

# Chinese textile industry looks to more IP cooperation

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"When RCEP begins, our trading volume with Sunvim will double in two years," a Japanese textile trader told CGTN, referring to the just signed trade pact and his business partner in East China's Shandong Province.

Amid a global economic downturn, China and other 14 Asia Pacific countries including Japan inked the Regional Comprehensive Economic Partnership, or RCEP, creating the world's largest trade bloc.

"The deal will also ease the negative impact from China-U.S. trade frictions on Japan," added Izawa Shoji, CEO of a Tokyo-based textile technology company that has worked with Sunvim, a Chinese textile company, for years.

Since their first overseas order from Japan three decades ago, Sunvim has built a partnership with over 100 Japanese companies. Over the years, they've been among traders reshaping the two markets.

"The Chinese market is no longer about cheap labor," Izawa said. "Companies across the world have seen the country offer trading partnerships coupled with high-end technology."

In terms of "quality and technology," he believes China has offered many products, including electronics, that are better than Japan's. "Japanese market has changed as well," said Sun Kexin, general manager for Sunvim's Japanese market. "So, we've upgraded our equipment and R&D abilities to meet the middle and high-end market."

The Gaomi-based enterprise said they don't wait for orders, "we propose customized ideas for potential orders, which has been quite a success," Sun added.

This year, the company's towel export to Japan has increased despite the pandemic and tariff rates for China that are far above those for its neighbors like Vietnam. Significantly, the manufacturer is preparing ten million towels for the upcoming Olympic Games in Tokyo.

Japanese partners estimate the new trade pact is likely to support its backflows while Sunvim noted the manufacturer has its eyes on imported equipment, better trading services and intelligent property partnership. "We have R&D facilities in Japan where we hope to benefit further from IP cooperation through joint programs," said Xiao Maochang, chairman of Sunvim. "This is a great chance for China's textile industry to showcase its competitive advantage in global trade."

Though the true effect of the pact remains to be seen, orders of towels for Tokyo Olympic village and the Games' commercials have already been placed.

And these towels will be wiping sweat off the brows of athletes and used to cheer on champions in the coming months.