

# Report on Magic Show held from 20-23rd February 2017 at Las Vegas, USA

**- A Report by Sanjay Kumar, Regional Director (North), CLE**

The United States of America, commonly referred to as the United States (U.S.) or America, is a constitutional federal republic composed of 50 states, a federal district, five major self-governing territories, and various possessions. Las Vegas is the 28th-most populated city in the United States, the most populated city in the state of Nevada, and the county seat of Clark County. The city anchors the Las Vegas Valley metropolitan area and is the largest city within the greater Mojave Desert. Las Vegas is an internationally renowned major resort city known primarily for its gambling, shopping, fine dining, entertainment, and nightlife. It is the leading financial, commercial, and cultural center for Nevada. It is a top three destination in the United States for business conventions and a global leader in the hospitality industry.

The United States has a capitalist mixed economy which is fueled by abundant natural resources and high productivity. According to the International Monetary Fund, the U.S. GDP of \$16.8 trillion constitutes 24% of the gross world product at market exchange rates and over 19% of the gross world product at purchasing power parity (PPP).

## India - USA Relations

India-U.S. bilateral relations have developed into a “global strategic partnership”, based on shared democratic values and increasing convergence of interests on bilateral, regional and global issues. The emphasis placed by the Government in India on development and good governance has created opportunity to reinvigorate bilateral ties and enhance cooperation under the motto —

“Chalein Saath Saath: Forward Together We Go”, and “Sanjha Prayas, Sab ka Vikas” (Shared Effort, Progress for All) adopted during the summits of our leaders in September 2014 and January 2015 respectively. Regular exchange of high level political visits has provided sustained momentum to bilateral cooperation, while the wide-ranging and ever-expanding dialogue architecture has established a long-term framework for India-U.S. engagement. Today, the India-U.S. bilateral cooperation is broad-based and multi-sectoral, covering trade and investment, defence and security, education, science and technology, cyber security, high-technology, civil nuclear energy, space technology and applications,

clean energy, environment, agriculture and health. Vibrant people-to-people interaction and support across the political spectrum in both countries nurture our bilateral relationship.

## Economic and Commercial Cooperation

The United States is one of India's largest direct investors. The US is India's second largest trading partner, and India is its 11th largest trading partner. In 2015, the US exported \$21.5 billion worth of goods to India, and imported \$44.8 billion worth of Indian goods. The United States is also India's largest investment partner, with a direct investment of \$9 billion (accounting for 9 percent of total foreign investment). Americans have made notable foreign investments in the Asian country's power generation, telecommunications, ports, roads, petroleum exploration and processing, and mining industries. In July 2005, President Bush and Prime Minister Manmohan Singh created a new programme called the Trade Policy Forum. The goal of the programme is to increase bilateral trade and investment flow.

The USA is the world's largest market for Footwear, Leather Garments and Leather Goods & Accessories / Gloves. USA's import of leather and leather products has increased from US \$ 25369.58 million in the year 2010-11 to US \$ 33746.58 million in the year 2014-15, growing at a CAGR of 7.39%. India's export of leather and leather products has increased from US \$ 348.12 million in the year 2010-11 to US \$ 767.95 million in the year 2014-15, growing at a CAGR of 21.88%.

Over the years, India's leather products & footwear exports to USA have been steadily increasing and latest reports shows that India's export of leather & leather products to USA during April-

March 2015-16 has reached the level of US \$ 833.92 million as against US \$ 767.95 million recorded during the corresponding period of previous year. As per Indian leather sector export data for the period April-March 2015-16, USA was the largest destination-country for India's exports, with a share of 14.25%, followed by U.K. (12.24%) and Germany (11.51%).

MAGIC (Men's Apparel Guild in California) Fair is 83 year old international trade show covering Apparel, Accessories and Footwear, held in Las Vegas, USA, biannually. MAGIC is the world's largest fashion marketplace, comprising of eleven unique events

showcasing the latest in apparel, footwear, accessories, and manufacturing. Every February and August the retail industry convenes in Las Vegas to spot and shop the latest trends in men's, women's, juniors' and children's apparel, footwear, accessories and resources. As per the organizers "Twice annually, 60,000+ fashion industry insiders meet in Las Vegas at Show which has been running for 86 years".

MAGIC which was taken over by the UBM Group (which ranks as one of the world's largest B2B Events & Trade Fairs organizers), about a couple of years ago, has been adding more new shows under the MAGIC umbrella in recent years. In the last one year alone, 4 new shows were added and today the MAGIC Show comprises 15 concurrent Trade Shows i.e. PROJECT, THE TENTS, MRket, Vanguard's Gallery, THE COLLECTIVE, POOLTRADESHOW, PROJECT WOMENS, STITCH, Accessories, The Show, CURVENV, WWDMAGIC, FN PLATFORM, WSA @ MAGIC, SOURCING at MAGIC and Footwear Sourcing at MAGIC.

The MAGIC Show has a 'Sourcing Show' for Apparel & Accessories and a separate Footwear Sourcing Show. The Sourcing Section is where manufacturers of apparel, accessories and footwear from predominantly Asian countries exhibit their products while in Footwear Sourcing show manufacturers of footwear display different varieties of footwear for men, women and children.

India's export of leather & leather products to USA has been increasing in recent years and touched US\$ 767.95 million in 2014-15. However, USA's total import of leather & leather products was about US\$ 33746.58 million during 2014; Footwear being the major item with imports at about US\$ 13316.38 million. However, India's export of Footwear to USA was only US\$ 348.07 million in 2014. Similarly, although the import of Non Leather Footwear into USA was US\$ 13277.84 million

(2014), India's export of Non Leather Footwear to USA was only US\$ 5.73 million (2014). Hence there exists considerable opportunities to further increase India's export of

Footwear to USA. India presently accounts for a share of 2.28% (2014-15) in USA's total leather import trade.

#### India Pavilion at MAGIC

Considering the potential market for Leather Footwear, Bags, Leather Goods and Leather Garments in USA, Council for Leather Exports organized participation of member-exporters in MAGIC Show, February 2017 under MDA Scheme. Altogether, 24 member-exporters all over India have participated in this show with 19 companies displaying Footwear in the Footwear Sourcing Show and 5 companies displaying Leather Garments & Accessories in the Sourcing at MAGIC Show. B2B Meetings were organized by the fair authority for the exhibiting companies. The stand was constructed in a professional manner giving due care to accommodate all the specified need of the exhibitors. The stands were laid-out with ample passage and the open space was converted into meeting point for buyers. The excellent display arrangements were perfect for interaction of the Indian exhibitors with the USA buyers. The buyers were able to get an idea of the new products being offered by the India manufacturers.

The Council for Leather Exports has co-ordinated the participation of its member-exporters and organized Council's information booth for dissemination of Indian leather industry information.

CLE's publication i.e. Members Directory, Leather News India, Exhibitors Profile Booklet and other necessary information were provided among the buyers, visitors and government officials who visited the stall. Mr. Sanjay Kumar, Regional Director, CLE, New Delhi was present at CLE's information booth during the fair and extended all sorts of co-operation towards the member-exporters and provided information relating to export promotion to the visitors at CLE stand.



Overview of the Convention Centre, Las Vegas

## USA'S IMPORT OF LEATHER AND LEATHER PRODUCTS AND INDIA SHARE 2010-2015

(Value in Mn US\$)

DETAILS	2010	2011	2012	2013	2014	2015
Leather						
Import	544.27	566.55	633.33	666.66	755.27	
India's Export	8.86	14.01	13.85	14.33	31.73	29.87
% Share of India	1.63%	2.47%	2.19%	2.15%	4.20%	
Leather Footwear						
Import	11067.15	11382.85	11830.32	12352.85	13316.38	
India's Export	139.60	177.92	222.3	305.51	348.07	403.11
% Share of India	1.26%	1.56%	1.88%	2.47%	2.61%	
Footwear Components						
Import	378.78	386.29	446.03	449.68	450.31	
India's Export	0.98	3.22	3.21	3.86	6.49	4.68
% Share of India	0.26%	0.83%	0.72%	0.86%	1.44%	
Leather Garments						
Import	466.53	469.84	479.09	569.67	569.59	
India's Export	21.96	31.92	42.19	56.33	60.64	63.21
% Share of India	4.71%	6.79%	8.81%	9.89%	10.65%	
Leather Goods						
Import	3125.91	3736.86	4112.71	4557.78	4941.02	
India's Export	162.90	196.83	225.83	259.91	286.29	299.46
% Share of India	5.21%	5.27%	5.49%	5.70%	5.79%	
Saddlery & Harness						
Import	330.24	362.00	389.93	393.51	436.17	
India's Export	11.38	13.77	16.63	26.37	29	28.9
% Share of India	3.45%	3.80%	4.26%	6.70%	6.65%	
Non Leather Footwear						
Import	9456.7	10884.4	11610.22	12008.71	13277.84	
India's Export	2.44	1.88	2.12	2.84	5.73	4.69
% Share of India	0.03%	0.02%	0.02%	0.02%	0.04%	
Total						
Import	25369.58	27788.79	29501.63	30998.86	33746.58	
India's Export	348.12	439.55	526.13	669.15	767.95	833.92
% Share of India	1.37%	1.58%	1.78%	2.16%	2.28%	



**List of participants in the Magic Show, February 20-23, 2017****Footwear Sourcing at Magic**

Sl.No.	Company Name	Region	Products Displayed	Booth No.
1	Ahmad International	Kanpur	Footwear	91702
2	Alig Tannery	Kanpur	Footwear	91902
3	Anshveer Overseas	Kanpur	Leather Men's Shoes, Boots & Footwear	91805
4	Bharat Expo International	Delhi	Leather Footwear	91904
5	Calico Trends	Kanpur	Leather Footwear & Bags	91807
6	Globalution Shoes Pvt. Ltd.	Vellore	Men & Women Full Shoes	91802
7	Gupta H.C. Overseas (I) Pvt. Ltd	Agra	Leather Footwear	90605-06-07
8	Imza SCM	Chennai	Footwear	91707
9	Indian Tanning Industries	Kanpur	Footwear	91703
10	Instep	Mumbai	Leather Footwear	91704
11	N.M. Zackriah & Co.	Chennai	Leather Shoes & Shoe Uppers	91706
12	Potissimus Arrow Shoes Pvt. Ltd	Ranipet	Finished Shoes	91903
13	Saba Exports	Kanpur	Fashion Footwear	91905- 906
14	Sagari Leathers (P) Ltd.	Agra	Gents & Ladies Footwear	91803
15	Sakay Overseas	Jalandhar	Ladies Leather Footwear	91804
16	Tirubala International (P) Ltd	Kanpur	Footwear	91709- 710-711
17	Torpedo Shoes (Pvt) Ltd	Kanpur	Footwear	90907
18	Vista Shoes	Chennai	Children Shoes	91806
19	Council for Leather Exports	India		91705

**Sourcing at Magic**

Sl.No.	Company Name	Region	Products Displayed	Booth No.
1	Bharat Enterprises	Delhi	Leather Garments & Goods	62911
2	Jarosniv Exports Pvt. Ltd	Delhi	Garments, Wallets, Belts, etc	63008
3	Savi Leathers	Delhi	Leather Garments & Goods	63009
4	Sunshine Tannery	Kanpur	Hand Bags, Wallets, & Men Waist, Belts	62912
5	Torero Corporation Pvt Ltd	Kolkata	Small Leather Goods & Shoes	32115

The fair authority has provided all sorts of support to the exhibitors to make the event successful. They provided the database of USA buyers which was widely distributed by the CLE officials among 24 member-exporters. As informed by the member exporters in their feedback form 168 business visitors visited their stalls, 118 business meetings were held during the event. Most of them not only received good number of serious

business enquiries but many of them also booked orders on spot. Member participants reported that 3500 pieces of leather goods/garments including leather footwear were booked on spot during the show, which amounted to USD\$ 1,51,000. Further, future orders to the tune of 51,200 pieces were booked by the participants whose total value will be around USD\$ 1,54,000.





Shri Sanjay Kumar, Regional Director – North, CLE and Ms. Parul Singh, Associate Director, IBEF with Shri Ashok G Rajani, Chairman, AEPC at AEPC stall



Shri Sanjay Kumar, Regional Director – North, CLE with Shri Javed Iqbal, Regional Chairman – Central, CLE at MAGIC Show, Las Vegas



**BUSINESS BUYERS AT MEMBERS STALL**





Visit of CLE OFFICIAL in Indian Pavilion



**Prominent Visitors at CLE Pavilion**

Mr. Thomas Konecki, US Footwear Consultant visited CLE stall wherein he had a discussion with Shri Javed Iqbal, Regional Chairman – Central, Shri Sanjay Kumar, Regional Director – North, CLE and Ms. Parul Singh, Associate Director, IBEF regarding how to develop business relationship between India and US. To strengthen the U.S.-India partnership, it is imperative that both sides engage in constructive dialogue on areas of concern. For instance, Indian policy decisions on issues such as domestic content requirements, caps on FDI, and IPR protection have raised concerns about the country’s business climate. India has its own concerns with investment in the United States and other U.S. trade policies. Resolving such issues will help to develop business relationship between the two countries.



*Mr. Thomas Konecki, US Footwear Consultant at CLE Stall*

Ms. Keren Giberson, President, US Accessories Council had a discussion with Shri Sanjay Kumar, Regional Director – North, CLE on what strategies and policies can be developed in order to boost business relationship between India and USA. The relationship should be move forward, but achieving significant progress will require effective management of bilateral trade and economic policy issues, accompanied by strategic engagement on security and foreign policy fronts



*Ms. Keren Giberson, President, US Accessories Council at CLE stall*

Ms. Phyllis Rein, Executive Vice President, Ffany Show along with Ms. Alicia Ciccaglione, Account Executive, Ffany Show visited CLE booth wherein she met Mr. Thomas Konecki, US Footwear Consultant, Mr. Jaggi Singh, US Consultant, Shri Javed Iqbal, Regional Chairman – Central, CLE and Shri Sanjay Kumar, Regional Director – North, CLE. She briefed about FFANY (Fashion Footwear Association of New York). She conveyed that we seek to grow and serve a vibrant,

global footwear industry, where doing business in New York is profitable and easy for our membership, and where the industry strengthens through education and unites in charity. Lastly, she conveyed that giving back is a huge part of our mission at FFANY. As per advice of Chairman Sir Regional Director – North, CLE discussed about organizing show in New York and further discussed about the modalities for participation in Ffany Show.



*Ms. Phyllis Rein, Executive Vice President, FFANY Show along with Ms. Alicia Ciccaglione, Account Executive, FFANY Show at CLE Stall*

A Chinese investor visited CLE booth in order to gather information on how to invest in India, procedures and policies for investing in India. He gathered inputs from Mr. Thomas Konecki, US Footwear Consultant who explained the investor regarding investment procedure in India and USA. Shri Javed Iqbal, Regional Chairman – North, CLE and Shri Sanjay Kumar, Regional Director – North, CLE also explained the investor about various opportunities from which he can be benefitted if he invest in India.



*A Chinese investor who wants to invest in India having discussion with Mr. Thomas Konecki at CLE stall*

**Branding of Event by India Brand Equity Foundation (IBEF)**

India Brand Equity Foundation (IBEF), an body of Ministry of Commerce, Government of India branded this show by various digital advertisement throughout the venue and tried to brand Indian leather in big way through their digital and physical campaign too. Mr. Parul Singh, Associate Director of IBEF herself had several meetings with various people, organizer and prominent visitors, participants to make a good imprint of Indian Leather products in US market. IBEF also organized to distribute Carry bag & pen drives to show Indian leather participation more prominent & visibility during the throughout the event.

**Snapshots of the Digital Advertisement at the all three Halls of the MAGIC**



**Conclusions**

The MAGIC Show is a key trade event for accessing the US Market for Apparel & Accessories and Footwear. Overall, the MAGIC Show, February 2017 has recorded positive outcome from the business point of view. The show was attended by the high level international and quality trade visitors. Over 90% of the participants have stated that they will participate again in the next edition of Fair with CLE. All participants have stated that the potential in US is very good and there is excellent opportunity for India. Thus, the participation of Indian exporters in this fair will further help to boost the India-USA bilateral leather trade in the coming years.