

FASHION ACCESS

March 25-27, 2013, Hong Kong

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► Hong Kong, officially the Hong Kong Special Administrative Region of the People's Republic of China, is a Special Administrative Region of the People's Republic of China. It is situated on China's South coast. Enclosed by the Pearl River Delta and South China Sea, it is known for its expansive skyline and deep natural harbour. With a land mass of 1,104 km² (426 sq mi) and a population of seven million people, Hong Kong is one of the most densely populated areas in the world. Hong Kong's population is 95 percent ethnic Chinese and 5 percent from other groups. Hong Kong's Han Chinese majority originate mainly from the cities of Guangzhou and Taishan in the neighbouring Guangdong province.

As one of the world's leading international financial centres, Hong Kong has a major capitalist service economy characterized by low taxation and free trade, and the currency, Hong Kong Dollar, is the 8th most traded currency in the world. The lack of space caused demand for denser constructions, which developed the city to a centre for modern architecture and the world's most vertical city. Hong Kong has one of the highest per capita incomes in the world. The dense space also led to a highly developed transportation network with public transport travelling rate exceeding 90 percent, the highest in the world. Hong Kong has numerous high international rankings in various aspects. For instance, its economic freedom, financial and economic competitiveness, quality of life, corruption perception, Human Development Index, etc., are all ranked highly. According to estimates from both UN and WHO, Hong Kong had the longest life expectancy of any region in the world in 2012. Hong Kong also has the highest average IQ score in 81 countries around the world.

Hong Kong's leather consumer goods manufacturers and suppliers export a wide range of products to the global markets, including footwear, travel goods, handbags, wallets, briefcases, clothing, gloves, mittens, belts and other miscellaneous fashion accessories. Overseas buyers regard Hong Kong as an important sourcing centre for leather consumer goods. They are attracted by the industry's high quality products, flexibility, production with short lead-time, quick response to fashion trends and ability to meet customer specifications.

Present Leather Industry in Hong Kong & India's Share of Exports

After registering an increase of 13% in 2011, Hong Kong's exports of leather consumer goods fell slightly by 1% to HK\$14.3 billion in the first four months of 2012. Re-exports, accounting for almost all exports of leather consumer goods from Hong Kong, also fell by 1%, while domestic exports were up 3%.



The US remains the leading export destination for Hong Kong's leather consumer goods, accounting for 29% of the total during January-April 2012, followed by the EU and the Chinese mainland, with respective shares of 15% and 14%.

In terms of performance, Hong Kong's exports of leather consumer goods to the US declined by 5% in the first four months of 2012. As for the EU, sales dropped by 10%, with major member states like Italy and France seeing respective growth of 6% and 34% and Germany registering a 3% descent. On the other hand, sales to the Chinese mainland, South Korea and Macau gained 2%, 5% and 63%, respectively, whereas a fall of 9% was recorded for the Japanese market.

Product wise, exports of leather footwear, representing for more than half of Hong Kong's total exports of leather consumer goods, fell by 10% during the first four months of 2012, while sales of handbags, trunks and suitcases and other clothing accessories rose by 15% and 5%, respectively.

(HK\$ Billion)	2010		2011		Jan-Apr 2012	
	Value	Growth %	Value	Growth %	Value	Growth %
Domestic Exports	0.01	+17	0.010	+5	0.002	+3
Re-exports	43.382	+25	48.934	+13	14.299	-1
Of Chinese Mainland Origin	35.785	+16	36.977	+3	10.015	-5
Total Exports	43.392	+25	48.944	+13	14.301	-1

Market Wise Share

Markets	2010		2011		Jan-Apr 2012	
	Share %	Growth %	Share %	Growth %	Share %	Growth %
US	38.4	+20	31.9	-6	28.7	-5
EU (27)	19.9	+7	19.2	+9	15.4	-10
Italy	4.0	-2	4.2	+19	4.1	+6
Germany	4.0	+2	3.8	+7	3.0	-3
France	1.7	+11	1.7	+9	1.9	+34
Chinese mainland	8.8	+70	12.5	+61	14.3	+2
South Korea	6.5	+153	8.8	+51	10.5	+5
Macau	3.4	+87	3.9	+29	7.0	+63
Japan	6.1	+1	6.2	+15	6.6	-9
Australia	2.9	+10	2.8	+8	3.4	+4
Taiwan	2.1	+78	2.2	+18	2.5	+7

Product Categories Wise Share

Categories	2010		2011		Jan-Apr 2012	
	Share %	Growth %	Share %	Growth %	Share %	Growth %
Footwear	65.7	+20	59.4	+2	53.7	-10
Handbags, Trunks, Suitcases	24.5	+49	30.4	+40	36.7	+15
Apparel	2.6	+2	2.7	+19	2.1	-5
Gloves, Mittens, Mitts	2.1	+13	2.2	+19	1.9	*
Other Clothing Accessories	5.1	+20	5.2	+15	5.6	+5

Since offshore trade has not been captured by ordinary trade figures, these numbers do not necessarily reflect the full picture of the export business managed by Hong Kong companies.

Hong Kong's exports of leather consumer goods fell slightly by 1% in the first four months of 2012, after increasing 13% last year. Re-exports, accounting for nearly all exports of leather consumer goods from Hong Kong, also fell by 1%, while domestic exports saw growth of 3%.

Many Hong Kong companies are engaged in the trading of leather consumer goods. At the end of 2011, the number of establishments involved in the import-export trade of leather consumer goods was 2,700, while direct workforce employed by these establishments totaled 11,310.

In addition to competitive labour costs, a broad spectrum

of raw materials, parts and fittings (like hides and buckles) are supplied by nearby sources on the Chinese mainland. Indeed, some Hong Kong, Taiwan, and mainland manufacturers are vertically integrated which further enhances quality control and flexibility in production and creates synergy. For instance, Yue Yuen Industrial (Holdings) Limited, a Hong Kong listed company, teams up with upstream suppliers ranging from raw materials to shoes components.

Many Hong Kong companies are engaged in the trading of leather consumer goods. Some of them are appointed by foreign brands as their agents in the region, including the Chinese mainland. A number of Hong Kong's leather consumer goods companies, such as Mirabell, Staccato and Belle, take strong initiatives in developing the mainland market.

Major Share of various countries in India's Exports in last 5 Years

COUNTRY	2007-08	2008-09	2009-10	2010-11	2011-12	% Share
Germany	493.34	508.45	491.28	575.38	730.77	15.01
Italy	490.77	461.56	398.56	455.76	528.39	10.85
UK	417.64	413.24	456.59	505.20	542.99	11.15
USA	311.21	359.22	296.37	348.13	439.27	9.02
Hong Kong	280.97	237.72	251.53	325.20	359.51	7.38
Spain	216.07	219.18	219.13	247.99	295.81	6.08
France	198.52	221.33	255.29	280.04	304.23	6.25
Netherlands	134.75	148.77	137.10	155.43	198.29	4.07
U.A.E.	76.23	85.79	69.06	74.27	109.11	2.24
Portugal	56.93	48.17	39.39	39.62	46.55	0.96
Belgium	55.32	54.77	65.39	80.89	113.08	2.32
China	55.46	49.96	48.58	75.48	123.78	2.54
Australia	50.44	55.76	53.92	51.81	67.79	1.39
Sweden	38.99	38.03	36.07	31.36	44.29	0.91
Russia	15.77	12.01	6.68	19.99	33.05	0.68
Others	361.74	389.97	306.42	399.45	519.20	10.68
Total	3548.51	3599.46	3404.57	3968.54	4868.71	100.00

HONG KONG'S IMPORT OF LEATHER & LEATHER PRODUCTS AND INDIA SHARE - 2006 – 2010

(Value in Mn US\$)

DETAILS	2006	2007	2008	2009	2010	2011
Leather						
Import	3665.32	3342.86	2665.35	2032.62	2768.61	
India's Export	271.62	268.84	219.80	236.28	303.20	327.93
% Share of India	7.41%	8.04%	8.25%	11.62%	10.95%	
Leather Footwear						
Import	3327.61	3283.56	3422.58	2711.31	3222.86	
India's Export	2.56	6.46	10.01	7.06	9.55	12.68
% Share of India	0.08%	0.20%	0.29%	0.26%	0.30%	
Footwear Components						
Import	264.59	254.39	263.02	219.16	300.70	
India's Export	0.81	0.71	1.06	0.21	0.58	0.67
% Share of India	0.31%	0.28%	0.40%	0.10%	0.19%	
Leather Garments						
Import	131.61	143.27	140.55	113.61	140.54	
India's Export	0.53	1.04	2.02	1.67	2.64	5.42
% Share of India	0.40%	0.73%	1.44%	1.47%	1.88%	
Leather Goods						
Import	1493.35	1748.82	1973.12	1650.64	2161.18	
India's Export	3.06	3.37	4.22	5.77	8.71	11.45
% Share of India	0.20%	0.19%	0.21%	0.35%	0.40%	
Saddlery & Harness						
Import	16.50	13.98	13.75	17.53	18.52	
India's Export	1.11	0.46	0.31	0.22	0.25	0.31
% Share of India	6.73%	3.29%	2.25%	1.25%	1.35%	

Non Leather Footwear						
Import	1656.98	1598.11	1521.82	1262.98	1453.19	
India's Export	0.04	0.08	0.32	0.33	0.29	1.05
% Share of India	0.00%	0.01%	0.02%	0.03%	0.02%	
Total						
Import	10555.96	10384.99	10000.19	8007.85	10065.60	
India's Export	279.73	280.96	237.74	251.54	325.22	359.51
% Share of India	2.65%	2.71%	2.38%	3.14%	3.23%	

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

India's Import of Raw Hides & Skins and Leather from Hong Kong

(Value in Mn US\$)

Product	2006	2007	2008	2009	2010	2011
Raw Hides & Skins	0.58	0.15	0.41	0.20	0.46	0.71
Leather	7.36	7.39	5.15	4.26	5.13	9.28
Total	7.94	7.55	5.55	4.46	5.59	9.99

Source: DGCI&S

Sales Channels

The majority of leather goods manufacturers in Hong Kong are Small and Medium Enterprises (SMEs) which predominantly produce on an OEM basis for leading brands in North America, Western Europe and Japan. An increasing number of manufacturers are involved in product design and development, engineering, modeling, tooling and quality control. However, many of them still prefer selling to overseas importers and distributors, who in turn market to wholesalers and retailers.

Rather than relying solely on OEM/ODM contracts, a number of large leather consumer goods companies have developed their own wholesale and retail networks. Certain suppliers, such as Goldlion, Crocodile Garments and Le Saunda, have already been selling their brand-named products in the Chinese mainland as well as other overseas markets. With an aim to foster local footwear design talent and encourage more Hong Kong leather footwear suppliers to enhance the design components of their products, the Federation of Hong Kong Footwear, sponsored by Hong Kong Trade Development Council (HKTDC), organises the Hong Kong Footwear Design Competition every year. To establish business contacts with overseas buyers, Hong Kong manufacturers and traders have involved themselves actively in international trade shows led or sponsored by TDC, including GDS Shoe Fair (Dusseldorf), China (Dalian) International Garment & Textile Fair (CIGF), Style Hong Kong (Harbin, Jinan, Guangzhou, etc.), MOTEXHA (Dubai) and All China Leather Exhibition (Beijing). Some of them, particularly those selling handbags, wallets and other accessory items, also participate in trade fairs for gift items such as Birmingham Spring Fair International, Ambiente Frankfurt and the Tokyo International Gift Show.

Industry Trends

In pursuit of lower production costs, higher profit margins, expanding capacity and product range extension, leather consumer goods manufacturers in Hong Kong have shifted a significant part of their production facilities to the

Chinese mainland. Leather industry is highly specialized and vertically integrated. Relocation may also provide the advantage of being more accessible to the raw materials and facilitating retail and distribution. In view of soaring production costs, manufacturers have further invested in advanced automated machinery and operation systems to streamline the whole production process. In the meantime, advanced processing techniques in leather manufacturing have contributed to the popularity of leather consumer goods. Nowadays, leathers can be worked up to more complex designs with digital leather cutting systems while some can be dyed into more fashionable colours. In addition to durability, softness, lightness and smoothness have made leather garments ever-present and attractive around the year. For instance, clothing made of the ultra-thin leathers, of which thickness is 0.2mm-0.3mm, has become a stylish choice for spring/summer fashion season.

Since leather processing usually involves production procedures and chemicals that can cause environmental pollution, the industry is considered one of the most polluting industries. To curb pollution, different regulations are imposed to improve the production processes and product designs for better environmental protection. For instance, the Cleaner Production Promotion Law requires leather and fur-making manufacturers on the Chinese mainland to reduce the total discharge volume of pollutants, including wastewater, ammonia and volatile organic compounds by 2013.

Aside from the stricter environmental policies and tougher standards in the offing, the provincial governments on the Chinese mainland have been stepping up their efforts to upgrade and promote a greener leather industry. For instance, Guangdong intends to cluster the heavily polluted leather factories together in industrial parks for more efficient waste management, while the Fujian authority targets to eliminate all small scale factories which produce less than 0.3 million leather product per annum, by 1 January 2015. Given the determination of the Chinese government to implement green manufacturing policy, upgrading the environmental technologies by, for example, introducing

less harmful chemicals, recycling, effluent treatment and sludge handling, will become a matter of necessity.

In other parts of the world, some US retailers and manufacturers are under attack by lobbying groups for selling products from countries using leather skinned off from dead animals that have been subject to excessive pains and distress when in transit or/and being killed. For example, following protests by People for the Ethical Treatment of Animals (PETA), some big companies have reportedly decided to boycott the leather obtained from the animals that suffer from intolerable conditions when in transit to slaughterhouses.

CEPA Provisions

The mainland and Hong Kong agreed in October 2005 to further liberalise the mainland market for Hong Kong companies under the third phase of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA III). Under CEPA III, the mainland agreed to give all products of Hong Kong origin, including leather consumer goods, tariff-free treatment starting from 1 January 2006.

Hong Kong manufacturers also face challenges from the regulatory environment overseas. For health reasons, the EU has adopted Registration, Evaluation, Authorisation and Restriction of Chemical substances (REACH) that aims at prohibiting the trading of clothing, footwear and other textile and leather articles which contain azo-dyes, from which aromatic amines may be released.

Present Product Trends

- With many people becoming more willing to spend on stylish and luxurious handbags, leather vogue handbags are drawing more and more attention in the fashion world, and have been considered a wind vane reflecting the current trends of the season and forming the vogue mark in people's wardrobe. Looking ahead, leather formal wear is forming a trend alongside with the rise of feminism.
- As leather consumer goods are increasingly viewed as fashion accessories, the trend, from smart over clean chic, neo sports up to romanticism, is expected to remain popular in the market. As an encouraging sign, the China Leather Industry Association (CLIA) announced that profits in the leather sector reached US\$9.3 billion in 2011, showing a 29% soar in profits registered by large-scale leather enterprises.
- Nowadays, however, the primary market requirement for any leather good is performance. This means improving the unique leather properties such as water vapour absorption and permeability, robustness and ductility. For footwear, its elegance and durability for upholstery leather, while softness and elegance for garments and leather goods.
- "Eco-friendly" products are also grabbing the attention of the leather consumer goods industry. Some manufactures have taken initiatives in simplifying their production process, for instance, by adopting simplified tanning processes such as Easy White Tan that allow shorter production time and lower consumption of water and chemicals. On the other hand, to mitigate

the potential hazard of causing cellular damage, some infant shoes importers are demanding chrome-free leather shoes, while leather products manufactured with more environmentally-sensitive approaches using wax, vegetable dyes, etc, are becoming increasingly popular.

Snapshots on Meetings with Chambers of Commerce & Officials prior to fair.

In order to assess the potential of the market, discussing about India's participation in the fair, to invite the potential buyers for attending the fair and also to chalk-out suitable marketing strategy for the future events the Shri Sanjay Kumar, Regional Director (NR), CLE visited Hong Kong one day prior to the fair and had the following meetings.

(A) Meeting with Hong Kong Hide & Leather Traders' Association Ltd

The meeting with Hong Kong Hide & Leather Traders' Association Ltd was held at their office. Following officials of the Chamber attended the meeting.

1. **Mr. Leslie K. F. Kong**, Chairman, Hong Kong Hide & Leather Traders' Association Ltd & Managing Director, Cheong Fat Leather Co. Ltd.
2. **Mr. Stephen Leung K.C.**, Managing Director, Luen Cheong Leather Co.
3. **Mr. Lawrence Wong**, Chairman & Managing Director, Leaton Leather & Trading Co. Ltd.



Shri Sanjay Kumar, Regional Director (NR), CLE (right) meeting the officials of the Chamber

During the meeting we discussed about potential of the market & demand of the Indian products. They were also keen about the business relationship with Indian companies. I was informed by them that prior to my visit they had meeting with their members and members were informed about the India's participation during the fair. Accordingly, many companies came visited the CLE Pavilion in the fair.

(B) Meeting with The Indian chamber of Commerce Hong Kong

The meeting was with Shri V. Santha Ram, Executive Director of the Chamber. During the meeting, it was informed that there are good number of Indians serving as buying agents for the different companies. In fact Hong

Kong is major centre of re-exports of goods for whole of the world. All the major brands are having their offices at Hong Kong and sourcing the goods. Shri Shantha Ram provided the contact details of their members related with leather and leather products and also sent a circular regarding their participation in the fair. He provided all necessary support regarding the fair and advised that the information should be sent well in advance so that publicity can be made in much better way.



Shri Sanjay Kumar, Regional Director (left) meeting Mr. V. Shantha Ram, Executive Director, The Indian Chamber of Commerce, Hong Kong

(C) Meeting with Indian Consulate officials Hong Kong

Shri Sanjay Kumar, Regional Director had discussion with Sh. Chander Singh, Deputy Chief of Mission & Sh. Virendra Sharma about Council's participation and invited them to the fair. The list of Hong Kong based companies dealing with leather products was provided by the Consulate and the Consulate too sent mailers to the buyers inviting them to visit the fair. Since Consul General was out of the city for important meeting, Deputy Chief of Mission & other officials were invited for formal inauguration of India Pavilion in Fashion Access. They agreed & inaugurated the same.

(D) Meeting with APLF Officials Hong Kong

Shri Sanjay Kumar, Regional Director had a meeting with Mr. Michael R A Duck, Executive Vice President & Mr. Khamsay Luangpraseuth, Senior Sales Manager of UBM Group, the fair organizer. During the meeting, Mr. Duck assured that they are taking special care about India pavilion and we are not going to face any kind of difficulties during the fair and apprised about the publicity initiatives undertaken for promoting the India Pavilion.

Fashion Access March 2013

FASHION ACCESS is the must-attend international fashion fair for high quality, sensible bags and footwear, plus small leather goods, lifestyle accessories, apparel and more. Twice a year, the fashion suppliers and buyers around the globe joined this fair. March fair showcases collections for the upcoming autumn-winter season, while the September fair focuses on spring-summer offerings. Held in business-focused and trendy savvy Hong Kong, the exhibitors and buyers gain instant access to one of the largest sourcing

hubs in the world. Fashion Access remains the must-attend fair for buyers that demand a wide choice of quality finished goods - from bags to footwear and leather garments to fashion accessories.

The 2013 edition of the show was represented by 524 exhibitors, representing 22 countries and regions. Bags continue to be the fair's main attraction, covering approximately 50% of the exhibits. The footwear sector, however, has increased in the past few years and has become a consistently strong performer. There were 129 first-time exhibitors from Asia and Europe, indicating the growing popularity of the fair that caters primarily to bag buyers. Close to half of the fair features contract manufacturers, mostly from China, as well as independent brands producing the full gamut of bag styles.

Indian Pavilion

The Indian pavilion of Fashion Access, organised by the Council of Leather Exports, covered about 450 sqm area, with 43 exhibitors who showcased their latest fashion collections and their high standards of production services. India Pavilion was formally inaugurated by Sh. Chander Singh, Deputy Chief of the Mission, Consulate General office at Hong Kong and the ceremony was attended by Sh. Virendra Sharma, Commercial Consular and Sh. Kaushal Kumar, Third Secretary at the Mission..

During his address Sh. Chander Singh, Deputy Chief of the Mission presented a broad spectrum regarding the potentials of the market and emphasized that this is the time we have to hit the target. There is ample opportunities & scope for enhancement of exports from India to Hong Kong. Having close proximity with India & being a market of re-export Hong Kong is having advantages than the other markets. In fact demands of Indian products are also very high therefore we should proceed further continuously for tapping the market. He assured that Indian Mission is always available for any kind of support. The officials visited each & every booth of India pavilion & discussed with exporters about their experience of the fair.



From left to right : Shri Sudharsanan, AEPO, CLE ; Shri T. Thanjappan, AEPO, CLE ; Shri Sanjay Kumar, Regional Director, CLE ; Shri. Chander Singh, Deputy Chief of the mission, Consulate General of India, Hong Kong ; Shri. Virendra Sharma, Commercial Consular and Sh. Kaushal Kumar, Third Secretary, CGI, Hong Kong

VISIT OF DEPUTY CHIEF OF MISSION TO BOOTHS



Fashion Access (FA), an important sourcing platform for head-to-toe fashions, started its 29th year on March 25th March 2013 at the Hong Kong Convention & Exhibition Centre (HKCEC). APLF Limited, the Fair organizer celebrated its long-running success with fresh initiatives towards improving the onsite visitor experience by way of added events, seminars, onsite services and navigational tools reflective of industry trends and customer needs.

Fashion Access is known for its roster of reliable and established contract manufacturers of bags, footwear and other accessories, mainly from China, Hong Kong, India and the countries of ASEAN.

Press Conference:

On invitation from the fair organizer, Shri Sanjay Kumar, Regional Director attended the International Press Conference held at the press lounge of the fair. All the international media were present during the occasion. Our Press Release from Chairman was kept in media kit and Mr. Michael Duck specially mentioned about India Pavilion in his address



A view of attendees at the Press Conference

Indian Fashion Show:

During the Fashion Show, the fair organizer allotted a half an hour slot to showcase the Indian products on 2nd day of fair at Fashion area. Our member's products including Garment, Bags, Wallet and other accessories were showcased during the show. The models displayed the product in beautiful manner.



Meeting with APLF officials along with President India Shoe Federation:

During the fair Sh. K.R. Vijayan, President, India Shoe Federation & Md. Sadiq, Senior Scientist, CLRI had a meeting with Ms. Perrine Ardouin, Event Director of APLF regarding promotion of 4th Ambur Meet which is scheduled to be held in June 2013. Shri Sanjay Kumar, Regional Director, CLE also attended this meeting.



From left to right : Shri K.R.Vijayan , President, ISF ; Shri Md. Sadiq, Sr. Principal Scientist, CLRI ; Mr. Khamsay Luangpraseuth, Senior Sales Manager of UBM Group; Ms. Perrine Ardouin, Event Director of APLF and Shri Sanjay Kumar, Regional Director, CLE (right) meeting

During the meeting Shri Sanjay Kumar made a power point presentation on "India's potential and investment opportunities in Leather Sector".

APLF Award Ceremony

During the fair, APLF organized the award ceremony for the different categories. Sh. N. Shafeeq Ahmed, Vice-Chairman, CLE visited the fair & was also present during the award ceremony. He met Mr. Michael Duck, Executive Vice President during the award Ceremony and discussed about future participation of CLE in Fashion Access.

Shri N. Shafeeq Ahmed, Vice- Chairman, CLE interacting with participants





Shri Md. Sadiq, Senior Scientist, CLRI was also one of the jury of award selection committee. Two members from India won the awards. M/s. Aqsa International, Kanpur won the first prize for best Eco-friendly Award and M/s. Fashion Folio, New Delhi also won the award for best display during the fair.

Fashion Avenue

Fashion Avenue, the brands section of Fashion Access, remains a showcase of trendy and fine quality finished fashion products. It features 90 international brands who have come to take advantage of Fashion Access' strong reputation as an important sourcing ground for high-level, quality buyers representing some of the most important department stores and boutique chains from China and Asia-Pacific such as Pepe Jeans by Joumma from Spain, Bhartiya by Bhartiya International Ltd from India, Miss Perle by Robert Wan Luxury Ltd from France.

As a design-led exhibition, Fashion Access is keen to assist in the development of the Asian fashion design scene. For several years now, the fair has hosted Design Zone, a section featuring some of the brightest design stars of the region. This year is no exception with 13 designers from Hong Kong, Indonesia, Italy and Singapore taking centre stage.

A highlight of this year's fair was a special installation by the noted Turkish designer Umit Unal. Dubbed as the "Artcore" project, Umit Anal presents a 15-piece collection using leather and fur selected from some of the leading Turkish tanneries also participating in the collocated MM&T fair.

Finally, the visitors to this year's exhibitions will enjoy APLF's first comprehensive mobile app. The app, available on the fair websites, Google Play, and iTunes, provides complete floor plans, exhibitor lists, event schedules, useful show information and regular feeds of relevant news. The debut of the app reflects APLF's efforts to improve services for attendees.

Participant's feedback:

At the end of the fair we discussed with each & every participant about the feedback of the fair. All most all the participants were happy with the footfall and they got good leads for the business proposition. Most of them got

business on spot too. After analyzing the feedback form we found that good amount of business were generated on the spot & very good amount of business are in pipeline. 95 % of the participants reported that they will participate in next fair and requested for enhancement in area of their booth. They were quite happy with assistance of CLE officials and congratulated them for conducting good show. They found hassle free arrangement made by CLE officials during the show. We received good amount of suggestions from the member for making the show more effective for the business proposition.

On the whole, we can conclude that there is huge scope for exploring the market and we should continue to aggressively carry out our promotional campaigns in this important market.



At MM&T, a total of 1,193 exhibitors from 53 countries had converged in Hong Kong to present their latest offerings. ITPO led an Indian delegation of 98 exhibitors at MM&T. Of the total exhibitors at MM &T, 77% were involved in the leather business, with most dealing in semi-finished and finished leather while the rest were in hides and skins; exotic

leather; equipment, chemicals and dyes for tanning, and leather trading. Exhibitors offering synthetic and natural materials as well as components and accessories for use in fashion products made up the balance.

Acknowledged as the most international and most influential leather industry event in Asia-Pacific, if not the world, MM&T had again drawn the top names in the business including some of the best and oldest tanneries from traditional leather-producing countries such as England, Italy, France, Spain, Germany and South America.

Many of the issues affecting the industry were discussed at the fair. Discussions in the 3 days of the fair included the rising prices of hides, the Chinese government threat to shut down tanneries that fail to comply with environmental guidelines, the banning of Brazilian hides by China due to BSE, among others.

During MM&T the winner of the Tannery of the Year Award was named. This is one of the biggest events in the leather industry calendar and the award is highly-coveted by tanneries throughout the world.

The Materials, Manufacturing & Technology (MM&T) saw a high quality buyer turnout during its run at the Hong Kong Convention & Exhibition Center last March 25 to 27.

There were 18,467 buyers in attendance, registering a slight decrease from some countries, as many traditional markets from Europe, North America, even China, are still reeling from the ill effects of the economic crisis. Taking up the slack, however, were new Asian markets including Indonesia, Malaysia, Philippines, Vietnam and India, that are enjoying growth in their GDPs and a surge in consumer spending. Also registering a substantial rise in buyer numbers were Russia, Belarus, Ukraine, Poland and Finland.

There was lot of activity on the floor during the 3 days of the fair, keeping the 1,193 exhibitors from 53 countries and regions busy throughout. Exhibitor Juri Belousov of Skivers Hides AS in Estonia said, "because of the difficulty of the situation in the market, people need to get out to look for opportunities, and maybe better goods with less cost. I don't mind traveling to exhibitions like this, because it gives me a great chance to do business."

There were also "returning" exhibitors like leather chemical innovation giants Stahl and Fenice who, after concentrating their marketing efforts in China, are back in Hong Kong in order to reach potential markets in the rest of Asia.

MM&T, which will celebrate its 30th anniversary in 2014, has become an important forum for the hides and leather sectors to discuss various industry issues and concerns. The rising prices of hides is always a hot topic. Robert Hein of National Beef noted that "the packers and hide traders incur additional costs every year due to government regulations on anything from how meat should be packed to the bugs and pests that have to be controlled." The drought that has hit the US for some time now also has impacted on the number of cattle. Hein added, "The US industry is under

pressure and it is not until 2014 to 2015, even 2017, that numbers are expected to be restored."

In China, some 300 small-scale tanners have been forced to shut down in the last year as they have been unable to comply with the government's strict environmental regulations. Mr. Su Chaoying, chairman of CLIA, remarked that "in the Guangzhou area alone, 120 small tanneries have closed, but their production have been absorbed by operational medium-sized tanneries, so volumes have not seen a major reduction."

Two new activities, Sourcing Luxury and the Leather Forum; "Designing with Leather", met with enthusiastic approval. Sourcing Luxury succeeded in highlighting the growing trend for luxury goods and many visitors lauded the outstanding exhibits. The Leather Forum, on the other hand, exceeded expectations in terms of attendance. Developed for the purpose of introducing leather as a material to designers, topics included leather basics, leather trends, sustainability and innovations. Bigger versions of these two events are expected for MM&T in March 2014.

