# Holistically Reimagining The Future of American Fashion

"The entire fashion industry– from merchandizing to media to public relations to marketing – needs the designers. The designers need the manufacturers and suppliers. Without the manufacturers and suppliers as a foundation, the industry has no reason to be here."

- Gale A. Brewer, Manhattan Borough President

## The Road To Now

The Garment District is a neighborhood in midtown Manhattan. The term Garment Center is used interchangeably with Garment District, but they are not the same thing. Contrastingly, the Garment Center is an interdependent network of service providers, suppliers, manufacturers, highly skilled craftspeople, designers, engineers, and schools, largely based in or near that same neighborhood, who collectively form the bulk of the New York City fashion industry, employing roughly 5% of all the labor in New York City, and touching and enabling dozens of other industries. This is a world-class machine in a state of disarray and disrepair.

Save The Garment Center was started in 2007 as a grassroots campaign by factory owners Samanta Cortes, Anthony Lilore, Paul Cavazza and Larry Geffner. Designers Nanette Lepore, Yeohlee Teng, and Anna Sui were quick to support the group's efforts, and along with Erica Wolf, who served as Executive Director for several years, helped make the public aware of the threat posed by removing the protections, as without them much of the fashion industry would simply leave the city entirely. This campaign was in response to City Hall's plans to lift 1987 zoning laws that had protected the leases of the Garment Center fashion tenants for two decades. Save the Garment Center's initial goal was to keep the manufacturers and suppliers in New York's Garment District from being pushed out or having to shut down all together. The campaign was successful, and in 2009 Save the Garment Center became a registered 501(c)6 trade association.

In 1960, 95% of clothing sold in the United States was manufactured in the Garment Center, which at that time sprawled well beyond the few blocks preserved in today's Garment District. Since 1960, since 1987, and even since 2007, the fashion business and the neighborhood where it is centered have changed a great deal. Technology and global market forces will continue to have massive impact. The business and the neighborhood will continue to change, and the garment industry needs to be able to respond to new pressures.

Roughly one month ago, the New York City Economic Development Corporation and the New York City Planning Commission presented a new proposal to immediately strip the key zoning protections for garment manufacturing in the Garment District. Despite being dormant for more

than half a decade, Save The Garment Center mobilized immediately, and rallied constituencies, stakeholders, and representatives to attend the meeting.

It was with great relief that we read a <u>joint letter</u> recently sent to the New York City Planning Commission and New York City Economic Development Corporation by elected representatives of Manhattan and Brooklyn, which requests a delay of the zoning change for further consideration.

We at Save The Garment Center, along with countless garment workers, business owners, designers, and other stakeholders are tired of scrambling to respond to new pressures and crises and plans made by people who do not understand or care how the Garment Center works. We have now decided to take a more proactive approach to preservation and careful rebuilding of the ecosystem. We don't need the same things we needed in 1987, and sections of the protected zone can be released to other interests over time if there is a plan in place to consolidate the Garment Center businesses into a smaller area of Manhattan with stronger protections. The fashion business has never had meaningful ongoing lobbying in Washington to advocate for the needs of our overall industry, and that needs to change as well. It is time to reorganize and build for tomorrow.

## A Plan For Tomorrow

The zoning laws in the Garment District should be changed. We no longer need 7+ million square feet of loosely protected manufacturing space. We are well past the industrial revolution, and certainly large scale manufacturing should instead now take place outside urban centers. New zoning and other city and national policies should enable a product development, prototyping, and education center in midtown Manhattan. We do need to keep a significant amount of manufacturing in the Garment District, at absolute minimum 500,000 square feet just for factories, though preferably retaining at least 1,000,000 square feet for factories for the next three years, with stronger and more specific protections and longer leases. We need an additional 200,000 square feet of protected space for the suppliers and service providers, plus 300,000 square feet of space for design and workforce training, along with increased opportunities for interaction within our own industry. Over time, the sprawled tenants of the Garment District can come together in a consolidated fashion industry superblock complex similar to the FIT campus, which straddles two blocks between two avenues, but on a slightly larger scale.

#### COLLISIONS

The most important thing to preserve and rebuild is the "culture" of the industry. Hilldun Corporation CEO Gary Wassner says, "It was inspiring. Each building was the home of countless designer brands and manufacturers. The listings in the lobbies of 550 Seventh Avenue and 530 Seventh Avenue and 205 West 39th and 575 Seventh Avenue were

impressive. If we lose the sense of community, we lose the culture of the aspirational industry. Then surely we will lose the lure of the industry, and with that, the dream of being part of it that feeds Parsons, FIT, LIM, and Pratt. The infrastructure is greater than today's city officials realize." The sprawl of the fashion businesses in the Garment District is a problem for innovation, and consolidation is very likely the answer to many of the issues we face. Jonah Lehrer's 1992 New Yorker article, "Groupthink," points to what we need, which is something along the lines of M.I.T.'s famed Building 20, a 250,000 square foot three-story structure that housed unrelated research departments and fostered unpredictable interactions that led to the development of countless scientific advancements. We need consolidation of the community, and a return to the high interaction nature of the Garment Center which is now so diminished.

#### **FACTORY TOWN**

FACTORY TOWN: The Garment Center Suppliers Alliance (GCSA), led by Joseph Ferrara, has presented a plan to the City and the Economic Development Corporation. The GCSA's proposed program, Securing the Future for the Garment Center, aims to provide manufacturers the ability to secure long-term leases at affordable and stabilized rates. To secure the space in the Garment Center, Landlords would be compensated at fair market rate - Factories would commit significant funds and the city would close the gap for the balance. At full subscription, the program would carve out 500k sq ft in the district in affordable space for factory businesses. We are incorporating this plan into this larger proposal as a vital component.

#### SUPPLIER ARCADE

In addition to the space preserved for manufacturers, we propose that a building, or set of closely connected Garment District buildings, of not less than 200,000 square feet, be acquired by the city and converted into a multi-level commercial arcade to accommodate the critical trimmings and notions businesses in a centralized hub, along with other suppliers and key service providers who enable the factories to function. With the exception of a modern loading dock and dispatch bays for couriers and mechanics, the ground floor of this complex would be allocated as a tourism center, featuring the latest Made In New York garments and a Garment District Experience Center which will be used to communicate to the general public how the garment business works, and demonstrate to domestic and international travelers the value of Made In New York and Made In America products. A similar commercial condo arrangement would be used for the upper floors, and the suppliers housed in this building would be offered building management fee subsidies from the federal government for selling Made In USA products, helping to close the loop on sustainability with local production early in the design process.

### **BUSINESS INCUBATION COMPLEX**

Another large building or set of buildings, comprising roughly 300,000 square feet, would be set aside to house a Business Incubation Center. Several levels would function as fashion designer co-working space. Another level would house a costume lab for the theater district and the film, television, and music industries, providing a long missing home base for the city's professional costume designers, and an incubation center for new talent. Another level or two would be dedicated to workforce development, training the next generation of garment workers. But when we talk about training garment workers, we are talking about training people for a vision that is 10 or 20 years out, when these will all be high tech jobs. There are already machines that can sew a shirt with no human operator, but innovation still needs people and human minds. All the existing garment workers around the world will need to be retrained to work with new systems, new technologies, and we have an opportunity to feed a larger industry across North America, which will enable the re-shoring of garment, footwear, and accessories production using a new more nimble production-on-demand short run factory approach, leading to a dramatic increase in sustainability.

#### BROOKLYN AND THE MATERIAL FUTURE

The city's recently publicized plan referenced a 200,000 square foot building in Sunset Park Brooklyn, owned by the city, which will be split between fashion and the film and television industry. If it is an equal split, that's only 100,000 square feet into which to squeeze businesses currently occupying well over 1,000,000 square feet of space in the Garment District, and neglects to allow for their supply chain needs. There are also unintended consequences for the theater business, which is dependent on the same resources. We propose that the fashion industry should embrace the offer of this building in Brooklyn, but in a different way.

The future of most consumer products and many industries is in fiber science. Textiles were arguably the first human industry, and are as much a part of our future as they have been of our past. New York City and The United States should invest in a global center for fiber science and so-called fashion technology. Pratt Institute, which is located in Brooklyn, could cement the position as a center for materials research which it already holds through its support of the Brooklyn Fashion + Design Accelerator. That building in Sunset Park which the NYCEDC is offering is close to where a lot of existing research and tech-based businesses already exist, and to move them together makes a lot of sense. With the understanding that most of the workers in the Garment District commute in from New Jersey, The Bronx, and Queens, and additional travel to Sunset Park would double most of their commute times, and knowing the cachet of originating in Manhattan is something that helps greatly in the marketing of many fashion products, we firmly believe that Manhattan should house product development, and Brooklyn should house materials development. This would also serve to free up some space in Manhattan, and draw additional research and technology companies to Brooklyn from other parts of the country. Clear cut easily accessible federal and state matching funds for textile and related industrial scientific research and development would help in this area as well.

Some effort should be made to make sure the Brooklyn and Manhattan centers are interacting, so programs will need to be established to increase the inhabitants' exposure to each other's work. Similar programs will need to be established with garment centers in other cities around the country.

#### **SMART TARIFFS**

Manufacturers in the United States currently pay roughly a 20% import duty on fabric and other materials they need that come from overseas, which makes the finished products we are trying to export that much more expensive and therefore less competitive in other countries. We propose that a change in federal law be made to restrict these trade duties to materials not available in sufficient quantities from domestic suppliers, and that a survey be made every two years of domestic manufacturing capacity for materials used in the fabrication of consumer goods, and as domestic capacity rises on specific product the duties on importing similar materials rise to protect domestic manufacturers. Funding would be made available for the creation of textile mills to begin production of domestically unavailable materials. The law would also need to account for the existence of a fair market, so that a monopoly on the production of a certain material could not be maintained to control prices.

#### LOCAL IS SUSTAINABLE

If you use local materials to produce goods, you're in touch with your customers' actual needs, you only make what is needed, and your customer is within a short distance of the factory where your products are made, this is inherently more sustainable than producing in mass quantities based on trend forecasts on the other side of the world. It's also a world of difference better for local economies. We need consumer products factories spread out across the country, where they can satisfy local demand, not just located in one place. Special things can be made in special places, but single source mass production is the way of the last century.

#### **SECONDARY CITIES**

Inevitably, designers find themselves asking two questions: "where can I find that?" and "where can I get this done?" This is the magic of the Garment Center, it is what the system enables. If a designer wants to figure out how to make something, the experts are here in one place. The ideas have to come from somewhere, and a sketch doesn't instantly translate into something wearable or usable. Skilled craftspeople have to make the prototypes, and having them in central locations like the Garment District neighborhood in Manhattan makes a lot of sense. Right now cities across the country are trying to replicate what we already have here in New York City. We can take some of the pressure off emerging designers here in New York by creating a network of satellite hubs in places like St. Louis, where commercial space can be leased at \$5 per square foot. Nashville, Portland, Chicago, Philadelphia, Charlotte, and many other cities want their own fashion centers, and it is in the national interest of the United States

to connect and support them. These new centers can be more specialized, like Los Angeles has become for denim. For example, right now it is close to impossible to have footwear manufactured in the United States for sale at competitive price points. We could bring that and other businesses back in these other places.

#### A RISING TIDE

Once designers have the ideas and craftspeople generate the prototype samples, technology has come along so the consumer production runs can be done locally, which is another reason we need to organize as an industry to interface with the federal government. Companies like Good Clothing Company are already doing great work with local production, and interfacing with national agencies to grow. What Save The Garment Center can do is coordinate lobbying efforts and direct federal resources to where they need to go across the country to develop an integrated national system for manufacturing and distribution. There are already local manufacturing bases in almost every state, but the factories and mills need to be updated. Most fashion manufacturing jobs ten years from now will be high tech jobs, but with directed federal assistance we could be there in five years instead, getting ahead of global competition. In addition to manufacturing, the supply chain of fashion also includes a lot of agribusiness, to produce textiles. The United States should be more competitive on materials production, so efforts should also focus on farming, animal husbandry, and textile mills. If American textile suppliers are more competitive it makes the manufacturers more competitive and the brands more competitive, driving exports. To make the whole thing work, we need to create and train for next generation high skill jobs in those businesses as well. Plus, the textile business can use a lot of diverse specialized crops and livestock we don't have enough of in this country right now, so this means the return of a great number of smaller family farms, and new support for those struggling now.

# And Now It Begins

Saving the Garment Center is not about keeping everything where it was or the way it was. It is about preserving, updating, and growing a massive ecosystem which is a tremendous asset, and which with proper management can be grown into something far greater than it ever was before. To do that, the fashion industry needs an organization that can assist the City of New York in very carefully and methodically rezoning and rebalancing the Garment District; we need to lobby for state and federal resources to make a fundamental reorganization of the manufacturing bases for the textile, garment, and accessories businesses and their supply chains locally and across the country; and we need to be thinking about what the shape of the industry needs to be ten and twenty years out. Save The Garment Center is that organization. As an neutral party with no predisposition to serve any particular part of the industry except the whole, we want to work with the City of New York and our representatives and the many stakeholders to make this a reality now and for the future.

### references and additional reading:

- Brewer says plan to rezone Garment District may lead to fashion industry's NYC exit, Real Estate Weekly
- <u>De Blasio Plan for Garment District Spurs Fierce Debate</u>, CityLimits.org
- <u>Joint letter from Manhattan and Brooklyn elected officials to NYCEDC and City Planning Commission leaders</u>
- Groupthink, The New Yorker