



MADE IN CHINA

Where We Make Our Products and Why

In this document we hope to address your questions about where we make our products and why. It's a complicated subject, but we'll do our best to provide our views.

We Don't Own Farms, Mills or Factories

Like most clothing companies these days, Patagonia doesn't own the farms, fabric mills or cut & sew factories that contribute to the production of our products. Yet what is done in our name is not invisible to us. We are responsible for all the workers who make our goods and for all that goes into a piece of clothing that bears a Patagonia label. It took us a long time to ask ourselves what we owe people who work for others in our supply chain. We had high sewing standards, even for casual sportswear, and exacting standards for technical clothes. To meet quality requirements, our production staff had always been drawn to clean, well-lit factories that employed experienced sewing operators. Although we had always bargained with our factories over price and terms, we never chased lowest-cost labor.

Quality Is Our Principle Criterion for Sourcing

Quality is our principle criterion for selecting a supplier; cost becomes a subset. That is, given the choice between two factories that meet our required level of quality and specific performance characteristics, we might opt for the one with the lower price - if we know we can trust the lower-cost source. This is true of all sourcing decisions from fiber choice to fabric construction to sewing. Reduced environmental harm is a strong second criterion. If we can reduce environmental harm without sacrificing quality we do so; where reduced harm will increase the price we make judgment calls; the environment often wins, even when we think a decision will cost us sales.

Fair Treatment of Workers

We're committed to working in factories that treat well the work-

ers who make Patagonia goods, and we do many things to try to ensure that outcome. These include an in-house Social and Environmental Responsibility staff guided by our Workplace Code of Conduct and matching benchmark document, active membership with the Fair Labor Association and International Labor Organization, factory audits for social compliance and more. [Click here for a full account.](#) Such a commitment can sometimes raise the cost of our products made anywhere in Asia, as well as the rest of the world. But to us, it's time and money well spent.

Qualified American Factories Are Tough to Find

During our early years we sourced at least half our products outside the U.S. But our percentage of American-made products has decreased over time, as has the U.S. textile industry and the number of domestic high-quality sewing shops. Much of the U.S. apparel manufacturing landscape simply no longer exists. Seattle contractors Cascade, J&E, and Down Products are no longer in business. Pyke Manufacturing of Utah declared chapter 11 in 1994, and Tennessee Apparel, Everite of Pennsylvania, and Linda Apparel of San Francisco have long since shut their doors. It is very difficult for clothing companies to find factories in the U.S. that meet our standards; the textile industry is much smaller; the work has shifted overseas.

The shrinking textile industry in the United States is due in large part to trade agreements, including NAFTA (duty free with Mexico & Canada), CAFTA (duty free with Central American countries), ATPA (duty free with Colombia and other Andean countries), and IFTA (duty free from Israel). These trade agreements have directly contributed to the dramatic decline in the U.S.-based textile and sewn product industries since 1994. Patagonia fought NAFTA, and paid for ads in The New York Times and newspapers around the country in opposition to the NAFTA treaty, because we feared it would degrade environmental standards and because it would displace American workers.

We are always searching to find high-quality, U.S.-based manu-

facturing options but, in our experience, the options are very limited. Trade programs that have encouraged textile and sewing manufacturers to move offshore have meant that the factories that remain have a difficult time providing the capacity we need. The number of sewing workers required to produce tens of thousands of garments each season, many of which are very complex, are extremely hard to find. We continue to develop those we have found, and are currently exploring several options to increase raw-material production in the U.S.

Made in China

We make our products all over the world, including China, which has been rightly and roundly criticized for all sorts of shortcomings. China is not alone in this regard. Some of the other countries we work in also have poor to mixed records for protecting the environment and workers' rights. The record here in the U.S. is better, but not as good - in some cases not nearly as good - as either the E.U.'s or Japan's. We've made the choice not to disengage from countries on the basis of their policies. We believe in choosing factories wisely and in constructive engagement with others to lobby or work for change.

Of the 43 factories we currently contract with to make Patagonia products, 13 are in China and nine are in the U.S. ([Click here and scroll to the bottom left of the page for the entire list.](#)) Far more of our products are made by those Chinese suppliers than they are by the U.S factories because of their expertise and price, but we do work with factories in the United States when we can. In Los Angeles, we contract with a variety of suppliers, and we have long-term factory relationships in Texas and North Carolina. The factory we work with in Texas hires disabled workers, one of the reasons we work with them. Our new [fishing crampons](#) are made in Ventura, California, not far from Patagonia headquarters. As we become aware of new suppliers in the U.S., we investigate them.

Transporting Goods & the Environment

About half our sales today come from outside the United States, so manufacturing here, if we had the way to do so, would not necessarily result in environmental benefits from reduced transportation. We do think that strong long-term environmental arguments can be made on behalf of localism, of manufacturing closer

to the point of purchase, which would include Japan, Europe and a growing market for Patagonia products elsewhere in Asia. Two mitigating short-term factors: the enormity of change that would be required and the surprisingly low environmental cost of transportation, which accounts for less than 2% of the carbon footprint of our products.