

WAYS TO PROMOTE EXPORTS OF SEWING AND TRICKETING PRODUCTS IN UZBEKISTAN

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Abstract. The article covers the processes of the textile industry of the Republic of Uzbekistan, including the production of sewing and knitting products, the use of international strategies and the implementation of international quality management.

Keywords. Competition, International Marketing, International Trade, IT Technology, Competitiveness, Clustering, Export Potential, Sewing and Knitting Products, Know-How, Quality Management

1 INTRODUCTION

The share of exports of goods and services in the GDP of developed countries is 60%. In 2018, exports of textile products to the world will be US \$ 823 billion, with China, Bangladesh, Vietnam, India, Turkey, South Korea and others leading. Although Uzbekistan is the sixth largest cotton exporter and 11th largest exporter in the world, its share in the export of ready-made garments has reached 2%. [1] The main reason for this is that the textile industry in our country has a great cultural heritage and low export potential of our high-value sewing and knitwear companies, despite our low-cost resources compared to our competitors in the world markets.

To identify and solve scientific and methodological problems of developing the export potential of textile enterprises, theories of "International Trade", "International Marketing" and "Competitiveness (Clustering)" in the current global competitive environment. The research is being carried out on a large scale by scientists from developed countries.

In recent years, high-tech areas have been launched in our country to increase the export of textile products and bring its structure and quality to the level of international markets. The Decree of the PF-4947 "On the Strategy of Action for the Further Development of the Republic of Uzbekistan" identified priority areas of "mastering new types of products and technologies and, thus, ensuring the competitiveness of national goods in the domestic and foreign markets." Mechanisms of implementation in the field of agriculture are defined in the Decree of the President of the Republic of Uzbekistan dated

December 14, 2017, No. UP-5285 "On measures for accelerated development of the textile and clothing industry"; The "Road Map" is approved as "The accelerated development of the textile and garment industry of the Republic of Uzbekistan".

In it:

- "Creation of modern cotton textile clusters, which will allow to produce, process and process local

raw materials in a single complex in the regions of the Republic";

"... The widespread introduction of innovative technologies in the textile industry, including design developments, know-how, quality management systems and modern marketing services." [3]

2 LITERATURE REVIEW

International trade, including classical export theory, scholars from foreign countries Adam Smith, David Ri-Cardo, J.J. Created by Caines, Steward Mill, B. Olin, E. Hexher, P. Samuelson, V. Leontev, A. Marshal, Y. Schumpeter, M. Porter. However, according to the author, the aforementioned foreign scholars, in their theoretical view, attributed international trade to the development of industrial production dating back to the 16th century. In fact, international trade, from the second half of the 1st millennium BC until the 15th century, was shaped by the Great Silk Road, which linked the East with the West and developed its principles throughout that period. "- The Knowledge That Leads to Happiness" written by the great Russian archaeologist VV Bartold in his first Turkish language. [4]

The following Indian scholars: Anjana Mehra, Chetan Saxena, Paul Cornelius, Subhadjit Chakrabarti, and Sarit Chokchainirand Thai scientists: [5,6,7,8,9] perspectives on textile industry exports in the context of globalization; The export potential and prospects of Indian textile industry within the requirements of the World Trade Organization (WTO); Study of the specific nature of Indian textile exports within environmental requirements; An analysis of the specifics of Indian textile and apparel exports, and the scientific conclusions were made on the study of the differential factors of the Thai clothing and textile exports.

Research on textile exports in Uzbekistan: by M.R Boltaboev and Z.D. Adilova, Be Yang Song, S.E.Azam , D.M. Mirzakhilova, U.I. Maraimova,

R.N. Rakhmonov, G.E. Zahidov, Z. Hakimov and L.U. Mingashev.

Theoretical issues of Applying of artificial intelligence in the textile industry were researched by Ergashxodjaeva, S. J. and et.al. [11], Yuldashev N.[12;20] and others. Features of organization of production at light industry enterprises and improving logistics were studied by several scientific works of Tursunov B. [13;14;15;16;17;18;19;20;21]

Methodologically, the results of these researchers can be summarized by the fact that they have focused more on macro (sectoral, sectoral) solutions to the problems of developing and enhancing the effectiveness of textile exports. However, the authors of the above did not focus on solving the problem of export potential of sewing and knitting enterprises, which is the main link in the process, from the production of raw cotton to its export to finished products. At the same time, finding the answer in the context of Uzbekistan, that "firms are competing in the international market, and how they create and maintain competitive advantage" has been the basis of our methodological approach.

3 RESEARCH METHODOLOGY

The study used systematic and statistical analysis, benchmarking of marketing, cabinets and field research methods, econometric, Delphi - expert evaluation and more.

4 ANALYSIS AND RESULTS

There are currently about 7,500 textile companies operating in the country, with 32,567.4 billion in 2018. soums. The share of the textile industry in total industrial output was 17.2% and its share in GDP was 6%. Exports of textile products to reach \$ 1.6 billion in 2018 This represents 11% of the country's total exports. In 2018, the share of finished goods in the textile exports was 55%, of which 20% were sewing and knitwear, including 10% of garments. [11]

Uzbekistan has a competitive advantage in the world market for the cost of goods, due to its relatively low labor, energy, water and household consumption. Therefore, the volume of cotton fiber processing increased from 7% to 58% in 1991-2018. However, the share of ready-made fabrics and sewing and knitwear production in textile production (excluding cotton fiber) was 36% in 2017, of which 26% were ready-made garments.

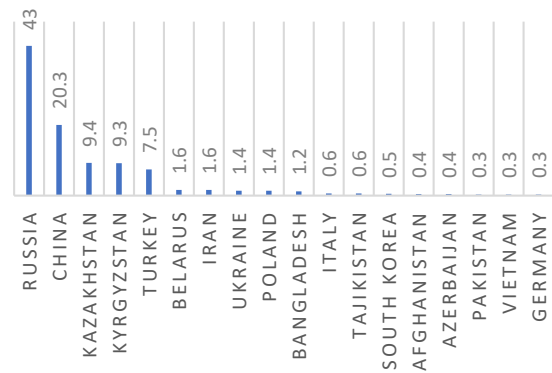


Figure 1. Geography of textile exports of Uzbekistan in 2018

In the first years of independence, only the raw cotton was exported in the light industry of the Republic, and now it is entering the world markets as an exporter of finished textile and light industry products (Table 1).

Table 1 Analysis of Textile Exports in Uzbekistan

Products	2000 y		2018 y	
	Exports mln. US Dollars	Share in total, %	Exports mln. US Dollars	Share in total, %
Cotton yarn	81,8	37,7	726,7	45,6
Finished clothes	16,1	7,4	585,7	36,8
Knitwear	0,2	0,1	65,5	4,1
Cotton fabrics	33,5	15,4	65,6	4,1
Silk and silk products	34,6	15,9	49,9	3,1
Other textile products	17,3	8,0	42,9	2,7
Carpets	0,3	0,1	31,0	1,9
Cotton waste products	33,4	15,4	26,8	1,7
Overall	217,2	100,0	1594,1	100,0

Analysis of Table 1 shows that the export of textile products in Uzbekistan has increased 7.3 times on average over the last 20 years, knitwear production increased by 327.5 times and cotton yarn by 8.9 times. Most importantly, ready-to-wear garments with high added value were worth \$ 16.1 million in 2000. In 2018, these figures were \$ 585.7 million. USD, or 36.8% of total exports. At the same time, the export of cotton fiber and yarn in the Republic of Uzbekistan is declining from year to year.

Analysis of textile exports by regions of the country revealed the following. 63% of Uzbekistan's total textile exports in 2018 accounted for Fergana, Andijan and Namangan regions. The share of ready-made garments in the total exports of textile products was 47.3% in Namangan region, 45.5% in Syrdarya, 42.8% in Tashkent region, 37.5% in Andijan, 35.5% in Tashkent, and 34.5% in Samarkand.

Based on the aforementioned views, the strategic analysis method was based on the 512 commodity knitwear products in Andijan region, the share and profitability of the export market, and the Boston Consulting Group (BCG). However, the results were analyzed by statistical data on monthly export volumes during 2017 to reflect the seasonal impact on the sewing and knitwear market (Figure 2).

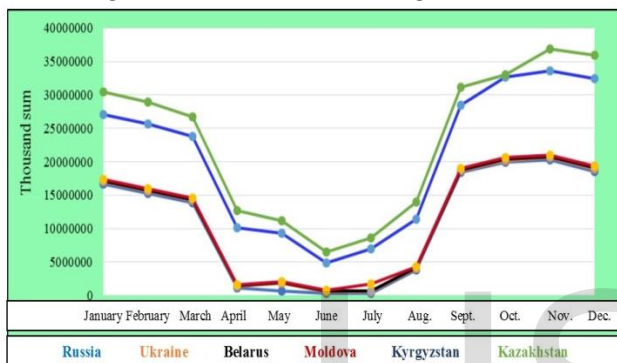


Figure 2. Changes in the volume of garment and knitwear export to 6 countries of Andijan region in 2017

Source: Author's development based on the data of the Andijan Region Statistical Department

Six countries with the highest export volume were selected from 11 countries of the relationship in the Andijan region for export of garments and knitwear.

According to the data in Figure 2, there has been a decline in the volume of garment exports from May to August in all countries. However, this does not mean that the region does not produce seasonal sewing products. The above mentioned sewing - knitwear T-shirts, underwear and swimsuits, and semi-finished products are more likely to fall in spring and summer, resulting in lower exports due to lower prices for other products. According to the results of the study (Figure 3) Firstly, for Russian exporters of Andijan region, the Russian market is the most favorable and efficient, but there is a need for adjustments to production and export plans, given the seasonal factors influencing exports to this country; Secondly, it was suggested that new business plans should be developed, taking into account seasonal effects in the selection of export markets in the domestic and other geographical regions.

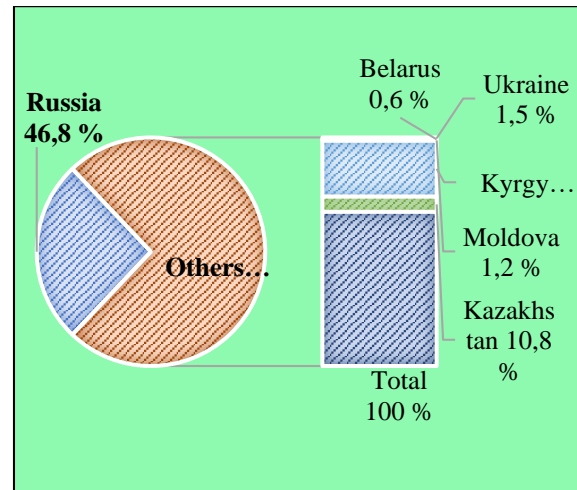


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The Boston Consulting Group (BCG) grew by 73.2 percent by the end of the year, with Russia's 46.8 percent market share. In Kyrgyzstan, the growth rate was 39.1%, its growth was 31.2%, but in Ukraine there was a decline of 1.5%, -0.7%, Kazakhstan 10.8%, -4.5%. BCG standard:

"Stars" - Growth (product - "Star"). They provide a leader in high-growth markets, high returns, but they need investment to maintain their

leadership position. With the market stabilizing, they may fall into the category "Milk Cows".

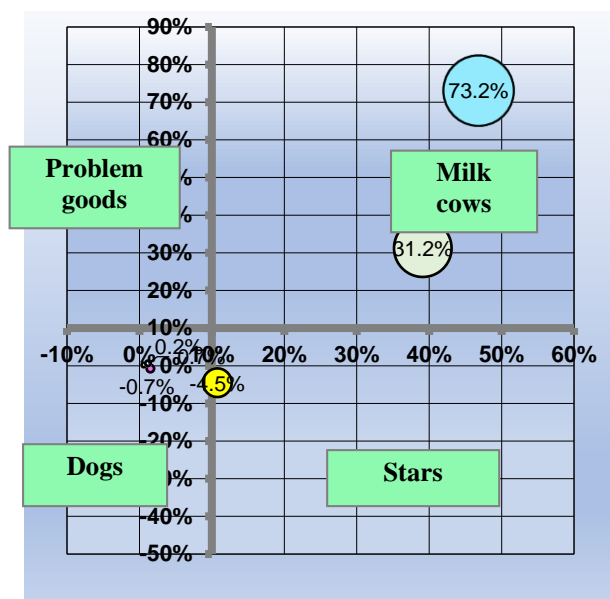


Figure 4. BCG analysis of sewing and knitwear export market in Andijan region

Source: Author's development based on the data of the Andijan Region Statistical Department

"Milk Cows" - These products are also called "money bags". Usually, it is the Stars that make up the main asset of the day-to-day businesses. The products are characterized by high market share and low growth rates. The yield from the "milk cows" is greater than the investment. The proceeds from the Dairy Cows sale should be directed to the development of "Problem Goods" and to the support of the Stars.

Dogs - This product is characterized by low growth rates and small market share. Usually goods are useless and need additional investments to take their positions. Dogs are supported by large firms if they are directly related to their activities. If this is not the case, it is best to get rid of them or reduce their presence in the company's assortment policy.

"Problem Goods" - Problems with access to the market. It has a low share in the fast-growing market. This is a weak position that requires significant investment and generates tangible income. In this case, you have to make serious investments in the business or sell it, or make a residual profit. However, it is important to remember that under certain conditions and qualified investments, this group's products may be "Star".

5 Conclusions and Suggestions

1. Each enterprise, cluster, for timely collection, processing and efficient use of market information

(demand, supply and price) for major markets and countries with high economic efficiency is the right choice of geography of textile exports. establish special marketing services in the district, city and regional economic departments and departments, as well as the Ministry of Commodity Ministries (holding, associations, associations) on the example of the Association "Uzpromstroying";

2. To solve the problem of providing sewing and knitting enterprises with highly qualified designers, marketers, technologists and IT engineers, it is necessary to unite scientific and educational processes on the establishment of branches of relevant specialties of these training institutes - universities. we consider it necessary to bind to a chain;

3. The process of clustering the activities of textile industry entities and farms supplying raw materials in Uzbekistan is a key factor in increasing the export potential of the garment and knitting enterprises. At the same time, in 2018-2019 80% of the leading enterprises in the sector of cotton-textile clusters will enter the world markets only with cotton yarn and do not have the experience of exporting high value added finished products, which can cause big problems in the future. Therefore, when selecting them, we offer open tenders in the regions based on special programs and select the leading companies;

4. The conceptual model and mechanisms for its practical application, based on the results of the research and evaluation of the export potential of the existing sewing and knitting companies: UzTex, Bofanda, Bakan Tex, Indorama, BEK Cluster, We believe it is important to promote Milana Textile, Crystal Color Textile.

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