

MAGIC Show, Las Vegas, USA August 13-16, 2017

The most comprehensive fashion marketplace in United States of America

A Report by Mr.A. Fayaz Ahmad, Assistant Director, CLE

MAGIC (Men’s Apparel Guild in California) is a 83-year-old International Trade Show covering Apparel, Accessories & footwear, held in Las Vegas, USA bi-annually. MAGIC is the most comprehensive fashion marketplace in USA. The MAGIC Show which began as a domestic retail show for apparel is today repositioned as an International trade event for the fashion industry with a display product profile comprising Apparel (of textile, leather, other natural or synthetic material) including casual wear, formal wear, sportswear, swimwear, lingerie etc and Accessories such as handbags, purses, belts, briefcases, scarves, headwear, sunglasses, costume jewellery and Footwear, with the last product category being a late entrant but now seen as one with enormous potential by the organizers.

Every February and August, the retail industry convenes in Las Vegas for the United States’s most comprehensive fashion market place – MAGIC. Here one can find the latest in apparel, footwear, leather goods, garments and accessories, and manufacturing. From the height of advanced contemporary luxury brands to the latest trends in fast fashion, MAGIC fuels the business of fashion. The MAGIC Show is positioned as a Fashion Event and comprises several unique events showcasing the latest in apparel, footwear, accessories and manufacturing. As per the organizer, there are 40+ exhibiting countries, covering 1600+ factories all over the globe involved in this Event.

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. Today, the MAGIC show comprises 13 concurrent Trade Shows i.e., FN Platform, WWD MAGIC, Sourcing at MAGIC, Project, The Tents, Project Women, The Collective, WSA@MAGIC, STITCH, Pool Trade Show, Children’s Club MAGIC, Curve Las Vegas, Footwear Sourcing @ MAGIC.

A major apparel & fabric sourcing trade show in North America, the Sourcing at Magic connects manufacturers, fabric & trim suppliers, print design studios and service providers all over the world to Branded Apparel & Accessories companies, importers, designers and product development team. Product and services on offer at Sourcing at MAGIC include manufacturer’s fabric & textile mills trim & components, print design service providers. Las Vegas provides the backdrop for this event which also feature educational seminar series with sessions emphasizing industry issues and trends that impact productivity and profitability.

The Sourcing Section at MAGIC is dedicated to Contract manufacturing and private label business. Sourcing at MAGIC has been conceptualized to provide a space for large retail buyers, global importers, licensees and brands to meet and conduct business with overseas manufacturers/suppliers from international manufacturing countries. A few years ago, MAGIC introduced

SOURCING at MAGIC



the section for Footwear brands & retailers ie FN platform. Almost, concurrently a Sourcing section was incorporated for Footwear contract manufacturers. The footwear display area in the sourcing section in MAGIC show is named as the WSA@MAGIC and the Apparel & Accessories sourcing area continues to be referred to as “Sourcing at MAGIC”

The Sourcing at MAGIC is the ultimate resource for fashion trends, technologies and manufacturers from around the globe. The Sourcing Section is where manufacturers of apparel, accessories and footwear from countries Africa, Bangladesh, Cambodia, Hong Kong, India, Indonesia, Japan, Korea, Pakistan, Singapore, Taiwan, Turkey & Vietnam, and South & Central America/Mexico exhibit with the targeted buyers being US and International Brands, Wholesalers, importers, chain stores etc. The Sourcing at MAGIC for Apparel & Accessories is located at North Hall, and the Footwear Sourcing at MAGIC is located in South Hall. The dominant exhibiting country at the Sourcing Halls in the MAGIC show is China. Vietnam is the Focus Country for the current edition of MAGIC Aug 2017.

Sourcing at MAGIC	For apparel manufacturing, component, technology and service providers from around the world
FN Platform	For luxury to lifestyle Branded Footwear for men, women, juniors and Children
WSA @ MAGIC	For Fast fashion footwear for men, women, juniors and children
Footwear Sourcing @ MAGIC	For footwear manufacturing, component, technology and service providers from around the world

India-USA trade in Footwear, Leather & Accessories

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 \$ 30658.61 million in the year 2012-13 to US \$ 32897.25 million in the year 2016-17, growing at a CAGR of 1.78%. India's export of leather and leather products has increased from US \$ 526.13 million in the year 2012-13 to US \$ 870.39 million in the year 2016-17, growing at a CAGR of 13.41%. 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 2016-17 has reached the level of US \$ 870.39 million as against US \$ 834.10 million recorded during the corresponding period of previous year. As per Indian leather sector export data for the period April-March 2016-17, USA was the largest destination country for India's exports, with a share of 15.36%, followed by U.K (10.74%) and Germany (11.65%). USA has been a focus market for export promotion activities considering the size of the market and the potential to enhance India's exports and market share.

USA is the largest global importer of leather and leather products. USA's import of leather and leather products has increased from US \$ 30.65 billion in 2012 to US \$ 35.66 billion in 2015, growing at a CAGR of 5.27%. The global import USA has declined to US \$ 32.89 billion in 2016 due to the prevailing general global recession. Out of USA's total leather import trade (2016), the import share of various leather product categories are as under:

- Finished Leather – 2.32%
- Footwear (lather & non-leather) – 79.49%
- Footwear Components – 1.21%
- Leather Garments – 1.32%
- Leather Goods & Accessories – 14.08%
- Saddlery & Harness – 1.55%

USA'S IMPORT OF LEATHER & LEATHER PRODUCTS AND INDIA SHARE 2012-2016

(Value in Mn US\$)

DETAILS	2012	2013	2014	2015	2016
Leather					
Import	652.98	683.40	755.27	767.13	764.28
India's Export	13.85	14.33	31.73	29.87	18.32
% Share of India	2.12%	2.10%	4.20%	3.89%	2.40%
Leather Footwear					
Import	12253.28	12768.44	13316.38	13399.51	11666.1
India's Export	222.3	305.51	348.07	403.11	447.56
% Share of India	1.81%	2.39%	2.61%	3.01%	3.84%
Footwear Components					
Import	469.55	471.41	450.31	426.37	399.65
India's Export	3.21	3.86	6.49	4.68	3.3
% Share of India	0.68%	0.82%	1.44%	1.10%	0.83%
Leather Garments					
Import	494.71	584.11	569.59	520.85	436.91
India's Export	42.19	56.33	60.64	63.21	54.69
% Share of India	8.53%	9.64%	10.65%	12.14%	12.52%
Leather Goods					
Import	4238.65	4678.25	4941.02	5161.2	4633.12
India's Export	225.83	259.91	286.29	299.64	313.63
% Share of India	5.33%	5.56%	5.79%	5.81%	6.77%
Saddlery & Harness					
Import	408.95	411.07	436.17	485.73	510.47
India's Export	16.63	26.37	29	28.9	26.96
% Share of India	4.07%	6.41%	6.65%	5.95%	5.28%
Non Leather Footwear					
Import	12140.49	12536.58	13277.84	14899.43	14486.72
India's Export	2.12	2.84	5.73	4.69	5.93
% Share of India	0.02%	0.02%	0.04%	0.03%	0.04%
Total					
Import	30658.61	32133.26	33746.58	35660.22	32897.25
India's Export	526.13	669.15	767.95	834.10	870.39
% Share of India	1.72%	2.08%	2.28%	2.34%	2.65%

Source: USA's import – ITC Geneva / India's Export - DGCI&S

As per the above statement, India accounts for a share of 2.65% in USA's total leather import trade of US\$ 32.89 billion in 2016, providing ample scope to further enhance our exports to USA. Footwear accounts for about 52.48% of India's total export of leather and leather products to USA. USA is the one market which has been consistently showing positive growth despite the declining trend in India's overall exports. USA ranks No.1 amongst the top importing countries of leather and leather products from India.

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Statement showing the list of top 10 countries importing leather and leather products from India

Value in US\$ Mn

U.S.A.	870.39
GERMANY	660.03
U.K.	608.29
ITALY	375.41
SPAIN	294.22
FRANCE	288.81
HONG KONG	266.16
U.A.E.	227.28
CHINA	174.05
NETHERLANDS	169.71
BELGIUM	104.98
POLAND	101.69

Source : DGCI&S

India's share of Footwear imports in USA, has been consistently increasing over the years from 0.93% in 2012 to 2.97% in 2016. A Statement showing USA's global import of Footwear viz-a-vis India's export and share during 2012 to 2016 is given below:

(Value in Million US\$)

	2012	2013	2014	2015	2016
USA's IMPORT	24393.77	25305.02	26594.22	28298.94	26152.82
INDIA'S EXPORT	227.72	312.21	360.29	412.48	456.79
% SHARE OF INDIA	0.93%	1.23%	1.35%	1.45%	2.97%

Major Countries supplying Footwear to USA (India holds 5th position)

Value in US\$ Mn

Exporters	Imported value in 2012	Imported value in 2013	Imported value in 2014	Imported value in 2015	Imported value in 2016
China	17874.50	17707.50	17770.69	17969.25	15372.40
Vietnam	2513.39	3060.20	3782.43	4668.90	5093.22
Indonesia	981.80	1203.61	1289.36	1487.76	1518.52
Italy	1232.02	1358.94	1474.29	1437.84	1389.54
India	227.72	312.21	360.29	412.48	456.79
Mexico	496.79	553.16	502.96	498.47	417.34
Dominican Republic	247.17	278.80	303.03	332.05	317.50
Cambodia	45.70	61.79	134.09	227.84	264.09
Spain	169.97	192.19	219.81	231.78	251.81
Brazil	217.17	205.59	213.37	209.36	243.97
Portugal	65.39	85.98	107.97	117.80	125.16

India ranks 5th amongst the Footwear supplying countries of USA. USA imports Footwear to the tune of US\$ 15372.40 million wherein India accounts for a share of 2.97% providing ample opportunity to enhance India's export of Footwear to USA.

CLE's Focus USA Programmes

As far as Footwear, Leather Garments, goods and Accessories sectors are concerned, the USA is one of the important markets for India. Considering the huge market size, it was proposed to intensify marketing activities in this market towards sustaining and further enhancing the exports. The huge untapped potential of the USA market is the factor which led to the Council to initiating the "Focus US Program" for promotion of exports to USA in the year 2002 under the Market Access Initiative Scheme (MAIS) of the Government of India. The focus USA program comprised

engaging US based consultants, participation in successive editions of the leading footwear fair in the USA ie the WSA Show, holding stand-alone Buyer Seller Meets for leather garments & Accessories in New York, and more recently participations in the most important trade fair platform of USA namely MAGIC Show in Las Vegas, in both the editions in a year. The CLE has engaged Mr. Jaggi Singh, President/CEO of M/s. NML International Inc., New York as Consultant for promotion of export of leather garments, goods and accessories from India to USA, initially from Dec 2015 to May 2016 as Phase 1, and from January 2017 to July 2017 as Phase 2. The CLE engaged Mr. Thomas J Z Konecki, Managing Director of M/s. Konicek Consulting LLC as Consultant for promotion of footwear export from India to USA from January 2017 to Sept 2017. Engaging Consultants has helped the Indian exporters to meet new and potential buyers. Unlike participating in the Trade Fairs and BSMs, the meetings are pre-fixed by the Consultants based on their product profile and requirement.

India Pavilion organized by CLE in MAGIC August 2017

Considering the size and the potential of the US market and the opportunities for India in the same, the Council organized India Pavilion in the MAGIC Show held during August 13-16, 2017 under the funding support from the Market Access Initiative (MAI) Scheme of the Government of India. The funding support is restricted to a total of 25 participating companies. The CLE has organized two India Pavilions - one in South Hall for Footwear Sourcing with 11 exhibitors (footwear manufacturers), another in North Hall for Sourcing at MAGIC with 15 exhibitors (Leather garments, goods & accessories manufacturers).

The Stand construction of India Pavilion was done by Horizon Expo Co Ltd, and the Stands were constructed to suit

the requirement of Indian exhibitors, and India Pavilion sported a very pleasant and fresh look. Through the stand constructor, the CLE engaged 2 Hostesses to provide logistical support and assistance to the exhibitors. The Footwear at Sourcing and Sourcing at MAGIC, began on 13 August 2017 at 12 noon. There were steady stream of focused visitors looking to interact with manufacturing factories.

Footwear Sourcing @ MAGIC for Footwear - Participants



Shri Javed Iqbal, Regional Chairman (Central) seen with Mr. Matt Priest, President & CEO, FDRA

Sl.No	Name of the Company	Place
1	Ahmad International	Kanpur
2	Alig Tannery	Kanpur
3	Calico Trends	Kanpur
4	Gupta H.C Overseas(l) pvt Ltd	Agra
5	Indian Tanning Industries	Kanpur
6	N.M Zackriah & Co	Chennai
7	Naaz Fashion Finishers	Kanpur
8	Pyramid Exports	New Delhi
9	Shalimar Tanning Company (Footwear Division)	Chennai
10	Torpedo Shoes Pvt Ltd	Kanpur
11	Vista Shoes	Chennai



Shri Javed Iqbal, Regional Chairman (Central), CLE seen with Shri Manoj Tuli, Convener, leather garments panel, Shri Jaggi Singh, US Consultant for Leather Garments & Shri A. Fayaz Ahmad, Assistant Director-CLE



Shri Thomas J Z Konecki, US Consultant for Footwear (right) along with a buyer in India Pavilion

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Sourcing at MAGIC for Leather Accessories & Garments – Participants

Sl.No	Name of the Company	Place
1	Aafia Exim	Kanpur
2	AKJ Industries	Kolkata
3	Apex International	New Delhi
4	Asia Apparels	Chennai
5	Avish Global	New Delhi
6	Bharat Expo International	New Delhi
7	Deccan Leather Fashions	New Delhi
8	Fashion zone	New Delhi
9	Jhanji Exports Pvt Ltd	New Delhi
10	Pakkar Leather Export Company	Chennai
11	Ross Leather Goods	Kanpur
12	Royal International	Kanpur
13	Sonse Exports	New Delhi
14	Trexta India leather ACC Mfg Co P Ltd	Chennai
15	Viralli Enterprises	Chennai

One participant M/s. Royal International, Kanpur has not attended the Fair, due to unknown reason from their side.

Stands in Sourcing at Magic



The various footwear categories displayed in the Exhibition was Casual Lifestyle/Comfort, Children, Athletic, Athletic / Sneakers, Outdoor /Work, Fashion (Heels / Pumps /Wedges), Boots/Bootie, Dress(Heels/pumps/wedges), Western, Rain Boots, Sandals, Slippers, footwear materials & components etc. Similarly in Sourcing Section, leather goods such as hand bags, wallets, brief cases, backpacks, belts, and all types of leather garments were displayed.

There were 2 CLE Booths - one at South Hall, and another at North Hall. The CLE Booths has publicity materials, participants profile booklet, posters etc. Mr.A. Fayaz Ahmad, Assistant Director, CLE, has attended the MAGIC Show and coordinated the organization of India Pavilions and participation of CLE.

Mr.A Fayaz Ahmad,Assistant Director-CLE, had a discussion with Mr. Bob Berg, International Senior Sales Manager, MAGIC, who has explained on the present format of hall layout and segmentation in Footwear. North Hall Ground

Floor for FN Platform for Brands, and WSA@MAGIC in the Level 2, in the same hall Footwear Sourcing at MAGIC. Arrangements and facilities in the Convention Centre is truly world class and are of high standards. MAGIC Sales India Office - Mr. Prashant Asthana and Mr. Gaurav Garg, both were present to facilitate the India participation - Leather and Textiles. India Pavilion received trade visitors who interacted with exhibitors, and visitors flow was normal.

CLE US Footwear Consultant Mr. Thomas J Z Konecki, has visited and met the 4 exhibitors of Footwear Sourcing who are part of Consultancy programme. He brought samples designed to suit US market and handed over to the participants for display in the Fair. Mr. Jaggi Singh, Consultant for Leather Garments in USA, visited India Pavilion in both South Hall and North Hall, and interacted with Indian exhibitors of Leather Garments. Mr. Manoj Tuli, Leather Garments Panel Convener, has visited the MAGIC Show alongwith the Consultant Mr. Jaggi Singh.

Leading footwear manufacturers all over the globe, and other related industry stakeholders visited the Fair. Leading Apparel Manufacturers, Fabric Providers, and Technology and Service companies from around the world visited show towards their sourcing needs. According to the Fair organizer, overall MAGIC Show is attended by about 60,000 business visitors. Out of this, for Sourcing at MAGIC and Footwear Sourcing at MAGIC is visited by about 20,000 business visitors. US companies dealing in Footwear, Leather Garments, Leather Goods and Accessories and companies from various other countries, have visited the India Pavilion in Footwear Sourcing at MAGIC and Sourcing at MAGIC respectively. The business visitors were generally impressive in the range of products displayed in the India Pavilion.

Business Outcome:

The exhibitors have submitted the Feedback Forms, and as per which, the Business Outcome / Business

Generated by participating in the MAGIC Show, Las Vegas has been worked out.

In the Footwear Sourcing at MAGIC, 11 companies had a total of 58 business meetings. They have reported an immediate firm orders booked to the tune of US \$ 0.22 million. Expected future business would be around US \$ 2.50 million. In the Sourcing at MAGIC, 14 companies had a total of 91 business meetings. They have reported an immediate firm orders booked to the tune of US \$ 0.12 million. Expected future business would be around US \$ 1.39 million. In all, 25 companies had a total of 149 business meetings, with firm orders booked to the extent of US \$ 0.34 million. According to the feedback given by the participants, Expected future business would be around US \$ 3.89 million.

MAGIC – SEMINAR SERIES

There were several seminars organized by MAGIC covering industry insights, trends and innovations during the Fair Days. The topics of the seminars were as follows:

August 13, 2017

- Best in Show: How to stand out in sales
- National Shoe retailers association (NSRA) presents: retail isn't dead! Retailers who are making a killing and how you can too! Where ideas come from
- Looking at the future of creating at Brand and getting it to market
- NSRA presents: Best practices amongst us: Retail panel discussion and audience questions. Q&A, summary and final thoughts.
- Footwear from designing to Sourcing to manufacturing: Learning from major Brands.
- Building a profitable fashion Business / Steps to production

August 14, 2017

- Know your show floor ABC's: A seminar for new stores.
- Finding opportunities in a slow-

growth market: U.S Footwear industry mid-year review and Look ahead.

- Innovative color inspiration
- In 2017: your store has to be different
- Foundations of Fit for Fashion
- Global women's & men's trend stories + colors for F/W 18/19
- Re-imagining Retail
- Lifestyle licensing
- The Go-To Sourcing Destination: Vietnam continues to lure U.S. Firms
- Looking forward to 2018... What will the future bring?
- Fashion innovation: XCEL Brands reimagines fast fashion for Department Stores
- Fashion Future Positive: Coping with change
- Sourcing shake up: How to steer your way through 2017 & Beyond.
- How to open and run a successful retail store
- Financing fashion: Is your business ready to transition to E-Commerce?
- The new rules of grooming

August 15, 2017

- Athletic footwear – Nice Kicks
- Creating a search + social strategy: Drive customer acquisition, Engagement & Retention
- Grow your business with Email and social media
- Show me the money – Manage your inventory
- Trend Science : How to predict & embrace the future
- 2050: key apparel sourcing countries - FutureView
- Blending colorful memories and dreams for A/W 2018/19
- Windows: A reflection of your store!
- You want faster fashion? You are closer than you think: Sourcing from the Americas

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- Apps unleashed: use your smart phone to drive Business
- Mintmoda's Tales & Tribes FW '18
- Your VIP Access to the thriving Chinese e-commerce market
- Winning at e-commerce : From product development to a responsive sourcing platform
- The markup and markdown game
- Brand management and Licensing
- Robots, Automation: Made in USA Sourcing
- How storytelling works – A Brand is a story
- From concept to profitable business: Getting to the next level
- You can't see tomorrow with yesterday's eyes. New talent required

for the changing retail landscape

August 16, 2017

- How to style a customer with amazing results

Conclusion:

SOURCING at **MAGIC** is the link to the entire global supply chain of Leather Garments, Leather Goods & Accessories segments. This incredible source of inspiration, education, innovation and resources is what keeps fashion moving. Footwear Sourcing at **MAGIC** is the only show in USA created for brands and retailers to source their footwear production directly from factories around the globe. Conveniently located alongside international footwear show, **FN PLATFORM**, Footwear Sourcing at **MAGIC** allows designers, product

development teams, and private label marketers to connect, shop, and expand their businesses on a global scale. It is the place to source Footwear Production directly from factories around the globe. With over 40 countries represented, this must-see destination attracted designers, brands and retailers alike to discover what they need to move their business forward. This Event is the ultimate resource for fashion trends, technologies and manufacturers from around the globe.

Considering that USA is the potential market for exports, the CLE would be participating in the next edition of **MAGIC Show** scheduled to be held during February 11-14, 2018 under Market Access Initiative (MAI Scheme).

