

# All China Leather Exhibition (ACLE)

■ August 31-September 2, 2015, Shanghai, China.



View of visitors at ACLE 2015, Shanghai, China

Preamble: The All China Leather Exhibition (ACLE) is organized jointly by the China Leather Industry Association (CLIA) and APLF Ltd. It is generally accepted as the premier event for international companies seeking opportunities in China's huge market. The ACLE held annually in Shanghai and exhibition provides the largest variety of leather, components & accessories, manufacturing equipment and tools, machinery and technology and business services. Since its inception back in 1998 ACLE has impressed exhibitors with the number and quality of buyers attracted to the event. Over the years additional attractions, such as fashion shows, seminars and special events designed to keep all participants familiar with fashion and technology developments.

Indian Exports to China is an integral part of the bilateral trade relations between the two Asian countries, India and China. Indian Exports to China focus on mainly primary products. In 1984, India and China signed a trade agreement, providing for Most Favored Nation treatment, to foster greater cooperation between each other. Shanghai is the largest Chinese city by population and the largest city proper by population in the world. It is a global financial center and a transport hub with the world's busiest container port located in the Yangtze River Delta in East China. Shanghai is the commercial and financial center of mainland China and major administrative, shipping, and trading town, Shanghai grew in importance in the 19th century due to European rec-



ognition of its favorable port location and economic potential.

China's import of leather & leather products increased from US\$ 5165.89 million in 2008 to US \$ 7172.21 million in 2012, growing at a CAGR of 8.54 %. China with its large Footwear and Leather Products Manufacturing Industry is a big market for Raw Material including importantly Leather, Components, Chemicals etc.. China's import of Finished Leather during the year 2012 was substantial at US\$ 4.11 billion.

## India's total Exports to China

Table 2: India-China trade (figures in \$ millions)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 (provisional)
India's exports to China	11,617.88	14,168.86 (21.96%)	18,076.55 (27.58%)	13,534.88 (-25.12%)	14,824.36 (9.53%)	11,956.36 (-19.34%)
India's imports from China	30,824.02	43,479.76 (39.76%)	55,313.58 (22.48%)	52,248.33 (-1.82%)	51,034.62 (4.66%)	60,395.27 (18.34%)
Trade balance	-19,206.14	-29,310.9	-37,237.03	-38,713.45	-36,210.26	-48,438.91

Source: Ministry of Commerce, Government of India [3];  
Figures in brackets represent growth over the previous period

## China's import of leather &amp; leather products &amp; India's share ( 2009- 2013)

(Value in Mn US\$)

DETAILS	2009	2010	2011	2012	2013	2014
<b>Leather</b>						
Import	3021.79	3906.11	4061.32	4111.06	4457.76	
India's Export	45.97	69.02	98.05	98.97	123.29	153.77
% Share of India	<b>1.52%</b>	<b>1.77%</b>	<b>2.41%</b>	<b>2.41%</b>	<b>2.77%</b>	
<b>Leather Footwear</b>						
Import	431.47	573.12	901.41	1053.33	1208.38	
India's Export	1.39	2.42	5.00	8.10	14.51	22.45
% Share of India	<b>0.32%</b>	<b>0.42%</b>	<b>0.55%</b>	<b>0.77%</b>	<b>1.20%</b>	
<b>Footwear Components</b>						
Import	247.22	272.44	264.53	262.88	245.58	
India's Export	0.07	0.11	0.16	0.01	0.05	0.38
% Share of India	<b>0.03%</b>	<b>0.04%</b>	<b>0.06%</b>	<b>0.00%</b>	<b>0.02%</b>	
<b>Leather Garments</b>						
Import	42.39	66.93	127.53	143.18	125.82	
India's Export	0.26	0.22	12.47	8.29	4.63	2.47
% Share of India	<b>0.61%</b>	<b>0.33%</b>	<b>9.78%</b>	<b>5.79%</b>	<b>3.68%</b>	
<b>Leather Goods</b>						
Import	309.29	493.72	863.67	1131.69	1216.43	
India's Export	0.53	3.48	8.65	8.51	10.61	16.39
% Share of India	<b>0.17%</b>	<b>0.70%</b>	<b>1.00%</b>	<b>0.75%</b>	<b>0.87%</b>	
<b>Saddlery &amp; Harness</b>						
Import	0.52	0.66	0.99	1.22	1.52	
India's Export	0.28	0.19	0.27	0.40	0.29	0.62
% Share of India	<b>53.85%</b>	<b>28.79%</b>	<b>27.27%</b>	<b>32.79%</b>	<b>19.08%</b>	
<b>Non Leather Footwear</b>						
Import	201.78	272.68	387.68	468.85	501.3	
India's Export	0.07	0.05	0.17	0.09	0.20	0.26
% Share of India	<b>0.03%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.02%</b>	<b>0.04%</b>	
<b>Total</b>						
Import	4254.46	5585.66	6607.13	7172.21	7756.79	
India's Export	48.57	75.49	124.77	124.37	153.58	196.34
% Share of India	<b>1.14%</b>	<b>1.35%</b>	<b>1.89%</b>	<b>1.73%</b>	<b>1.98%</b>	

Source: China's Import - ITC Geneva / India's export DGCI&S

Considering the export potential of Finished Leather and India's nominal export share of leather & leather products in China market, the Council for Leather Exports has organized participation of 15 member exporters at ACLE 2015 in India Pavilion third time in an area of 165SqM towards enhancing export share of leather industry into China market and establishing export business with Chinese buyer particularly Finished Leather. India is significant player in the global trade of Finished Leather, India produces over 2 billion square feet of leather per annum and has tanning capacity to fulfill 10% of global leather requirements. India has amongst the largest livestock population in the world, providing a strong raw materials base in goat, buffalo, cow and sheep leather.

**Event Opening:** The 18th edition of the All China Leather Exhibition (ACLE) August 31-September 2, 2015 took place in the challenging environment and face of volatile market of raw material prices. One year ago, ACLE took place just as prices were approaching their historic highs, but this year fair comes after some of the sharpest falls seen in hide prices for many decades and event outcomes reported slowly. The volatility in China economy had seen during the exhibition and had affected adversely on the business responses of ACLE 2015.



Opening ceremony of All China Leather Exhibition (ACLE) 2015, Shanghai, China

Mr Su Chao Ying, Chairman of China Leather Industry Association (CLIA) on ACLE opening ceremony expressed his warmest welcome to all the participants and briefed about the current scenario of China leather industry and market volatility. He said the China leather sector has maintained a steady growth at the first half of this year. The gross sales revenue of the industry has increased by over 6.5 % compared to the same period last year. It is believed that China's leather and footwear industries will continue to grow steadily in the near future given the recovery of global economy. Mr Su Chaoying, Chairman of the CLIA, said that after 30 years of continued strong growth a slowdown in growth could only be expected, so levelling at this figure would be a good result.

He anticipated that the industry would aim to increase value through higher levels of automation in both the tanning and footwear sectors. Modernising the design of Chinese footwear would also be a priority that would be worked on.

Mr. Su Chaoying, chairman of the China Leather Industry Association (CLIA) said that leather has maintained steady growth in first half despite growth rates slowing from last year, and that the current climate is a question of riding out temporary setbacks.

**Current Market Trends – China Leather Industry**

**Discussions over a slowing market**

Despite forecasts of a slowing economy in China for 2015, latest GDP figures indicate that the economy continues to grow at a healthy and fairly robust 7% on an annualized basis.

Let us not forget that China is still the hub of the world leather industry producing billions of pairs of leather shoes (4.5 billion pairs in 2014) and leather goods per year. To do this the China leather industry needs to import leather and according to the latest report by the China Leather Industry Association (CLIA) China imported a total of US\$8.24 billion of leather of all types in 2014 (raw hides, crust, wet blue and finished).

**Future Prospects of Finished Leather (Upholstery) in China market**

In a digital presentation in December 2014, CLIA Chairman Su Chaoying, stated that China leather industry would process 200 million hides in 2015 of which half, 100 million, would have to be imported. These huge numbers offer western companies multiple opportunities to do excellent business with the China leather sector.

Latest figures issued in late July for the first five months of 2015 by the China National Council of Light Industry indicate that the revenue growth of the leather sector as a whole was 5.77%. Compared to the same period of 2014 leather making grew in this period by 2.44%; leather footwear by 4.45%; luggage and bags by 5.98%.

Taking in view of above facts and figures China is the world biggest auto market by far, selling more than 23 million vehicles in 2014, 40% - 50% of which have some form of leather upholstery, this amounts to a great deal of hides and finished leather.



The following group pavilions of leather industry have took part of the ACLE 2015 exhibition towards strong presences in the overseas market and enhancing their leather trade share mainly in the hugely growing Chinese leather market.

Group pavilions including Australia, Brazil, China, Ethiopia, France, Germany, India, Italy, Japan, Korea, Pakistan, Spain, Taiwan, Turkey and USA

#### Exhibitors Participation in ACLE 2015

In the ACLE 2015 edition total 1044 number of companies exhibited their products including 37 countries & regions i.e. Argentina, Australia, Bangladesh, Brazil, China, Colombia, Croatia, Czech Republic, Ecuador, Ethiopia, France, Germany, Greece, Hong Kong, India,

Indonesia, Italy, Japan, Korea, Lithuania (Rep. of), Netherlands, New Zealand, Pakistan, Poland, Portugal, Romania, Russian Federation, Saudi Arabia, Singapore, Slovenia (Rep of), South Africa (Rep of), Spain, Taiwan, Thailand, Turkey, UK and USA.

#### CLE India Pavilion at ACLE 2015

The Council for Leather Exports (CLE) India was organized India Pavilion with the following 15 member exhibitors from the different leading clusters i.e. Kanpur, Kolkata & Chennai in an area of 165 Sqm space with the objective to penetrate China's huge market that requires supplies of finished leather to feed its massive production lines of leather products. The Indian Pavilion was located in Hall E2 and had displayed all kind of finished leather.

S No	Exhibitor Name	Place	Booth No.
1	AKI India Pvt Ltd	Kanpur	E2/B15b/IN
2	Bharat Tanning Industries	Kanpur	E2/B15a/IN
3	Enayat Overseas	Kanpur	E2/B12d/IN
4	Hafeezsons Tannery Pvt Ltd	Kanpur	E2/B14a/IN
5	Harsha Impex	Chennai	E2/B14d/IN
6	Karamat Tanning Industries	Kanpur	E2/B11b/IN
7	Leayan Global Pvt Ltd	Kanpur	E2/B12b/IN
8	Model Exims	Kanpur	E2/B13b/IN
9	Model Tanners	Kanpur	E2/B14b/IN
10	Nadeem Impex	Kolkata	E2/B16a/IN
11	Nadeem Leatherware Exports	Chennai	E2/B12a/IN
12	Pacific Leather Finishers	Kanpur	E2/B13c/IN
13	Penza Exports	Kanpur	E2/B11c/IN
14	Ruksh Exim Pvt Ltd	Kanpur	E2/B13a/IN
15	Saba Exports	Kanpur	E2/B11a/IN
16	Council for Leather Exports	India	E2/B12c/IN

The member exporters displayed their latest and innovative kind of finished leather i.e. upholstery leather, leather belting etc. for manufacturing of leather footwear, leather gloves, leather goods and leather garments. The Council for Leather Exports, India has organized an information booth in hall E2 in order to coordinate to the member participants, distribution of Council's publications, attending and disseminating first hand information about Indian leather industry, manufacturers details, potential clusters for joint ventures/collaborations/sourcing of leather products etc. The Council's representative Mr. Abu Sufiyan, UDC, CLE, Kanpur promptly attended visitor's queries who were visited in the stand and provides latest informations about the Indian leather industry, export trends and Council's events being organizing in India/overseas and other relevant subjects. The Council has also made a strong publicity by displaying posters and distribution of leaflets containing information of organizing 19th UITIC Footwear Congress scheduled in Chennai coinciding with IILF 2016





M/s. AKI India Pvt. Ltd, Kanpur



M/s. Bharat Tanning Industries



M/s. Enayat Overseas, Kanpur



M/s. Hafeezsons Tannery (P) Ltd, Kanpur



Harsh Impex, Chennai



M/s. Karamat Tanning Industries, Kanpur



M/s. Leayan Global Pvt Ltd, Kanpur



M/s. Model Exim, Kanpur





M/s. Model Tanners, Kanpur



M/s. Nadeem Impex, Kolkata



M/s. Nadeem Leatherware Exports, Chennai



M/s. Pacific leather Finishers, Kanpur



M/s. Penza Exports, Kanpur



M/s. Ruksh Exim Pvt Ltd, Kanpur



M/s. Saba Exports, Kanpur



Shri Abu Sufiyan, UDC, CLE, Kanpur giving information to the visiting buyer about Indian exporters & potential clusters of finished leather located across India.



**Event Conclusion:**

The ACLE 2015 event was concluded on 2nd September 2015. Conclusively fair has witnessed less number of business visitors than expected. The current volatility in China economy had majorly seen during the exhibition and had affected adversely on the business responses of ACLE 2015. It is generally said that the footfalls for this edition was comparatively very less than last Edition. According to feed back of participants total business generated mainly in the form of future expected business was about USD 4474000 whereas few Finished Leather of goat, sheep and buff Exhibitors have received good number of visitors and had established business contacts with few new customers and their old customers also met the participants during the fair.

This year there were 1,044 exhibitors from 37 countries and regions occupying a gross exhibition area of 92,000 square meters.

In order to promote trade and networking during the exhibition, event organizer has not only invited domestic and overseas buyers, but had organized the General Meeting of CLIA and Leather Forum prior to the exhibition. A full programme of special events like seminars also held during the exhibition to put up an all-round platform for exhibitors and buyers to exchange business experiences and cooperate.

Same as last year, the “Fashion Corridor of Products with Genuine Leather Mark” and “Culture Leather Product’s Trend Showcase Area” are located at Hall 3. Outstanding brands of Genuine Leather Mark also hosted product display to showcase their characteristic exhibits for making exhibition more interesting. Despite the complex market situation in China economy, the finished leather demand will be continued and Council’s should consider its participation in the ACLE 2016 with good presentation of finished leather articles, which would prove useful in further enhancement and grabbing huge potential available in the Chinese market.



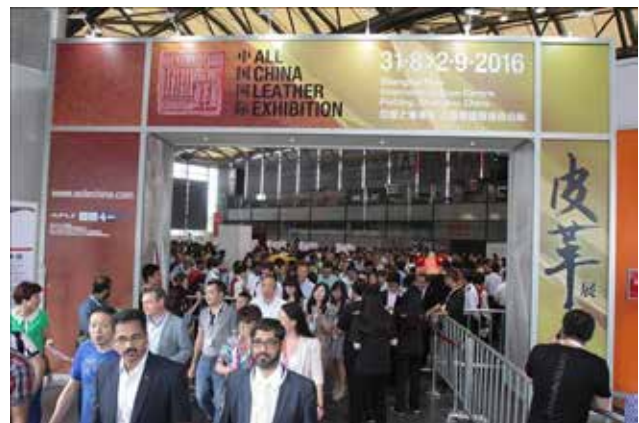
(R-L) Shri Abu Sufiyan, UDC, CLE, Kanpur, Ms. Ewa Song, President, Wen Zhou King Wood holding Co. Ltd, Shri M. N. Lari, CEO, Silk Rout Trade & Industry Development Corporation, India at Council’s information booth.



(L-R) Shri Sanjay Leekha, COA Member, CLE – North and Mr. Abu Sufiyan, UDC, CLE, Kanpur during discussions at Council’s information booth in the ACLE 2015, Shanghai, China.



(R-L) Shri Abu Sufiyan, UDC, CLE, Shri Amitabh Mathur, Head-Performance Leather Business, M/s. Tata International Ltd, Dewas along with his company’s representative and Shri Ajay Lal, Business Development & International Sales Manager, UBM India Pvt Ltd, New Delhi at Council’s information booth, ACLE 2015, Shanghai.



The fair Organizer has confirmed that the 2015 fair dates will remain the same for 2016 that is 31 August through 2 September.