

Bed-wear & Linen

Sector Brief

The objective of this short write-up is to provide the reader with an overview of the sector. The information covers global trade of the product, status of Pakistan's exports and summary of industry structure. Trade information for global comparisons has been obtained from PC-TAS, International Trade Centre's Database. Latest available export data on Pakistan has been obtained from the Federal Bureau of Statistics, Pakistan.

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1. Introduction

Textile made-ups are one of the most valuable and important international trading commodities. In 1999 the international textile made-ups trade value was above US\$ 11 billion which can be divided into six major categories i.e. towels & cleaning cloths, bed wear & bed linen, blankets, curtains and furnishings, canvas products and table linen. Major exporters of textile made-ups include China, Pakistan, Turkey and Portugal exporting nearly 47% of the total international market of textile made-ups. The textile made-ups industry has been on a slow growth, for the last five years¹ with an average growth rate of 3% and 1999 was the worst year for textile made-ups products (3% decline in international exports) which is the only year with negative growth in last five years.

Pakistan being the second largest exporter of textile made-ups has increased its share in the international market from 6.6% to 10.1% in previous five years by earning a foreign exchange of US\$ 1.18 billion in 1999 and an average growth of 15% per annum. According to Federal Bureau of Statistics data, Pakistan exports for the year 2000-01 were about US\$ 1.3 billion.

2. Global Trade of Bed wear & linens

Bed wear is an important value-added sub-sector of textile sector. Bed wear products include bed sheets, pillow covers, quilts etc. In made ups bed wear & linens sub-sector is the second largest in terms of production and exports and shares 28% of total textile made-ups market. Its share has increased from 26.3% as a sub category and has grown by 4% per annum if total exports are analyzed.²

Table 1:

Value in \$ million					
World Exports					
	1995	1996	1997	1998	1999
WORLD	2753	2822	3028	3154	3260
Growth % age		3%	7%	4%	3%

Within different products of bed wear, non-knit bed linen of cotton was the largest product in terms of international exports. In 1999, total exports of this product were \$2.09 billion, which constituted 64% of the total exports of bed wear. Knit Bed Linen is the smallest category with only 10% share. Total exports were \$3260 million. The rest of the 26% was accounted by Bed Linen of textile materials other than cotton. The export market size of this product was \$844 million.

¹Here data for the years 1995-99 is used for international comparison, which is the latest till date.

² World trade of bed wear & linens is reported under different SITC codes. For the purpose of analysis, all these codes have been summed together to get the overall picture of the world's trade of bed wear & linens.

Table 2:

Value in \$ million							
World Exports Category-wise							
Commodity	Code	1995	1996	1997	1998	1999	% Share
(Aggregate)		2753	2822	3028	3154	3260	100%
Bed linen, cotton	65842	1842	1807	1902	1992	2097	64.32%
Bed linen, other textiles	65843	607	715	835	858	844	25.89%
Bed linen, knit, crochet	65841	305	301	291	303	319	9.78%

China is the main exporter of bed wear & linens as a whole and exported 21.34% of the bed wear & linens market in 1999. Pakistan which had second largest share i.e. 20.89% in 1999 had a phenomenal growth of 16% per annum in last five years and then was Portugal, capturing 11.67% of bed wear & linen market.

Table 3:

Value in \$ million						
Major Exporters						
	1995	1996	1997	1998	1999	% Share in 99
CHINA	658	597	708	603	696	21.34%
PAKISTAN	376	469	487	567	681	20.89%
PORTUGAL	321	325	355	384	380	11.67%
TURKEY	117	131	174	210	214	6.55%
USA	103	106	122	144	111	3.39%
FRANCE	108	103	108	122	127	3.89%
MEXICO	85	115	121	133	77	2.38%
Other	986	975	953	990	974	29.88%

U.S.A. has been the biggest importer of bed wear & linens for the last five years and shared 22.5 % of total imports with a value of US\$ 688 million in 1999. Germany was second with approximately 14.46 % of world imports of bed wear & linens.

Table 4:

Value in \$ million						
Major Importers						
	1995	1996	1997	1998	1999	% Share in 99
USA	375	373	470	614	688	22.49%
GERMANY	482	500	459	462	442	14.46%
UNTD KINGDOM	156	177	215	244	273	8.94%
FRANCE	206	184	194	229	241	7.87%
JAPAN	264	241	238	204	221	7.24%
NETHERLANDS	113	113	104	106	106	3.46%
HONG KONG	160	168	168	107	85	2.80%

3. Pakistan:

In 1999 bed wear & linens accounted for \$681 million in foreign exchange earnings, which was approximately 57.4% of total textile made-ups exports of Pakistan. The share has increased from 54.4% which shows that Pakistan exports of textile made-ups as a whole has increased at a much lower rate than this sub category. In Pakistan, the bed wear & linen market has increased by an annual average of 16% in last five years with a high growth in

1996 and 1999 i.e. by 25% and 20% respectively. Looking at the international perspective Pakistan's share of the bed wear and linen market has increased from 13.65% in 1995 to 21% in 1999.

Table 5:

Value in \$ million					
Pakistan Exports					
Years	1995	1996	1997	1998	1999
Value	375.90	469.03	486.78	567.37	681.01
Growth % (Value)		25%	4%	17%	20%

For international comparisons the data used is for the year 1999. However, data is also available for Pakistan for the year 2000-2001, which shows that there has been an increase in exports from \$681.01 million to nearly \$752.53 million – by more than 11% in last two years.

Some of the leading importers from Pakistan include U.S.A., which imported 24.9% of Pakistan's Bed wear and linen, the UK, which imported nearly 12.1% and Germany, which shared 11.39% of the Pakistan exports of bed wear & linens in 1999.

Table 6:

Value in \$ million				
Pakistan Major Partner				
Country	1998	% Share	1999	% Share
USA	133.4	23.50%	169.6	24.90%
UNITED KINGDOM	65.3	11.51%	82.4	12.10%
GERMANY	72.3	12.74%	77.6	11.39%
FRANCE	52.1	9.19%	65.6	9.63%
NETHERLANDS	61.7	10.88%	53.4	7.85%

Looking at the break-up of Pakistani bed wear & linen exports, it has been found that about two thirds of the total value exported is accounted by just one category which is 'non-knit bed linen of cotton' i.e. 70% of the total bed wear & linens exports. This is in line with the world trend since this category is the largest category in the global exports with 64% share. A table showing Pakistani exports to 7-digit PSTC codes is at the end of the report.

3.1. Bed wear & linen Industry in Pakistan

A major chunk of the Pakistani bed linen industry is in the informal sector. According to industry sources, there are 150 units producing bed linen in the organized sector and the rest of the units are in the unorganized sector. There is no data available on these units. The bed linen industry may be large or small depending upon the number of operations carried out by a unit itself. It involves weaving/knitting, processing and stitching. A bed linen manufacturer may be buying fabric from outside and converting it into final product after processing it in-house. Or the processing is subcontracted and manufacturers are just cutting, stitching and packing in their own premises. Vertically integrated units are smaller in number and they operate in relatively upper market segments since it is easy to control the quality in a vertically integrated operation.

Another reason for non-availability of data about Bed Linen industry is the nature of data reporting. The classification of the industry is based on the operations rather than the

products. Moreover, manufacturers also keep on changing products. Major clusters of Bed Linen are in Karachi, Faisalabad, Lahore, Multan and Hyderabad.

Pakistan is an important exporter of bed wear in the world. The main driver for the development of this industry in Pakistan is the existence of power looms sector. Most of the products in this sub-sector are made from low-density fabrics of wider widths. This fabric can be easily manufactured on power looms, which forms the major chunk of weaving industry of Pakistan. The cost of a low-density fabric is low compared to a fabric meant for garments. Processing of the fabric meant for bed wear is done through printing rather than dyeing. Printing is an easier and cheaper technology compared to dyeing. And it is also easy to control the quality of a print fabric compared to a dyed fabric.

Table 7:

Value in \$ million			
Pakistan Export Mix		2000-01	1999-2000
Commodity	PSTC Code	C-Value	C-Value
Knit Bed Linen	65841		
Bed Sheets	6584101	3.32	2.87
Pillow Covers	6584102	1.41	0.29
Bed Linen nes.	6584109	0.34	0.4
Non-knit Bed Linen of Cotton	65842		
Bed sheet Mill-made	6584201	319.05	306.81
Bed sheet Handloom	6584202	1.11	1.13
Bedcover Mill-made	6584203	4.03	3.23
Bedcover Handloom	6584204	0.19	0.51
Fitted Sheets Mill Made	6584205	61.1	50.72
Fitted Sheet Handloom	6584206	0.01	0.02
Pillow Cover Mill Made	6584207	27.62	23.41
Pillow Cover Handloom	6584208	0.32	0.36
Khes Hand Loom	6584211	0.28	0.26
Quilts	6584212	107.42	117.55
Ghilaf with Embroidery	6584213		0.11
Bed Linen nes.	6584219	0.92	0.53
Non-knit Bed Linen of Other Textiles	65843		
Bed Sheet Mill Made	6584301	133.96	121.12
Bed sheet Handloom	6584302	0.23	0.16
Bedcover Mill Made	6584303	0.54	0.25
Bedcover Handloom	6584304	0.08	0.22
Fitted Sheet Mill Made	6584305	13.93	11.9
Fitted Sheet Handloom	6584306	0.46	
Pillow Cover Mill Made	6584307	18.14	13.72
Pillow Cover Handloom	6584308	0.05	0.19
Khes Hand Loom	6584311		0.05
Quilt Cover	6584312	56.77	53.46
Bed Linen nes	6584319	1.26	0.31
Total		752.53	709.59
Exchange Rate RS/US\$ 51.8 1999-2000			
Exchange Rate RS/US\$ 58 2000-01			