

Notes from the Editor

Welcome to the inaugural edition of the Fashion and Apparel Cluster of Serbia (FACTS) quarterly newsletter!

For those unfamiliar with the FACTS cluster, we are a group of public and private sector entities aimed at increasing the competitiveness and efficiencies of our membership, and in turn the Textile industry of Serbia as a whole.

As Cluster Manager, I have been mandated by the cluster to direct and lead all activities relevant to our mission, or vision. We have been fortunate to date to have received the support and partnership of several local and international organizations; for those that have played an essential role in the FACTS cluster development to date, a huge show of appreciation.

The FACTS cluster remains open to other private producers who are interested in cluster membership, and perhaps in reviewing this newsletter you will be interested in querying on prospects for membership. Feel free to contact me within the cluster with any queries or suggestions regarding our strategy, performance or vision moving forward. Until then, it is with pleasure that I introduce and distribute this first edition newsletter to each of you.

Best regards, and happy reading!

Sladjana Milojevic

FACTS cluster Official Launch Ceremony

Scheduled to immediately follow 'Fashion Week Belgrade', the FACTS cluster held its official Launch event on April 15, 2011. The purpose of the event was to officially recognize the cluster and its activities since inception of registration and operations in late 2010, as well as to serve as a member recruitment drive to draw new fashion/apparel members to FACTS.

In attendance were key stakeholders of the cluster including company and academic members, representative Zorica Maric from the Ministry of Economy and Regional Development (MERR), Mr. Goran Dzafic from export agency SIEPA, and Mr. Andrzej Schafernaker, Team Leader from EU funded competitiveness initiative 'SECEP'.

Cluster Manager Sladjana Milojevic opened the event with a brief introduction and overview of the cluster, its organizational vision and objectives, key accomplishments attained in 2011, and hopeful plan for operations for the remainder of the year. Each distinguished representative as well offered insights and spoke about successful partnership opportunities to date with the cluster. It is anticipated that the FACTS cluster will continue to build upon fruitful partnerships to further benefit the cluster, and in turn the textile and fashion/apparel industry in Serbia.

B2B Event Strikes Success in Turkey

The FACTS cluster travelled to Istanbul, Turkey from April 5-8, 2011 to participate in an intense and interactive B2B event planned and supported by Export Agency SIEPA and its Turkish counterpart agency IGEME. Six cluster member companies participated in the trade delegation sent from Serbia - Jasmil Company, Ivkovich, Tiffany Production, Leonardo, Luna and Garman.

The overall intent of the visit and event(s) was to encourage and promote dialogue and communication between Serbian and Turkish textile affiliated companies. SIEPA agreed to provide financial and logistical resources to support this endeavor, believing the benefits of such a trip to be three-fold:

- The visit would enable gauging of marketability and exportability of Serbian origin product to new consumer markets in Turkey.
- The visit would enable private sector participants the opportunity to establish strategic ties to Turkish suppliers of quality raw materials to Serbia, and potentially negotiate more favorable and lower cost terms to Serbian producers.
- Lastly, the visit would prove an opportunity to formulate strong ties to industry-focused partner organizations, enterprises and entities both public and private.

The B2B event as facilitated by IGEME organized meetings between the six Serbian textile participants, and upwards of 25 independent Turkish suppliers of fabric and other textile goods. In total, 157 meetings between all participants took place. FACTS cluster members also visited and spoke with two factories that could serve as key suppliers of zippers, buttons and fasteners. Lastly, the series of Serbian companies discussed prospects of partnership with department store Buyner, regarding opportunities for sell-side activity from Serbia.

Marko Simovic, Marketing and Sales Director for Serbian company 'Garman', noted "Istanbul enabled our firm to establish new, value-added contacts for supply of key elements essential to our operations. Not only was quality superior for the materials we targeted, but as well we found cost saving differentials exceeding 25% over current suppliers." Since participation in the visit to Istanbul, Garman has already placed orders for new fabric from its new partner in Turkey.

Ivkovich Company as well noted "this was not the first B2B event in which our company has participated, but it is certainly the most successful. We had prospective vendors delivering us sample goods and talking real business from mid morning until after midnight for the duration of our stay in Istanbul. Needless to say, we are very happy with the contacts we have solidified and the prospects for partnership moving forward."

It is these type events that will push new markets and players for the FACTS cluster. Assistance is greatly appreciated from partner SIEPA in supporting the cluster and making this event a reality.

FACTS cluster joins the WGSN community

As a means to promoting and gaining access to existing and upcoming fashion trends in markets both domestic and international, the FACTS cluster has formulated a strategic partnership with London-based fashion consultancy services firm WGSN International.

WGSN is the global authority on style and design. The company identifies and analyzes current and future style trends and provides its customers with state-of-the-art online tools that can be used to create commercially successful products and services. WGSN has over 600,000 pages of content, in addition to 4.8 million images and more than 16,000 downloadable assets. Its 36,000 customer base stems from markets across the apparel, style, design and retail industries globally, and includes major international brands to individual designers.

One select FACTS cluster member company has been a long-term advocate and client of WGSN. Designers from the leading Serbian undergarments producer Jasmil consider WGSN as instrumental to understanding consumer demand within or across the fashion and apparels industry. "From colors to contours, fabric to fasteners, WGSN serves as an invaluable tool to our designers in shaping our annual collections offered in Serbia markets and beyond" states CEO Milan Loncarevic.

WGSN is pleased to expand its market presence in Serbia, and is confident the FACTS cluster membership will benefit overall from partnership with the company. To ensure as such, WGSN is working with cluster management to organize technical trainings for May 2011. The objective of these trainings will be to introduce and further capacity in utilizing WGSN services for 11 fashion designers across companies in the cluster. Additionally, representatives from amongst academic membership within the cluster will participate in the trainings.

Internships within the FACTS cluster

In an effort to address the increasing issue of workforce development amongst textile and apparel companies within the FACTS cluster, as well as provide real opportunities for students interested in potentially pursuing careers in the Apparels industry, cluster membership has introduced steps to form value-added internship opportunities for students studying at the Design and Faculty Institute, as based in Belgrade.

Four FACTS cluster members have pledged efforts to participate in a newly developed program, whereby students from this Institute will be matched with leading Serbian apparel companies based on stated technical and HR needs of the companies, in addition to geographic considerations based on each student's preference.

The General Manager of the Technical and Design Institute Professor Savanovic has been heavily engaged in the planning and promotion process of this new program. "The benefits of this program between the Institute and several companies of the FACTS cluster are obvious. Students will attain and learn new skills over the course of the summer internships, while companies develop and secure new prospective workforce which will serve as a competitive advantage as the future unfolds."

It is anticipated that between 10-15 interns will be placed in one of four selected companies for the summer production season, lasting between June and September 2011.

"This is a great way for students to become aware of the industry and companies as a whole. At the same time, this opportunity benefits the private sector firms within our cluster by providing them invaluable insights into future workers for given firms," states FACTS cluster manager Sladjana Milojevic.

SIEPA declares open support to Serbian Clusters

Serbian Government Export Agency SIEPA has passed a resolution thereby declaring full and open support to industry clusters situated throughout Serbia. Passage of this decree enables registered clusters, in addition to companies, to engage and apply for support funding from the agency.

This support funding is oriented toward increasing prospective exporting opportunities for Serbian producers, and could include such initiatives as participation at B2B events and trade exhibitions globally, sponsoring establishment of distribution centers and/or showrooms, etc.

The FACTS cluster recently took advantage of this new program, with participation at a B2B event in Turkey (see front page).

FACTS cluster participates in EU funded Exporting Workshop

In April 2011, the FACTS cluster participated in the first of a series of workshops in Belgrade offered by project SECEP, an EU funded competitiveness initiative in Serbia.

Workshop facilitator Remer Lane, a former USAID consultant in Serbia, led in discussions to 20+ companies and cluster managers on best practices and ways in which to increase export effectiveness across industries. Amongst FACTS cluster membership, Tiffany Production, Luna, and Leonardo were present.

Follow-on modules of this Exporting series will be held in May 2011 as well as later in coming months. Participation is open to participants who were actively engaged in this first module as held in April 2011.

History of the of the FACTS Cluster

Legal registration for the cluster was realized only in September 2010. However, efforts to establish the cluster date back to early 2009, when 3 founding companies had an idea to group similar industry companies. Similar initiatives had failed in the past, and these founding members were inclined to keep the focus of the cluster 1) area of all part of Serbia, and 2) textile oriented, yet not incredibly competitive in same markets or production.

The cluster as it stands is constituted by 9 privately held production companies. There are as well academic faculties and a technical/vocational institution (GTM) from Belgrade within the cluster. Serving as an honorary member, supporting the initiative as a whole, are the Zlatibor Regional Development Agency and Arilje Local Economic Development Agency.

The size and significance of the cluster is quite impressive. Companies comprising the cluster had 2009 Sales exceeding EUR 20 million. Sales are focused not only on the domestic market, but as well in select markets of western Europe, ex Yugoslavia countries, as well as eastern markets such as Russia.

Total employment in the cluster is about 1,500. We believe there are opportunities to generate additional employment amongst member companies through an array of activities benefitting the cluster.

FACTS Assembly approves 2010-11 Action Plan

The FACTS cluster partnered with EU project SECEP to devise a strategic action plan which would govern cluster activities from October 2010 thru November 2011. Pursuant to management board approval of the document, the Action Plan was then presented to the General Assembly of the FACTS cluster and approved on October 29, 2010.

“The strategic planning process enabled our membership to devise an overarching vision, goals and objectives, and activities that will govern the way in which we act and achieve success moving forward” states President of the cluster’s management board Boro Radoicic.

Success likely will follow, given the ambitious plans and foresight of the cluster.

Fashion and Apparels cluster (FACTS) Membership and Partners

9 Private Sector Apparel Producers:

Jasmil, Arilje- Lingerie and Undergarments production; Brand “Extreme Intimo”
www.extremeintimo.com

Tiffany Production, Cacak- Sophisticated Urban wear; Brand “TFY”
www.tiffanyproduction.com

Ivkovic, Beograd- Knit wear and garments production; Brand “Ivko”
www.ivko-knits.com

Luna, Požarevac- Women’s wear production; Brand “Luna”
www.fashion-luna.com

Garman, Arilje- Street wear production; Brand “Gloster” i “Glossy”
www.garman.co.rs

Leonardo, Ada- Knit wear and garments production; Brand “Leonardo”
www.leonardo-knitwear.com

Soda - sport, Arilje, Children and teen garments production; Brand “Soda sport”
www.sodasport.com

Sanatex, Sjenica - Undergarments production
www.sanatex.rs

Veritex, Raška - Sportswear production

3 Academic Institutions:



Faculty of Applied Arts, Belgrade



Technical Faculty “Mihajlo Pupin”, Zrenjanin



VTS DMD, Belgrade

Partner or Supporting Institutions



The Serbian Ministry of Economy and Regional Development (MERR) has provided initial start-up capital funding through its grants program in 2010.



Serbian Export Agency **SIEPA** has pledged financial and logistical support to the cluster in participation in international trade fair and promotional events, as well as B2B events in Serbia and outside markets.



European Union project **SECEP**, a project focused on increasing the competitiveness of select industry clusters in Serbia, has provided advisory services in strategy and technical implementation of activities from October 2010 - November 2011.



German Technical Agency **GIZ** has partnered with the cluster on a regional cooperation initiative. The “Open Regional Fund” is a cross border, regional program aimed at strengthening cooperation and competitiveness amongst industry initiatives, including textile and FACTS cluster, in Southeast Europe.



RRA Zlatibor



TFY[®]

TFY, Tiffany Production



TFY's Spring/Summer 2011 collection offers a choice of daring, fresh colors such as mango, coral red, lime, pink or cyan blue as a perfect accent on neutral and white tones and classic cuts. A part of the collection is meant for those who like to slightly experiment with forms. The initial idea of our designers was color therapy, providing you with chic appearance and energy.

White and beige light cotton and linen materials combined with dark classic cut blue jeans, are a must this season.

Leopard, Safari and Africa, are associations for comfortable and sophisticated feeling of 'trendy cosmopolitan'. Translucent materials are followed by casual forms highlighted by leather accessories such as slim belts and handbags. Olive green, warm sand tones and leopard print are main characteristics of this season's theme.

Part of the collection created for men was focused on polo shirts of fresh colors - navy, white and beige - white jackets combined with light shirts with rolled up sleeves and slightly processed blue jeans.



Ivko, Ivkovich Company



ivko's dream

Modern world is often as gray as a highway. Everyday, everything is moving too fast, in the same direction. But, we kept the colors of nature - trees, flowers, meadows and springs along with warmth of human spirit in every word handwritten in its embroidery. It is easy to live in color and belong to the oasis of young spirit. Just dress yourself in emotions.

IVKO. Handwritten emotions.

about ivko

From the heart of all the Nations. Handwritten Emotions. Wool, Cotton, Linen. Makes your Day look Better in Color. Better in Color. In more than 500 Stores. All over Europe and the USA. The most Noble. Unique Tracing. For 20 Years. The Place where all Knitting Begins to tell its Story. Belgrade, Serbia.



extremeintimo[®]

Extreme Intimo, Jasmil Company



For its loyal customers, Extreme Intimo is expanding its assortment for the Spring/Summer 2011 season, by introducing bathing suits for women.

Styles follow recognizable Extreme Intimo fashion - they are attractive, interesting and flattering for any body shape. In order to introduce the inspiration and idea for the bathing suits and underwear from the spring/summer 2011 collection, Extreme

Intimo has undertaken a real fashion adventure. We based our research in Capetown, South Africa, where we did our marketing campaign on the coast of the Atlantic Ocean.

Leopard and zebra prints prevail, but colors are rather unexpected. Stars, the hit pattern of 2011, have also found their use. We also introduced floral motives, geometrical prints, and unavoidable lines in Extreme Intimo style - in all the colors of the rainbow.

And this is not all! Together with bathing suits, Extreme Intimo is now offering a program to accompany bathing suit fashion. You can now combine your swimming suit with a modern robe, and with towels and flip flops of interesting designs.

LUNA

Luna

Current LUNA collection is feminine and airy.

This season as many before, Luna offers a high quality range of products, with colors both new and old to existing collections. This season LUNA adds gentle and sophisticated colors distinctive for this Spring and Summer. The accent is on slimming dresses following body lines. Made of natural materials, such as cotton and viscose, they not only make a woman look attractive but also feel comfortable.



The first part of the collection is in light summer tones, while the second part's accent is on a fantastic black/red/white combination. The current models can be worn during any occasion day or night. They reflect the spirit of a modern, confident woman old enough to understand her individuality not as a caprice but as an expression of her deepest self.

Fashion house LUNA has promoted its Spring/Summer 2011 collection through "Bring the Music" events in the LUNA stores throughout Serbia, together with the band Neverne bebe. A blend of quality, authentic style and elegance, characteristic for both Luna and Neverne bebe, has proven to be an excellent basis for cooperation.

Gallery



Press conference, Media center Belgrade, 15.04.2011.



Press conference, Media center Belgrade, 15.04. 2011. godine



Bussines base fair, Belgrade, December 2010.



Istanbul, B2B meeting, 03.-08. April, 2011.



Istanbul, B2B meeting, 03.-08. April, 2011.



Sofia, BGate, 16-18.09.2010., Eurotex textile conference West European and Southeast European countries meeting

Upcoming News / Calendar of Events

Upcoming Trade Fairs and Expositions

Date	Event
14.06 - 17.06	Pitti Immagine Womo (Mens Fashion); Florence, IT
30.06 - 02.07	The Brandery (Fashion Brands); Barcelona, ESP
05.07 - 07.07	Pitti Filate (Yarns, Fiber and Knitting Fabrics); Florence, IT
06.07 - 08.07	Bread and Butter , Berlin, GER
09.07 - 11.07	Mode City (Lingerie and Beachwear); Paris, FRA
23.07 - 25.07	CPD (Women fashion & accessories); Dusseldorf, GER
04.08 - 07.08	CPH Vision (Young brands) & CIFF Fashion Fair; Copenhagen, NOR
07.08 - 09.08	Pure (Women wear and Accessories); London, UK
14.08 - 16.08	Mode UK ; Birmingham, UK
21.08 - 23.08	Styl ; Brno, CZ
30.08 - 01.09	FAST Fashion (Clothing, Shoes & Accessories); Poznan, POL
01.09 - 03.09	SAMM ; Madrid, ESP
03.09 - 06.09	Who is Next? & Pret-a-Porter , Paris, FRA
05.09 - 08.09	CPM (Lingerie & Accessories); Moscow, Russia
13.09 - 15.09	Mode IN & Milan Unica (Fabrics, Accessories & Textiles); Milan, IT
06.10 - 08.10	Texbridge ; Istanbul, TK

Upcoming Trainings and Workshops

Date	Event
17.05	Market Research (Export Series) , Belgrade, SRB
16.05-20.05	Design Tending and Knitting (WGSN) , Belgrade, SRB
23.05 - 27.05	Cluster Management & Innovation Workshop , Helsinki, FIN

Upcoming Calls and Tenders

Ministry of Economy and Regional Development "MERR":

Second round for general call to start-up and existing clusters for project grant funding.

Serbian Export Agency "SIEPA":

Call for proposals from companies and business associations for upwards of 50% financing support for select activities.

German Technical Assistance Agency "GIZ":

Cross border and regional cooperation program "Open Regional Fund" approved to support strengthening cooperation and competitiveness amongst industry initiatives, including textile and FACTS cluster, in Southeast Europe.

IPA 3

European Union funded program anticipated for inception of operations in 2013. Announcement expected in 2012.



Висока текстилна струковна школа за дизајн, технологију и менаџмент у Београду

DTM

VTS DMD, Belgrade



Technical Faculty "Mihajlo Pupin", Zrenjanin

Faculty of Applied Arts, Belgrade

TFY
by Tiffany Production®

Tiffany Production – Čačak

IVKO

Ivković – Beograd

e
extremeintimo

Jasmil – Arilje

LUNA

Luna – Požarevac

GARMAN

Garman – Arilje

LEONARDO

Leonardo – Arilje

Soda Sport

Soda Sport – Arilje

SANATEX

Sanatex – Sjenica

Veritex

Veritex – Raška



FACTS

FASHION APPAREL CLUSTER SERBIA

Cluster Contact Information

FACTS - FASHION APPAREL CLUSTER SERBIA

Ul. Antifašističke borbe 21 z

11 070 Novi Beograd

tel/fax: +381- 11 - 3018723

mob: +381- 63- 109 62 49

mail: fashioncluster@gmail.com