



# Report: NYFW Economic Impact Close to \$900M a Year



Rep. Carolyn B. Maloney and designer **Karolina Zmarlak.**

**NEW YORK** — “Who knew?”

Rep. Carolyn Maloney (D., N.Y.) said that was her reaction to the economic impact made by New York Fashion Week — which alone totals almost \$900 million a year — and the industry as a whole that was indicated by the results of a study she had put together as the newly appointed ranking member of the House Joint Economic Committee.

Maloney, a founding member of the Congressional Apparel Manufacturing and Fashion Business Caucus, told WWD that while she was aware how important the fashion industry was, “until I started working on this report, I didn’t realize the importance of the fashion industry to our country and New York City.

“It really astounded me,” she said. “As my first report as the ranking Democrat on the Joint Economic Committee, I wanted to do it on fashion, and what I found out blew me away.”

The report, prepared with the assistance of the New York City Economic Development Corp., was released Friday at a press conference at the Fashion Institute of Technology and timed in the run-up to Fashion Week that begins Thursday. The study shows that the Fashion Weeks held in September and February generate \$887 million in total economic impact annually, including \$547 million in direct visitor spending. Maloney said she was also surprised to see the results of a comparative analysis, which she had illustrated in a large bar chart, of fashion’s economic clout compared to the U.S. Tennis Open of \$700 million over two weeks, last year’s \$500 million brought about by the Super Bowl in neighboring East Rutherford, N.J., and the New York City Marathon’s \$340 million take. She noted that more than 230,000 people attend the fashion shows annually, while when combined with industry trade shows and showroom visits, the number increases to more than 500,000.

“More broadly, the fashion industry is an important segment of the city’s economy, employing over 180,000 people, including 16,000 manufacturing jobs, paying \$11 billion in wages and generating almost \$2 billion in tax revenue each year,” said Maloney, noting that more than 900 fashion companies have their headquarters in the city. Talking to WWD prior to her press conference, Maloney also reiterated some of the report’s findings — that there is a re-shoring of apparel and textile manufacturing in the U.S., that the industry creates high-value jobs in areas such as research and development, design and marketing, and that hubs such as New York and Los Angeles are seeing a resurgence, but so is North Carolina and places such as Nashville and Columbus, Ohio.

“While much apparel manufacturing now takes place overseas, what remains in the United States is focused on high-fashion, high-value, quick-turnaround, high-margin orders,” said the JEC report. “Computer-aided design helps designers turn concepts into samples and helps manufacturers move from prototype to finished product on an accelerated level.” The report noted that the number of people working as fashion designers in the U.S. has grown by 50 percent in the last 10 years to more than 17,000, earning an average salary of \$73,600. Part of the rejuvenation of New York’s design and manufacturing community is coming through joint government-industry initiatives. **Karolina Zmarlak**, the first Polish-born designer to graduate from the Fashion Institute of Technology, was on hand to speak about how, as one of the two first recipients of the NYCEDC Fashion Production Fund, she was able to launch her business. **“The Fashion Production Fund began under Mayor Bloomberg, and now Mayor de Blasio has continued to support it,” Zmarlak said. “It was actually a very difficult process to get approved, but once we did, it really allowed us to get started in business.”**

The fund helps finance production in the city through Capital Business Credit once a purchase order is obtained from a client. Zmarlak’s collection is now featured in Saks Fifth Avenue’s Young Designer Atrium. Eric Gertler, executive vice president and managing director for the Center for Economic Transformation of NYCEDC, noted other programs the organization has that help support the industry, including the Design Entrepreneurs NYC program with FIT, the Fashion Manufacturing Initiative with the Council of Fashion Designers of America and Andrew Rosen, and the Manufacturing Innovation Hub for Apparel, Textiles & Wearable Tech in Sunset Park, Brooklyn.

“Every time you buy an article of clothing made in the great city New York, you are supporting thousands of jobs and an emerging industry,” Maloney said. “America is not just a great country; it is a great brand.” Maloney added, “I hope this new report helps reawaken lawmakers and policy makers to understand and appreciate the huge financial impact of the fashion industry.”