

Council's participation in Sourcing at MAGIC 17-20 August 2014 – A Report

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Preamble:

The USA is the world largest market for Leather & Leather products, including footwear, garments etc. with total import of US.30.65 billion in 2012 , accounting for a share of about 20% in the total World Leather Trade

Considering the size and potential of the US market, the Council for Leather Exports had identified USA as a prime focus market and undertaken a series promotional events as part of Focus US Programme for Leather Garments, Accessories and Footwear, with a view to enhance India's export of these value added products to USA. In this connection, the Council had been organizing focus promotion activities like exclusive Buyer Seller Meets , participation in specialized Fairs like Sourcing at Magic Show in USA.



US Market for Leather Garments/ Accessories & Footwear and Opportunities for India

The Table below shows the USA's import of leather & leather products during the period 2008 to 2012 and India's export to USA and its share.

(value in million US.\$)

DETAILS	2008	2009	2010	2011	2012
Leather					
Import	670.14	444.58	563.86	584.12	652.84
India's Export	7.64	7.70	8.86	14.01	13.85
% Share of India	1.14%	1.73%	1.57%	2.40%	2.12%
Leather Footwear					
Import	11971.58	10049.16	11559.03	11829.03	12252.53
India's Export	158.74	120.88	139.60	177.92	222.3
% Share of India	1.33%	1.20%	1.21%	1.50%	1.81%
Footwear Components					
Import	398.03	341.13	401.28	404.99	470.31
India's Export	3.36	0.86	0.98	3.22	3.21
% Share of India	0.84%	0.25%	0.24%	0.80%	0.68%
Leather Garments					
Import	641.87	437.24	483.63	485.18	494.17
India's Export	22.20	17.04	21.96	31.92	42.19
% Share of India	3.46%	3.90%	4.54%	6.58%	8.54%
Leather Goods					
Import	3461.48	2720.58	3246.51	3862.78	4234.84
India's Export	155.02	137.97	162.90	196.83	225.83
% Share of India	4.48%	5.07%	5.02%	5.10%	5.33%

DETAILS	2008	2009	2010	2011	2012
Saddlery & Harness					
Import	372.25	312.17	348.40	380.98	408.96
India's Export	11.31	10.06	11.38	13.77	16.63
% Share of India	3.04%	3.22%	3.27%	3.61%	4.07%
Non Leather Footwear					
Import	8132.82	7854.97	9971.94	11416.02	12138.84
India's Export	0.93	1.86	2.44	1.88	2.12
% Share of India	0.01%	0.02%	0.02%	0.02%	0.02%
Total					
Import	25648.17	22159.83	26574.65	28963.10	30652.49
India's Export	359.20	296.37	348.12	439.55	526.13
% Share of India	1.40%	1.34%	1.31%	1.52%	1.72%

Brief high-lights :

India's overall exports of leather & leather products to USA has shown a positive trend since 2009 with export value of US\$.296.37 million in 2009 increased to US\$.669.15 million in 2013 , growing at CAGR of 22.50 %.

-Leather Footwear is major item of import in USA . Total import value increased from US\$.10049.16 million to US\$.12252.53 million in 2012. India's export has also increased and touched US\$.222.30 million. But share is 1.81 % only.

-Leather Goods and Accessories import has also shown positive trend since 2009 and touched a value of US.4234.84 million in 2012. But India's export is US.225.83 million with share of 5.33%

-Leather Garments import has shown a marginal increase since 2009 and reached a value of US\$.494.17

million in 2012. India's export has shown a re-markable trend and touched a value of US\$.42.19 million in 2012 with share of 8.54%.

-Harness & Saddlery import has gradually increased and touched US\$.408.96 million in 2012- India's export is about US\$.16.63 million with share of 4.07%.

- Non-Leather Footwear is second major item of import in USA with a value of US\$. 12138.84 million, but India's export is very meager amounting to US\$.2.12 million with negligible share of 0.02%.

Council's participation in Sourcing at MAGIC Show- August 17-20, 2014 in Las Vegas -USA

The fact is, therefore that there is potential in the US market for enhancing our exports of leather goods/ Accessories, leather garments and footwear etc, as these segments has

shown a continuous increase in USA's imports since 2009 and India's exports of these products to USA has also been growing in the past years.

Considering the potential of US market and India's presence in this major market with continuous positive trend in exports to USA, the Council for Leather Exports has been organizing the participation of Indian exporters of leather footwear, leather goods/accessories and leather Garments in the Sourcing at MAGIC Show every year as a "Continuing export promotion activity" to facilitate Indian exporters to show -case their latest collections with better designed and quality products of current fashion trends.

Accordingly, the Council organized "CLE India Pavilion" in the SOURCING AT MAGIC show, held from 17th to 20th August 2014 in Las Vegas -USA..

View of CLE stands





About Sourcing at MAGIC Show- Las Vegas.

MAGIC is the largest global market place for contemporary men’s and women’s and Children’s apparels, footwear, accessories and sourcing resources. - the world’s most comprehensive Forum for fashion buyers and Brands. Every February and August, the industry convenes in Las Vegas for connection, inspiration and to shop a portfolio of expertly merchandised and curated shows across every category, trend and price points.

The Sourcing at MAGIC Show, Las Vegas, USA, August 2014 edition has sought to connect a global audience of buyers and sellers. Retailers spanning from single store boutiques to mass market domestic and international chains come to the MAGIC Show to access several manufacturers show-casing their products of various brands and private labels.

The World’ most extensive fashion sourcing event- the Sourcing at MAGIC is where Brands, Designers and sourcing Executives gain access to global resources spanning the entire supply chain. Through MAGIC’s one-of-a kind conference series, attendees benefit from insight into new trends, innovative technologies and important industry intelligence.. MAGIC fuels business of fashion.

CLE India Pavilion in Sourcing at MAGIC Show- August 2014.

The Council organized participation of 25 member-exporters of Leather Footwear, Leather Goods/Accessories and Leather Garments in August 2014 edition of Sourcing at MAGIC held from 17th to 20th August 2014 in South Hall of Las Vegas Convention Centre. A total area of 2600 sq.ft. was booked and each member-participant was allotted a booth of 100 sq.ft.

There were 12 companies under “Footwear sector” and 13 companies under “Accessories sector” as per list given below.

Sl.No	Name of the Participants	Place
Under Footwear Sector		
1	Alig Tannery	Kanpur
2	Allure Enterprises Pvt Ltd	Delhi
3	Anam Exports	Kanpur
4	Ascot International	Agra
5	Fancytex Global (P) Ltd	Kanpur
6	J.J.Trade Links (P) Ltd	Delhi
7	Naaz Exports (P) Ltd	Kanpur
8	Oxford Shoes	Chennai
9	Peoples Exports Pvt Ltd	Agra
10	Sakay Overseas	Jalandhar
11	Stylo Shoes Pvt Ltd	Kolkata
12	Wahab Worldwide	Agra

Sl.No	Name of the Participants	Place
Under Accessories Sector		
1	Apex International	Delhi
2	Bharat Enterprises	Delhi
3	Crescent Export Syndicate	Kolkata
4	Ecoline	Delhi
5	Habib Fashion	Kanpur
6	Kamal Enterprises	Delhi
7	Leder Pointe	Chennai
8	Nano Overseas	Delhi
9	Prakash Impex	Chennai
10	Rama Overseas Limited	Kolkata
11	Smriti Apparels Pvt Ltd	Gurgaon
12	U R Trading	Kolkata
13	Tritan Leather Works Pvt Ltd	Chennai

ANOTHER VIEW OF STANDS IN CLE PAVILION



A CLE Information Booth was put up to display Council's Publications/ publicity materials, posters, etc. The publications like Members Directory, Council's Brochures, Leather News of India Magazine and Profile Booklets of Member-participants etc. were distributed to business visitors during the event.

Shri K. Abdul Sattar Khan, Regional Director-South was the Council's Representative who co-ordinated and organized the participation of member-exporters in CLE India Pavilion. He also attended to the Business visitors and other dignitaries who visited the CLE Information Booth and provided required information about Indian leather & leather products industry, its export performance and overall growth of different segments across all regions. Specific information on trade enquiries about Indian leather & leather products were also provided to the business visitors.

Location of CLE stands:

All CLE members stands under "Footwear Sector" were located near the main Entrance of South Hall and CLE Information booth. These were ideally located next to Columbia Pavilion and between Ethiopia Pavilion.

But Accessories Sector was located little interior crossing 5-6 Bays. But the CLE participants were adjacent to AEPC Pavilion and nearby to Bangladesh Pavilion.

Outcome of the Fair:

The Sourcing at MAGIC Show started at 12 noon on 17th August. The Fair was for half-a-day only and that too on Sunday. Though there were several business visitors to the Show on the First day but footfall of visitors was not as expected.

On Day 2 – the 18th August 2014, there were good number of visitors and the participants in Footwear Sector of CLE India Pavilion had received some visitors both existing customers as well as some new business entrepreneurs. Some participants had good business discussions. But the visitors to the Accessories Section were not very significant. However some leather goods exporters received few visitors to their Stands.



Regional Director-SR with Representatives of Ethiopia Leather Industry Association.

But for leather garments exporters there were no much visitors.

Overall the footfall of the visitors has been better on 2nd Day in view of some co-current Events like FN Platform, WSA @ MAGIC, WWD –MAGIC etc started on 18th August in LVCC.

On Day 3-the 19th August, the footfall of visitors was also better and there were good number of visitors to the Show as a whole and there were also good number of business visitors to CLE participants booths in in Footwear Sector and some visitors in Accessories Sector. Few Leather goods exporters had some business discussions. On the whole though the footfall of visitors has been better in Sourcing At MAGIC, but in the concurrent events, like WWD Magic, FN Platform and WSA @ Magic Show there were large number of visitors and all these were fully crowded compared to Sourcing at Magic Show.

On Day 4 – the 20th August 2014 the visitor-ship was not much, being concluding day and that too up to 4 PM. There were some visitors to CLE participants in Footwear sector. But in Accessories Sector the visitors were very less. Representatives of many Retail Stores/Boutiques etc visited the participants and had enquired for small order supplies.

On the whole during all days of the Event, the turn-out of business visitors to Sourcing at MAGIC in general and to CLE participants in particular was not as expected.

The participants of Apparel Export Promotion Council and Country Pavilions like Taiwan, Bangladesh, Paki-

stan, Ethiopia etc, also mentioned about low turn-out of business visitors to Sourcing at Magic. But for Chinese companies, which put up a large Pavilion in Sourcing at Magic, there were some visitors for Fashion Accessories/textile apparels and footwear etc.

Visitors to CLE Information Booth

During the Fair days, there were some visitors to CLE Information booth enquiring about Indian manufacturers of Indian leather products and footwear, accessories etc.. The business visitors were from Australia, Portugal, USA, Peru, Brazil, etc. They were interested in sourcing Leather Wallets, Bags Leather Belts, Special type of Leather Waist Pouch with Belt., Shoe Uppers, etc. One of them was interested in Boots made of Ostrich leather with heavy Soles. One visitor enquired about sourcing Canvas Shoes and Canvas Bags with leather straps and bottom. Some were interested to source good quality leather products from manufacturers catering to known Brands. On Design House from Portugal was interested to provide design development service to Indian companies

Besides, two Representatives of a Brazilian Tannery, making Cow leathers finished with Hair-on with exotic prints visited the Information Booth. They are interested to supply these speciality leathers for making Leather footwear/bags etc. They already supplying to some Indian companies in Chennai and Kolkata.

A few visitors have shown interest to visit India during Specialised leather fairs to be held in India during 2015

With a view to disseminate the information about CLE participants among business visitors, the Profile Booklets were distributed through Reception Desk at the Main Entrance of South Hall.



Regional Director-SR with Mr. Filippo Gali of Modapelle, Italy.



Mr. Bob Berg, Senior International Sales Manager of Sourcing at Magic along with Regional Director-SR and Mr. Prashant Asthana, India Representative of Sourcing at MAGIC.

In addition, there were general Visitors to CLE Information Booth:

-Mr. Akira Kono-Depart Manager of REED Exhibitions-Japan visited the Information booth and discussed about possibility of the Council's participation in Tokyo Fashion wear/Bags/Footwear Expo Spring -Summer Edition.

-Ms. Sabrina Yang, Executive of Taiwan Footwear Manufacturers Association visited and discussed about the participation of President TFMA in 33rd IFC to be held in Agra during November 2014.

- Secretary General of Ethiopia Leather Industry Association

- Mr, Fillipo Gali from MODAPELLE .

Meeting held with Executive of Fair Organisers:

Keeping in view, the feedback of participants about low turn-out of business visitors to Sourcing at MAGIC, an exclusive meeting was held with Mr. Bob Berg ,Senior International Sales Manager of Sourcing at Magic . Mr. Prashant Asthana India Representative was also present. It was explained that Indian companies have expressed concern about low low turn out of business visitors to the Sourcing at MAGIC

show as a whole and CLE India Pavilion in particular

It was also mentioned about the location of Accessories Section which is interior of the Main Hall, due to which visitors footfall was much lower than the Footwear Section. It was high lighted that the Council is planning to participate in future editions of Sourcing at Magic as part of promotion programme in US market. But the location of CLE India Pavilion should be better to get good number of business visitors. It was also suggested that the buyers outreach programmes should be more effective to attract large number of business visitors to the show for better results.

Mr. Bob Berg, has agreed to consider the feedback given about the Sourcing at MAGIC Show and mentioned that the organization will make efforts to promote business visitors with much effective way of approach and ensuring the visitorship of large number of Business visitors not only from USA but also from other countries, like Canada, Mexico, Argentina, and other countries..

Conclusion:

The 4 day fair of Sourcing at Magic

was concluded on 20th August. Overall MAGIC Show has witnessed less number of business visitors than expected. It is generally said that the visitorship for this edition was comparatively less than last August Edition.

According to feed back of participants total business generated, mostly mainly in the form of future expected business was about US\$. 7,50,000.

-Footwear Exhibitors have received good number of visitors and had established business contacts with few new customers though their old customers also met the participants during the Show.

-Similarly, the Leather Goods Exhibitors have also received some business visitors and had negotiated/concluded some business.

-But Leather Garments Exhibitors had very less visitors that too some small customers. Hence no business was generated for Leather Garments during the Show.

Overall opinion of some Indian participants was that they will take part in future editions of Sourcing at MAGIC , provided better location is provided in one Centralised place for all Indian participants of Footwear/Leather Goods/Accessories and Garments under INDIA Pavilion instead of in two different segments in two separate locations. Such centralized location for entire Indian participants would attract more number of business visitors for all Indian products.

Participants also generally opined that there seem to be no much visitor promotion and buyers outreach efforts to mobilizes importers/distributor/wholesalers, etc for Accessories and Garments, since , the Business visitors were not very significant for the Accessories sector.

USA being the prime market for leather products/Accessories leather garments and footwear, the continuous export promotion activities assumes greater significance , particularly to sustain current positive trend of India's exports to this major importing country . Such focused promotional events would prove useful in regaining the US market for Indian leather products/Accessories , garments and footwear. Continued participation of Indian exporters with presentation of best products and latest collections in Sourcing at MAGIC Show, would prove useful in further enhancement of India's export to USA.