China, Portugal and the main customers are Portugal and France.
Innovation, just-in-time supplement, continual renewal of stock with the most recent fashion trends, satisfying customer demands are immediate success formulas of the largest Spanish companies.
Clothing sales through Internet is even less successful than in Germany. Only 4% of the Spanish population uses the Internet. The general computer aversion, problems with logistics, lack of amusement during the purchase are reason for the inefficiency of e-commerce-based clothing purchases.

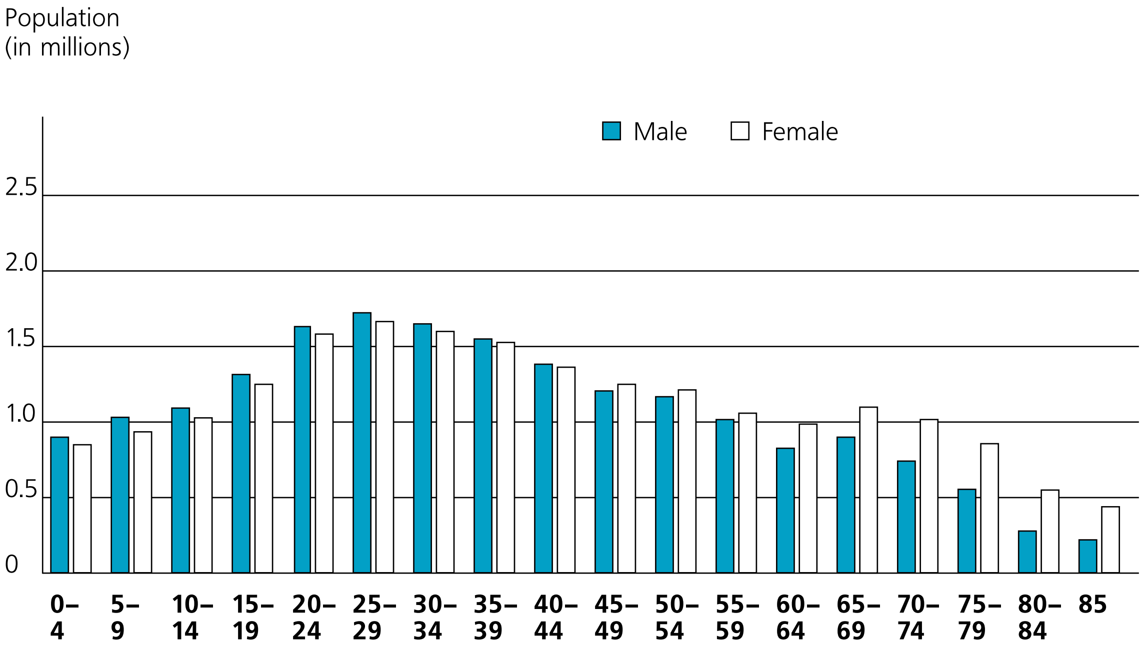
5.2.3 Demographic Characteristics

According to Figure 5–1 out of 39.8 Million Spaniards the major population segment is between 20 and 34 years of age (app. 10.2 Million – male and female). This age group is followed by those at the age of 35–39 years (app. 3.3 Million people). Spain's major target group is more than 5 years younger compared to other Northern European countries. Therefore, the young fashion and sportswear segment, being the preferred dress style by these age groups, offers good sales opportunities for clothing manufacturers from abroad covering this segment.

Like in all countries analyzed for this survey, children and teenagers have a low share in the total population. Only app. 5.5 million Spanish citizens are younger than 20 years of age. The prospects for the children's wear sector are not positive: In the year 2000 only 1.6 million kids were below 4 years of age and represented the smallest age group among all (except those of > 75 years of age).

The export manager from abroad wishing to enter or to sell more in the Spanish clothing market should follow and/or anticipate these developments and be prepared to further develop his collection according to the demands of the targeted age groups.

Figure 5-1: Age structure of the Spanish population by sex, 2000



Source: US Bureau of Census, International Database

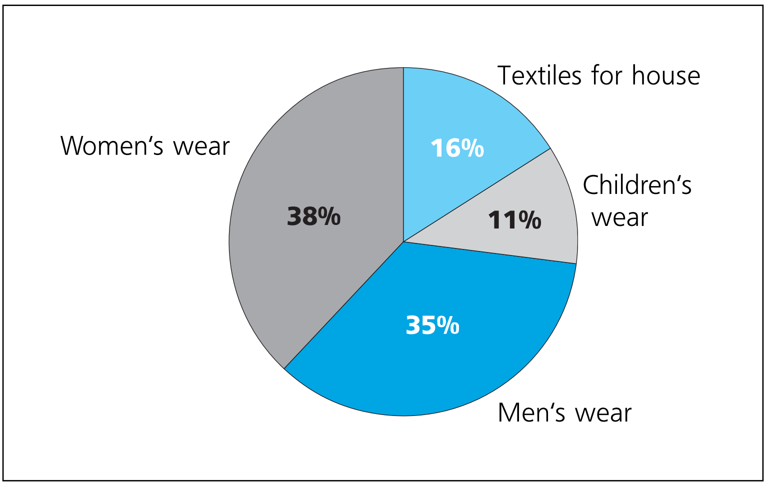
5.2.4 Retail sales by product category

The Spanish clothing market can be divided into four major product groups: women's wear, men's wear, children's wear and active sportswear. At present, there are no exact sales figures for the respective market segments available. According to industrial sources, women's and girl's wear represent 2/3 of the total value of the fashion market in Spain.

The women's wear segment holds the dominant market position, followed by men's wear, leisurewear and children's wear. Men's wear has been the fastest growing market segment. Also, the leisure clothing and sportswear segment show a positive development. The children's wear segment has lost market shares, mainly because of low birth rates in Spain and decreasing prices, resulting in lower sales figures.

The turnover of the whole Spanish clothing and house textile market in 2000 amounted € 19,1 Billion (+2.5% compared to 1999). A statistical separation of the apparel and the house textile sector at retail level is not available. Therefore, Figure 5–2 indicates the shares of the respective segments in the total Spanish textile market. Nevertheless, it can be stated that men's wear has gained market compared to 1999 (+6%) and women's wear has lost some shares in 2000. Children's wear represents only 13.1 % in the total Spanish clothing market with a decreasing tendency.

Figure 5-2: Turnover of clothing and home textiles in shares, 2000



Source: German Chamber of Commerce for Spain, 2001

5.2.5 Consumer behavior

5.2.5.1 Consumer preferences

Women and label-conscious urban young people tend to be the major target group in the Spanish apparel sector. The consumers in Spain assign a great deal of importance to fashion and are beginning to care more and more about what they wear, giving special awareness to brand names. Interviews and trend research in Spain have proved that professional women have a general preference for wear natural materials, dark colors, comfortable styles and classic designs. On the contrary, in the North of Spain light colors are more trendy. Six out of ten Spanish women regard quality as the main aspect in their buying decision while 30 % feel that design is the most important criterion. Surprisingly for only 10 % price is the most important decision factor for women, in contrast to attitudes in Northern EU countries and Switzerland.

The majority of the Spanish women (about 70%) also buy clothing for other people, mainly other family members. Almost 50% of men's clothes are bought by their wives and 37.4% of these women also purchase clothing for their sons. This percentage is only 17.2 regarding daughters. Spaniards, along with Portuguese, are the Europeans who spend the least amount of money for clothing. According to the market survey, 75% of the Spaniards surveyed responded that they shop less than once a month for clothing, whereas at the European level only 64% shop less than once per month.

Spanish men are the least likely to go shopping of all European men, with only 7% doing any household shopping at all. Spaniards are traditionally conservative in their clothing habits. Therefore, certain fashion trends – which are successful in countries of northern Europe – win recognition of the buyers in Spain much later or do not prevail at all. The consumers living in Southern Spain react more openly to the trends from Central Europe. Regarding quality of the clothing, the improvement of the economic situation has led to a shift from cheaper clothing to clothing at the middle to upper price segments.

Table 5–3 indicates the most common shopping places for Spanish apparel consumers based on a research by Healey & Baker among all kinds of distribution channels for clothing. There are some remarkable differences between the Spanish and the 'average' European consumer. The No. 1 shop type are city center stores with a preference of 45%, which is at the same time the most preferred retail type all over Europe (51%). Whereas in other European countries shopping malls are in the second position (29%), the Spaniards like to buy in neighborhood stores. Shopping malls in Spain rank only on the third position with 21% followed by outdoor markets (12%) and hypermarkets (10%). Purchases through catalogues (1%), factory outlet channels, large suburban stores, although growing, are still relatively rare in Spain.

Table 5-3: Where the Spaniards shop for clothing, 2001

Retail Outlet	Spain (%)	European Average (%)
City centre stores	45	51
Shopping mails	21	29
Outdoor markets	12	26
Neighbourhood stores	33	24
Hypermarkets	10	14
Catalogues	1	14
Neighbourhood supermarkets	5	12
Large suburban stores	3	11
Factory outlets	1	5
Internet	–	1
Others	6	4
Not specified	3	2

Source: Distribución Actualidad from Healey & Baker "Where People Shop"

Spanish clothing consumers can be briefly characterized by the following statements:

- The Spanish consumers do not have a tendency to prefer the same shop; instead, they look for diversity in their shopping locations.
- 21% of Spaniards go shopping with their families/relatives (in comparison: European average maintains only 9 % in this respect).
- Spaniards buy clothing 7 times a year (in average), which is below the European average of 9 times a year. The exception is young from 16 to 34, their average maintains 9.6 purchases per year.
- Spaniards pay increasing attention to brand names – especially young consumers- and service quality.
- The country of origin of the product purchased is for Spanish consumers mostly irrelevant.
- Spanish consumers are less ecologically conscious e.g. compared to the Swiss, Germans or the Scandinavians, and requests for 'ecological standards' in terms of clothing presently can only be observed in large cities like Madrid and Barcelona

The differences in consumer preferences compared to the Western European countries like Switzerland and Germany is the cut of ladies outerwear. Due to the average smaller size of the Spanish ladies, the pattern is slimmer in Spain (e.g. a Swiss/German size 38 is size 40 to 42 in Spain). Also trousers with 'over length' (like 36 and 38 are rarely in demand).

5.2.5.2 Consumer expenditures

Consumer spending on clothing in Spain is below average levels in other European countries. Average spending on clothing in 2000 amounts € 423 per capita, which is clearly below Italy's rate of € 770 or € 509 in France in the same year.

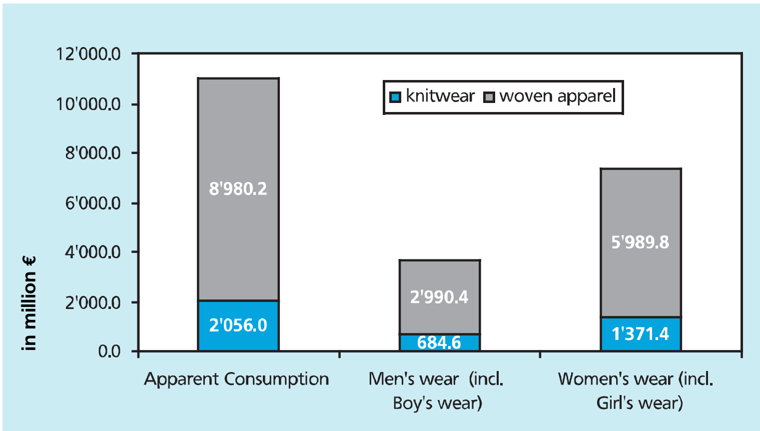
According to the results of a market survey carried out by the Spanish designer firm 'Miguel Gil', based on a poll among 1.000 women living in Spain's major cities, women are mostly responsible for the steady increase in family clothing expenditures. 83.1% of these women do not spend more then €1.202 per season and capita on clothing and accessories. Most women are indifferent to clothing origin. However, if they have the chance to choose the origin of the clothing item, more than a third of women prefer Spanish brands and fashion.

It is obvious that the expenditures on clothing depend to some extent on the geographical zones. (where the consumers live.) Generally speaking, in the northern regions of Spain the expenditures on clothing exceeded € 500 per capita in 2000. Firstly, the reason for these differences is the social life, the income and the prestige, which play an important role in the North of the country. Secondly, the climate influences the expenditures on clothing, e.g. in the colder North the relatively more expensive outerwear items like coats, jackets etc. increase the per capita consumption in value terms. The 'economic centers' are the regions with the highest readiness to spend money for clothing like Cantabria, Navarra, Rioja and Ceuta/ Melilla.

Statistics regarding general income show that the average disposable income (income after reduction of taxes, social insurances etc.) per capita in Spain was € 5.472,18 in 2000 (= 100%). Out of this amount the average Spaniard has spent € 423 for clothing annually (= € 35,25 monthly), which represents a share of 7.73% for clothing related to the average disposable income.

According to industry sources, women's and girl's wear amount to two thirds of the Spanish clothing market in value. More details about the structure of the apparel market can be taken from Figure 5–3.

Figure 5-3: Apparent consumption of knitwear and woven apparel by sex (at manufacturers' prices), 1999



Source: Industry data; Retail Intelligence London, 2001

Table 5-4: Apparent consumption of knitwear and woven apparel (at manufacturers' prices), 1999

in mio. €	Total knitwear	Total woven apparel
Production	1.860,095	6.713.170
Value-added production	799.931	3.035.651
Imports	951.143	1.211.315,5
Exports	1.554.967	1.979.273,3
Apparent (total) consumption	2.056.0*	8.980,2*

* rounded figures

Source: Industry Data; Retail Intelligence London, 2001

5.2.6 Price development of clothing

As the Spanish clothing market is (still) dominated by the strong national clothing production, the price developments also depend on the national industry to a large extent. Due to the weakness of the € until beginning of 200, and the increased costs for energy and raw materials in the same period, most of the Spanish manfacturers and consequently the retailers have been forced to increase their prices for outerwear products.

The consumer price index amounted to approx. 1.5% – 2% in 1998 to 2000. In 2001, price inflation for clothing has gone back to +1% p.a. However, the national consumer price index compared to the clothing price index, was significantly higher with 3.4% in 2000. General inflation rates in Spain of > 3% (EU average +2.2%) also have been stated for 2001.

The strong increase of the clothing imports, mainly from developing countries into Spain has led to more competition and has limited the inflation for clothing items. As the production costs for clothing in Spain have been lower (e.g.for labour, logistics, marketing) compared to Western European countries, the price level for apparel has been app. 10% lower. With the introduction of the €, the prices have adapted more to the Western European level.

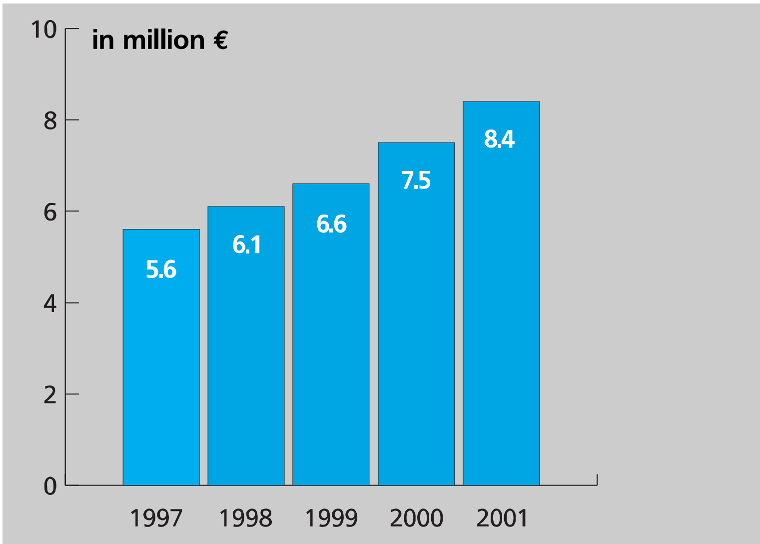
According to the Textile and Outerwear Information Centre (CITYC) in Barcelona the mark-up for a Spanish retailer 'theoretically' is at 100%, in practical terms, due to sales and reductions, figures run at only 70%. This tendency to stronger price reductions, lower margins and a European wide price adaptation can be stated for all countries of the '€-zone' covered by this market survey.

5.3 IMPORTS

5.3.1 Total imports

The imports of clothing to Spain have increased by 17% in 2000. Knitwear and woven clothing (19% increase of imports) were the leading product groups among the imported apparel. The imports of fabrics have increased too.

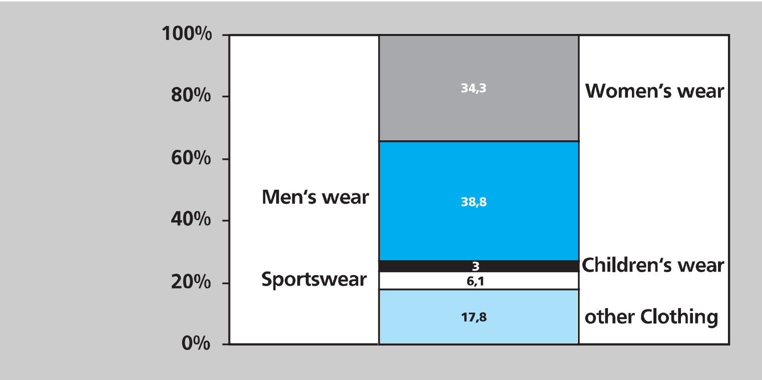
Figure 5-4: Clothing and textiles imports, 1997–2001



Source: German Chamber of Commerce in Spain

Figure 5–4 shows the general very strong increase of textile and clothing imports into Spain, especially in 2000 and 2001, with increases of > 12% annually. These figures are outstandingly high compared to the other European countries analyzed for this survey and show the tremendous pressure on the Spanish clothing markets.

Figure 5-5: Shares of clothing imports by product categories, 1999



Source: German Chamber of Commerce in Spain, 2000

Figure 5–5 gives a first general survey on the structure of the imported clothing in value terms covering the five major product groups women's, men's, kid's and sportswear as well as other clothing. Women's wear is dominant with 38.8% but followed immediately by men's wear with a 34.3% import share. Children's wear imports with 3% negligible due to the strong local kid's wear production.

Table 5–5 and Table 5–6 give a more detailed survey on the imports from 1999 to 2001 divided into imports of knitted outerwear and imports of woven outerwear covering those outerwear items analyzed for this marketing handbook.

Looking at the 2001 total figures in Table 5-5, the import share of men's clothing with 11.4% (= 189 Million €) in total imports is slightly higher than that for women (10.2% = 170 Million €); obviously this is mainly due to stronger local production of ladies wear that covers the market needs to a large extent. The largest share in total imports of outerwear to Spain by far is represented by outerwear products for both sexes (T-shirts, cardigans, pullovers etc.) with 1.104 Million € (66.8%). Knitted Sportswear items add up to 192 Million € and stand for 11.6% market share.

Knitted outerwear for both sexes represents not only the largest import share but also has the highest growth rates with +77% from 1999 to 2001 (value) followed by active sportswear for both sexes with an increase of +47% in the same period. It is obvious that these product segments with the highest import growth rates offer the best sales opportunities for manufacturers from abroad. The total import of knitted products into Spain increased in terms of value from 1999 to 2001 by 56%, which is extremely high compared to other European countries analysed for this survey. The percentage of knitted outerwear imported from countries outside the EU is 50.1%, which is low by European standards (in comparison UK around 75%).

Table 5-5: Imports of knitted outerwear by sex and product categories, 1999–2001

	1999 tons	1999 1000 €	2000 Tons	2000 1000 €	2001 tons	2001 1000 €
For men or boys						
Coats, raincoats, anoraks etc. (61.01)	651	15 904	760	16 453	416	9 346
Suits, jackets, ensembles, trousers, shorts etc. (61.03)	3 962	79 624	3 692	66 281	3 953	67 200
Shirts (61.05)	4 096	87 968	4 124	96 136	4 489	113 422
Total	8 710	183 495	8 576	178 870	8 858	189 968
Total extra EU	8 148	84 214	7 948	92 620	8 817	101 949
For women or girls						
Coats, raincoats, anoraks etc. (61.02)	379	9 026	443	11 964	401	10 144
Suits. Ensembles, jackets, dresses, skirts, trousers (6104)	2 665	91 005	3 743	126 032	4 698	124 059
Blouses and shirt blouses (6106)	576	23 561	756	37 075	697	36 425
Total	3 619	123 592	4 941	175 071	5 796	170 628
Total extra EU	3 346	45 181	4 684	70 894	5 688	78 147
For both sexes						
T-shirts, singlets etc. (61.09)	11 715	232 329	14 117	366 687	16 868	490 428
Jerseys, pullovers, cardigans, waistcoats etc. (61.10)	8 757	332 848	11 614	504 489	14 147	522 144
Babies garments (61.11)	2 581	55 617	4 221	76 244	4 019	84 261
Impregnated clothing (61.13)	171	3 750	303	7 077	381	7 235
Total	23 224	624 544	30 255	954 497	35 415	1 104 067
Total extra EU	21 424	281 512	26 274	409 742	33 736	550 312
Active Sportswear						
Track suits, ski suits and swimwear (61.12)	3 231	94 418	3 963	119 953	4 176	129 366
Other sportswear (61.14)	1 350	35 369	1 595	47 395	1 681	61 402
Total	4 581	129 788	5 559	167 348	5 856	190 768
Total extra EU	3 911	63 899	4 743	88 468	5 077	105 326

Source: Eurostat Luxemburg March 2002, year 2001 based on January to August 2001

Table 5–6 shows the imports of woven outerwear into the UK. Generally speaking, the imports to Spain in almost all product categories have increased year by year since 1999. Looking at the total imports of woven outerwear for women or girls, imports from 1999 to 2001 in value terms increased stronger than for men. The imports of woven men's or boy's outerwear increased by 36.1% from € 678.2 Million in 1999 to € 923.3 Million in 2001, whereas the ladies' wear imports for the same product groups increased by 55.8% from 492 Million € in 1999 to 767 Million € in 2001.

The woven women's and girl's outerwear imports increased continuously from 1999 to 2001, and amounted to € 767.3 Million in 2001. This segment shows the highest import increase of all segments, analysed with 55.8 % in three years since 1999. Similar to a share of 56.9% of non-EU countries in the men's woven outerwear imports to Spain 54.8 % of all ladies outerwear imports come from non-EU countries.

Thus, best prospects for imported apparel include business wear (basic colors, good quality, medium-high price) for women as well as high quality sportswear with a casual style and excellent quality materials (mainly natural fibers) with sophisticated styles and patterns. Casual wear, mainly denim, cotton-made products and knitted apparel, have also been in strong demand and sales prospects for these items have been rated as positive. The Spanish youth is strongly influenced by fashion trends from casual wear in general ('GAP style') and it can be stated that imports in general have very good prospects in this sector.

Table 5-6: Imports of woven outerwear by sex and product categories, 1999–2001

	1999		2000		2001	
	tons	**1000 €**	**tons**	**1000 €**	**tons**	**1000 €**
For men or boys						
Coats, anoraks, windcheaters etc. (62.01)	6 717	151 922	9 117	184 044	8 540	158 810
Suits, jackets, ensembles, trousers, shorts etc. (62.03)	19 062	374 355	24 999	487 543	26 487	546 101
Shirts (62.05)	7 957	151 931	10 515	202 213	11 651	218 464
Total	33 736	678 208	44 630	873 800	46 678	923 375
Total extra EU	22 160	319 770	26 637	441 998	30 033	526 713

	1999 tons	1999 1000 €	2000 tons	2000 1000 €	2001 tons	2001 1000 €
For women or girls						
Coats, capes, anoraks, wind jackets etc. (62.02)	2 850	79 994	6 368	113 376	4 635	105 459
Suits, ensembles, jackets, dresses, skirts, trousers (6204)	12 732	331 755	17 964	469 977	20 462	514 628
Blouses and shirt blouses (6206)	2 622	81 247	3 258	113 941	5 183	147 268
Total	18 204	492 996	27 589	697 293	30 280	767 355
Total extra EU	12 149	202 240	15 170	301 951	19 554	420 427
For both sexes						
Babies garments (62.09)	2 042	28 340	2 054	37 553	2 479	42 609
Other incl. Impregnated (62.10)		33 564				
Total	2 042	61 905	2 054	37 553	2 479	42 609
Total extra EU	555	30 180	607	14 511	877	20 981

Source: Eurostat Luxemburg March 2002, year 2001 based on January to August 2001

5.3.2 Outward Processing Trade (OPT)

The textile and clothing industry in Spain is a labour intensive industry with relatively high labour costs. Outsourcing is a common practice among Spanish clothing firms. INDITEX (Brand ZARA), for example, designs, produces (50 % is outsourced to subcontractors) and distributes its own brands (vertical concept). The company policy of satisfying customer demand almost immediately requires that the Inditex production is almost entirely located in Europe, primarily in Spain to provide the flexibility to respond quickly and effectively to market trends. MANGO, Spain's second largest textile company after Inditex, designs strictly womenswear for young urban women. However, Mango manufactures only to 25% of its production in Spain. The remainder of Mango clothing is produced in China (app. 50%) and Morocco (app. 25%). According to EUROSTAT the, OPT import figures for Spain have not been statistically separated from the 'full import'.

5.3.3 Largest suppliers of outerwear

The ten major supplying countries of clothing from non-European countries are – according to their importance – China, Morocco, Hongkong, Bangladesh, Turkey, Vietnam, India, Thailand, Indonesia and South-Korea. The two main extra-EU suppliers of fashion clothing China and Morocco, represent 45,8% of the entire extra-EU import volume, whereas the two main EU suppliers Portugal and Italy stand for build 49,8% of the whole EU import volume. In general, approximately 47% of the import volume is supplied by EU member states, and the rest (about 53 %) stems from developing countries.

The main 'winners' among the supplying countries in terms of import increase from 2000 to 2001 are Myanmar (+74.6% – from a very low level), Morocco (+60.3%), Vietnam (+35.2%), U.A. Emirates (+31.9 % - do. from a very low level), India (+30.7%), China (+29.4% – from very high import level) and Bangladesh (+29.1%).

Clothing suppliers from United Kingdom (18.2%), South-Korea (16.3%), France (12.7%) and Italy (12.0%) are the 'losers' among the top 20 (twenty) countries exporting into Spain in 2001 compared to 2000 (value terms). More details can be taken from Table 5–7.

Table 5-7: Largest supplying countries of outerwear, 1999–2001

Position	Country	1999 in 1000 €	Change	2000 in 1000 €	Change	2001 in 1000 €
1	China	274 271	33,3%	365 587	29,4%	473 063
2	Portugal	256 335	46,7%	375 995	9,4%	411 393
3	Italy	334 035	32,3%	441 954	–12,0%	388 781
4	Morocco	141 591	56,2%	221 104	60,3%	354 380
5	France	214 310	33,1%	285 191	–12,7%	248 935
6	Fr Germany	109 916	38,1%	151 786	8,9%	165 359
7	Belgium	140 920	9,5%	154 352	4,6%	161 526
8	Hong Kong	73 018	31,9%	96 298	13,2%	108 993
9	Bangladesh	54 216	51,4%	82 096	29,1%	105 981
10	Utd. Kingdom	100 386	25,5%	125 954	–18,2%	102 979
11	Netherlands	81 555	15,1%	93 859	–2,8%	91 224
12	Turkey	52 756	37,0%	72 256	3,6%	74 866
13	Vietnam	31 013	67,9%	52 085	35,2%	70 440
14	India	37 072	35,8%	50 331	30,7%	65 765
15	Thailand	34 152	49,8%	51 157	4,7%	53 557
16	Indonesia	38 492	33,6%	51 423	2,5%	52 715
17	South Korea	30 989	40,8%	43 624	–16,3%	36 505
18	Switzerland	23 918	15,7%	27 664	17,0%	32 355
19	Myanmar	6 826	162,9%	17 944	74,6%	31 327
20	U.A.Emirates	15 303	39,8%	21 400	31,9%	28 220
	EU	1 267 531	33,4%	1 690 779	-5,0%	1 606 504
	Extra EU	1 009 484	40,4%	1 417 818	27,3%	1 805 253

Source: Eurostat Luxemburg March 2002, year 2001 based on January to August 2001

Table 5–8 and Table 5–9 give a more detailed look at the import structures per product segment. According to Table 5–8 China, France, Italy and the neighboring country Portugal are the major supplying countries in the segment of women's/girl's knitwear in terms of value. Indonesia, Thailand and Morocco – besides China – are the major developing countries selling ladies knitwear to Spain.

Table 5-8: Main supplying countries of knitwear for women and girls in shares, 1999

Country	China	France	Italy	Portugal	Indo-nesia	Turkey	UK	Thailand	Morocco	Macao	Hong Kong	Others
% total	15	13	11	11	6	5	4	4	3	2	2	24

Source: CITYC; Retail Intelligence, 2001

Table 5–9 shows, that Italy, China, France and Morocco are the main suppliers of women's/girl's ready-to-wear clothing to Spain in terms of value. Major developing countries in this segment are also India, Thailand and Indonesia.

Table 5-9: Main supplying countries of woven apparel for women and girls in shares, 1999

Country	Italy	China	France	Morocco	Portugal	Ger-many	UK	Hong Kong	India	Thailand	Indo-nesia	Others
% total	22	14	13	9	8	6	4	3	3	3	3	13

Source: CITYC; Retail Intelligence, 2001

5.4 TRADE STRUCTURE

5.4.1 Developments in the retail trade

The fierce competition on the Spanish market, indicated by more imports from abroad, has led to structural reforms at the retail level. The expansion of department stores resulted in a decrease in the number of independent specialized shops. Their market share shrunk from approx. 65% in 1985 to 45% in 2000. Other distribution channels, like mail-order houses and clothing markets, suffered and lost market shares. In 2000, retail trade showed rising turnover, although with falling sales volume. Apparently, many retail shop owner and multiples have changed their marketing concept towards high-quality units. Each year, small independent multi-brand stores are steadily losing market shares to other more dynamic retail channels; this trend has even accelerated in the last few years.

In Spain there are five large 'company groups' that control one third of the total retail market for men's, women's and children's wear: El Corte Inglès, Inditex, Carrefour, Cortefiel and Mango control 33% of the total sector turnover. The ten largest companies represent nearly 40% of all retail sales. In 1992 there were 55.190 clothing retailers in Spain. Over the past decade this number has grown by nearly 30% to 70.612 outlets in 2000, employing 178.000 people. Less than half are independent multi-brand shops.

Specialized franchise chains have nearly doubled their market share in the past decade at the expense of independent retailers. These often 'single brand oriented' retail channels, along with hypermarkets, gained the greatest market share at the expense of the multi-brand independent shops that are unable to respond as quickly to changing market trends. As stated above, close collaborations are often used in view of Spain's existing industrial and trading infrastructure along with franchising, considered an excellent means for penetrating the Spanish market.

Today, hypermarkets account for nearly 11% of total clothing retail sales by value, a far cry from 15 years ago when most such outlets sold only socks and underwear. All the large hypermarket chains, Carrefour and Alcampo in particular, carry a wide range of clothing, especially kid's wear.

The further strategy of the clothing industry, partially running their own retail outlets, includes the increase of productivity in order to lower labor costs, and a higher dislocation of the production to countries with low production costs. It can be expected that the Spanish clothing retailers will offer greater segmentation in the product lines offered and specialize more in market niches, mainly within the low and upper price classes.

5.4.2 Leading retailers

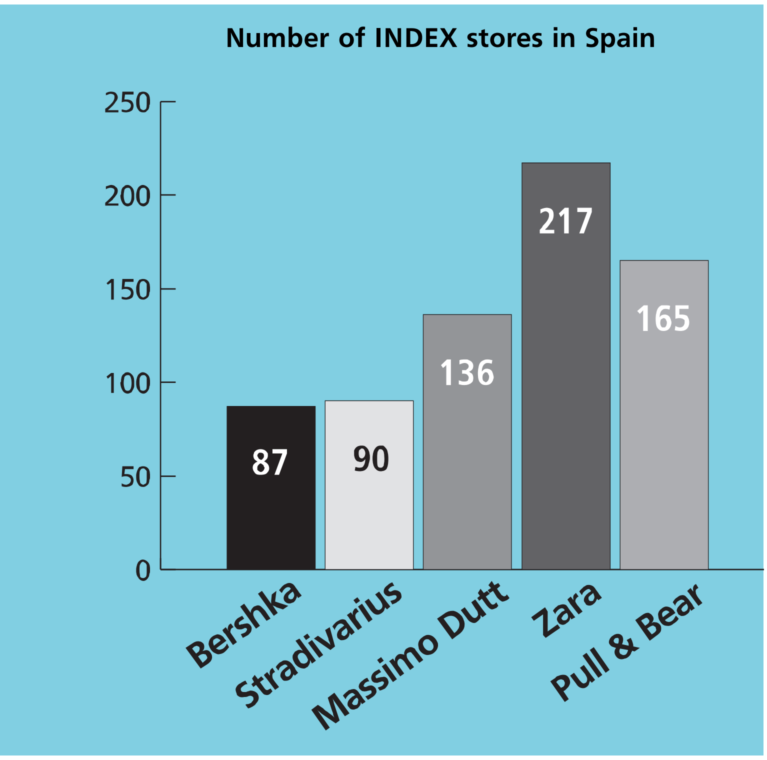
As mentioned before, the Spanish clothing retail structure can be characterized by a strong concentration on only a few companies. Further, a remarkable part of the turnover is made by distribution chains such as Marks & Spencer (going to be closed in Spain), C&A, or international franchise companies like Benetton, Pimkie or Promod.

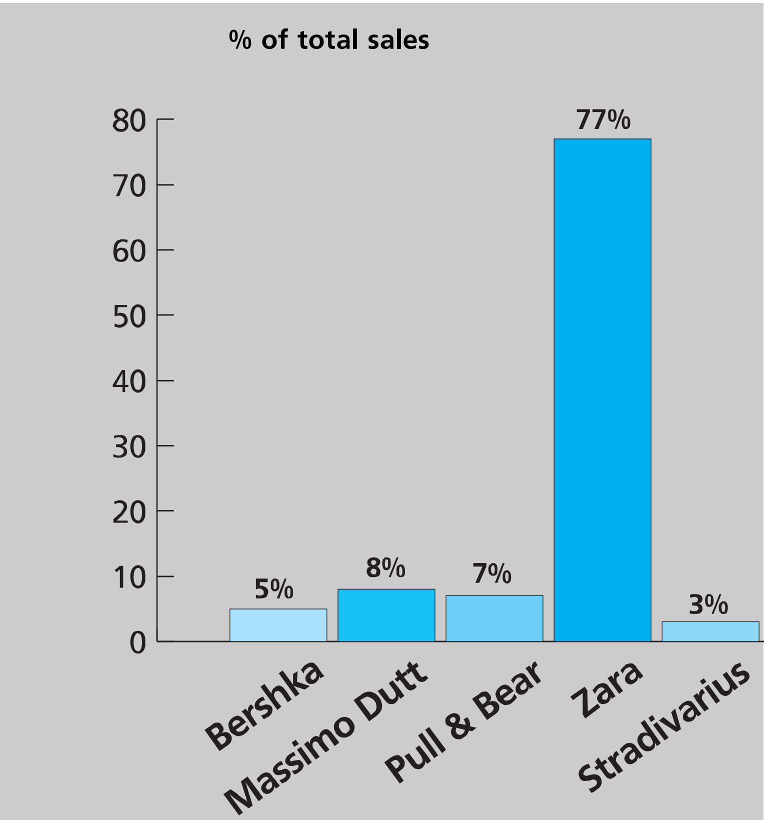
Department store sales (in Spain El Corte Inglès) represent approximately 16% of the total clothing market in value. The El Corte Inglés group includes the franchise chains Sintesis, Cedosce, Tintoretto and Amitié.

The most successful Spanish clothing retailer INDITEX (see Figure 5–6) became one of the world's most important and successful clothing retailers. It's owners had opened the first Zara store with the idea of producing fashion clothing at an affordable price. Over the past five years, Zara has increased the number of stores from 180 (mainly in Spain) to 450 in 30 different countries. Revenues have grown by an average of 27% a year since 1998. As can be seen from Figure 5–6, the Inditex group today consists of five major chains: Zara (men's, women's and children's wear), Pull & Bear (men's wear), Massimo Dutti (men's and women's wear), Bershka and Stradivarius (both women's and girl's wear).

INDITEX provides the flexibility and quick response to market trends, while other Spanish clothing firms are based on designer or seasonal collections. Designers are in constant touch with store managers to find out which items are most in demand. The plant, in turn, ships the goods to the stores twice a week, thus eliminating the need for warehouses and while keeping inventories low.

Figure 5-6: INDITEX – Principal clothing chains by number of stores and market shares, 2001





Source: Inditex, Retail Intelligence, London, 2001

European firms, such as Gucci, are successful in the women's wear market. Dutch/German C&A and British Marks & Spencer target a bigger share in the market. Other successful European chains in Spain are the Italian Benetton, Max Mara chains and the French Pimkie. The Swedish Hennes & Mauritz chain operates at the Spanish market since 2000 and plans an aggressive expansion plan opening 20 outlets in major Spanish cities. The American GAP competes successfully with Zara and Mango, offering young fashion at low prices.

The Barcelona-based Armand BASI, originally a knitwear company, is also an important supplier of men's and women's wear, as well as the Galician-based CARAMELO chain. Concerning jeans and casualwear, the Valencia-based SAEZ MERINO, with its Spanish bull trademark 'Lois' brand, competes with 'Levi Strauss España in men's and women's leisure clothing. Two leading Spanish specialists in women's jeans and trousers are ANINOTO and JOCAVI, which are popular among women of all ages.

Table 5–10 gives a survey on the major clothing companies, most of them having an own production as well as own retail outlets among which MANGO, ZARA and CORTEFIEL have the most advanced marketing concept and are successfully operating all over Europe. NIKE, ADIDAS, BURBERRY and LEVI'S are the leading 'non-Spanish' clothing and sportswear brands in the market. The analysis of the net profit of the major Spanish clothing companies including their retail operations shows that the most successful retailers also have the highest profitability. MANGO, ranking no. 2, achieved a net profit of 12.9%. SAEZ MERINO, as the 10th largest clothing company, achieved a net profit of 11.6%; whereas ZARA, ranking in position 1, earned net 8.5% of the turn-over in 1999. All these companies (with Saez merino to a lesser extent) have made large investments for their aggressive market expansion all over Europe.

Table 5-10: Leading clothing manufacturers by turnover, 1999

Ranking	Group	Turn-over in Mio. e	Net profit
1	Zara España	666	57,11
2	Punto Fa (Mango)	425	55,22
3	Induyco	346	3,99
4	American Nike (NIKE)	267	–
5	adidas España	220	12,45
6	Cortefiel	210	–
7	Burberry Spain	169	19,23
8	Levi Strauss España	141	–
9	Hilados y Tejidos Puignero (HYTPSA)	133	5,51
10	Saez Merino	110	12,75
11	Dogi	106	–
12	Montefibre Hispaña	101	–

Source: CITYC - Retail Intelligence London, 2001 – German Chamber of Commerce in Spain, 2001

The distribution of outerwear in the Spanish clothing market is based on extensive 'franchising systems' that are greatly developed compared to other European markets. Most of the franchise chains in Spain sell women's and children's clothing. Some of the most important franchises are ADOLFO DOMINGUEZ (men's designer clothing – 49 outlets), DON ALGODON (high segment ladies' wear – 98 outlets – franchisee Cortefiel), MASSIMO DUTTI (Ladies' and men's outerwear – 73 outlets – franchisee Inditex Group) or TINTORETTO (high segment ladies' outerwear – 97 outlets – franchisee Induyco Group).

The 'El Corte Ingles' franchise chains Amitiè, Cedosce, Sintesis and Tintoretto represent in and of themselves more than 325 outlets. Specialist chains, such as Escorpiòn (women's knitwear), Pronovias (bridalwear) and the Italian Prénatal (children's and maternity wear) also prove to be among the better-known franchise chains in Spain's large cities.Table 5-11 gives a survey on the major franchise companies in the Spanish clothing market.

Table 5-11: Principal womenswear franchising chains by number of outlets, 2000

Chain	No. of outlets	Chain	No. of outlets
Adolfo Dominguez	49	Moda Mil	60
Alain Manoukian	20	Parafine	19
Amichi	93	Phineas	85
Amitiè	58	Pronovias	104
Artesanos Camiseros	119	Prenatal	108
Basic	9	Purificaciòn Garcia	42
Benetton	300	Roberto Verino	42
Cacharel	31	Rodier	11
Cedosce	68	Sintesis	102
Devernois	20	Solana	50
Dimelone	17	Spaghetti & Co.	40
Don Algodòn	98	Stefanel	25
Dorothy Perkins	13	System Action	10
Escorpion	125	Tintoretto	97
Ethica	15	Torero	22
Etxart & Panno	14	Trucco	30
Mango MNG	190	Vestir Clubb	37
Max Mara	21	Waipai	24
Massimo Dutti	73		

Source: Anuario del Pais based on Franchisa data

5.4.3 Distribution channels

5.4.3.1 EMBED Retailers

The last survey on the structure of the Spanish clothing distribution channels dated from 1999 indicates that 178.000 persons have been employed in 70.948 shops. The size of the shops in Spain is comparatively small with 2.5 employees per unit (Source: Distribución Actualidad based on data from DBK).

Table 5–12 shows the dramatic change of the market shares among the Spanish clothing distribution channels comparing the years 1998 and 1999. In particular, the 'boom' of the specialized chains by +15.3% at the expenses of the independent retailers (2.4%) is significant. Also, the department-stores and hypermarkets have extended their market share by +9.0%. At the same time, the entire clothing market has only increased by +2.5%.

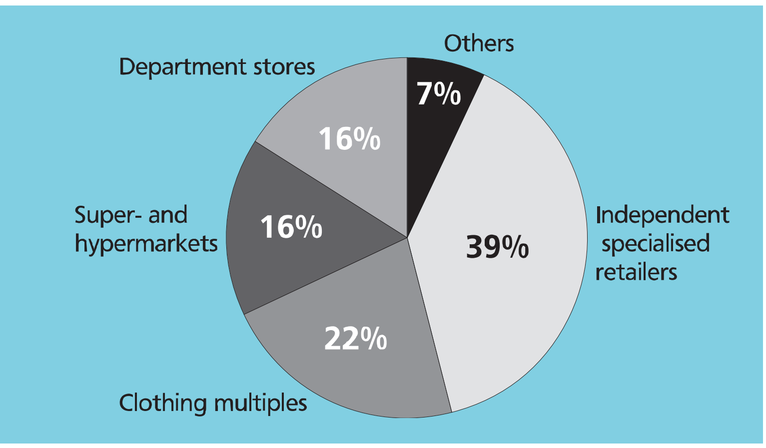
Table 5-12: Clothing retail channels by turnover and market shares, 1999

	Sales (in mio. Ptas.)	market share in %	percentage change 1999/1998
Independent retailers	1.201.670	46	–2,4
Specialist chains (large/small)	490.530	19	15,3
Department stores/hypermarkets	690.300	27	9,0
Others	212.900	8	–2.5
Total	**2.595.400**	**100**	**2,5**

Source: Distribución Actualidad based on data from DBK

Figure 5–7, based on an analysis of ACOTEX in 2001, indicates the share of the clothing distribution channels in 2000. The market is (still) dominated by the independent specialized retailers (39%) but clothing multiples (22%) and super- and hypermarkts (16%) have gained shares in recent years and can be rated, together with the department-stores (16%), as the greatest potential target customer group for manufacturers from developing countries.

Figure 5-7: Clothing retail channels by market shares, 2000



Source: ACOTEX, Madrid 2001

5.4.3.1.1 Independent specialized retailers

Key characteristics: These specialized clothing shops are still the main retail outlets for garments in Spain (Jeans-shops, Boutiques), although the market share of these shops has been decreasing. They play an important role mostly in the North of Spain, although even here the importance for this distribution channel is shrinking. Each year small independent multi-brand stores steadily lose market share to other more dynamic retail channels (like large department store El Corte Ingles), and this trend has accelerated in the past few years, because of their limited capabilities to respond quickly enough to changing market trends.

Market-share: 39% in 2000
Trend: Strongly decreasing (1985 = 66%)

5.4.3.1.2 Clothing multiples

Key characteristics: Clothing multiples mainly or exclusively have only one brand label in their assortment for fashionable products with short rotation times (like Mango). As a result of aggressive expansion plans, these specialist chains account for more than 20% of total retail clothing sales in Spain. Many of these chains operate on either a franchise basis or a mix of both company-run stores and franchises. These often single brand retail channels, along with hypermarkets, have gained the greatest market share at the expense of the multi-brand independent shops. Spain possesses, like France and the UK, favourable regulations for franchise-companies.

Market share: 22% in 2000
Trend: Very strongly increasing (1985 = 3%)

5.4.3.1.3 Department stores

Key characteristics: Department stores combine a wide range of branded goods and private labels. The prevalent Spanish department store is El Corte Ingles. There are more than 30 brands of men's, women's and children's wear sold through "corners" in El Corte Ingles. Many of these brands stem from the Induyco Group. However, a large portion of the assortment are well-known Spanish or foreign brands. According to the experts' statements, the 'entrance' to the market through El Corte Ingles for companies with substantial sales volume has been indispensable up to now. Despite strict terms of admission (restrictive terms of payment, certain levels of turn-over etc.) set up by the leading department store, many brand manufacturers try to sell their garments to El Corte Ingles. Due to strict brand orientation, the department store offers easier access for well known brands and companies with a good image. Companies from developing countries have the best access chances to El Corte Inglès by offering their assortment to the 'private label buying managers' who source their products mainly from overseas suppliers.

Market share: 16% in 2000
Trend: Constant (1985 = 15%)

5.4.3.1.4 Mail-order houses

There is very little information available about mail-order houses in Spain. The major unit is VENTA CATALOGO in Barcelona which has reasonable sales all over Spain. Similar to other southern European countries like Italy 'home shopping' is not very popular, due to the partially unsatisfactory service by the national Post. Some smaller catalogue houses, mainly operating in niche markets, are of minor importance and are restricted, making them an unsuitable target group for clothing manufacturers from abroad. As a general rule, the Spanish consumers receive a new catalogue 1–2 times per year – often additional 'seasonal fashion catalogues' are send out. This distribution channels is losing market share.

Market share: 4% in 2000
Trend: Decreasing (1985 = 12%)

5.4.3.1.5 Textile discounters

The distribution of clothing in the lower price segment in Spain is mainly handled by the grocery super- and hypermarkets. Specific textile discounters operate more on a regional level, and are very difficult to identify at all. The textile discounters mainly buy from wholesalers and importers based in Spain, therefore clothing manufacturers from abroad should contact these importers to also penetrate the 'clothing discount' business. Against this backdrop, it is obvious that specific figures about the market shares and the development of textile discounters are not available.

5.4.3.1.6 Grocery super- and hypermarkets

Key characteristics: The main activities of grocery super- and hypermarkets lie originally in the selling of groceries. Both distribution channels are gaining importance in Spain. The price level of clothing sold by super- and hypermarkets ranges in the lower to middle level. The important suppliers are large supermarkets like ALCAMPO, ALIMENT, MERCADONA, GIGANTE and CARREFOUR, which has taken over the Spanish chains PRYCA and CONTINENTE in 2000. The sector children's wear plays a particularly important role for this distribution channel.

Market share: 16% in 2000
Trend: Increasing (1985 = 2%)

5.4.3.1.7 Others

According to desk-research and interviews conducted in Spain, open street markets and to a lesser extent consumer fairs and factory outlets are the major distribution channels for clothing summarised under 'Other forms of retail'. Sales through internet and Television play a very minor role as yet, and represent < 0.5% of all clothing sales.

Market share: 3% in 2000
Trend: Increasing (1985 = 2%)

5.4.3.2 Sales Intermediaries

5.4.3.2.1 Clothing Manufacturers

As stated above, the clothing production sector plays a dominant role in the Spanish industry. There is a growing trend among manufacturers to create their own chain of distribution. Franchise has become a very common system for brand name distribution of fashion products. The Spanish Franchise Association states that there are over 78 Spanish brand name franchises in the fashion sector with almost 3.000 boutiques. Eleven per cent of Spanish franchises are in the fashion sector.

A new way of distributing garments for clothing manufacturers originates from the USA: Sales through Factory Outlet Centers (FOCs). Garments are sold direct from the factory to the customer. This distribution way concerns "leftovers": goods from overproduction, phased-out products and reclamations. ZARA has an independent shop in Madrid. There are many FOCs in Spain, located outside of big cities. There is FOC "La Roca Company Stores" near Barcelona, which offers in 40 shops brand apparel at reduced price (Cacharel, Dockers, Levi's, Timberland). Two other FOCs are situated near Madrid ("Las Rozas Village" in Las Rozas and another one in Getafe).

5.4.3.2.2 Central Buying Associations

As the share of independent smaller retailers in Spain (at 40%) is high, there is a relatively broad basis for potential member companies for buying associations. Nevertheless, there are only two buying associations of importance in Spain: UNA VIVO in Madrid with 160 members and IFA ESPANOLA in Madrid with 62 members. The members of the latter are more wholesalers than retailers.

The low importance of buying associations in Spain can be mainly explained by the fact that the owner of a single boutique or a small number of shops buys > 80% of its product range from local manufacturers and/or from sales agents representing foreign brands. Therefore; the buying associations are of lesser importance for foreign manufacturers wishing to export to Spain.

5.4.3.2.3 Sales Agents

Sales agents play a major role in the Spanish clothing market. This refers mainly to (Spanish and European) clothing brands which are distributed via a network of sales agents all over the country. Only those clothing manufacturer from abroad wishing to enter the Spanish market with an own product range are advised to appoint a sales agent to sell their collection to the major retailers. These sales agents should be located near or in the major 'clothing areas' of Spain, like Madrid, Sevilla, Barcelona and La Coruña to build up and maintain contact to the 'key players' in Spain.

5.4.3.2.4 Importers/wholesalers

Given the strong increase of clothing imports into Spain since the end of the nineties, the necessity for the assignment of importers/wholesalers has increased. Some Spanish wholesalers/ importers have come to supply the chains and the brands with 'price attractive and fashionable' collections that they often develop with manufacturers from overseas countries. However, the interviews in Spain have proved that the large clothing companies like Mango, Inditex or Indyuco often have their own import departments and sourcing and control systems worldwide.

5.5 SPANISH FASHION TRADE FAIRS

The important Spanish fashion fairs take place in two big cities: Barcelona and Madrid. One of the most well known fairs in Spain is 'ESPAI GAUDI' Barcelona – International Fashion Fair for Ladies' and Men's Wear. Fira de Barcelona organizes GAUDI Barcelona twice a year, usually in January and July. It counted 38,586 visitors in 2000, among them approximately 20% Non-Spaniards and 315 exhibitors. (10% of the exhibitors come from abroad.) There ESPAI GAUDI comprises the following fashion 'subfairs' which take place simultaneously:

- PASARELA GAUDI (Fashion Show)
- INTIBAN (Under wear and swimwear)
- MEDITERRANEO JEANS (Jeans and Sportswear)
- GAUDI MUJER (International show for women's wear – Prêt-à-Porter – all kinds of apparel and accessories and leather clothing – app. 7.000 visitors thereof about 5% from abroad) and about 80 exhibitors (10% from abroad)
- GAUDI Hombre – an exhibition for high quality men's wear (Prêt-à-Porter) and Accessories.
- NOVIAESPANA (Bridal Wear)

The significant fashion fair in Madrid is SIMM – International Fashion Week. It is organized twice a year, in February and August/September in Parque Ferial Juan Carlos I by IFEMA (Feria de Madrid). The main focus of this fair is men's and women's wear, but also fur clothing and leather garments. The fair includes the following events:

- INMODA/ANIMODA (exhibition of foreign women's wear held by Spanish importers)
- IMAGENMODA (advance order fair for women's wear)
- INTERMODA (direct-order-fair for women's wear)
- IBERPIEL/PELETERIA (fur and leather garments)
- PASARELA DE CIBELES (Best known fashion-show with most reputated fashion designers)
- CIEN+CIEN JOVEN (Jeans, Street and Sportswear)
- BOUTIQUE EUROPA (high level designer wear)

The fair in Madrid in February 2000 accounted for 28.000 visitors, 6.5% of whom came from abroad, was an increase of + 6.5% compared to the previous event. The number of exhibitors was 765, out of which 206 originated from foreign countries. The total number of square meters rented out was 28.464.

For children's wear the 'FIMI' in Valencia is the most important event. The fair takes place twice per year and shows besides baby to teenager wear also accessories and maternity wear. In June 2000 the space rented out to 296 exhibitors amounted to 6.313 square meter. 30% of the exhibitors originated from abroad and the fair was attended by 7.213 visitors thereof 942 persons from abroad.

5.6 LIST OF MAJOR BUYERS OF LADIES, MEN'S AND CHILDREN'S WEAR IN SPAIN

Clothing Chain Stores

C & A Modas
Hermosilla 77
E-Madrid (Salamanca) Madrid
Tel. +34-91-5757 139
Fax: +34-91-57 57 142
www.c-and-a.com

Product range: Ladies', men's and kid's wear

Price segment: Lower to middle level

Number of outlets: 21

Celso Garcia SA
Calle Serrano 52
E-28001 Madrid
Tel. +34-91-431 6760
Fax: +34-91-431 67 70

Product range: Ladies', men's and kid's wear

Price segment: Middle level

Number of outlets: 11

Note: Belongs by 1/3 to Cortefiel

Comerc. Espanola LA ARANA SA
Polígono Industrial El Pla - Edificio Arana
E-08800 Barcelona
Tel. +34-93-668 9061
Fax. +34-93-668 5962

Product range: Ladies' and men's wear

Price segment: Lower to middle level

Number of outlets: 42

Cortefiel SA
Avenida Mon Forte De Lemos s/n
E-28029 Madrid
Tel. +34-91-730 2946
Fax: +34-91-358 48 37
www.cortefiel.es

Product range: Ladies' and men's wear
+ young fashion

Price segment: Middle level

Number of outlets: > 300

Damart SA
Calle Gomis 32
E-08023 Barcelona
Tel. +34-93-212 2412
Fax. +34-93-211 5815
www.damart.com

Product range: Ladies' and men's wear, underwear

Price segment: Lower level

Number of outlets: 22 shops + mail order

Euronido Textil SA
Ctra. Anadlucia, km 6.400
E-28041 Madrid
Tel. +34-91-217 3345
Fax. +34-91-365 0848
www.euronido.es

Product range: Ladies' and men's wear

Price segment: Lower level (value for money)

Number of outlets: 16

Inditex SA ('Zara')
Poligono Ind. Sabon 79B
E-15142 Arteixo, La Coruna
Tel. +34-981-185400
Fax. +34-981-185454
www.inditex.com

Product range: Ladies', men's and kid's wear

Price segment: Middle to upper level

Number of outlets: > 500 - partially own production

Mango – Punto FA S.L.
Calle Mercaders 9 11
E-08184 Palau de Plegamans – Barcelona
Tel. +34-93-860 2222
Fax: +34-93-8602 201
www.mango.es

Product range: Ladies' wear, young fashion

Price segment: Middle level

Number of outlets: > 60 + 175 franchising partners

Prénatal SA
Botanica 29
Hospitalet de Llobregat
E-08908 Barcelona
Tel. +34-93-3355 904
Fax: +34-93-33 55 906
www.prenatal.it

Product range: Children's wear

Price segment: Middle to upper level

Number of outlets: 100

Reguero SA
Roble 3
E-28020 Madrid
Tel. +34-91-4252 880
Fax: +34-91-571 57 35

Product range: Men’s wear

Price segment: Lower to middle level

Number of outlets: 14

Superconfex SA
Sierra de Guadarrama 84
Polígono Industrial San Fernando de Henares
E-28850 Madrid
Tel. +34-91-656 4012
Fax. +34-91-677 2935
www.superconfex.nl

Product range: Ladies’ and men’s wear

Price segment: Lower level

Number of outlets: 12

Note: Daughter company of Dutch ‘Superconfex’

Viella SA
Psje. Blanchart 26
E-08901 Barcelona
Tel. +34-93-337 1686
Fax: +34-93-93 – 337 1690

Product range: Ladies’ and men’s wear

Price segment: Middle level

Number of outlets: 20

Jeans-, Sportswear and Young Fashion

Dacosa SA
Claudio Coello 57
E-28001 Madrid
Tel. +34-91-431 6041
Fax. +34-91-577 4904

Product range: sportswear

Price segment: Middle to higher level

Number of outlets: 110

Note: belongs to Cortefiel group

Saez Merino S.A.
Lanterners, no 1 Pol. Vara de Quart
E-46014 Valencia
Tel.: +34-96 – 382 65 70
Fax: +34-96 – 382 65 79
www.saezmerino.es

Note: One of the leading jeans- ad casual-wear manufacturer in Spain with brands CAROCHE, LOIS and CIMARRON

Department Stores:

Alcampo SA
Edificio de Oficina Madrid 2
Santiago del Compostela sur s/n
E-28029 Madrid
Tel. +34-91-730 3683
Fax. +34-91-730 1741
www.alcampo.es

Product range: Ladies', men's and kid's wear

Price segment: Lower to middle level

Number of outlets: 43 + 13 'service points'

Almacenes ARCOS SA
Plus Ultra 8
E-21001 Huelva
Tel. +34-955-249599
Fax. +34-955-25637

Product range: Ladies', men's and kid's wear

Price segment: Lower level

Number of outlets: 8 dept. stores + 3 discounters

El Corte Ingles SA
Hermosilla 117
E-28009 Madrid
Tel. +34-91-309 0119
Fax. +34-91-401 7454
www.elcorteingles.es

Product range: Men's ladies and kid's wear

Price segment: Lower to upper level (depending on distribution channel)

Number of outlets: 37 dept. stores + supermarkets + franchising. partners

Galerias Primero SA
Dr. Perez Serrano 3-5
E-50010 Zaragoza
Tel. +34-976-347 912
Fax. +34-976-769901
www.galeriasprimero.es

Product range: Ladies', men's and kid's wear

Price segment: Middle level

Number of outlets: 11

Jose Luis Gay GA
Calle Alfonso I n 17
E-50003 Zaragoza
Tel. +34-976-397150
Fax. +34-976-396647

Product range: Ladies' and men's wear

Price segment: Lower level

Number of outlets: 6

Simago SA
Josefa Valcarcel, 40 duplicado
E-28027 Madrid
Tel. +34-91-301 80 00
Fax. +34-91-301 80 26

Product range: Ladies', men's and kid's wear

Price segment: Lower level

Number of outlets: app. 15

Note: belongs to the Spanish Continente Group

Mail Order Companies:

Venta Catalogo SA
Calle de los Olivares 1 - Vilanova i la Geltrú
E-08800 Barcelona
Tel. +34-93-814 0909
Fax. +34-93-893 8284

Product range: Casual wear for men

Price segment:

Manufacturers/Importers and Wholesalers/Importers:

Caramelo SA
Avda. Gambrinus 103
E-15008 La Coruna
Tel. +34-981-146 002
Fax. +34-981-275 982
www.caramelo.com

Product range: Ladies' and men's wear

Price segment: Middle to higher level

Number of outlets: 25

Note: Manufacturer + retailer

Centro Textil Massana
Pol Pla d'en Boet II s/n
E-08302 Mataró
Tel.: +34-937-415 555
Fax: +34-937-415 553
www.massana.es

Product range: Knitwear and outerwear

Difusion Dignos SL
Legalitat 64
E-08024 Barcelona
Tel. +34-93-210 0300
Fax. +34-93-210 8471

Product range: Knitwear

Price segment: Lower to middle level

Efussion International SA
Avda. Rio Palancia s/n
E-12412 Geldo (Castellon)
Tel. +34-964-712081
Fax. +34-964-712011

Product range: Men's wear

Price segment: Middle level

Note: Manufacturer

Import Arasate S.A.
Pol. Kataid, pab 19
E-205000 Arrasate (Guipuzcoca)
Tel.: +34-943-712-034
Fax: +34-943-771-301
www.astore.es

Product range: Sport and rainwear

Induyco Grupo de Moda
Tomas Breton, 62
E-28045 Madrid
Tel. +34-91-4680 300
Fax: +34-91-46 78 723
www.induyco.es

Product range: Ladies, men's and kid's wear

Price segment: Middle to high level

Note: 50% production absorbed by Corte Ingles

Matilda
San Jaime 2
E-12500 Vinaros
Tel. +34-964-456 111
Fax. +34-964-456 111

Product range: Men's wear

Price segment: Middle segment

Sirita SL
Calle Poligono 6
E-46960 Aldaya (Valencia)
Tel. +34-96-151 2377
Fax. +34-96-151 2361
www.andres-garcia.com

Product range: Casual wear for men

Note: Manufacturer

Takezo + Co. SA
Trafalgr 70
Barcelona (Ciutat Vella), Barcelona
Tel. +34-93-268 4322
Fax. +34-93-268 2293

Product range: Ladies' and men's wear

Price segment: Middle level

Unicen SL
San Pedro de Leixa 303
E-15405 Ferrol, La Coruna
Tel. +34-981-315611
Fax. +34-981-326252
www.unicen.com

Product range: Men's wear

Note: Manufacturer and wholesaler

Buying Associations:

IFA Espanola SA
Poligono Industrial Alcobendas
E-28100 Alcobendas (Madrid)
Tel. +34-91-651 0460
Fax. +34-91-661 5880

Note: 62 related wholesalers

Una – Vivo AS
Condado de Trevino 19
E-28033 Madrid
Tel. +34-91-766 1222

Note: 160 related companies