

Clothing manufacturing

Business start-up guide

Clothing manufacturing industry overview

Operators in the clothing manufacturing industry buy fabrics and materials from textile producers, then cut and sew these fabrics to make clothing items. The clothing is then sold to retail and wholesale firms for resale to customers.

The manufacturing industry has declined over the past decade. This decline is mainly due to greater outsourcing of manufacturing to countries with lower production costs.

Starting or buying a clothing manufacturing business involves many essential steps. These steps include purchasing equipment, establishing yourself as a brand and marketing your products.

This guide explains how to start a clothing manufacturing business in Queensland. It will help you understand the challenges and opportunities of entering the clothing manufacturing industry so you can make good business decisions.

Getting into the clothing manufacturing industry

Before you start a clothing manufacturing business in Queensland, you need to understand how the industry works and what things you may need to consider in your planning.

Finding a competitive edge in Queensland's clothing manufacturing industry

In Queensland, there is strong competition from international clothing manufacturers who compete on price because they have lower labour and production costs. However, there are ways you can give your business a competitive edge.

If you manufacture clothing for a niche market and establish yourself as a recognised brand, you can

compete with less well-known brands manufactured overseas.

Your competitive edge can also be in technological innovations or being energy efficient and using sustainable design principles. These factors can help build your reputation and bring you loyal customers.

Key success factors for a clothing manufacturing business

To start a successful clothing manufacturing business, you need to:

- establish yourself as a recognised brand
- access niche markets
- have marketing expertise
- hire a skilled workforce
- access the latest available technology and most efficient techniques
- be able to expand your operations in line with demand
- be able to access retailers who can sell your clothing
- be able to export your clothing.

Clothing manufacturing industry entry barriers

The major barriers to entry in the clothing manufacturing industry are the high costs of branding, advertising, equipment and distribution. Start-up costs may be high, as equipment and machinery needed to manufacture clothing can be expensive. You should also be aware of ongoing costs, such as advertising, which is essential in terms of attracting and retaining customers.

(Source IBISWorld, March 2012)

Clothing manufacturing industry requirements

Legislation that may apply to your business

- *Debits Tax Act 1990*
- *Duties Act 2001*
- *Badge, Arms, Floral and Other Emblems of Queensland Act 1959*
- *Fair Trading Act 1989*
- *Fire and Rescue Authority Act 1990*
- *Local Government Act 2009*
- *Motor Accident Insurance Act 1994*
- *National Measurement Act 1960*
- *Retail Shop Leases Act 1994*
- *Sale of Goods (Vienna Convention) Act 1986*
- *Statistical Returns Act 1896–1986*
- *Trading Hours (Allowable Hours) Act 1990*
- *Vocational Education, Training and Employment Act 2000*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit www.legislation.qld.gov.au.

Useful industry contacts

Business Support Unit

For more information on licences, regulations, market research, business planning and other support services phone 13 25 23 or visit business.qld.gov.au

Queensland Manufacturing Institute

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