

'eNews' at a Glance

- **SAFSA Welcomes New Buyers**
- **SAFSA Adds New VVFs**
- **SAFSA Buyer Conference in Hong Kong**
- **Thailand Awards First ACCP Certificate**
- **Upcoming SAFSA Events**

Don't Forget ...

The **SAFSA Global Forum** will take place September 29-30 in Bangkok, Plaza Athénée hotel. Be prepared!

About SAFSA



AFTEX members

Cambodia



SAFSA Welcomes Five New Buyers

The Chief Delegates (CDs) of each AFTEX-member country travelled to Hong Kong for a briefing on the Source ASEAN Full Service Alliance (SAFSA) program, August 25. The event coincided with the "Southeast Asia Sourcing Conference and the SAFSA Model" seminar hosted by VALUE the following day (see third item).

During the meeting, the CDs made important decisions to increase SAFSA membership. They accepted two new virtual vertical factory (VVF) members (see second item) as well as applications for membership from three buyers: U.S. companies Target and Urban Outfitters, and Japanese company Marubeni. The decision now doubles the number of buyer members of SAFSA.

Subsequently, Marubeni informed VALUE of their decision to postpone their SAFSA membership to a later time. Nonetheless, three new buyers confirmed their decisions to join as SAFSA members, including U.S. companies Columbia Sportswear and Macy's and Spanish retailer El Corte Inglés.

SAFSA Adds New VVFs

Intense recruitment activity started to pay off when two factory-mill partners joined SAFSA as virtual vertical factories (VVFs).

Thai garment factory Thanulux PCL and textile mill Erawan Textile Co., Ltd. applied first, followed by Indonesia-based garment factory Leading Garment Industries and its textile mill partner PT. Sipatatex. Thanulux is a woven shirt factory, the licensee of Arrows in Thailand, and an original equipment manufacturer (OEM) for many leading global brands. Erawan is a woven fabric mill specializing in fabrics for shirts and bottoms. Leading Garment produces nightwear, children's wear, and cut and sewn knitted garments. Sipatatex makes lace and tricot fabrics.

SGS conducted SAFSA Quality Service Standards and Code of Conduct audits on Thanulux and Erawan in late August. The Thai VVF partners passed the audits making them eligible to attend the SAFSA Global Forum in Bangkok, September 29-30. The Indonesian VVF will be audited on September 8-13.

New exciting features have been integrated for this year's Global Forum:

Indonesia



Laos



Malaysia



Philippines



Singapore



Thailand



Vietnam



Contact Us



- Factory participants will include not only VVF pairings but stand-alone factories that have been audited and approved for SAFSA membership but are not yet in a VVF;
- All garment factories, regardless of whether in a VVF partnership or a stand-alone will have a meeting room; and
- Fabric mills, either in a VVF partnership or as a stand-alone mill, will all have a space to exhibit their samples for Customer members to view in addition to the one-on-one VVF meeting room.

This new format will allow Customer members more flexibility to work across the SAFSA factory membership and influence the most practical VVF pairings according to their products.

By the latest count, 14 garment factories and 11 textile mills, both in a VVF and stand-alone, are expected to attend the Global Forum.

Full House for SAFSA Conference in Hong Kong

The "Southeast Asia Sourcing Conference and the SAFSA Model" organized in Hong Kong by the VALUE Project, August 26, resulted in a packed audience of more than 50 people representing 25 apparel brands and retailers eager to learn about SAFSA.



AFTEX leadership at the SAFSA Buyer Conference in Hong Kong

The program featured presentations from the VVF partnership of Nan Yang Fabric Company in Thailand and their partner JIT garment factory in Cambodia, and an update on the Trans Pacific Partnership trade negotiations which could positively affect apparel exports from the ASEAN region. A description of the audit process SAFSA uses to ensure both the social compliance and service quality of VVFs was well-received, assuring the sourcing executives in the audience that the SAFSA program would indeed help them identify quality full-service ASEAN suppliers.

Participants were particularly complimentary on the textile & apparel industry's response (SAFSA) to the ambitions of ASEAN to integrate by 2015. The audience confirmed that if this scenario was realized, not only would they bring more business opportunities to the region but they could also achieve cost savings; a win-win scenario for suppliers and buyers.

ASEAN Federation of Textiles Industries (AFTEX)

Mr. Andrew Hong
Permanent Secretary General

Address:
C-9-4 Megan Avenue 1
189, Jalan Tun Razak
50450 Kuala Lumpur
Tel: +60 3 2162 1587
Fax: + 60 3 2162 5148
Email: aftex@SourceASEAN.com

VALUE

The VALUE Project

Address:
Queen Sirikit National Convention
Center, Room 201/14, Zone D,
Bangkok, Thailand
Phone: +66-2229-4045
Fax: +66-2229-4049
Email: safsa@SourceASEAN.com

Thailand Awards First ACCP Certificates



A Thai merchandiser receives ACCP certificate from AFTEX Thailand's Chairman

Two Thai merchandisers (level 2) received their ASEAN Common Competency Program (ACCP) certificates, August 17, at a ceremony organized by the Thai Garment Manufacturer Association (TGMA) and its training arm the Thai Garment Development Foundation (SHARE). They are the first garment industry workers from Thailand to be regionally certified. Thailand organized its first ACCP exam on June 18. Nine merchandisers from four companies took part.

Attended by more than 90 people, the ACCP event also included a panel discussion about the impacts of ASEAN integration on the Thai labor market. Panelists included Mr. Pilan Dhammongkol, Chairman of AFTEX Thailand (National Federation of Thai Textile Industries), and Mr. Sukij Kongpiyacharn, President of TGMA.

Region-wide competencies will further textile & apparel sector integration by ensuring that workers meet performance expectations. Factories offering the program to their workers or hiring ACCP-certified staff will know what to expect of them. Certified workers will have portable skills empowering them to seek out the best opportunities throughout the region as ASEAN pursues economic integration.

To date ACCP has certified 154 Southeast Asian workers in five garment competencies; i.e., sewing machine operator, sewing machine supervisor, sewing machine mechanic, pattern maker, and merchandisers.

At a meeting in Hong Kong, August 25, the AFTEX Chief Delegates committed to adopt a further five competencies across ASEAN's textile & apparel industry.

SAFSA Events Not to Be Missed

Pencil these dates into your calendar.

September 29-30, Bangkok – Use indelible ink in your diary for this one! SAFSA's flagship event the SAFSA Global Forum is where the seeds of lucrative long-term partnerships are planted. Millions of dollars worth of new business has been contracted between SAFSA VVFs and international fashion and apparel brands since the first SAFSA Global Forum in Singapore last year. You can't afford to miss this year's event, which will take place at the Plaza Athénée Bangkok, A Royal Meridien Hotel. The event will be hosted by the Thai Department of Export Promotion.

SAFSA on the Web

VALUE has incorporate password protection at www.SourceASEAN.com/safsa-members that allows member companies to access SAFSA VVF profiles and customer contacts. SAFSA members please contact safsa@sourceasean.com for details.

Did you know that the VALUE Project scours the web almost daily for interesting textile and apparel related stories? We link to them from www.SourceASEAN.com/asean.

You can also subscribe to the site by email or RSS to be informed whenever there is new content and links. Click on the Subscribe button at the top of the right column of www.SourceASEAN.com.
