

American-Made Companies Gaining Ground in Cities Big and Small

A crop of apparel manufacturers and fashion start-ups are opting for secondary cities to make their way.

By [Rosemary Feitelberg](#) on July 19, 2017



Five months after Kim Ortengren started her sample making and manufacturing business in Portland, Maine, she already is ramping up production.
winky lewis

The White House-approved Made in America week is nearing the halfway point, but such domestic-mindedness is also increasingly in focus with several private-sector groups.

In the three years since she started Recast City in Washington, D.C., Ilana Preuss has helped bring together manufacturers, real estate developers and subsequently consumers. “I’m very optimistic. There is an increasing demand to buy products within your community to have some experience or connection to the producer of the product,” she said. “There are an increasing number of online tools to connect contract manufacturers with designers or someone who can take one or two of their product lines and contract it out. There are an increasing number of U.S. cities that are recognizing this from an economic standpoint and are investing in it, which will also take a longer term.”

Knoxville's "incredibly strong" consumer-facing and wholesale accelerator programs and meet-ups have impressed her. But San Francisco is most advanced with SFMade, a nonprofit that has partnered with the private sector and city government to empower manufacturers and create jobs, according to Preuss. Asunrise & Co., 415 Clothing and Alamere are a few of the clothing companies that have benefited from the program. Cincinnati has seen growth in the **apparel manufacturing** sector, due partially to graduates of the University of Cincinnati's design program who start their careers in the area where work space is affordable. Its First Batch program is said to be the only business accelerator in the U.S. dedicated to physical products and local **manufacturing**.

In terms of funding for a city-supported **apparel** program, the CFDA **FashionIncubator** in New York City earned that honor from Preuss' point of view. Indianapolis, meanwhile, first held **fashion** meet-ups a few years ago, which helped spawn a store and fashion magazine called Pattern. Now there are plans for a shared textiles space to provide fashion development tools to those who can't afford such investments on their own, Preuss said.

She also noted the Carolina Textile District has been formed to create a range of services "from design to distribution with everything in between" in North and South Carolina. As an example of the super-specialized manufacturing that she expects will continue to gain ground in the U.S., Preuss singled out a North Carolina entrepreneur who left a company of thousands to start his own 20-person fully graded facility that solely makes T-shirts. Less expected cities like Baltimore and Lowell, Mass., are becoming more attractive to fashion start-ups since commercial space and the cost of living are more affordable there, Preuss said. Longer-term, New York City, San Francisco and other high-price cities will face the question, "How do you retain affordable work space for these businesses?" she said.

Nearly 18 months after exiting the NYCEDC to run the St. Louis Fashion Fund, Eric Johnson will soon launch Creative Process, bimonthly fashion meet-ups that will include other creative industries such as food. "There are a whole host of other similar programs or events that we are looking to to be the rising tide for fashion in St. Louis," he said, emphasizing how social media and other digital tools have freed up designers to be based wherever they choose.

There are plans to further ties with other cities, as well as the National Fashion Alliance. "As we progress with the development of this ecosystem, we want to be comparing notes and working with folks from Chicago, Nashville or any of these cities where we have been or have had relationships with. Quite frankly, that would extend to New York," Johnson said. "The industry is facing incredible challenges. You have emerging talent that is looking for other ways to bring their visions to life and building businesses...it will take time but we're looking to build something really special here."

Rebrand Cities, a Hajj Flemings-led group, launched last week to help attract consumers to secondary cities like Detroit, Newark and Philadelphia. Building off the premise that 46 percent of small businesses have no web sites, the group aims to get 10,000 of them online. Flemings, a tech entrepreneur and brand strategist, set up Rebrand Cities in collaboration with his Brand Camp University and WordPress.

Rebrand Cities supporter John Maeda, who is also head of Computational Design and Inclusion at Automattic Inc., said, "It's kind of like bringing back the thing before shopping malls to rebuild community. The reason a lot of small businesses fail today is because younger people use their phones. If there's no web site for these companies' businesses, they'd rather order it on Amazon."

Maeda voiced concern about the threat of the FCC losing the 2015 net neutrality order that bars the blocking or slowing of web content, saying that it could potentially remove what is now a level playing field. Maeda said, "As a consumer, you prefer to shop at something that you can see the images load faster. But this is going to change the balance. It was in place but it is being overturned by different people in the government now to go

to this other model, which will be sad because it means the removal of a level playing field. These are things that you won't notice. It will be a matter of, 'Oh, I can't visit that site so I'll just go to Amazon instead.'"

Five months after starting a 5,000-square-foot production and sampling facility in Portland, Maine, Wallace James founder Kim Ortengren is hiring more seamstresses and pattern makers to increase production. After years at Donna Karan, Cloudveil and Spyder, she said her start-up is thriving thanks partly to \$120,000 in grants from the city. Already considering whether she will need to find a larger space beyond the city limits and keep the current one for a sample room, Ortengren said her biggest challenge is finding qualified cutters, production engineers, seamstresses and pattern makers. "It's a really viable career path. It's a little disappointing that schools have only produced apparel designers and developers to work in an overseas capacity," she said. "And my clients in the U.S. struggle with how complicated the process is and what it means to build a garment well and efficiently."

In the past year, Good Clothing Company, a resource for ethical, sustainable, small-batch production for independent designers, has gone from a 750-square-foot sample room and small-batch manufacturing facility on Cape Cod to an 11,000-square-foot facility in Fall River, Mass. Founder Kathryn Hilderbrand, a master tailor with 30 years of fashion experience, also sells her own Good apparel label. Given Fall River's rich history as a former textile manufacturing hub, the company's new headquarters was an obvious choice for her. Shifting all operations to Fall River also gave her the option to lease 39,000 more square feet on her floor, and 50,000 more square feet on the floor above should that be needed.

An advocate for the legalization of hemp for the past four years, she said milling hemp in Fall River is a priority, as well as reshoring U.S. manufacturing and utilizing some of the city's abandoned mill space. "I'm determined to open the first hemp mill — the first textile mill in Fall River in over a century. We have the space dedicated to that and on top of that an additional mill," Hilderbrand said. "We want to bring the city back. I want to bring Fall River back. It didn't start out as that but it's grown into that. I want to bring the industry back, have jobs created, and give designers a place to go."

Marvin Schein, co-owner of Salmar Properties, which has a long-term lease for Liberty Plaza Industrial in Sunset Park in New York City, said his team is "still wedded to the idea of working with Kei Hayashi, the CFDA and Andrew Rosen to get the city to move the garment industry to Brooklyn." With 40 percent of Liberty View leased, Schein estimated there is about 650,000 square feet available and the fashion industry could potentially take two floors — about 320,000 square feet. Noting the \$140 million in renovations he added, "It's the kind of building the industry should use if it's going to move rather than working in a hodgepodge group of buildings that are one step up above caveman status."

Although the New York City Economic Development Corp. initially rejected Salmar's proposal to use Liberty View space and some of the \$136 million New York City officials earmarked for the Made in New York buildout at Bush Terminal, Schein said they have not ruled out the possibility of a condo-type set-up. "The city wants to keep this industry because other than the garment and the food industries, what other manufacturing is there? The fashion industry really is one that should be saved; the city should encourage its growth and keep it from dispersing," he added.

One key tenant, Manufacture New York, which started with a one-year rent-free lease on the seventh floor and then was charged rent on another, is no longer in the building. Schein said he had to give founder Bob Bland a termination lease in November but some of the fashion companies that had subleases are still in the building. Bland did not respond to requests for comment.

Another indication of how some companies are trying to help emerging or little-known talent in lesser-known places is Starwood Retail's "The Challenge: Battle of the Pop-Up" contests, which are being held in four cities. Entrepreneurs in Lincoln, Neb.; Billings, Mont.; Richmond, Va.; and North Olmsted, Ohio; are vying for six months of rent-free retail space in shopping malls in each place. Geared toward supporting local

businesses, the developer is accepting entries (at no cost to applicants) through Aug. 21. Starwood Retail's Live 360 program is being tested in select cities to help entrepreneurs by having them host special events like ukulele lessons, running clubs or yoga classes.