

Textile industry will witness a 20 per cent decline in 2009

Written by Administrator

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Maria Grapini, general manager of Pasmatrix: “We will not cut the production volume by this year’s end, but the first months of 2009 will be very difficult.”

BH: Except for the financial crisis that is affecting all the business areas, what other major issues has Pasmatrix faced this year?

Maria Grapini: Except for the financial crisis we had to face the production shrink in the clothes, footwear and leather goods areas, the business sectors in which most of our clients perform. Some amounts of money have been blocked, as the value added tax (VAT) was not restituted back on time to the firms that do mainly exports. These companies had to give up on buying raw materials and other materials from the country and chose suppliers within the European Union, to which they do not have to pay VAT.

BH: Are you planning to cut the production volume in 2009 or even by this year’s end?

Maria Grapini: We will not cut the production by this year’s end, but the first months of 2009 will be very difficult. It is obvious that some of the necessary measures will target total cut of unproductive spending, production costs trimming, the reduction of money-merchandise- money cycle. Unfortunately, postponement of investments is one of the consequences of the financial crisis or at least a dramatic reduction of the invested amounts. Pasmatrix produces annually between 30 and 40 million meters of haberdashery.

BH:What were the best selling products this year?

Maria Grapini: Girths, elastic bands, ribbons, woven and printed labels, curtain bands and the fluorescent bands sold best this year.

BH: What is your perspective on the evolution of the textile market? How long will the decline continue?

Maria Grapini: It depends on the macro-economic measures. Next year will bring 20 per cent losses in the textile industry for sure.

BH: What was the evolution of fashion brand Mary’s Style this year and what new elements will be added in 2009?

Maria Grapini: We worked less on Mary’s Style clothes this year and we increased the capacity of Grappini clothing brand and that of Marion underwear brand.

Notes about PASMATRIX:

Pasmatrix was set up in 1994. The company plans to invest approximately 12 million Euro in the construction of an office building in an industrial area in Timisoara, but has not obtained yet all

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the permits necessary for the beginning the construction works. The haberdashery - narrow fabrics producer has 500 employees at the moment.