

Textiles and Apparel

Alissa Tafti

Change from 2017 to 2018:

- **U.S. total exports of textiles and apparel: Increased by \$565 million (2.6 percent) to \$22.7 billion**
- **U.S. general imports of textiles and apparel: Increased by \$6.3 billion (5.2 percent) to \$127.7 billion**

Total U.S. exports of textiles and apparel increased \$565 million (2.6 percent) to \$22.7 billion in 2018.¹ U.S. exports of textiles and apparel saw growth from 2017 to 2018 in most product groups, but experienced small declines in two product groups—carpets and rugs, and home furnishings. Domestic exports accounted for \$18.3 billion (80 percent) of total exports, while re-exports (foreign exports) accounted for the remaining \$4.4 billion (20 percent) (table TX.1). U.S. exports increased by \$422 million (2.4 percent) in 2018, while re-exports increased by \$143 million (3.3 percent). As in previous years, nearly half of U.S. apparel exports (47 percent) were re-exports in 2018, as the United States continues to act as a hub for the distribution of goods for U.S.-based brands and retailers.² Growth in U.S. exports was led by increases in exports of apparel as well as fabrics (table TX.2).

The value of U.S. imports of textiles and apparel also rose in 2018, by \$6.3 billion (5.2 percent) to \$127.7 billion. China was the United States' largest supplier of textile and apparel imports (table TX.1). While imports increased in all categories, they were primarily led by an increase in imports of apparel (table TX.2), attributed to higher consumer spending and, reportedly, to stockpiling in anticipation of higher duties on imports of textiles and apparel from China.³

¹ Unless otherwise noted, the export data used in this investigation are for domestic exports. For more information on trade terminology, please refer to USITC, "Special Topic: Trade Metrics," *Shifts in U.S. Merchandise Trade, 2014, 2015*, https://www.usitc.gov/research_and_analysis/trade_shifts_2014/trade_metrics.htm.

² Because the majority of U.S.-based retailers' imports are destined for the U.S. market, these firms use U.S. warehouses as a distribution point for other markets. Industry representative, telephone interview by USITC staff, August 23, 2019; USITC DataWeb/USDOC (accessed March 13, 2019); USITC, "Textiles and Apparel," 2015.

³ Overall consumer spending increased by 4.7 percent in 2018, while spending on apparel increased 3.9 percent. USDOC, BEA, "Personal Consumption Expenditures by Type of Product," table 2.4.5U (accessed July 10, 2019); Russell, "China Exports Accelerate ahead of Further Tariffs," November 13, 2018; Abdulla, "US Apparel Imports Tumble," February 8, 2019; Wright, "US Retail Imports Rising," May 10, 2019.

Table TX.1 Textiles and apparel: U.S. exports and general imports, by selected trading partners, 2014–18

Country/item	Million \$					Absolute change, 2017 to 2018	% change, 2017 to 2018
	2014	2015	2016	2017	2018		
U.S. exports of domestic merchandise:							
China	1,231	985	855	851	766	-85	-10.0
Vietnam	96	93	89	102	140	37	36.6
Mexico	4,627	4,520	4,157	4,139	4,369	230	5.6
India	171	175	193	161	178	17	10.6
Canada	3,952	3,684	3,600	3,751	3,656	-96	-2.5
Bangladesh	21	22	11	14	9	-6	-39.4
Indonesia	167	132	96	82	102	20	24.3
Honduras	1,541	1,521	1,455	1,497	1,541	44	3.0
Pakistan	34	25	21	23	25	3	11.5
Italy	149	136	134	140	164	24	17.5
All other	8,048	7,734	7,051	7,084	7,317	233	3.3
Total domestic exports	20,036	19,025	17,662	17,844	18,266	422	2.4
Foreign exports	3,949	4,275	4,072	4,302	4,446	143	3.3
Total U.S. exports (domestic and foreign)	23,985	23,300	21,734	22,146	22,712	565	2.6
U.S. general imports:							
China	47,219	48,885	45,191	45,014	46,979	1,965	4.4
Vietnam	9,822	11,151	11,361	12,166	12,938	771	6.3
Mexico	5,976	5,902	5,798	6,097	6,148	50	0.8
India	7,384	7,951	7,949	8,194	8,550	356	4.3
Canada	2,303	2,243	2,181	2,230	2,332	101	4.5
Bangladesh	5,051	5,658	5,547	5,331	5,688	357	6.7
Indonesia	5,279	5,414	5,143	4,985	4,927	-58	-1.2
Honduras	2,726	2,812	2,673	2,589	2,715	126	4.9
Pakistan	3,228	3,210	2,901	2,944	3,065	122	4.1
Italy	2,438	2,308	2,137	2,190	2,455	265	12.1
All other	30,263	31,002	29,351	29,631	31,866	2,235	7.5
Total general imports	121,688	126,535	120,231	121,372	127,663	6,291	5.2

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note: Import values are based on U.S. customs value; export values are based on free alongside ship value, U.S. port of export. Calculations are based on unrounded data. The countries are sorted by largest total U.S. trade (U.S. general imports plus U.S. domestic exports) in these products in the most recent year.

Mexico and Canada continue to be the largest markets for U.S. textiles and apparel exports, accounting for 44 percent of the total in 2018. Fabrics and apparel make up the bulk of U.S. exports of these products to Mexico and Canada, with these two destinations accounting for 56 percent of U.S. exports of fabrics and 43 percent of U.S. exports of apparel.⁴ U.S. exports to Mexico increased \$230 million (5.6 percent) after declining slightly through the previous four years, with large increases by value in various types of fibers and yarns, apparel, and fabrics. After a slight increase in 2017, U.S. exports to

⁴ USITC DataWeb/USDOC (accessed March 13, 2019).

Canada declined by \$96 million (2.5 percent), led by declines in exports of apparel as well as fibers and yarns.⁵

China is the United States' largest supplier of textiles and apparel (table TX.1). Within this sector, apparel from China accounts for 34 percent of total U.S. imports of apparel. U.S. imports of apparel from China rose by \$579 million (1.9 percent), the largest increase by value across product groups, and continued to account for two-thirds of U.S. imports of textiles and apparel from China. Nonetheless, China's share of the U.S. textiles and apparel market continued a slow decline in 2018, dropping to 37 percent from 39 percent in 2014. Firms have been shifting their sourcing from China to Vietnam, India, and Bangladesh due to rising costs in China. The uncertainty around trade actions with regard to China in 2018 are reported to have quickened some of these shifts.⁶ However, China will likely continue to be an important source for textiles and apparel, in spite of costs and additional tariffs, because of the volume of product China can make and the capacity constraints that still exist in other countries.⁷

Vietnam was the second-largest supplier of textiles and apparel to the United States in 2018, when it accounted for 10 percent of total U.S. imports of those goods. The value of U.S. imports from Vietnam has been on the rise in recent years and increased by \$771 million (6.3 percent) in 2018 to reach \$12.9 billion. Imports of apparel from Vietnam make up 97 percent of all textile and apparel products imported from that country in 2018. Vietnam has continued to grow as a supplier of apparel to the United States as a result of its high levels of investment in the textile and dyeing industries.⁸ As noted above, some of the growth in imports from Vietnam near the end of 2018 has been attributed to U.S. firms shifting their sourcing away from China. However, capacity constraints are anticipated in Vietnam, and these have limited the extent of the shift.⁹

India and Mexico continued to be the United States' third- and fourth-largest suppliers of textiles and apparel in 2018. U.S. imports from India grew \$356 million (4.3 percent) to reach \$8.6 billion, led by an increase in imports of apparel. Nearly half of all U.S. imports of textiles and apparel from India are imports of apparel. Imports in most textile and apparel product groups from India increased, with additional substantial increases in carpets and rugs. Imports from Mexico grew only slightly, rising by \$50 million (0.8 percent) over 2017. While imports in other categories rose, imports of apparel, the largest import category from Mexico, fell by \$87 million. This decline was partly the result of uncertainty about the duty-free status of apparel in the midst of the renegotiations for the North American Free Trade Agreement (NAFTA).¹⁰ Indonesia was the only top trading partner with an overall decline in imports to the United States in 2018, albeit a small one, stemming from a 1.2 percent decline in imports of apparel. Apparel imports constituted 96 percent of U.S. textile and apparel imports from that country in 2018.¹¹

⁵ USITC DataWeb/USDOC (accessed March 13, 2019).

⁶ Zwirn, "US Brands Ponder Sourcing Switch," November 13, 2018; Barrie, "Outlook 2019—Apparel Industry Challenges and Opportunities," January 15, 2019.

⁷ Zwirn, "US Brands Ponder Sourcing Switch," November 13, 2018; Barrie, "Outlook 2019—Apparel Sourcing Trends and Strategies," January 16, 2019.

⁸ Wright, "US Imports from Vietnam at Highest," December 7, 2018; Abdulla, "Vietnam Sees US Apparel Shipments Surge in January," April 4, 2019.

⁹ Friedman, "New Import Era Dawns," March 7, 2019.

¹⁰ USITC DataWeb/USDOC (accessed March 13, 2019); Friedman, "New Import Era Dawns," March 7, 2019.

¹¹ USITC DataWeb/USDOC (accessed March 13, 2019).

U.S. Exports

Apparel experienced the largest increase in U.S. exports by value in this sector, rising \$196 million (6.5 percent) to reach \$3.2 billion in 2018 (table TX.2). Increased exports of U.S. cut components for assembly of various knit garments accounted for most of the growth in apparel exports (\$117 million).¹² However, fabrics again made up the largest share of U.S. exports of textiles and apparel in 2018, with those exports totaling \$6.1 billion—up \$125 million (2.1 percent) from 2017. Exports of nonwoven fabrics accounted for nearly half of this increase. A number of factors were reportedly responsible for the rise in exports—some expanding volume, others raising value. These included increased foreign demand, higher U.S. production (due to new facilities coming online in recent years), and the U.S. product mix shifting toward higher-value materials.¹³

¹² Includes two 8-digit subheadings in the Harmonized Tariff Schedule of the United States (HTS): 6117.90.90 and 6117.90.10. USITC DataWeb/USDOC (accessed July 22, 2019).

¹³ USITC DataWeb/USDOC, digest TX002F (accessed March 13, 2019); industry representative, telephone interview by USITC staff, July 22, 2019; Association of the Nonwoven Fabrics Industry, *North American Nonwovens Supply Report 2018*, 2018, 21–29, 36; Freund, Roop, and Colby-Oizumi, “Textiles and Apparel,” September 2018, 5.

Table TX.2 Textiles and apparel: Leading changes in U.S. exports and imports, 2014–18

Industry/commodity group (USITC code)	Million \$					Absolute change, 2017 to 2018	% change, 2017 to 2018
	2014	2015	2016	2017	2018		
U.S. domestic exports:							
Increases:							
Apparel (TX005)	3,436	3,355	3,098	3,027	3,223	196	6.5
Fabrics (TX002)	6,631	6,382	5,959	6,008	6,133	125	2.1
Miscellaneous textile products (TX006)	3,118	2,925	2,732	2,887	2,960	73	2.5
Fibers and yarns, except raw cotton and raw wool (TX001)	5,266	4,873	4,451	4,449	4,516	67	1.5
Decreases:							
Carpets and rugs (TX003)	1,060	975	913	935	902	-33	-3.5
Home furnishings (TX004)	526	515	510	538	532	-5	-1.0
All other	0	0	0	0	0	0	0.0
Total	20,036	19,025	17,662	17,844	18,266	422	2.4
U.S. general imports:							
Increases:							
Apparel (TX005)	90,461	93,922	88,478	88,540	92,298	3,758	4.2
Miscellaneous textile products (TX006)	7,343	7,850	7,840	8,239	8,867	628	7.6
Home furnishings (TX004)	10,372	10,979	10,699	11,283	11,872	588	5.2
Fabrics (TX002)	7,199	7,397	7,086	7,026	7,544	518	7.4
Fibers and yarns, except raw cotton and raw wool (TX001)	3,860	3,868	3,466	3,517	3,981	464	13.2
Carpets and rugs (TX003)	2,454	2,519	2,662	2,768	3,101	334	12.1
All other	0	0	0	0	0	0	0.0
Total	121,688	126,535	120,231	121,372	127,663	6,291	5.2

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note: Import values are based on U.S. customs value; export values are based on free alongside ship value, U.S. port of export. Calculations are based on unrounded data.

U.S. Imports

The value of U.S. imports of textiles and apparel rose by \$6.3 billion (5.2 percent) to \$127.7 billion in 2018. U.S. imports of textiles and apparel consisted principally of apparel (72 percent of total imports), which experienced the largest increase in value from 2017 by far, rising \$3.8 billion (4.2 percent). Increased imports of apparel corresponded to heavier consumer spending on apparel—and, reportedly, to advance purchases in anticipation of higher duties on imports from China.¹⁴ In spite of this increase, the share of total textiles and apparel imports accounted for by apparel continues to decline, albeit slightly. Imports of fibers and yarns experienced the largest percentage rise in imports, growing 13.2 percent (\$464 million) in 2018.

¹⁴ Russell, “China Exports Accelerate ahead of Further Tariffs,” November 13, 2018; Abdulla, “US Apparel Imports Tumble,” February 8, 2019; Wright, “US Retail Imports Rising,” May 10, 2019.

Bibliography – Textiles and Apparel

- Abdulla, Hannah. "Vietnam Sees US Apparel Shipments Surge in January." Just-Style, April 4, 2019. https://www.just-style.com/analysis/vietnam-sees-us-apparel-shipments-surge-in-january_id135902.aspx.
- Abdulla, Hannah. "US Apparel Imports Tumble in November after Stockpiling Rush." Just-Style, February 8, 2019. https://www.just-style.com/analysis/us-apparel-imports-tumble-in-november-after-stockpiling-rush_id135557.aspx.
- Association of the Nonwoven Fabrics Industry. *North American Nonwovens Supply Report 2018: A Review of North American Capacity and Production for 2018*, April 2019. <http://www.inda.org/inda-annual-report-benchmarks-north-american-nonwoven-supply-trade/>.
- Barrie, Leonie. "Outlook 2019—Apparel Industry Challenges and Opportunities." Just-Style, January 15, 2019. https://www.just-style.com/analysis/outlook-2019-apparel-industry-challenges-and-opportunities_id132645.aspx.
- Barrie, Leonie. "Outlook 2019—Apparel Sourcing Trends and Strategies." Just-Style, January 16, 2019. https://www.just-style.com/analysis/outlook-2019-apparel-sourcing-trends-and-strategies_id135394.aspx.
- Freund, Kimberlie, Mary Roop, and Heidi Colby-Oizumi. "Textiles and Apparel: Made in USA . . . Again." U.S. International Trade Commission. Office of Industries Working Paper ID-055, September 2018. https://www.usitc.gov/sites/default/files/publications/332/working_papers/id_18_055_working_paper_textiles_and_apparel_usa_final_091318.pdf.
- Friedman, Arthur. "New Import Era Dawns, as China's Prowess Subsidies and Sourcing Spreads Out." *Sourcing Journal*, March 7, 2019. <https://sourcingjournal.com/topics/sourcing/new-import-era-sourcing-china-142233/>.
- Russell, Michelle. "China Exports Accelerate Ahead of Further Tariffs." Just-Style, November 13, 2018. https://www.just-style.com/news/china-exports-accelerate-ahead-of-further-tariffs_id135005.aspx.
- Sourcing Journal*. "Indonesia Loses Its US Apparel Footing in the First Quarter," May 7, 2018. <https://sourcingjournal.com/market-data/import-export/indonesia-apparel-105114/>.
- USITC, "Special Topic: Trade Metrics," *Shifts in U.S. Merchandise Trade, 2014*, 2015. https://www.usitc.gov/research_and_analysis/trade_shifts_2014/trade_metrics.htm
- Wright, Beth. "US Retail Imports Rising Ahead of Higher Tariffs." Just-Style, May 10, 2019. https://www.just-style.com/news/us-retail-imports-rising-ahead-of-higher-tariffs_id136175.aspx.

Shifts in U.S. Merchandise Trade, 2018

Wright, Beth. "US Imports from Vietnam at Highest for a Year." Just-Style, December 7, 2018.
https://www.just-style.com/analysis/us-imports-from-vietnam-at-highest-for-a-year_id135193.aspx.

Zwirn, Ed. "US Brands Ponder Sourcing Switch Away from China." Just-Style, November 13, 2018.
https://www.just-style.com/analysis/us-brands-ponder-sourcing-switch-away-from-china_id134987.aspx