



2021: A New Vision for Fashion, Retail and Manufacturing In Government Policy, Post Brexit and Mid-Pandemic

Wednesday, 20th January 2020 (12:00-13:30)

Zoom Dial-in

Chair: Tamara Cincik - Fashion Roundtable

Speakers:

Simon Cotton - Johnstons of Elgin

Jenny Holloway - Fashion Enter

John Horner - Models 1

Sylvie Freund Pickavance - Value Retail

Overview of Session:

Fashion Roundtable's CEO & Founder, Tamara Cincik hosts this meeting to bring together key voices from the sector to work on a coherent strategy, to advocate for the sector post-Brexit and in a pandemic and beyond. We will hear from a selection of representatives from the fashion & textiles industry.

Item
1. Tamara Cincik - Fashion Roundtable
<ul style="list-style-type: none">• Introducing the meeting.• Purpose of the meeting is to draw up a list of key issues to feedback to Westminster and Whitehall concerning support for the UK fashion industry.• The aim is to organise key players in the industry to represent the issues facing the sector effectively with the UK Government and demand greater support through policy.• Apologies from stakeholders unable to attend.
2. Simon Cotton - Johnstons of Elgin
<ul style="list-style-type: none">• Notes that exporting to the EU has become a lot more complex and costly, particularly with the business to consumer sales.• Johnstons of Elgin have faced increased customs duties and notes the complexities mean that some import duties have been applied incorrectly.• States that the cost of freight has risen substantially. Simon was recently quoted £4,000 for a container going into France that previously cost £1,700.• Notes significant problems with rules of origin, meaning some goods sold will still be subject to significant tariffs even if manufactured within the EU, imported to the UK and then re-exported to the EU - the "Percy Pig Problem."

3. Jenny Holloway - Fashion Enter

- Government decision to not add garment workers to the Shortage Occupation List for Visas was short-sighted.
- Rejects the viewpoint that you must be highly academically qualified or earn over £25,000 to be considered highly skilled.
- States that her factories constantly have approximately 30 vacancies available but struggle to find the skilled workers to fill the vacancies.
- Urges Government to revisit the Shortage Occupation List for Visas and to include garment workers on the list to support British garment manufacturing.
- Education for craft and design is currently inadequate and plans to bring in T-Levels can not come soon enough. The Craft and Design T-Level will not be introduced until September 2023.

4. John Horner - Models 1

- Notes that the UK to reject EU musician visas must be revisited. The EU and UK must go back to the negotiating table on this issue urgently, putting fashion creatives and models in the centre of the conversation alongside musicians.
- Notes that Brexit red tape will reduce the ability of modelling agencies to get models quickly into different markets and that UK PLC is going to lose out very dramatically.
- Intellectual property rights remain an issue of concern.

4. Sylvie Freund Pickavance - Value Retail

- A key way that the Government can support the luxury sector is to encourage international tourism to the UK through the reintroduction of the VAT Retail Export Scheme (VAT RES).
- States that the Government's decision to end the VAT RES will place the UK luxury sector at a competitive disadvantage because every other European member state offers tax-free shopping to international visitors.
- Believes that high-spend international tourists are cost-savvy and will choose to shop in countries such as France and Italy for luxury brands over the UK.
- OBR published its assessment of the Treasury's estimates of the costs of ending tax-free shopping and concluded these were incorrect by a substantial margin, only saving an estimated £195m in the first full year.
- This figure is based on what the OBR calls a 'highly uncertain estimate' of how prospective visitors to the UK will react to the removal of the VAT incentive.
- There is an option to ship goods from the UK back to home country and reclaim tax but notes this option is rarely used. According to Value Retail, not a single person used the shipping service in 6 years.
- Highlights the impact of ending tax-free shopping for international visitors will have a regional impact outside of London.
- Notes the need to maintain pressure on the Government to take a second look at the VAT RES decision.

8. Questions and Answers. Followed by the closing of the Session

Questions and Answers from roundtable attendees from across the sector, including Julian Vogel CEO of Modus BPCM, Sarah Mower MBE, Kerry Bannigan President of the Conscious Fashion Campaign, Patrick Scally from The Trampery, Professor Dilys Williams from the Centre for Sustainable Fashion and Zowie Broach Head of Fashion at RCA.

Closing remarks by the Chair and acknowledgements, end Zoom meeting by 13:30.

Action Points:

- To write an Open Letter to Government delineating the impact of Brexit on the UK's £35bn fashion industry. Specifically, the letter will mention immigration rules and visas, VAT, rules of origin and IP rights.
- Ask the Government to intervene with carriers to understand how to reduce costs.
- Get clarity from Whitehall on whether filmed fashion shoots are allowed to go ahead in the same way that film production staff are able to work.
- Build a list of key press contacts (BBC, SkyNews, etc) and invite high profile figures to support/co-sign the letter.