

Clothing retailers cut orders as unsold stock from 2020 mounts

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Clothing retailers have cut fashion orders as Covid-19 restrictions and slow rollouts of vaccines continue to reduce sales.

Despite the grim outlook, the KPMG/Ipsos Retail Think Tank said the UK retail sector can still expect to recover, given the pent up savings and demand.

Primark said it still has around £150 million worth of 2020 spring/summer stock and £200 million from autumn/winter – which otherwise would have been sold in clearance sales.

Meanwhile, Marks & Spencer and Hugo Boss said they had placed smaller orders than usual for this year's spring collection.

Hong Kong-based sourcing agent Li & Fung, which manages more than 10,000 factories in 50 countries for retailers, said that some retailers had requested later payment terms.

Major garment manufacturing centres such as Bangladesh are impacted as their economies rely on textile exports.

Fifty factories surveyed by the Bangladesh Garment Manufacturers and Exporters Association said they had received 30 per cent fewer orders than usual this season, due to pre-Christmas lockdowns in most of Europe.