CBI MARKET SURVEY

The knitted outerwear market in Germany

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Report summary
This CBI market survey discusses, amongst others, the following highlights for the knitted outerwear market in Germany:
- Germany remained the largest knitted outerwear market in the EU and reached € 22.4 billion in 2008, which was 3.7% larger than the UK market. However, the difference was 11.5% in 2004. German consumption of knitted outerwear accounted for almost 19% of total EU consumption.
- The most interesting trade channels for exporters in developing countries (DCs) are domestic manufacturers (often with production activities abroad), importers/wholesalers, specialised retailer organisations (clothing chains and buying organisations) and non-specialised retail organisations (department stores and home-shopping companies).
- Germany remained the largest EU importer of knitted outerwear. German imports grew on average 4% annually (in terms of value) during the period 2004-2008 and reached € 8.7 billion in 2008.
- A growing share (in value) of knitted outerwear imports came from DCs: 53% in 2004, 60% in 2006 and 67% in 2008. China remained the leading exporter of knitted outerwear to Germany in 2008 and accounted for 22% of total imports. China was followed by Turkey (18%) and Bangladesh (10%). Imports from the countries mentioned varied substantially during the period 2006-2008, namely China (+92%), Turkey (-3%) and Bangladesh (+9%).

This survey provides exporters of knitted outerwear with sector-specific market information related to gaining access to Germany. By focusing on a specific country, the survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The knitted outerwear market in the EU', which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.eu/marketinfo.

1. Market description: consumption and production

Consumption
Germany remained the largest knitted outerwear market in the EU, because of its large population. After some years of decrease in German knitted outerwear expenditure, a slight growth was registered during 2005-2007 while 2008 showed a slight negative growth. In 2008, the German knitted outerwear market reached € 22.4 billion, which was 3.7% larger than the UK market. However, the difference was 11.5% in 2004. German consumption of knitted outerwear accounted for 18.8% of total EU consumption.

The average knitted outerwear spending per person reached € 272 in 2008, which was lower than other major EU markets, like UK, Belgium and Italy, but higher than countries like The Netherlands, France and Spain and the EU average of € 240.

Several factors resulted in the (almost) stagnation of expenditure on knitted outerwear, like:
- decreasing population figures
- changing consumer expectations
- growing imports from low-cost countries
- competitive pressure is increasing due to expansion by powerful foreign manufacturing and/or retail companies in the German market and market activities by companies from outside the clothing sector.

Table 1.1 Consumption of knitted outerwear in Germany, 2004-2009, in € million

	2004	2006	2008	Av. annual change	2009 forecasts
Total clothing	57,106	57,753	57,679	+0.3%	55,700
Annual change in %	-1.4%	+1.6%	-0.0%		-3.4%
Total outerwear	49,721	50,228	50,245	+0.3%	48,500
Knitted outerwear	**22,095**	**22,356**	**22,365**	**+0.3%**	**21,500**

Sources: Eurostat (2009) and Euromonitor (2009)

A fall in consumer expenditure on knitted outerwear of 4% is expected for 2009 and of 2% for 2010; consumption will reach an estimated value of € 21.1 billion in 2010. The pessimistic expectations for 2009-2010 are based on the general economic slowdown, resulting in decreased consumer expenditure on clothing, including knitted outerwear. Luxury outerwear will be the sector declining most, but a shift from the mid-priced segments into the lower-priced ones is also predicted.

Type of product groups

Market shares (in terms of value) for the product group pullovers, cardigans etc. accounted for 35% of total knitted outerwear consumption (in total 366 million units), followed by 26% for T-shirts, 5% for shirts for men and 6% for shirts/blouses for women. These knitted tops covered 72% of total German consumption of knitted outerwear.

Table 1.2 Consumption of knitted tops in Germany, 2008

	Million units	Average price in €	Av. units per capita
Pullovers for women and girls			
- wool	9.2	56.70	0.2
- cotton	147.6	17.30	3.5
- man-made fibres	104.3	18.75	2.5
Pullovers for men and boys			
- cotton	54.3	22.90	1.3
- man-made fibres	36.4	19.95	0.9
T-shirts (unisex)	692.2	8.35	8.4
Shirts for men and boys	76.9	14.75	1.9
Blouses for women and girls	89.6	14.20	2.1

Sources: Derived from Eurostat (2009) and Euromonitor (2009)

T-shirts were for 88% made of cotton; 93% of the shirts for men was made of cotton; shirts and blouses for women were for 76% made of cotton and for 23% of man-made fibres.

Shares of other product groups in 2008 were: babies' garments (3%), active sportswear (4%), skirts (6%) and dresses (3%), trousers for women (4%).
Consumption of skirts during the period 2006-2008 increased strongly to 103 million units (of which 40% cotton at € 10.85 and 51% synthetics at 17.30). Consumption of dresses increased to 26.9 million units at € 20.85 in 2008. Babies' garments are mostly (93%) made of cotton.

Market segmentation

The most common ways to segment the knitted outerwear market are by demographic factors, attitude of consumers towards fashion, type of activity, special circumstances, economic factors, brand awareness and preferences, developments in fashion, geographic factors, climate and environment.
Some of these specific segmentation criteria for Germany will be discussed below. For more information about these and other criteria and consequences for the knitted outerwear market, we refer to chapter 2 of the CBI market survey 'The knitted outerwear market in the EU'.

Demographic segmentation

The size and age structure of the population is one of the basic determinants of how much will be spent on knitted outerwear. The German population is decreasing at a very slow pace from 82.5 million in 2004 to 82.0 in 2008. It is projected to decrease to 81.2 million by 2015.

Table 1.3 Population of Germany by age group and sex in 2004-2010, in thousands

	2004	2006	2008	2010 forecasts
Males	40,356	40,340	40,274	40,219
Females	42,176	42,098	41,942	41,805
Total	**82,532**	**82,438**	**82,216**	**82,024**
Age groups (in %)				
0-14	14.7	14.2	13.7	13.4
15-24	11.7	11.7	11.5	11.3
25-49	36.9	36.5	36.1	35.4
50-65	18.7	18.4	18.7	19.3
65+	18.0	19.2	20.0	20.6
Total	**100.0**	**100.0**	**100.0**	**100.0**

Sources: Eurostat (2009) and Euromonitor (2009)

Just like in other major EU countries, the category below 15 years has decreased in Germany. In 2004, 51% of the total population was older than 40. The over-65 age group is the fastest growing in Germany. Following the trend in other European countries of an ageing population, in 2008 20% of the German population was 65 or over, which was higher than in other west European countries.

The German market for women's knitted outerwear grew annually by 0.3% in the period 2004-2008, to reach a value of € 13.4 billion, which indicates € 371 per woman in 2008. Expenditure on men's knitted outerwear performed better and increased annually by 0.5% to € 176 per man.
The children's knitted outerwear market showed a fall of 0.3% annually, of which only consumption of babies' garments showed a positive annual growth rate of 0.3%. This fall was caused by the diminishing real net income of families with children, even amongst the grandparents who have previously functioned as buyers of clothing as gift. These factors are causing pessimistic expectations in the children's wear sector. Per capita spending on children's clothing, including sportswear and clothing accessories, amounted to an average of € 252 per girl and € 197 per boy aged 3-14 years. Germany has a high consumption of babies' knitted garments in the EU with € 596 million in 2008 or 2.7% of total knitted outerwear consumption, an average spending of € 436 per child. The German birth rate is projected to decrease over the period 2008-2010, which will influence the growth of the babies' wear market.

Table 1.4 German knitted outerwear consumption by gender, 2003-2009, in € million

	2004	2006	2008	Av. annual change	2009 forecasts
Knitted outerwear for:					
-- women	13,244	13,418	13,428	+0.3%	12,900
-- men	5,991	6,069	6,119	+0.5%	5,900
-- children	2,856	2,869	2,818	-0.3%	2,700
of which for:					
-- girls	*1,256*	*1,264*	*1,235*	*-0.4%*	*1,180*
-- boys	*1,011*	*1,001*	*987*	*-0.6%*	*950*
-- babies	*589*	*604*	*596*	*+0.3%*	*570*
Total knitted outerwear	**22,095**	**22,356**	**22,365**	**+0.3%**	**21,500**

Sources: Euromonitor (2009) and Eurostat (2009)

Positive elements in the German market for knitted outerwear are:

- An ageing population and older people tend to spend more on comfortable clothing, while outdoor activities (and therefore outdoor clothing and accessories) are popular among an important group of active seniors;
- Increasing interest in fashion trends especially among younger consumers.

Segmentation by type of activity

In general, the outerwear market can be divided into several segments based on type of product combined with type of activity, resulting in a specific clothing behaviour, like formal or classic, (smart) casual, leisure and active sports.

Table 1.5 Sales of outerwear by type of clothing behaviour in Germany, 2004-2008, in % of volume

	Women		Men		Children	
	2004	2008	2004	2008	2004	2008
Formal	43	42	39	39	4	3
Casual	32	34	34	35	67	68
Leisure	21	20	20	19	18	17
Active sports	4	4	7	6	11	12
Total	**100**	**100**	**100**	**100**	**100**	**100**

Purchases in volume of women's formal clothing decreased in the period 2006-2008, caused by fewer purchases of coats, suits, ensembles and indoor jackets. Purchases of women's basic leisurewear (T-shirts and sweatshirts) and of casual wear (outdoor jackets, leisure trousers, pullovers and cardigans) increased in total, while purchases of active sportswear stabilised.

Purchases in volume of men's formal knitted outerwear remained very limited. Knitted casual and leisurewear dominate in men's expenditure.

The following developments in the children's wear segment can be observed:

- Leisure and casual items such as T-shirts and sweaters remained rather popular. Consumption (in terms of value) of the major product groups in children's wear was: T-shirts and sweaters (56%), while active sportswear expenditure had a market share of 12% in 2008. Among boys, the popularity of sportswear brands is growing;
- Experts expect, for 2009, a fall in expenditure of 4% on children's outerwear, including babies' wear, while developments in 2010 and later are more positive. Volume will stabilize or even slightly grow, but cheaper products will be selected by consumers.

The influence of the active sports segment in the German outerwear market on the leisure and casual segments declined. The hype of casual and leisure wear came over the top and smart casual becomes more popular. The opinion of some experts is that the move in clothing behaviour by men and children from leisure to casual and from formal and leisure to casual by women will not, or only slightly, be continued in the coming years.

Attitude of consumers towards fashion

German consumers prefer a more conservative style of clothing. Some 31% of German women defined themselves as fashion–conscious, compared with only 12% of men. These percentages will probably increase in the near future. Influences of media, especially magazines, TV and Internet, make consumers more conscious about the latest fashion trends and prices, so they will be better informed to make a choice than before.

Children in the age group of four to twelve express high interest in theme-related outerwear. Clothing from trendy brands and sports labels is doing well, also because of extensive marketing and spin-offs from the adult market. However, the market for children's outerwear has been negatively affected by the declining birth rate and economic developments. Newborn collections are mainly plain or have childlike decorations and are less influenced by the casual trends as seen in adult fashion.

Economic developments
The GDP of Germany, which is the largest economy in the EU, grew more slowly than the EU average.
German consumers reacted calmly to initial signs of an economic slowdown at the beginning of 2008 but, as fear of recession grew, consumption declined significantly. Falling energy costs did not help the situation to any noticeable degree. The German economy moved into recession in the third quarter of 2008 and, by the first quarter of 2009, when GDP contracted by 6.9% year on year, Germany was experiencing its worst recession on record. Some indicators suggest that a floor may have been reached. GDP is expected to shrink by 5.3% in 2009 and by a further 0.9% in 2010.
German consumers are well-known for their price-consciousness and the share of private label merchandise in the knitted outerwear market is higher than in other major EU countries. Many German consumers, especially those on lower incomes, will continue to seek low-price clothes in a steadily growing discount sector. On the other hand, quality and convenience will become more important, and the youthful outlook of the older consumers will strengthen designer and sports labels.
For many years, Germans spent an average of almost 7% of their disposable income on clothing, but this has now fallen to under 5%.

Geographic segmentation
There is still some geographic segmentation in Germany. This is becoming less significant as the differences between the former East and West Germany narrows. There continue to be economic differences between German regions, which translate into significant differences in purchasing power or interest in different fashion trends. The west and the south are more affluent, the east less so.

Trends in consumption
- German consumers are well-known for their price-consciousness, the share of private label merchandise in the clothing market being higher than in other major EU countries. This trend will even be reinforced by economic developments.
- Babies' wear and small sizes in children clothes are decreasing, due to the popularity of second hand clothes and by receiving used clothes from friends and family.
- Demand for bigger sizes is increasing. Demand for clothes for the full figured man or woman is high and increasing in Germany. Many companies started collections for larger sized clothing. Curvaceous people, especially women, prefer knitwear because of the comfortable and stretching ability.
- Heavyweight knitted cardigans are popular in Germany, just like in the Scandinavian countries which have a colder climate. In autumn and winter seasons cardigans are more and more used as coats or outdoor jackets.
- Tunics and long pullovers to wear like a dress combined with legging/trousers/tights will become more popular.
- Technical improvements of yarns make knitwear easier to treat, like washing etc. Special treatments of wool, but also cashmere and other delicate fibres, make it possible to wash knitwear in a machine.
- Use of luxury looking materials and colours to create a good feeling in answer to financial instable times.
- Catwalk reports announced an upcoming trend for winter 2010/11: more accent on neck and shoulder, for example big collars or cowls.
- Consumers become more aware of sustainability issues.

Production
Turnover of the German outerwear industry amounted to € 5.9 billion in 2008 (4.8% lower than in 2007) and included activities abroad. It has not been possible to calculate the share of knitted outerwear in the domestic production, but it can be estimated at about a third of total production. The number of outerwear manufacturers, accounting for more than 50 employees, decreased from 128 in 2006 to 112 in 2008, employing 19,767 people against 22,276 in 2006.

Germany ranked sixth in knitted outerwear production after Italy, Spain, Portugal, Romania and the UK; the share in total EU turnover was 4% in 2008. Nearly all industrial companies developed an outsourcing policy.

According to Eurostat/Prodcom, T-shirts and pullovers covered 47% of total knitted outerwear production in 2008. Production value of knitted outerwear fell by an annual 5.9% during the period 2004-2008.

Table 1.6 Production of knitted outerwear in Germany, 2004-2008, in € million

	2004	2006	2008 estimates
T-shirts	203	194	176
Pullovers, etc.	153	96	87
Suits and ensembles	46	44	41
Clothing accessories	17	40	37
Indoor jackets	41	36	35
Shirts and blouses	54	22	21
Trousers	19	14	15
Dresses and skirts	13	14	12
Other	14	5	4
Total	**560**	**465**	**428**

Source: Eurostat/Prodcom (2009)

Major players

Major companies in turnover of German clothing industry (including knitted outerwear) are in the sectors (among others):

- Family wear: S. Oliver Group (http://www.soliver.de); Tom Tailor (http://www.tom-tailor.com).
- Women's wear: Escada-Gruppe (http://www.escada.com); CBR Holding (http://www.street-one.com); Gerry Weber International (http://www.gerryweber-ag.de)
- Men's wear: the Ahlers Gruppe (including sportswear and workwear; http://www.ahlers-ag.com); Brinkmann (http://www.bugatti.de).
- Women's and men's wear manufacturers are: Hugo Bosch (http://www.hugoboss.com); Mac Mode (http://www.mac-mode.com).
- Children's wear manufacturer: Sanetta Textilwerk Gebr. Amman (http://www.sanetta.de).
- Sportswear: Adidas-Salomon AG (http://www.adidas.com); Puma (http://www.puma.com)

Trends in production

- There is a high degree of integration in the value chain. More and more manufacturers of brands have opened or will open their own brand stores, like among others Tom Tailor, Street One, S. Oliver.
- A further decrease in the number of manufacturing companies, as a result of growing imports from low-cost countries, is expected.
- In the knitwear industry, especially for women's knitted tops, expensive yarns are often combined with man-made yarns (e.g. cashmere with acryl or polyamide). The light-weighted man-made fibres lead to acceptable prices and good appearance of the garments.
- CSI (Corporate Sustainable Issues) are becoming more important.

Opportunities and threats

- Germany is still the largest market for knitted outerwear in the EU. However, after some years of decrease in German outerwear expenditure, although a slight growth was registered during 2005-2007, 2008 showed a slight negative growth. A fall in consumer expenditure of knitted outerwear of 3.9% is expected for 2009 and of 2.0% for 2010.

± The pessimistic expectations for 2009-2010 are based on the general economic slowdown, resulting in decreased consumer expenditure on clothing, including knitted outerwear. Luxury outerwear will be the sector declining most, but a shift from the mid-priced segments into the lower-priced ones is also predicted.

+ Caused by economic developments in their country, many German consumers on lower incomes will continue to seek low-priced clothes. On the other hand, the size of the market and the polarisation in incomes offer huge markets for quality and convenience, designer labels, (global) sports brands etc.
± To satisfy the requirements of importing companies in Germany (and other EU countries), exporters in DCs will be faced with increased demands for higher quality and environmentally and socially friendly products.
+ Strategies of German manufacturers led to further sourcing of products in low-cost countries and, probably, of products with a higher design content. The largest middle range market segment may offer good opportunities for exporters in DCs.

The same development or trend can be an opportunity for one exporter and a threat to another. Exporters should therefore analyse if the developments and trends discussed in this survey provide opportunities or threats. The outcome of this analysis depends on each exporter's specific circumstances.

Useful sources
- Information about the German clothing and outerwear market can be found at websites, such as http://www.textil-mode.de and http://www.wer-zu-wem.de
- Euratex Bulletins - http://www.euratex.org
- BBI (German Association in the Clothing Industry) - http://www.germanfashion.net

2. Trade channels for market entry

Trade channels
All distribution channels are discussed in CBI's 'The knitted outerwear market in the EU'. Suppliers on the outerwear market in Germany, which are the most interesting trade channels for exporters in DCs, are:
- Domestic manufacturers, often with production activities abroad (see chapter 1 of this survey and chapter 2 of CBI's 'The knitted outerwear market in the EU');
- Importers/ wholesalers, selling to retail organisations;
- Retailers, of which the larger players are themselves importers;
- Buying (and selling) organisations.

Which channel will be chosen, depends on factors like (among others):
- Which type of knitted outerwear producer (CMT, FOB, private label or own brand producer) tends to export to Germany. These types of producer are described in chapter 1 and 2 of the CBI survey 'Guidelines for exporting knitted outerwear to the EU'.
- The resources available and the priority given to the German market.

Domestic manufacturers
Production has been discussed in chapter 2 and a short list has been given of possible manufacturers under 'Major players'. Most of them have production activities abroad. Opportunities exist for exporters who are interested in forming relationships or partnerships with German producers.

Wholesale trade
Selling to wholesalers has many advantages for exporters, as described in chapter 3 of the CBI market survey 'The knitted outerwear market in the EU', and this is also valid for the German market. Thousands of wholesalers operate in Germany. A selection of German wholesalers can be made by searching through the several (free) available trade directories.
Other selection methods are:
- Searching under http://suche.freenet.de; typing under search keyword: 'grosshandel Kinderbekleidung' (wholesale children's clothing); 'grosshandel Damenoberbekleidung', (wholesale women's outerwear), 'grosshandel Herrenoberbekleidung' wholesale (men's outerwear) or specific product names.

- The site of trade magazine Textil Wirtschaft: http://english.twnetwork.de click on 'suppliers', after which a choice can be made by company, brand or a selection of product category and the type of organisation, such as wholesaler, importer etc. including link to websites.
- http://www.wer-zu-wem.de; click on 'TOP-Unternehmen Einzelhandel', on 'Mode & Lifestyle' and on 'Modehäuser' or on 'Jeansshops'.
- Trade fairs, such as CPD Woman and /Man in Dűsseldorf (http://www.cpd.de), ISPO in Cologne (http://www.ispo.com), Kind+Jugend in Cologne (http://www.kindundjugend.de) and Bread and Butter in Berlin and in Barcelona, Spain (http://www.breadandbutter.com). A list of exhibitors can be found at the websites of these fairs.

Retail trade

Major developments in German clothing retail are:
- Cross-border activities or internationalisation; many foreign-owned clothing retailers are active on the German market, of which the most important are: Hennes & Mauritz (Sweden, 340 stores in Germany), Vögele (Switzerland, 851 stores in 9 European countries of which 326 stores in Germany), Miss Etam from France (81 stores in Germany), the Mulliez Group from France with the women' wear chains Orsay (Germany-based) and Pimkie (170 stores in Germany), Benetton (Italy, 212 stores in Germany), Inditex from Spain with among others Zara (65 stores in Germany) and Mango (52 stores in Germany and also from Spain), M&S Mode (The Netherlands, 62 stores in Germany), Arsana (Turkey, 300 stores in European countries of which 230 in Germany) and textile discounter Zeeman (The Netherlands, 245 stores in Germany).
- An increasing concentration on the German retail market, of which examples are Arcandor (new name for Karstadt/Quelle), which is Europe's leading department store and home shopping group; Otto Group and Metro Group. 20 companies accounted for 50% of the German retail-clothing and textiles market. In June 2009, retail group Arcandor filed for insolvency after the German government rejected pleas for state aid to help repay loans of € 710 million (US$ 1 billion); bankruptcy followed in September 2009.
- Rising power of retailers, of which clothing does not belong to the standard or regular assortment, like super- and hypermarkets, discounters, variety stores but also the coffee shop chain Tchibo (see below under 'Other non-specialised stores').

Market shares of specialised clothing multiples, textiles discounters and non-specialists like hyper- and supermarkets have increased in the outerwear sector. This has negatively affected specialized independents and department stores.

Table 2.1 Market shares of outerwear retail distribution in Germany, 2004-2008, in % of value

	2004	2006	2008
Specialists	**55**	**55**	**54**
- Independent retailers	26	25	23
- Clothing multiples *)	29	30	31
Non-specialists	**45**	**45**	**46**
- Department/variety stores	13	12	12
- Home shopping companies	12	12	12
- Hyper- and supermarkets	5	6	7
- Sports stores	5	5	5
- Other	10	10	10
Total	**100**	**100**	**100**

*) including discounters
Source: BBI (2209) and BTE (2009)

According to BTE, the total number of German outlets with clothing in their assortment is 45,000. The number of independent clothing stores is estimated at 26,500, of which 7,000 are specialised in women's wear, 2,000 in men's wear, 15,000 have a broader range and the remaining part is specialised in another product group. Around 40% of the independent retailers is a member of a buying corporation. In no other European country, with the exception of The Netherlands, do the buying organisations play such a significant role for specialised independent retailers as they do in Germany. The most important buying corporations are Ardek (http://www.ardek.de) which specializes in babies' and children's products including clothing and has 350 members with 500 outlets; and Katag-abz (http://www.katag.net) which operates through 364 members with 1,200 outlets. Other buying groups are Unitex (http://www.unitex-gmbh.de) with 500 members; Sütegro (http://www.suetegro.de) which has 130 members and is specialized in women's wear. Sütegro became the fashion and style division of the EK-Service group.

Most of the sport shops are organisations of independent retailers, many of them being organised in (international) co-operations like Intersport (1,462 outlets; http://www.intersport.com) and Sport 2000 (770 members with 1,130 outlets; http://www.sport2000.de).

Table 2.2 gives an overview of the important German chains, operating in Germany. Some remarks regarding this overview:

- Orsay is owned by the French Muliez Group. Since the withdrawal of Orsay from the French market, this formula can be considered as a German-based company.
- Since 1997, the European part of the Esprit business was acquired by the Hong Kong division of Esprit Holding. Headquarters of Esprit Europe are established in Germany, from which the wholesale and retail activities are managed.
- The number of children's wear chains and men's wear chains is very limited in Germany.
- Leading clothing multiple C&A sells clothing for the whole family and operates mainly in the middle of the market, but is also active in both the upper and the lower price brackets. Other C&A formula are Kids Stores and Women Stores (mostly active in Germany). The market share of C&A came under pressure, besides increasing competition from non-specialists, since the entrance and strong expansion of foreign general clothing chains like Hennes & Mauritz, Vögele and Zara.

Table 2.2 Major German-based chains selling outerwear, 2008/2009

Retail chain	Parent company	Website	Number of outlets
General			
C&A	C&A	http://www.c-and-a.com	303/1,112*
P&C	P&C West	http://www.peek-und-cloppenburg.de	69/90*
P&C	P&C Nord	http://www.peekundcloppenburg.de	19/32*
Sinn Leffers	Karstadt/Quelle	http://www.sinnleffers.de	24
Wöhrl	Wöhrl	http://www.woehrl.de	40
K+L Ruppert	K+L Ruppert	http://www.kl-ruppert.com	61
Strauss Innovation	Strauss Innovation	http://www.strauss-innovation.de	98
Esprit	Esprit Europe	http://www.espritholdings.com	140/314**
Women			
Bonita Mode	Bonita Group	http://www.bonita.de	732/898*
Ulla Popken	Popken Group	http://www.ullapopken.com	186/300*
Women Store	C&A	http://www.c-and-a.com	17/19*
Orsay	Mulliez Group, France	http://www.orsay.de	220/530*
Men			
Pohland	Pohland	http://www.pohland.de	12
NIC	Bonita Group	http://www.nicolas-scholz.de	60/87*
Children			
Kids Stores	C&A	http://www.c-and-a.com	105/213*
Leisure			
New Yorker	Friedrich Knapp	http://www.newyorker.de	299/703*
Mister Lady	Western Store Beran	http://www.mljeans.de	204
Jeans Fritz	Schaeffer-Kuehn	http://www.jeans-fritz.de	191
Sports			
Runners Point	Hannover Finanz	http://www.runnerspoint.de	102/120*
Discounters			
Ernsting's Family	Ernsting Familie	http://www.ernstings-family.de	1,350
Takko	Takko Holding	http://www.takko.de	841
KiK	Tengelmann-Gruppe	http://www.kik-textilien.com	2,039/2,800*

Retail chain	Parent company	Website	Number of outlets
Adler	Metro Group	http://www.adler-mode.de	107/126*
NKD	Daun & Cie.	http://www.nkd.de	1,000/1,250*

* respectively outlets in Germany and in Europe ** directly-managed stores

Leading department stores are Karstadt and Kaufhof. Karstadt (http://www.karstadt.de) operates through 91 department stores and 28 Karstadt Sport Shops; it is part of Arcandor (http://www.arcandor.com). Galeria-Kaufhof (111 stores; http://www.galeria-kaufhof.de) is part of Metro. Another department store is Breuninger (10 stores; http://www.breuninger.de). The leading variety store is Woolworth (330 outlets in Germany and Austria; http://www.woolworth.de), of which textiles account for about 40% of total turnover.

Textile discounters sell family clothing, sportswear, bodywear and household textiles, but sometimes also other product groups. They buy in large quantities and avoid middlemen, in order to get low-priced goods in the shops quickly. All discounters mentioned increased strongly in turnover and in number of outlets in recent years; they compete, among others, with the Dutch discount chain Zeeman (239 stores in Germany).

Home-shopping companies occupy a significant position in the German retail market. Leading companies are Quelle (http://www.quelle.de), Neckermann (http://www.neckermann.de), both from Arcandor, Otto (http://www.otto.de) and Klingel (http://www.klingel.de). The Otto Group is the world's biggest home-shopping organisation, due to its many foreign activities: 123 companies in 19 countries, of which, besides Otto, Les trois Suisses and Baur are those best known. Other (independent) home shopping companies are Bader (http://www.bader.de) and Walbusch (http://www.walbusch.de). Most of the companies mentioned have outlets; on the other side, several clothing multiples started home shopping activities and have their own catalogue, website, teleselling activities etc.

Many textiles, including knitted outerwear, can increasingly be found in food discounters, super- and hypermarkets.
Food discounters are (among others):

- Aldi (Aldi Nord; http://www.aldi-essen.de and Aldi Süd; http://www.aldi-sued.de) respectively 2,500 and 1,700 stores;
- Lidl (2,950 stores is part of Lidl & Schwarz; http://www.lidl.de);
- Netto (part of Edeka, 1,442 stores; http://www.netto-online.de);
- Penny (owned by Rewe Gruppe; 2,000 stores; http://www.penny.de);
- Plus (part of Tengelmann: 2,950 stores; http://www.plus.de).

The major company in the super- and hypermarket sector is Edeka (around 12,000 stores) and includes formula like Edeka voluntary group, Edeka hyper- and supermarkets, Spar, Netto etc. (http://www.edeka.de).
Hypermarket chains are among others:

- Real, which is owned by Metro Gruppe (http://www.metrogroup.de) 343 stores in Germany and 96 in four other countries;
- Kaufland/Kaufmarkt (owned by Lidl & Schwarz – http://www.kaufland.de), 750 stores in seven countries;
- Tengelmann operates internationally through several formulas, in total 7,426 outlets in 15 countries - http://www.tengelmann.de. This company also sells clothing and textiles via discount chain KiK, mentioned above in Table 2.2.

Sport (clothing) chain Runners Point competes with organisations of independent retailers, as mentioned above.

'Other non-specialized stores' includes, among others, two cash & carry wholesalers with retail activities: Metro C+C, 122 stores in Germany (http://www.metro-cc.de) part of the Metro Group and Fegro/Selgros, 44 stores in Germany (http://www.fegro-selgros.de), Tchibo (http://www.tchibo.com) operates through 900 coffee shops (including retail activities in clothing and textiles and home shopping activities), street markets and factory outlets.

Trends

- Market conditions have become more difficult and the competitive pressure is increasing. This is due to the expansion of powerful foreign companies in the German market and market activities by companies from outside the clothing sector. On the other side, many German retail chains have expanded their activities abroad.
- The non-food offer in the grocery sector is increasing in Germany. The hypermarket format, with its strong non-food component, plays an increasingly important role. However, it should be noted that these companies operate more in low-priced incidental offers than in a fixed/permanent outerwear assortment.
- Ongoing expansion by many of the leading chains to develop smaller store formats, so as to create a more specialised boutique character (for instance H&M, C&A and Zara).
- Stronger ranges of complementary accessories and footwear.
- Clothing specialised multiples have been the biggest exponents of the fast-fashion phenomenon, which has encouraged more frequent purchasing.

Price structure

Nearly all of the above-mentioned retail organisations are active in the mid-market and/or lower-market segments. Chapter 1 of CBI's market survey 'The knitted outerwear market in the EU' gives an indication of differences in price levels, while an overview of margins valid for the various segments in the knitted outerwear market can be found in chapter 3 of the same survey.
Price is an important selling factor, especially in the lower segments of the market (variety stores, hypermarkets and discounters), whereas in the higher segments (higher added value) factors like quality and fashion are more important than price. In the lower segments of the market, retailers have little room to manipulate prices, because competition is very fierce and margins are low.

Margins have been falling in Germany in recent years, as a result of intense competition in the supply chain and an intensification of competition between retailers. Different margins and prices apply in each trade channel, with multiples of 2.2 up to 3.1 of the export (CIF) price as is shown in table 2.3. These margins will vary depending on which market segment is being approached. The higher the market segment, the higher the margins which can be reached.

Table 2.3 Overview of margins in outerwear in Germany

	Low	High
Importers/wholesalers' margins	30%	40%
Agents' margins	10%	15%
Retailers' margins	40%	75%
Mark-up Export (CIF) price - Consumer price	**2.2**	**3.1**

Finding a suitable trading partner

When trying to find a trading partner, the usual trade sources are an important point of contact. The best place to meet potential trading partners is at a trade fair, such as:

- Igedo's CPD (women's wear), HMD (men's wear) and Global Fashion (sourcing) in Dűsseldorf - http://www.igedo.com.
- ISPO (sportswear) in Cologne - http://www.ispo.com
- Kind+Jugend (babies, children and maternity wear) in Cologne - http://www.kindundjugend.de
- Bread and Butter (young fashion and jeanswear) in Berlin and in Barcelona, Spain - http://www.breadandbutter.com

The lists of exhibitors of these trade fairs are often mentioned on their websites.

The German Association in the clothing industry is BBI Bundesverband Bekleidungsindustrie). Members of this organisation, active in the field of outerwear can be found at http://www.bekleidungsindustrie.de.

Another possibility for finding potential trading partners is an orientation on Internet and/or consulting the general trade directories. More information can be found in the CBI manuals 'EU marketing guidelines for knitted outerwear' and 'Export Planner'.

3. Trade: imports and exports

Imports

During the period 2004-2008, knitted outerwear imports by Germany grew by an average of 6% per year in terms of volume to 511 thousand tonnes and 4% annually in terms of value to € 8,722 million or 20% of EU total imports in 2008. Germany remained the largest EU importer of knitted outerwear. The increase in imports and the decrease in domestic production mean that an increasing part of German knitted outerwear consumption concerned imported products.
Average import prices were 7.8% lower in 2008 than in 2006 (-6.1% in 2007 compared to 2006), mainly caused by the weak domestic consumer market and the intensive competition, both at trade level and at suppliers' level.

Sources of imports

An increasing proportion of German imports of knitted outerwear came from DCs: 67% of total imported value in 2008, against 60% in 2006 and 53% in 2004. 70% of knitted outerwear imports was sourced outside the EU in 2008.

China remained the leading exporter of knitted outerwear to Germany and accounted for 22% of total German imports in 2008 (in terms of value), followed by Turkey (18%) and Bangladesh (10%). Imports from China grew 92% during 2006-2008, while imports from Turkey fell 3% during the same period. Imports from Bangladesh increased 9% during the same period and it remained the third supplier to Germany.

Main developments in origin of knitted outerwear imports by Germany concerning DCs in the period 2006-2008 were:

- Total knitted outerwear imports grew by 5%, while imports from DCs increased 17% to the detriment of imports from EU countries (-3%) and from other non-EU countries (-60%);
- Imports from leading supplier China increased by 92% to a market share of 22% of total imports or 33% of total imports from DCs;
- Imports from Asian DCs (except China) decreased 3% to a market share of 21% of total imports, mainly caused by lower imports from Indonesia, Cambodia, Thailand and Pakistan, while imports from Bangladesh, India and Vietnam increased;
- Imports from Mediterranean DCs decreased by 3%, caused by decreasing imports from Turkey and Morocco and despite growing imports from Tunisia, to a market share of 19%.
- Imports from Central & South America grew by 16% (mainly El Salvador, Peru and Honduras) to € 51 million in 2008;
- Imports from ACP countries grew by less than 1% (mostly Madagascar and despite lower imports from Mauritius) to € 62 million in 2008.

Table 3.1 Imports of knitted outerwear by and leading suppliers to Germany, 2004-2008, share in % of value

	2004 € mln	2006 € mln	2008 € mln	Leading suppliers in 2008 Share in %	Share (%)
Total	**7,547**	**8,338**	**8,722**		**100**
Intra-EU:	2,921	2,720	2,637	Netherlands (5), Italy (4), Belgium (2), France (2), Denmark (2), Poland (2), Greece (2), UK (2), Portugal (2).	30
Extra-EU ex. DCs:	591	652	262	Hong Kong (1), USA (<1), Switzerland (<1), Taiwan (<1), Macao (<1).	3

	2004 € mln	2006 € mln	2008 € mln	Leading suppliers in 2008 Share in %	Share (%)
DCs:	4,035	4,966	5,823	China (22), Turkey (18), Bangladesh (10), India (4), Indonesia (2), Cambodia (2), Thailand (1), Vietnam (1), Egypt (1), Morocco (1).	67
Pullovers etc.	**2,718**	**2,870**	**2,880**		**100**
Intra-EU:	1,050	909	824	Italy (6), Netherlands (3), Denmark (2), UK (2), Poland (2), France (2), Belgium (1), Hungary (1), Austria (1).	29
Extra-EU ex. DCs:	316	376	116	Hong Kong (2), Taiwan (1), Macao (1), Switzerland (<1), South Korea(<1).	4
DCs:	1,352	1,585	1,940	China (29), Bangladesh (12), Turkey (11), Cambodia (3), Indonesia (3), India (2), Madagascar (2), Thailand (1), Vietnam (1), Egypt (1).	67
T-shirts	**2,309**	**2,561**	**2,505**		**100**
Intra-EU:	824	783	759	Netherlands (5), Greece (3), Belgium (3), Portugal (3), Poland (3), Italy (2), Denmark (2), UK (2), France (2).	30
Extra-EU ex. DCs:	123	123	57	USA (1), Switzerland (1), Hong Kong (<1), Taiwan (<1).	3
DCs:	1,362	1,655	1,689	Turkey (25), Bangladesh (14), China (12), India (6), Morocco (1), Vietnam (1), Egypt (1), Thailand (1), El Salvador (1), Indonesia (1).	67
Shirts/blouses	**487**	**706**	**859**		**100**
Intra-EU:	208	257	237	Netherlands (5), France (4), Italy (3), Denmark (3), Greece (3), Portugal (2), UK (2), Belgium (2), Bulgaria (1).	27
Extra-EU ex. DCs:	36	38	13	Hong Kong (1), Macao (<1), UA Emirates (<1), USA (<1), Canada (<1).	2
DCs:	243	411	609	Turkey (25), China (14), Bangladesh (11), India (8), Egypt (2), Indonesia (2), Thailand (2), Cambodia (1), Peru (1), Macedonia (1), Vietnam (1).	71
Sportswear	**208**	**259**	**266**		**100**
Intra-EU:	97	99	111	Netherlands (10), Italy (7), Belgium (4), Denmark (4), Austria (3), Greece (3), France (3), Poland (2), Portugal (1), Spain (1).	42
Extra-EU ex. DCs:	9	13	12	Switzerland (2), Taiwan(1), USA (<1), Hong Kong (<1), Israel (<1).	4
DCs:	102	147	143	China (31), Turkey (8), Bangladesh (4), India (3), Indonesia (2), Cambodia (1), Vietnam (1), Thailand (1), Tunisia (1), Pakistan (1).	54
Babies' garments	**194**	**203**	**218**		**100**
Intra-EU:	53	46	49	Netherlands (10), Poland (3), Denmark (2), France (2), Portugal (1), Spain (1), Austria (1), Bulgaria (1), Italy (1).	22
Extra-EU ex. DCs:	6	3	2	South Korea (1), Switzerland (<1), Hong Kong (<1), Macao (1), USA (<1).	1
DCs:	135	154	167	China (48), India (10), Bangladesh (8), Turkey (6), Egypt (1), Indonesia (1), Croatia (1), Sri Lanka (1), Thailand (1), Cambodia (<1).	77

Source: Eurostat (2009)

Imports by product group

During the period 2006-2008, the volume of German imports of knitted outerwear products grew by 14%. The five product groups mentioned in the table above covered 77% in terms of value of total knitted outerwear imports in 2008. The remaining part included among others trousers and shorts accounting for 5% of total imports, skirts 5%, dresses 3%, overcoats and outdoor jackets 3%, clothing accessories (gloves, scarves, ties etc.) 3%.

German imports of **pullovers etc.** increased in volume from 416 million units at € 6.90 in 2006 to 445 million at € 6.47 in 2008.
Imports of lightweight articles like fine knit roll, polo or turtleneck pullovers made of cotton increased during 2006-2008: from 4.6 million (at € 4.79) in 2006 to 8.5 million (at € 3.52) in 2008, while those made of man-made fibres increased from 1.9 million units (at € 5.82) to 3.5 million (at € 6.44) in 2008.
Imports of heavier cotton items increased from 190.3 million units at € 6.08 in 2006 to 244.2 million at € 5.66 in 2008. The male/female ratio was 12/88 in 2008 against 16/84 in 2006.
Imports of pullovers etc. of man-made fibres decreased from 188.3 million units at € 6.12 in 2006 to 162.8 million at € 6.04 in 2008. The male/female ratio was 8/92 in 2006 and in 2008.

German imports of **T-shirts** grew 6% in volume (to 992 million units) and fell 2% in value (to € 2,505 million) in the period 2006-2008. In 2008, cotton T-shirts retained their popularity and accounted for 86% of total imports. Average import prices of cotton T-shirts decreased from € 2.41 in 2006 to € 2.19 in 2008.
The leading supplier to Germany of cotton T-shirts remained Bangladesh; 262 million units or 31% of total imports came from this country (average price € 1.32) in 2008, followed by Turkey (129 million at € 3.48), China (93 million at € 2.12), India (61 million at € 2.25) and The Netherlands (40 million at € 2.64).

Imports of knitted **shirts and blouses** for men and boys increased 39% in volume to 90.3 million units and 28% in value to € 390 million during 2006-2008, which indicates 7.7% lower prices in 2008 than in 2006. Imported volume of knitted blouses and shirts for women and girls increased from 89.4 million at € 4.50 to 108.2 million units at € 4.34.
Cotton remained the most popular fabric type for men's shirts and for women's shirts and blouses. Cotton shirts had a slightly growing share of 90% in total imports of men's shirts in 2008 against 86% in 2006, while the import share of cotton blouses and shirts for women stabilized at 76% in the review period and the import share of blouses of man-made fibres stabilized at 24%.

DCs dominate German imports of knitted **garments for babies**. In 2008, 77% of total imported value came from those countries. Leading supplier remained China (48% of total imports), followed by India and The Netherlands (each country 10%). Average import prices decreased by 1.9% during 2006-2008. Cotton remained the most popular fabric and accounted for 93% of babies' garments.

German imports of knitted **sportswear** rose 3% in value to € 266 million in the period 2006-2008. 8.9 million track suits were imported in 2008, of which 37% made of cotton (average price € 6.99) and another 63% of synthetic fibres (€ 7.59) in 2008.

During the period 2006-2008, imports by Germany of **clothing accessories** increased 8% in terms of value to € 175 million, of which 37% gloves, 50% scarves and shawls and 9% ties.

Exports
Germany ranked second in EU knitted outerwear exports, after Italy. Exports accounted for 161 thousand tonnes of knitted outerwear with a value of € 4,052 million or 16% of total EU exported value in 2008. Exports by Germany increased on average 10% per annum (in terms of value) in the period 2004-2008. Exports consisted for an important part of re-exports, illustrated by the fact that export prices were 5% lower in 2008 than in 2004.

A share of 21% went to countries outside the EU, which was almost equal to the EU average. Leading destinations of exports remained Austria (16% of total exports) and The Netherlands (12%), followed by France (9%), Switzerland (7%), Poland (7%), Russia (7%) and Belgium

(6%). The main destinations outside the EU, besides Switzerland and Russia were Ukraine (ranked 20th with 1%), Croatia, Norway, Hong Kong and the USA (each country 1%).

Re-exports
Exports as described above include the so-called re-exports. Re-exports are imported products which are then exported to other (mainly other EU) countries. Re-exports can be classified into export of products with any form of added value and transit trade products (products exported in the same quality as imported).
The volume of re-exports can be calculated when national production statistics are available and destination of production can be divided into domestic sales and exports by industry. It can be assumed that 35% of German imports of knitted outerwear had been re-exported.

Opportunities and threats
± An increasing share of 67% of knitted outerwear imports into Germany came from DCs in 2008 (60% in 2006 and 53% in 2004). This percentage was significantly higher in the product groups: coats and outdoor jackets for women (76%), trousers/shorts for women (74%), skirts (72%), shirts/blouses for men (74%) and women (69%), and garments for babies (77%). The percentage was significantly lower for the product groups: coats and outdoor jackets for men (51%), indoor jackets for men (58%) and women (64%), trousers/shorts for men (55%), dresses (58%), sportswear (54%) and clothing accessories (gloves 64%, scarves 64% and ties 56%).
\+ Import prices are still under pressure and a further decrease in average import prices will put further pressure on German producers, forcing them to pare margins and/or to source abroad furthermore.
± The fast-changing demand in the clothing market is a significant factor. Because of the higher dynamics of the clothing markets in terms of more rapidly changing consumer preferences and more seasons per year, there is a general tendency in the clothing branch to demand shorter delivery times and smaller volumes of series and orders.

The same development or trend can be an opportunity for one exporter and a threat to another. Exporters should therefore analyse if the developments and trends discussed in this survey provide opportunities or threats. The outcome of this analysis depends on each exporter's specific circumstances.

Useful sources:
- EU Expanding Exports Helpdesk - http://exporthelp.europa.eu ➔ go to: trade statistics
- Eurostat – official statistical office of the EU - http://epp.eurostat.ec.europa.eu ➔ go to 'themes' on the left side of the home page ➔ go to 'external trade' ➔ go to 'data – full view' ➔ go to 'external trade - detailed data'
- Understanding Eurostat: Quick guide to easy Comext ➔ http://www.eds-destatis.de/en/database/download/Handbook_Comext_Database.pdf
- Euratex bulletins - http://www.euratex.org

4. Price developments

Consumer prices
Inflation varied in Germany from 1.7% in 2004 to 1.6% in 2006 and to 2.6% in 2008, which was lower than the EU average. Inflation rose slowly during the period under review although it is still low compared to other major EU countries.
Tough competition on the German outerwear market and decreased import prices resulted in low increases in consumer prices: +1.3% in 2007, +0.6% in 2008 and +1.3% in the first half-year of 2009.

According to a price level study by Eurostat, German clothing prices were far below (+7%) the EU average in 2008. Prices were similar to Estonia, Austria and Denmark.

The VAT rate for knitted outerwear in Germany is 19%.

Import prices
Prices of imports into Germany fell during the review period, as table 4.1 indicates. Total import prices from DCs rose much more than import prices from other EU countries.
In 2008, price movements reinforced the trend of increasing purchases of lower-priced knitted outerwear from Asian manufacturers. Import prices from DCs were 58% of the level of intra-EU import prices, but they have been falling since 2004.

Table 4.1 Developments in Germany of average import prices in €, 2006-2008

	2006	2007	2008	Av. annual change in %
Total imports	4.24	3.98	3.91	-3.9%
Intra-EU	6.58	6.70	6.66	+0.6%
DCs	3.45	3.18	3.26	+2.8%

Sources: Eurostat (2009)

Please note that these trends should be interpreted with care, as changes in imports and import prices do not reflect the demand in Germany.

Useful sources:
The market is intensively competitive and prices vary widely according to the product and type of outlet. A rough indication of differences in price levels by types of outlets has been given in chapter 1 of 'The EU market for knitted outerwear' and an overview of margins valid for the levels distinguished in the market can be found in chapter 5 of the same survey.

Shopping in the prospective market place at several retail shops and/or visiting trade fairs or trade centres are good ways of obtaining information about prices at retail or consumer level, but also about fashion, colours and qualities. Alternatively, an impression of average prices can be formed by browsing through the catalogues of home-shopping companies on Internet, for example http://www.otto.de. Comparisons can also be found in the prices given in catalogues on websites of specialty chains, large multiples, department stores, variety stores or on (manufacturing) company websites (http://www.s.oliver-shop.de). For other websites we refer to the chapter 2 of this survey.

Prices charged by competitors can be found by browsing their Internet sites or looking for general sites like http://www.globalsources.com or http://www.alibaba.com.

5 Market access requirements

As a manufacturer in a developing country preparing to access Germany, you should be aware of the market access requirements of your trading partners and the German government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at http://www.cbi.eu/marketinfo, select knitted outerwear and Germany in the category search, click on the search button and click on market access requirements.

A detailed overview of aspects like sizing and labelling, which are valid for all EU countries or for groups of EU countries, can be found in the CBI Market Survey 'The knitted outerwear market in the EU'.

Additional information on packaging can be found at the website of ITC on export packaging: http://www.intracen.org/ep/packaging/packit.htm

Information on tariffs and quota can be found at http://exporthelp.europa.eu.

6 Doing business

Information
General information on doing business like approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) can be found in CBI's export manuals 'Export Planner' and 'Your image builder'. Furthermore, cultural awareness is a critical skill in securing success as an exporter.

Information on cultural differences in the EU can be found in chapter 3 of CBI's export manual 'Exporting to the EU'. These manuals can be downloaded from http://www.cbi.eu/marketinfo - go to search publications.

Trade fairs
Trade fairs with a strong international character are organized by Igedo (http://www.igedo.com) in Dűsseldorf and include CPD (for women's wear and accessories), HMD (for men's wear and accessories) and Global Fashion (for sourcing, private label and contract manufacturing). Other international trade fairs are ISPO in Cologne (sportswear including sourcing; http://www.ispo.com), Kind+Jugend in Cologne (babies' and children's fashion, maternity wear etc.; http://www.kindundjugend.de), Bread and Butter in Berlin and in Barcelona, Spain (http://www.breadandbutter.com).

Trade associations
The German Association in the clothing industry is BBI (Bundesverband Bekleidungsindustrie e.V). Internet: http://www.germanfashion.net.

Trade magazines
Important magazines in Germany are: Sportswear International (http://www.sportswearnet.com); Textil Mitteilungen (http://www.tm-fashion-portal.de); Textil Wirtschaft (http://www.twnetwork.de); Textile Network (http://www.meisenbach.de).

Other forms of communication
The most important ways to develop a business relationship are either to exhibit at one of the main clothing trade fairs, or to make a direct approach to wholesalers or major retailers. In Germany, many business people still prefer a formal style of communication, both in the way a presentation is put together, and in the way contact is made. A very aggressive price-driven approach will not be effective, although price is very important in the German knitted outerwear market.

This survey was compiled for CBI by ***Searce***.