

Buyer Seller Meet, Dubai, UAE, December 09-10, 2013

A report by R. Ramesh Kumar IAS, Executive Director, CLE



Introduction

The United Arab Emirates, UAE, the Destination of Distinction, is one of the most-developed economies in Western Asia with the world's seventh-highest GDP per capita. It is a federation of seven monarchies: Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al-Khaimah, Sharjah, and Umm Al-Quwain. It is the 14th best nation in the world for doing business based on its economy and regulatory environment. The India-UAE trade, valued at US\$ 180 million per annum in the 1970s, is today is close to US\$ 75 billion making UAE, India's largest trading partner for the year 2012-13. Considering UAE's growing economy, there was a felt need to go in for wider marketing strategies to tap the market fully.

As far as leather sector is concerned, the export of leather and leather products to UAE has increased from US\$ 76.23 million in 2007 to US\$ 126.43 in 2012 growing at a Compounded Annual Growth Rate of 10.64%, in these five year period from 2007 to 2012. Thus, considering the encouraging trend in India's exports to UAE, UAE was included as one of the targeted markets for the export promotional activities of the Council to be undertaken for the year 2012-13. It is in this background, Council had proposed to organize a stand alone event in UAE and accordingly submitted the proposal to the Government under MAIS.

As per sanction accorded by the Government for organizing the event in UAE, the Council organized its First Exclusive stand alone event in Dubai

during December 09-10, 2013 at Hotel Le Meridien, Dubai.

UAE Leather Market

UAE's import of leather and leather products increased from US\$ 804.37 million in 2007 to US\$ 1792.13 million in 2012 growing at a Compounded Annual Growth Rate of 17.37%, in these five year period from 2007 to 2012.

A Statement showing UAE's Import of leather & leather products during 2007 to 2012 is given below:

Value in Million US\$

Product Details	2007	2008	2009	2010	2011	2012
Leather	10.64	13.68	18.06	21.67	26.00	31.20
Leather Footwear	276.34	325.97	358.56	430.27	516.32	619.58
Footwear Components	4.27	14.72	16.19	19.43	23.32	27.98
Leather Garments	19.37	24.06	26.46	31.75	38.10	45.72
Leather Goods	204.76	224.49	246.93	296.32	355.58	426.69
Saddlery & Harness	3.43	3.37	3.70	4.44	5.33	6.39
Non Leather Footwear	285.56	333.84	367.22	440.66	528.79	634.55
Total	804.37	940.13	1034.11	1244.54	1493.44	1792.13

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

10% projected increase in 2009 20% projected increase from 2010 onwards

Most of UAE's imports of the leather products originate in the developed nations, indicating a preference for high-quality products in 2000s. USA was the leading player in this market and exported goods worth US\$ 2.8 mn to UAE, followed by France to a value of US\$ 1.3 mn and UK to the tune of US\$ 0.66 mn in 2000. However, China has managed to make inroads in this market during 1996-2000 with its exports growing at a CAGR of 17.8% to touch US\$ 1.2 mn in 2000. The exports from these developed nations declined gradually and currently, the top exporters of leather products to UAE are China, Italy, Vietnam, India, Thailand etc.

Major Suppliers of Footwear to UAE

Value in Million US\$

Country	2007	2008
China	261.92	305.15
Italy	74.14	90.41
Thailand	39.19	48.74
Vietnam	33.12	43.52
India	36.75	39.40
Brazil	17.13	21.69
Spain	20.43	14.51
Indonesia	11.76	16.91
USA	7.70	8.87
Pakistan	6.71	8.34

Source : ITC Geneva

China, Italy, Thailand, Vietnam, India are the major suppliers of Footwear to UAE.

Major Suppliers of Leather Goods/Garments to UAE

Value in Million US\$

Country	2007	2008
Italy	56.56	96.00
China	43.58	52.68
India	31.49	39.10
Japan	31.40	0.37
France	12.07	14.72
Germany	10.78	12.45
Spain	4.65	6.07
UK	7.57	2.73
USA	3.74	4.71
Pakistan	2.68	4.34

Source : ITC Geneva

Italy, China, India, Japan, France etc are the major suppliers of Leather Goods/Garments to UAE

Trend in UAE amidst Continuing Economic Recession in Europe

European Union is the traditional and largest market for India to which about 65% of India's export of leather and leather products is being directed. The recession has impacted India's exports to EU whose export has declined to US\$ 2937.20 million in 2012 from US\$ 3107.49 million in 2011. The major markets

in EU like Germany, Italy, Spain, Netherlands etc., have shown a declining trend in India's exports during April-March 2012-13 compared to the last financial year. However, India's exports to UAE has increased from US\$ 109.28 million in 2011-12 to US\$ 126.44 million in 2012-13, registering a positive growth of 15.70%.

The current export trend in the first eight months from April to November 2013, has also shown a positive growth of 45.60% over the corresponding period in the last year.

Thus the UAE market provides a wide range of product opportunities for exporters.

India-UAE Bilateral Leather Trade

India is among the few countries to perform well in this market. After the economic liberalization process started in India in 1991 and Dubai emerging as a regional trading hub in 1990s, exports from India started growing gradually over the years.

India's export of leather and leather products to UAE has increased from US\$ 76.23 million in 2007 to US\$ 126.43 in 2012 growing at a Compounded Annual Growth Rate of 10.64%, in these five year period from 2007 to 2012. During 2012-13, UAE accounted for a share of 2.53% in India's total leather products export of US\$ 4996.91 mn.

India is the Fifth largest supplier of Footwear and Third largest supplier of Leather Goods and Garments to UAE. The countries like China, Italy, Thailand, Vietnam are the major competitors to India in supply of footwear to UAE. Italy & China are the competitors for India as far as supply of leather goods and garments to UAE.



A Statement showing UAE's Import of leather & leather products, India's export and its share during 2007 to 2011 is given below:

Value in Million US\$

DETAILS	2007	2008	2009	2010	2011	2012
Leather						
Import	10.64	13.68	18.06	21.67	26.00	31.20
India's Export	6.68	6.81	3.25	5.98	7.48	4.43
% Share of India	62.78%	49.78%	17.99%	27.59%	28.76%	14.19%
Leather Footwear						
Import	276.34	325.97	358.56	430.27	516.32	619.58
India's Export	25.81	28.29	26.39	22.53	33.60	36.04
% Share of India	9.34%	8.68%	7.35%	5.23%	6.50%	5.81%
Footwear Components						
Import	4.27	14.72	16.19	19.43	23.32	27.98
India's Export	1.20	1.34	2.31	2.20	3.09	2.89
% Share of India	28.10%	9.10%	13.66%	11.32%	13.25%	10.32%
Leather Garments						
Import	19.37	24.06	26.46	31.75	38.10	45.72
India's Export	5.33	4.13	4.33	4.08	3.90	2.82
% Share of India	27.52%	17.17%	16.36%	12.85%	10.23%	6.16%
Leather Goods						
Import	204.76	224.49	246.93	296.32	355.58	426.69
India's Export	26.16	34.97	21.63	21.76	35.10	43.05
% Share of India	12.78%	15.58%	8.75%	7.34%	9.87%	10.08%
Saddlery & Harness						
Import	3.43	3.37	3.70	4.44	5.33	6.39
India's Export	1.31	0.49	0.39	0.64	0.65	0.67
% Share of India	38.19%	14.54%	10.54%	14.41%	12.19%	10.48%
Non Leather Footwear						
Import	285.56	333.84	367.22	440.66	528.79	634.55
India's Export	9.74	9.77	10.75	17.09	25.45	36.53
% Share of India	3.41%	2.93%	2.92%	3.87%	4.81%	5.75%
Total						
Import	804.37	940.13	1034.11	1244.54	1493.44	1792.13
India's Export	76.23	85.80	69.06	74.28	109.27	126.43
% Share of India	9.48%	9.13%	6.67%	5.96%	7.31%	7.05%

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

- 10% projected increase in 2009
- 20% projected increase in 2010, 2011 and 2012

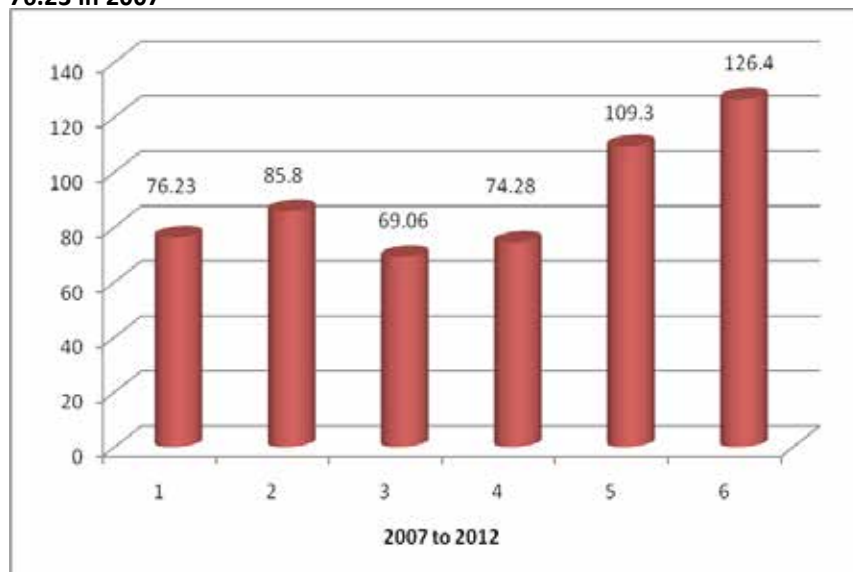
Observations:

- As per the estimates, India accounts for a share of 7.05% in UAE's total leather import trade.
- India accounts for an import share of 13.69% in total Leather Goods import of UAE and 8.37% in Leather Garments import, 8% in footwear import and 14.19%

in Saddlery & Harness import (2008).

- In 2012-13, Footwear constitute a share of around 60%, Leather goods, garments and saddlery & harness together constitute 37% and finished leather 3% out of India's export value of US\$ 126.43 million.

The Chart showing the growing trend of India's Export of Leather and Leather products to UAE, the value rose to US\$ 126.4 million in 2012 from US\$ 76.23 in 2007



BSM-Pre Event arrangements

CLE had initiated the pre-event organizational arrangements in association with the Embassy of India, UAE. As advised by the Embassy, M/s India Trade Exhibition Centre (ITEC), based in Sharjah was engaged as the marketing agency for this event. ITEC is a not for profit centre set up by the Govt of India and Govt of UAE to promote trade and investments between India and UAE and to help Indian businessmen set up their trade or business in UAE.

Marketing Initiatives

Marketing was given a special thrust as the BSM in Dubai was the first stand alone event organized in UAE. In order to ensure maximum buyers turnout during the event, extensive marketing activities were undertaken by the Council. They are :

E-mail campaigns

- Email Campaign through Arabian Business Channel - This is a leading website for UAE and GCC region for

business and local news.

- Bulk Mailing once a week

SMS Campaigns

- SMS Campaign to all the database of UAE buyers

Direct Marketing

- Leaflets - 15,000 Fliers are being distributed to Dubai, Sharjah and Auh business areas on a weekly basis.
- Personal Invitations for the big buyers, VIPs and Confirmed Buyers

Advertisements in the leading Newspapers

- One full page advertisement released in Khaleej times on the date of inauguration on 9th Dec 2013
- One quarter page advertisement released in Gulf News on 5th December
- Ad released in Khaleej Times on Dec 08, 2013
- One half page advertisement released in Gulf Today on Dec 10,

2013

Gulf News and Khaleej Times are the two leading business dailies published in Dubai.

Online Advertisements

The online advertisements are more influential among the readers. The following are the online advertisements:

<http://gulftoday.ae/portal>

[http://www.zawya.com/story/First time in UAE](http://www.zawya.com/story/First%20time%20in%20UAE)

<http://www.ez9articles.appspot.com/article/indian-leather-products>

<http://articles.economicstimes.india-times.com>

<http://www.khaleejtimes.com/biz/inside>

<http://www.ptinews.com/news>

<http://cityairnews.wordpress.com>

<http://www.menafn.com>

<http://www.bullfax.com>

The Buyer Seller Meet

The Buyer Seller Meet was held during December 09-10, 2013 at Hotel Le Meridien, Airport Road, Dubai. The business visitors timing was from 10.00 AM to 6.00 PM.

The BSM started with a formal inauguration by H.E. Shri M.K. Lokesh, IFS, Ambassador of India to UAE on 9th Dec 2013 at 10.00 AM through a ribbon cutting ceremony. Shri R Ramesh Kumar, IAS, Executive Director-CLE, Shri B Rajagopalan, Counsellor (Economic & Commerce and Head of Chancery) Embassy of India, Shri. P. K. Ashok Babu, IFS, DCG (In Charge of Commerce, Protocol & Press), Consulate General of India, Dubai, Mr.Sudesh Aggarwal, Chairman, ITEC, Mr. Lalu Samuel, Head of Industry Groups UAE, the Exhibitors & CLE representative were present on this occasion.





H.E. Shri M.K. Lokesh, IFS, Ambassador, Embassy of India, UAE, inaugurating the BSM. Shri R Ramesh Kumar, IAS, Executive Director, CLE, Shri B Rajagopalan, Counsellor, EOI, UAE, Shri. Sudesh Aggarwal, Chairman, ITEC, Shri Lulu Samuel, Head of Industry Groups UAE and Ms Sripriyaa, Director-General, ITEC are also seen.

The Executive Director of the Council in his inaugural address thanked the Ambassador for inaugurating the event and also thanked all the dignitaries for their kind presence in the inauguration.



Shri R. Ramesh Kumar, IAS, Executive Director, CLE speaking at the inaugural function



The Executive Director highlighted the market potential of UAE and the growing trend of India's exports to UAE from 2007 to 2012. He further stated that UAE is an upcoming market for India and with the objective to further enhance India's exports, the Council is organising this first ever exclusive Buyer Seller Meet in Dubai. The ED expressed hope that the export of leather and leather products to the UAE which stood at US\$ 126.43 million in 2012 will soon rise to US\$ 300 million as a result of this BSM.

The Executive Director then presented flower bouquets to the Ambassador, the Counsellor, and Chairman, ITEC, and extended a warm welcome to the event. The Executive Director also welcomed all the exhibitors and thanked them for their cooperation and conveyed his wishes for a successful event.

In the Special Address by the H.E. the Ambassador, the Ambassador congratulated the Executive Director for



The Ambassador along with the Executive Director-CLE and Counsellor, EOI-UAE interacting with a participant

After the inauguration, the Ambassador along with the Counsellor, the Chairman, ITEC, and others visited each individual stands and interacted with the participants.



H.E. Shri M.K. Lokesh, IFS, Ambassador, Embassy of India, UAE addressing the gathering



organising the BSM in Dubai at the right time as the UAE offers tremendous potential to the Indian businessmen. The Ambassador also advised all the members to have a brand name of their own as the brands will help in enhancing the trade. The Ambassador further added that the UAE particularly Dubai being the major trading hub, facilitating re-exporting to European and CIS countries.

The ITEC Chairman explained that exports to UAE will facilitate their exports to all the GCC countries and ITEC could provide all assistance to the exporters to establish a base in UAE. UAE, with the market opportunities in the leather product segment, the exports of leather and leather products to UAE will enhance not only to US\$ 300 million but still more.

Interaction of the Ambassador with the participants



The other dignitaries who visited the BSM include the Officials from Embassy of Sudan, Embassy of Egypt in UAE.



Shri Tapan Nandi, Regional Chairman-East-CLE interacting with an official of Embassy of Egypt in UAE.



The officials from Embassy of Sudan in UAE interacting with an Indian exhibitor



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LEATHER NEWS INDIA



32 companies from all over India had participated in the BSM in Dubai and displayed their latest collections of leather goods, garments, footwear and finished leather. Each company was provided with a fully constructed stand with name board, partition walls, lighting and display accessories as per their product of display. The stand was constructed in a professional manner giving due care to accommodate all the specified needs of the exhibitors. The stands were well laid-out with ample passage space with provision for three meeting rooms for the buyers. CLE's attractively designed publicity posters were also displayed in the venue giving a good business ambience.

Participants of the Event

S.No	Company Name	Products of Display
1	Abhay Footwear Pvt Ltd. New Delhi	Footwear
2	Ace Footmark (P) Ltd., New Delhi	Sandals, Flipflops Hawai
3	Adarsh Udyog, Kolkata	Small Leather Goods like Leather Belts & etc.
4	Aerobok Shoe Pvt Ltd., New Delhi	Footwear
5	Alaz Exports, Chennai	Men shoes / Sandals and Boys shoes
6	Allure Enterprises Pvt Limited, New Delhi	Safety Shoes, Lifestyle Shoes, Machinery Cutouts
7	Alpine Poly Rub P Ltd., Delhi	Dress Shoes, Chappals
8	Bairathi Shoe Company Pvt. Ltd	Footwear
9	C & R Leather Fashion Pvt. Ltd., Kolkata	WALLETS, PURSES, COIN PURSES, KEY HOLDERS, POUCHES, FOLIOS, HANDBAGS AND FASHION BAGS.
10	Classic Creation, Kolkata	Women & Men Handbags, Messenger Bags, Backpacks, wallets & other Small Leather Goods, Travel Items, Briefcases, Gift Items in different Leather Type.
11	D.S.Accessories Pvt. Ltd, Kanpur	Shoes / Soles / Sleepers
12	D2 International, Kolkata	Leather Handbags and Briefcases, Small Leather Goods
13	Exotic Fashion Pvt Ltd., Kolkata	Wallets, Purses, Bags and Other Small Leather Goods like Diary cover, card case, key ring, coin case etc.
14	G.R.Leachter Exports, Vaniyambadi	Sheep Finished Leather 1. Resin Nappa 2. Onetouch Nappa 3. Semi online Nappa 4. Metalic Nappa for Leather Garment & Goods and Shoes.
15	Jap Jee International Pvt Ltd., Agra	Footwear
16	Jarosniv Exports, Delhi	Leather Garments and Leather Bags
17	Leather Arts, Mumbai	PRINTED LEATHER WALLETS, HANDBAGS, PURSES, CLUTCHES, BOOTS, ETC.
18	Leather Crafts (India) P. Ltd. Chennai	Men's Wallets and Belts
19	Leatherman Fashion Pvt. Ltd., Kolkata	WALLET AND HANDBAG
20	Leder Pointe, Chennai	Gents Wallets,Ladies Wallets & Gents Belts
21	MRG International, Kolkata	Personal Leather Goods-Mens/Ladies Wallets, Cardholders, Travel Document Holders, Mens/Ladies Bags, Portfolios, File Folders
22	Maple Exports Pvt Ltd, Kolkata	Leather Wallets. Ladies Leather Handbags
23	Marks & Orion, Kerala	Leather Shoes Belts and Wallets
24	Micro Industrial Corporation, New Delhi	Footwear
25	New Overseas Enterprises, Kolkata	Handbag, Wallets and Purses
26	Nu-Fashio Footwear Pvt Ltd, Haryana	Footwear
27	Rajda Industries & Exports Pvt Ltd., Kolkata	Industrial Leather Gloves,
28	Real Footcare (India), Agra	Comforts, Formals and Drivers
29	Regency Impex, Delhi	Leather Footwear
30	Siddharth Exports, Noida	Leather Footwear
31	Shree Ambey Footwear, New Delhi	Footwear
32	Today Footwear Pvt Ltd. New Delhi	Leather and Non-Leather Footwear

Buyers Turnout

The inflow of buyers during the two days were quite good. Despite the fact that this is the first attempt of the Council to enter the UAE market, the event was quite successful with an impressive buyer turnout of around 180 buyers attending the BSM. Some of the biggest brands in Dubai like Landmark, Lulu, Apparel Group etc., have visited the BSM.

It was observed during the show that most of the exhibitors were engaged with the business visitors and meetings. The exhibitors appreciated the construction pattern & coordination of the event by CLE. As per the feedback of the participants, the business generated on the spot were to the tune of around 3.3 million USD and future expected business is to the tune of USD 3.3. million. The exhibitors also suggested for organizing similar events in future in Dubai.

Salient features of BSM

- Participation of 32 companies provided the UAE buyers ample opportunity for business negotiation including the price.
- A congenial atmosphere was created for the visiting buyers by providing well build up stands for individual company, by giving ample scope for display of their products in a professional manner. Meeting rooms were arranged for focused B2B meetings.
- Visit of nearly 180 companies was a key feature of BSM. Nearly 250-300 trade visitors attended the event.
- The Indian Exporters received serious business inquires and some of them were able to book spot orders and sample orders too.
- Top/Leading buyers who visited the show namely Lulu International, Apparel Group LLC, Al Maya Group, Al Madina Group etc having branches throughout UAE as well as GCC countries again proves that the BSM was able to attract brands and chain stores as well.

BUSINESS MEETINGS DURING BSM



BUSINESS MEETINGS DURING BSM



Visit to Malls / Departmental Stores

Since Dubai is the place for big Malls and Departmental stores wherein the imported goods are being sold to the public through the leading branded showrooms, the Council for the first time organized visit to Malls/Departmental stores along with the Two Day BSM.

Around 15 companies led by Shri Tapan Nandi, Regional Chairman-East visited Safer Mall, Lulu Hyper Market and Deira City Centre wherein the leading brands of footwear, leather goods are located. The delegation visited some of the branded showrooms like Shoe Mart, Top Ten, Toscanna, and had interaction with the owner and the Marketing Manager concerned.



A view of the participants visited the Malls along with CLE Representative

Initially, the delegation visited the office of the India Trade and Exhibition Centre. Ms Sripriyaa, Director General of ITEC welcomed the delegation and explained the facilities offered by ITEC for the Indian exporters. The ITEC helps the exporters to find a base in UAE, provide assistance in obtaining the trade licence through which the exporters can trade in the entire UAE, facilitates assistance in reaching out to the buyers etc.

Conclusion

The Buyer Seller Meet organized for the first time in Dubai was a successful event for our exhibitors. It served as an opportunity to create the India Brand image among the UAE buyers which will help to establish a strong foothold in the Indo-UAE bilateral leather trade.



Regional Chairman-East along with other participants interacting with the Floor Manager in Lulu Hyper Market.

Considering such a huge demand in UAE and with the largest expatriate population, it is estimated that the current BSM would facilitate enhancing the exports to UAE to US\$ 300 million by 2016-17.



Visit of the delegation to a Showroom in Safeer Mall



Participants interacting in a showroom



*Think Leather
Think India*