

WWD MAGIC	FN PLATFORM	SOURCING #MAGIC	PROJECT	THE TENTS #PROJECT
PROJECT MVMNT	PROJECT MENS/WEAR	POOLTRADESHOW	ENK VEGAS	SHOP THE #FLOOR
		WSA		



Held as part of MAGIC MARKET PLACE , Las Vegas, USA, February 18-21, 2013
– Report by A. Fayaz Ahmad, Assistant Director, CLE

MAGIC MARKET WEEK, held in the Las Vegas twice in a year, the premier event for the international community of apparel, accessories and footwear professionals to share information, previews trends, build business and shop fashion unlike anywhere else in the industry. Each February and August, tens of thousands of attendees from over 80 countries meet more than 5,000 emerging-to-established brands for business discussions. Capitalizing on 80 years of experience, the event continues to evolve. MAGIC MARKET WEEK unites the largest and most influential network of buyers, brands, media and decision makers.

The MAGIC MARKET WEEK event areas have been divided in various product show areas as detailed below:

In the Las Vegas Convention Centre

WWD MAGIC – Women’s Apparel, Footwear and Accessories

FN PLATFORM – Men’s, Women’s, Junior’s and Children’s Footwear

SOURCING AT MAGIC –Footwear, Accessories & Apparel manufacturers, Original Design Manufacturers, Fabric & Trim Suppliers, Print Design Studios and Service Providers

In Mandalay Bay Convention Centre

PROJECT – Men’s and dual advance contemporary

THE TENTS @ PROJECT – highly-curative section of brands that are interconnected by their innovative and artistic approach to fashion

PROJECT MVMNT – Progressive Street, Lifestyle and Action Sports, Brands reflecting modern youth culture

PROJECT MENS/WEAR – Men’s Apparel, Footwear and Accessories

POOLTRADESHOW – Fashion industry’s leading destination for emerging and independent brands

ENK VEGAS – Exclusively women’s

By combining incomparable commercial potential, creative inspiration and connection opportunities, MAGIC MARKET WEEK is the definitive platform for conducting the business of fashion.

Sourcing at MAGIC – Where Fashion Starts

SOURCING at MAGIC is North America’s largest, most comprehensive sourcing event, reflecting the fashion supply chain at its most complete. Offering unmatched access to over 40 countries representing the world’s most important markets, SOURCING at MAGIC showcases more than 1100 apparel, accessories and footwear manufacturers, conveniently merchandised by country and category: contract and original design manufacturers; fabric, trim and component suppliers; and service and technology providers.

Exhibitors—from worldwide leaders to local U.S. suppliers—build business through exposure to thousands of sourcing executives, designers, merchandising managers and private label buyers. And complimentary seminars conducted by today’s most influential experts addressing topics such as best practices, sustainability, social media marketing and overcoming sourcing challenges.

With a productive four-day format beginning a day before MAGIC MARKET WEEK, the show continues its steady growth streak in terms of both attendees and exhibitors. Fueling this evolution, in part, are new initiatives, including a further-enhanced fabric and trim area and contract footwear manufacturing category.. By bringing the world to the world of fashion, SOURCING at MAGIC provides resources and opportunity unparalleled in international scope—from fiber to finished product.

India-USA Trade in Leather & Leather Products including Footwear – Analysis

USA is Largest Market importing Leather & Leather Products in the world. USA’s import of Leather and Leather Products touched US\$ 26574.68 million in 2010, accounting for a share of 19.26% in the global import trade of US\$ 137.96

billion. During the period 2006 to 2010, USA imported 18% to 22% of total global trade of leather & leather products as per below statistics:

(Value in Million US\$)

Details	2006	2007	2008	2009	2010
Global import of Leather & Leather Products	119627.85	132166.17	140096.59	117432.64	137969.06
USA's import of Leather & Leather products	25607.91	25866.91	25648.20	22159.87	26574.68
% Share of the USA in global leather import trade	21.40%	19.57%	18.30%	18.87%	19.26%

Source: ITC, Geneva

If we make product-wise analysis of goods imported into the USA, the statistics show that in terms of value, Footwear is the single largest commodity constituting a share of 81% in the total imports of USA. This is followed by the Leather Goods & Accessories which has a share of 12%. Leather Garment's share is only 2%. The statistics of USA's import during the five year period ending with the year 2010 is presented below:

(Value in Million US\$)

Product	2006	2007	2008	2009	2010	Commodity Import Share of USA (2010)
Leather Footwear	12785.39	12373.90	11971.58	10049.16	11559.03	43%
Non-Leather Footwear	7050.54	7665.23	8132.82	7854.97	9971.94	38%
Leather Goods & Accessories	3262.84	3442.41	3461.48	2720.58	3246.51	12%
Leather Garments	983.34	853.04	641.87	437.24	483.63	2%
Finished Leather	823.21	791.75	670.14	444.60	563.86	2%
Footwear Components	364.05	365.33	398.03	341.13	401.28	2%
Saddlery & Harness	338.51	375.22	372.25	312.17	348.40	1%
Total	25607.88	25866.88	25648.17	22159.85	26574.65	100%

Source: ITC, Geneva

From the above analysis, as far as India is concerned, USA is the largest potential market for Footwear, Leather Goods & Accessories and Leather Garments.

Where from USA Imports?

China is the largest supplier of leather & leather products to the USA, accounting a share of 72.21% in USA's total leather import trade. This is followed by Vietnam 6.77%, Italy with a share of 5.72%, Indonesia 2.74%, Brazil 1.73%, India is the 7th largest supplier to USA accounting for a share of 1.31% in the USA's total leather import trade.

(Value in Million US\$)

Country	2006	2007	2008	2009	2010	Country Ranking
China	17542.97	17722.31	17822.91	15944.49	19189.80	1st
Vietnam	1057.83	1134.94	1321.68	1406.07	1798.70	2nd
Italy	1946.74	2139.67	2030.76	1331.62	1521.39	3rd
Indonesia	578.88	491.68	518.29	544.72	728.37	4th
Brazil	1088.34	949.76	631.13	463.93	461.76	5th
Mexico	402.24	370.58	385.96	360.10	441.52	6th
India	317.59	311.21	359.22	296.37	348.12	7th
Thailand	364.76	322.34	299.97	195.41	175.05	8th

Source: ITC, Geneva

India's export to USA

There has been a sustaining growth in India's export of leather & leather products to the USA over the last ten years. India's export to the USA had increased from US\$ 286.89 million in 2001-02 to US\$ 439.27 million in 2011-12, growing at a compounded annual growth rate of 4.35%.

Next only to the EU countries, USA is one of the major markets for Indian Leather Products including Footwear. During 2011-12, India's export to the USA touched US\$

439.27 million as against the export of US\$ 348.13 million in the corresponding period last year, recording an increase of 26.187%. During 2011-12, USA accounted for a share of close to 9.02% in India's total leather export trade of US\$ 4868.71 million.

During the first six months of the current year 2012-13, India's export to the USA during April-Sept 2012 touched US\$ 259.24 million as against US\$ 217.39 million in the corresponding period last year, recording a positive growth of 19.25%.

(Value in Million US\$)

Product	2007-08	2008-09	2009-10	2010-11	2011-12	% Share 2011-12
Finished Leather	9.20	7.64	7.70	8.86	14.01	3.19%
Leather Footwear	132.43	158.74	120.88	139.60	178.02	40.53%
Footwear Components	1.95	3.36	0.86	0.98	3.22	0.73%
Leather Garments	27.76	22.20	17.04	21.96	31.92	7.27%
Leather Goods & Accessories	123.86	155.02	137.97	162.90	196.47	44.73%
Saddlery & Harness	13.47	11.31	10.06	11.38	13.77	3.13%
Non-Leather Footwear	2.54	0.93	1.86	2.44	1.86	0.42%
TOTAL	311.21	359.22	296.37	348.13	439.27	100.00%

Source: DGCI&S

Statement showing USA's import, India's export and share

(Value in Mn US\$)

DETAILS	2006	2007	2008	2009	2010
Leather					
USA's global import	823.21	791.75	670.14	444.60	563.86
India's Export to USA	10.71	9.20	7.64	7.70	8.86
% Share of India	1.30%	1.16%	1.14%	1.73%	1.57%
Leather Footwear					
USA's global import	12785.39	12373.90	11971.58	10049.16	11559.03
India's Export to USA	121.01	132.43	158.74	120.88	139.60
% Share of India	0.95%	1.07%	1.33%	1.20%	1.21%
FW Components					
USA's global import	364.05	365.33	398.03	341.13	401.28
India's Export to USA	0.88	1.95	3.36	0.86	0.98
% Share of India	0.24%	0.53%	0.84%	0.25%	0.24%
Leather Garments					
USA's global import	983.34	853.04	641.87	437.24	483.63
India's Export to USA	36.12	27.76	22.20	17.04	21.96
% Share of India	3.67%	3.25%	3.46%	3.90%	4.54%
Leather Goods					
USA's global import	3262.84	3442.41	3461.48	2720.58	3246.51
India's Export to USA	128.12	123.86	155.02	137.97	162.90
% Share of India	3.93%	3.60%	4.48%	5.07%	5.02%
Saddlery & Harness					
USA's global import	338.51	375.22	372.25	312.17	348.40
India's Export to USA	14.89	13.47	11.31	10.06	11.38
% Share of India	4.40%	3.59%	3.04%	3.22%	3.27%

Non Leather Footwear					
USA's global import	7050.54	7665.23	8132.82	7854.97	9971.94
India's Export to USA	5.26	2.54	0.93	1.86	2.44
% Share of India	0.07%	0.03%	0.01%	0.02%	0.02%
Total Import					
USA's global import	25607.88	25866.88	25648.17	22159.85	26574.65
India's Export to USA	316.99	311.21	359.2	296.37	348.13
% Share of India	1.24%	1.20%	1.40%	1.34%	1.31%

The above statistical analysis drives home the point that USA holds tremendous potential for Indian manufacturers to explore and export their produce to the USA. In this context and background, the MAGIC MARKET PLACE, in which 'Sourcing at MAGIC' is part of the overall event, is the most important and suitable marketing platform for Indian manufacturers to showcase their production to the Importers of USA and help enhance the country's market share in the USA.

It is also relevant to point out here that World Shoe Accessories (WSA) is the largest and most comprehensive footwear and related accessories show in the world. Since 1948 it is offering a 360-degree viewpoint of the footwear industry. Its twice-yearly show in Las Vegas pulls in more than 36,000+ participants and nearly 1,000 exhibitors from across the world that represent the cream of the footwear manufacturing industry. WSA is the ultimate must attend market for the multi-billion dollar footwear industry. The Management of MAGIC Market Place informed that WSA show has been brought into the fold of the MAGIC Management and as such, henceforth beginning Aug 2013, WSA would be held as part and one of the sections of the MAGIC Market Place. This means, for Footwear, Leather goods & accessories and leather garments, the MAGIC Market Place will be the one single comprehensive marketing event. Hence, the Council shall have to channelize its efforts to market the Indian products in the MAGIC Fair, and towards this, the CLE shall have to participate regularly in both February and August editions of the Sourcing at MAGIC.

Sourcing at MAGIC - Feb 18-21, 2013 edition

Sourcing at MAGIC featured Apparels, Accessories & Footwear manufacturers, fabric & trim suppliers, technology innovations, print design studios, service providers and trend forecasting. The event saw special showcase of factories, trend forecasting and events highlighting the best resources for footwear and accessories. In the Las Vegas Convention Centre, the Sourcing at MAGIC was held at South Hall, Level 2. The exhibitors were from several countries – prominent being China, India, Colombia, Ethiopia, Japan, Thailand etc. There was a separate section for Duty Free Zone, featuring exhibitors from countries

with free trade agreements. A collection of leading factories from over 40 countries producing apparel for all categories, in which Indian manufacturers from the Apparel Export Promotion Council (AEPC) were present in the event. There were factories offering high quality production and low minimums for small, mid size and large brands. China had more than 50 manufacturers offering shoes, apparel, handbags and accessories for men, women and children.

The Council for Leather Exports (CLE) organized the 'India Pavilion' in the Sourcing at MAGIC under the Market Development Assistance (MDA) scheme of the Government of India. There were 9 manufacturing units of footwear, 1 manufacturing unit for leather goods and accessories and 1 software agency. In all, there were 11 units participating in the India Pavilion, at a combined booth area of 1140 square feet. In addition, the CLE had an information Booth in a booth of 60 square feet space. The List of Participants is given below:

1. Adees Exports, Agra
2. Alpha Systems Pvt Ltd, Chennai
3. Dawar Footwear Industries, Agra
4. Deepak Impex C/o Wasan Exports Pvt Ltd, Agra
5. Excelsior Leathers Pvt Ltd, Kolkata
6. Kapsons Worldwide, Agra
7. Lamba Footwear Industries, Agra
8. Manufex (India), Agra
9. Regency Impex, Faridabad
10. Transworld Shows Pvt Ltd, Agra
11. Vogue N Hyde Pvt Ltd, Kolkata

The Council for Leather Exports (CLE) had an Information Booth in the Sourcing at MAGIC. Mr. A. Fayaz Ahmad, Assistant Director, CLE attended the event and made all the arrangements for organizing the India Pavilion, and interacted with all the participants and stakeholder agencies – fair management, stand constructor firm and other related agencies / individuals.



A view of stands in the CLE Pavilion



Mr. Puran Dawar, Chairman, Dawar Footwear Industries is discussing with Mr. Peter T Mangione, Managing Director, Global Footwear Partnerships LLC, USA





Mr. A. Fayaz Ahmad, Assistant Director-CLE had discussions with Mr. Bob Berg, Director of International Business Development, MAGIC International (Right) and Mr. Prashant Asthana, International Sales-India, MAGIC (Left)



Mr. Puran Dawar, President, AFMEC seen with Mr. A. Fayaz Ahmad, Assistant Director-CLE in the CLE Information Booth

Considering the importance of penetrating into US market, members were very positive of the MAGIC Fair as a platform to showcase our products to the US buyers, and product samples displayed were of high order. The location and placement of India Pavilion was at centre of the Hall, and it attracted good and regular footfalls. India Pavilion was slotted under 'Footwear at sourcing'. The Council's participation in the Sourcing at MAGIC February 2013 edition has resulted in a positive outcome. As per the feedback given by the 11 units, they collectively had total of 107 business meetings with prospective buyers. The participants had transacted immediate business for US \$ 0.76 million, and future business expected is estimated at US \$ 5.25 million

- 107 Business meetings were held by the participants.**
- Immediate business transacted was for US \$ 0.76 million**
- Future business potential expected is for US \$ 5.25 million**

Considering the successful participation, all the 11 participants have given their interest to participate in the Aug 2013 edition of the Sourcing at MAGIC.

The next edition of the Sourcing at MAGIC will be held during August 18-21, 2013. The units interested to participate in this Event are requested to immediately convey their interest to the CLE by e-mail ID: cle@cleindia.com. This will enable the CLE to approach the Fair Organizer early on and book space for the India Pavilion at a very vantage position in the Exhibition Hall.

