

COUNCIL'S PARTICIPATION IN ISTANBUL LEATHER FAIR (IDF) TURKEY- 17--19 JANUARY 2013

A Report : By Mr.K.Abdul Sattar Khan-Regional Director-South-CLE



Turkey Leather Industry:

► The Turkish Leather Industry is among the important leather manufacturers of the world in terms of technology, design and quality. Turkey leather manufacturers now integrate their rooted, Anatolian experience and their high capacity with fashion and design to move forward towards becoming the new capital of design in leather and leather products, including garments. With the positive impact of high quality and elegant designs and also environmental friendly manufacturing, the Turkey leather & leather product industry has made its place among the leader countries in manufacturing and export, envisaging higher growth, to contribute increased share in Country's GDP and industrial production.

The product groups of leather Turkish leather industry in total leather exports covers, raw hides/skins, finished leather (about 9%), Ready wear double-face sheep skins (about 21%), leather garments (about 26%), footwear (about 28%) and saddlery (about 16%). The export to the EU countries stand for about 45% followed by CIS countries -26%.

The importance of leather industry had been realized in Turkey in 1970's. The industry has succeeded a sharp progress as a result of the export-led growth policy of 1980's. Following the dissolution of the Eastern block in 1990's, an intensive demand has come from these countries that has given a push to the industry with increasing investment and growing production capacity.

With its quality and elasticity in production, Turkey is the major and leading leather clothing producing countries. In addition to this, Turkey is among the leading producing countries of fur coats both in quantity and quality. Having long tradition in footwear production, Turkey is one of the leading producing countries for footwear too.

About the Turkey Import- Export potential:

Though Turkey is a major producing country for leather & leather products, footwear etc. it is also an important market for leather and leather products.

Turkey's import of leather & leather products increased from US\$ 836.03 million in 2006 to US \$ 1091.09 million in 2010, growing at a CAGR of 6.88%.

- Out of the global leather trade of US\$.137.96 Billion, Turkey's imports account for a share of about 0.80%.
- The product-wise share in respect of Turkey's import of leather & leather products is as follows:
 - o Finished leather 22.73%
 - o Footwear (leather and non-leather) 60.46%
 - o Leather Garments 10.05%
 - o Leather Goods 6.60%
 - o Saddlery 0.16%

- Turkey also exports leather & leather products to the world. Turkey's export of leather & leather products has increased from US\$ 657.26 million in 2006 to US\$ 843.18 million in 2010, growing at a CAGR of 6.42%

India – Turkey Leather Trade

- Out of Turkey's total leather import trade, India accounts for a share of 1.45%.
- India's export of leather & leather products to Turkey has increased from US\$ 16.68 million in 2006-07 to US\$ 22.98 million in 2011-12, growing at a CAGR of 6.61%.
- The product-wise share in respect of India's export of leather & leather products to Turkey is as follows:
 - o Finished leather 68.32%
 - o Footwear (leather and non-leather) 19.23%
 - o Leather Garments 6.40%
 - o Leather Goods 5.83%
 - o Saddlery 0.22%
- India also imports raw hides and skins and leather from Turkey. India's import of raw hides & skins and leather from Turkey has increased from US\$ 0.82 million in 2006-07 to US\$ 3.06 million in 2011-12, growing at a CAGR of 30.13%

According to Industry Sources, Turkish Leather Entrepreneurs are exploring the possibilities of alternative manufacturing destinations in Asian countries, with a view to out-source their production for supply to their importers in CIS & East European countries, where they have well-established business contacts for exporting leather garments and other leather products. Hence, there is vast scope for enhancing India's export of leather and leather products to Turkey in the coming years.

About 7th edition of Istanbul Leather Fair (IDF2013)

The Istanbul Leather Fair (IDF) is one of the largest leather sector trade fairs in Turkey. The show serves as a convenient business platform for renowned fur and leather professionals, suppliers, designers, relevant academics and all sub-sectors of leather industry fashion world. The Fair is held every year in January since past 5 years at TUYAP Fair, Congress & Convention Center, organized by TUYAP in collaboration with Arti-F with the support of under the auspices of the Leather Foundation of Turkey (TURDEV), and in association with Turkish Leather Garments Manufacturers Association.

The 7th edition of Istanbul Leather Fair 2013 (IDF 2013) was held from 17th to 19th January 2013 with participation of leather manufacturers, producers, chemical and machinery suppliers as well as fashion designers, technicians, etc.

Products displayed in the Fair, include Leather & Fur Garments; Bags, Suitcases & other Leather Goods; Finished & Semi Finished Leathers: Raw Hides/ Skins, Chemicals, Tanning & Finishing Machinery, Accessories & Components.

346 companies from all over the globe including 32 overseas countries have participated in IDF 2013 and filled the entire volume of the exhibition area 35000 Sq.mts. (indoor exhibition area).

National Pavilions from France, India and Pakistan were among the International Exhibitors of IDF 2013.

The IDF 2013 was having 40% increase in Overseas companies participation and visitors counted compared to previous years. It attracted great interest from national and international press. The companies exhibited 2014 Models/designs. Thus the Fair gathered together the whole sub-sectors of leather industry in the 3-day trade event.

Fair Results of 6th Istanbul Leather Fair held on 17-19 January 2012 as per Report of Fair organizers:

351 companies and representatives from 29 countries attended 6th Istanbul Leather Fair with national participation from France, India, Pakistan and Greece

A total of 11480 professionals from 67 countries including Turkey visited the 6th Istanbul Leather Fair from 17th to 19th January 2012. Domestic visitors from Turkey were 10229 and International visitors were 1251. Visitor-ship increased, compared to 2011 edition which was 9272. Number of International visitors increased by 37.6% and domestic visitors increased by 15.8%.

Most of International visitors were from Russia (28.32%), Ukraine (9.07%) Iran (7.01%), Italy (6.82%), Greece (6.17%) China (4.39%), Egypt (2.52%), Spain (2.15%).

Council's participation in 7th Istanbul Leather Fair (IDF 2013) scheduled from 17-19 January 2013

Turkey's import of leather & leather products in the global imports is showing an increasing trend as per World Statistics. India's export to Turkey also growing steadily over the past years.

More-over, Turkey Entrepreneurs, as exporters of leather products, garments and footwear etc to CIS and East European countries are considering to find alternate sources to import from ASIAN countries to meet the requirements of their established customers in these countries.

The Istanbul Leather Fair is the fastest growing leather fair in Turkey and provides an opportunity for interaction with buyers and also to know about the Turkish Leather

& Fur sector as well as leather garments & footwear industry capabilities, design development initiatives and fashion trends etc..

Keeping in view all such factors, the Council has been organizing participation of Indian exporters of leather products, garments and footwear in the Istanbul Leather Fair since 2011. Accordingly, in 7th edition of Istanbul Leather Fair 2013, the Council has organized participation of 10 member-exporters from different regions in an area of 136 sq. mtrs including CLE Information Booth. The CLE India Pavilion was situated in Hall 6 of the TUYAB Exhibition Centre.

It was considered that Council's participation in this Fair would provide a platform for Indian companies to meet buyers /Importers as well as manufacturers from the Turkish leather garments & leather products sector, who are presently catering to CIS and other East European countries. Such participation will thus facilitate enhancing India's share in Turkish imports of leather & leather products.

The following member-exporters participated in the CLE India Pavilion and displayed leather garments, footwear and leather products/accessories etc. Some participants also displayed various types of Finished leathers along with their products.

1. Amazon Overseas - Chennai.
2. Amit Leather Wear - New Delhi
3. Capsons Co (Regd) - Noida
4. Elite International - Noida
5. ESGI Garments Pvt Ltd. - Chennai
6. Hurera Leather Company - Chennai
7. Model Tanners (I) Pvt. Ltd.- Kanpur
8. R.Y. Gaitonde & Company - Chennai
9. Trendsetter. - Delhi
10. Viralli Enterprises - Chennai.

In addition, 4 Indian companies took part directly and through their Turkish Associates.

CLE Information Booth:

With a view to disseminate information about Indian leather & leather industry - export performance, strengths of Indian leather sector, current advancements in technological up-gradation, design and product development initiatives, future growth plans of Indian leather and leather products sector, the Council has set up an Information Booth in this Fair in an area of 16 sq. mts. The CLE Information booth was managed by Shri K.Abdul Sattar Khan, Regional Director-South who also co-ordinated the Group participation of Indian companies in this Fair.

Shri R. Ramesh Kumar, Executive Director of the Council also visited the Fair and held discussions with Fair organizers, business visitors etc. in the CLE Information Booth. Also met the Indian participants to get their views/suggestions about Turkish leather markets and marketing

strategy to be adopted for tapping the potential of Turkish market through organizing appropriate market promotion activities including CLE India Pavilion in specialized leather fairs in Turkey, including Istanbul leather Fair.

STANDS IN CLE PAVILION



(from left to right) : Shri Subash Kapoor, Regional Chairman (NR), CLE ; Shri R. Ramesh Kumar, ED,CLE and Shri Abdul Sattar Khan, RD (SR), CLE at CLE Information Booth



Leather trade journalist from Greece Ms. Nicolandi along with Mr. K. Abdul Sattar Khan, Regional Director (SR), CLE in CLE information booth.



All the Council's publications/publicity Brochures/Magazines, Exporters Directory CDs etc were displayed and distributed to the visitors during the Fair. Publicity posters were also displayed depicting Indian leather & leather products.

Several Business visitors/overseas journalists/consultants/logistic companies visited CLE Information booth during the Fair and have obtained details about Indian leather industry and Indian exporters of various leather & leather products. Publications/Brochures etc were also collected by them for establishing business relationship with Indian companies.



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Visit of Consul General of India- Istanbul :

Based on the invitation from the Council, Shri Vanlahuma, Consul General of India along with Marketing Assistant from Consulate General of India in Istanbul visited CLE India pavilion on 18th January and met all Indian participants. The Executive Director-CLE along with Regional Director-South accompanied the Consul General while visiting individual booths of member-participants.



H.E. Shri Vanlalhuma, Consul General of India- Istanbul (3rd from right) at CLE Information Booth



H.E. Shri Vanlalhuma, Consul General of India- Istanbul (in the centre) and Shri R. Ramesh Kumar-Executive Director-CLE (at the left) viewing the leathers displayed in a participant booth.

VISIT OF CONSUL GENERAL TO STANDS IN CLE PAVILION



CGI discussing with Shri Subhash Kapoor- RC-NR in the stand of Capsons Co. (Regd). Ms. Oya Akgun, Asst. General Manager, TUYAP Fair organizers is also seen the picture

During the discussion with participants, the Consul General specifically ascertained the feedback of the Indian companies about the Turkish market , business prospects for Indian leather products, garments, footwear etc. . Also about the visitors received during the Fair and their interest to establish business contacts with Indian entrepreneurs for sourcing from India. The Consul General also enquired about any difficulties/hurdles being faced by Indian companies while exporting from India to Turkey.

All the participants mentioned about the market opportunities in Turkey for Indian products and have expressed satisfaction about this fair outcome in terms of business visitors, though some of the business visitors have shown interest to source finished leathers.

It was generally informed by the participants that the Import duty in Turkey is very high for leather garments and the assessable value is based on the weight of the leather Garment and levying 8% duty on such assessed value, irrespective of the Invoice value of leather garments. It was mentioned by Indian participants that such high import duty would discourage Turkish importers/distributors to source from various overseas countries including India.

Ms. Oya Akgun, Asst. General Manager, Tuyap Fair, Convention & Congress Centre and Mr. Shubham Bansal, India Representative of Fair co-ordinated the visit of Consul General and also accompanied during the visit..

Outcome of the Fair as per Feedback of Participants:

Based on the feedback of Indian participants, there were good number of visitors to CLE India Pavilion during the Fair, though visitors turn-out on first day was very less. Participants also informed that there were some visitors from Russia, and few CIS countries, Egypt, besides few European countries. These business visitors have shown interest to source leather products, & leather garments from India for quality and fashion items.

It provided an ideal trade platform, especially to meet buyers/importers from Russia, Ukraine and other CIS countries and they were interested to source from India.

According to the information provided by participants of CLE India pavilion, business out come was about Euro 0.60 million during the Fair, though some of the exporters have informed about scope to get future business after business contacts are developed.

On the whole, participants generally opined that there is scope and market opportunities in Turkey, specially for high quality and newly developed products of latest fashion and designs.

Indian exporters could exploit such potential by establishing enduring business relationships with Turkish entrepreneurs / Importers and Distributors for supply of Leather garments and also footwear, leather accessories like Bags, wallets, etc.

Most of the Participants have opined that Council may continue to organize participation of member-exporters in this important and specialised Leather Fair of Turkey since Istanbul Leather Fair is now becoming an international entity participated by international and global brands as well as Turkish leather companies.

Some of the participants have desired to participate in the future editions of this Fair of Turkey with better and prime location as provided in January 2011 edition. It was generally opined that Hall 6 is mainly for materials and components, many of the business visitors to this location were not interested in leather products, leather garments, footwear etc.

A few participants suggested to have better stand construction to give rich look for CLE India pavilion and boost up image of the country and participating companies, resultantly attract more business visitors.

On the whole, participants generally opined that there is scope and market opportunities in Turkey, specially for high quality and newly developed products of latest fashion and

designs. Indian exporters could exploit such potential by establishing enduring business relationships with Turkish entrepreneurs / Importers and Distributors for supply of Leather garments and also footwear, leather accessories like Bags, wallets, etc.

The Fair also provided an opportunity to have assessment of Turkish market, the prices and product specifications, designs etc. A few Turkish Entrepreneurs have shown interest to source leather garments, footwear etc. from India to supply to their business customers in East European countries in view of the quality and competitive pricing of Indian leather products..

Post Show Report of the Istanbul Leather Fair, January 2013

7th Istanbul Leather Fair showcased 2013 – 2014 trends!

Exhibitors from 32 and Visitors from 64 countries gathered at IDF 2013, the 7th Istanbul Leather Fair - 346 Industry representatives from 32 countries took part in IDF 2013

IDF 2013 held at the TÜYAP Fair, Congress and Convention Center, - İstanbul between January 17 and 19, 2013, gathered international leather, fur and apparel manufacturers, chemical, machinery and accessory producers and fashion designers. National Pavillions from France, India and Pakistan were among the International Exhibitors of IDF 2013.



IDF 2013 has been visited by 12,743 professionals, 1,374 of whom were from 64 countries

IDF 2013 was particularly effective for the participants due to the number of international visitors from 64 countries. The fair made a difference for participants who wish to

expand into new markets and reinforce their positions in their current markets.

Autumn-Winter 2013-2014 Trends

Professionals found the opportunity to look at the Autumn-Winter 2013-2014 trends at the trend area created by the famous Turkish Designer Ümit ÜNAL and supported by the Leather Promotion Group.



A variety of significant events reinforced the international aspect of the event.

Conclusion:

Turkey is one of the leading countries for leather & leather products both in terms of production and export. Turkish leather industry has taken an important proportion of the world leather trade with its quality and unique style/designs. In order to go further and strengthen its leading position in leather world, Turkey has started to give priority to marketing, R & D, design and qualified workforce.

Though Turkey is an important leather producing country, its import of leather & leather products is on the increase. Probably it could be business strategy of Turkish leather Entrepreneurs to find alternate source of supplies to meet the requirements of their customers, mainly in Eastern European countries, since Turkey has close proximity to these countries.

Hence Turkey is emerging as potential market for leather products, leather garments, footwear etc. and India's export to Turkey is showing an increasing trend.

In this backdrop, Istanbul Leather Fair is proving to become crucial International leather event Its regional importance is increasing rapidly since take place in the area close to the countries, which are mainly the focus markets not only for local Turkish companies but also for foreign companies.

Over the years, the Fair has created an environment for communication and trade, offering the richest range of products, hosting all product groups of the industry, exhibiting the newest designs, and bringing together manufacturers/sellers and buyers of the global market.

Trends for Autumn-Winter 2013-14 with color, design and texture samples were displayed, and bringing together manufacturers/sellers and buyers of the global market for fruitful business meetings..

Thus the Istanbul Leather Fair will serve as an active and distinctive commercial platform for the exhibitors and business visitors from various countries, offering wealth of business clients. It will be a point of attraction globally for leather & leather products as well as Fur products.

Hence continued participation by Indian exporters in future editions of Istanbul Leather Fair would not only facilitate sustaining India's exports but also enhance further to tap the potential and market opportunities in Turkey which is an emerging market for Indian leather products, leather garments and footwear. Indian participation in IDF will also useful as business hub for Indian exporters to establish and develop contact with leather entrepreneurs from Russia and other CIS countries..

8th edition of Istanbul Leather Fair (IDF 2014) will be held between January 16 and 18, 2014, please visit: www.istanbulderi.com

