

## Inaugural Session



**Thomas Babacan, COO, OC Oerlikon & CEO,  
Oerlikon Textiles**

**“The winner of the innovation race among all important textile producing countries will be the winner of the global competition.”**

India has a long history of making textiles. This is true especially of cotton. One important driving force is innovation. The Indians invented spindles and the cotton spinning innovations in the 18<sup>th</sup> century marked the start of the Industrial Revolution.

The mechanism of textile manufacturing changed the textile industry from cottage to mass production. The industry migrated to developed countries' processing especially Britain. But due to the rapidly rising labor cost in those developed countries especially after the second world war, the labor-intensive textile industry has shifted back to Asia.

But the modern challenge to innovation never stops. Cost reduction is always needed especially on raw material, energy, space and labor. The winner of the innovation race among all important textile producing countries will be the winner of the global competition. Innovation remains the key to success. India is now becoming increasingly important to the world economy. With about 10 percent GDP growth, India is among the fastest growing economies worldwide next to China and it continues to be among the most important power engines for world economic growth.

With a one-child policy China will definitely face an aging population in 20 to 30 years' time. India will have a much better demographic profile with an average age of 26.

India is already the second largest textile nation benefitting from its natural resource of labor force, cotton, geographical position in the most important textile region, Asia. India is well positioned for further success in the textile industry not only in natural fiber but also in other areas of textiles. Oerlikon Textiles is an added partner for leading Indian corporations. It's the largest textile machinery manufacturer worldwide and has a 140-year history in textiles. The first embroidered machine was invented in 1869. It has a comprehensive business portfolio across all major textile value chains for staple, fiber, filament and nonwoven.