

MAGIC Show, Feb. 16-18, 2016 Las Vegas, USA

■ A Report by Sunanda Santappa, Asst. Director, CLE



About the Show - MAGIC – an acronym for the Men's Apparel Guild in California is a 83-year-old Trade Show that draws over 60,000 people to Las Vegas twice a year. Started as a trade exhibition for apparel, it remains the largest apparel show staged in North America; but has over the years evolved as a fashion trade show. The MAGIC Show commenced as a domestic US show for Men's wear before the 1950s, and went international in 1979.

Currently, the MAGIC Show has a display product profile comprising Apparel (of textile, leather, other natural or synthetic material) including casual wear, formal wear, sports wear, swim wear, lingerie etc; Accessories as Handbags, Purses, Belts, Briefcases, Scarves, Head wear, Sunglasses, Costume Jewellery and Footwear for Men, Women and Children. The Sourcing Section commenced in 2003 with a display product profile comprising the "complete supply chain from fibre to finish" for Apparel & Accessories. . In September 2009, the organizers of the MAGIC Show included footwear in the sourcing section. The Sourcing Section is for international companies, which supply to US/other international brands or for Contract Manufacturers. Currently, the MAGIC Show has 3 events for Footwear ie Footwear Sourcing, FN Platform for International Footwear Brands and WSA @ MAGIC for domestic US retailers & importers.

MAGIC comprises 11 concurrent Trade Shows ie PROJECT, THE TENTS, WWDMAGIC, FN PLATFORM, SOURCING AT MAGIC, PROJECT WOMENS, THE COLLECTIVE, POOLTRADESHOW, WSA@MAGIC, PLAYGROUND and CURVENV@MAGIC.

The February edition of the MAGIC show focuses on fashions for the upcoming Fall & Winter season, while the show in August features what will be on store shelves in the following Spring & Summer seasons.

US Market for Leather & Leather Products: USA is the Number One importer of leather & leather products in the world. USA's import of leather & leather products increased from US\$ 22159.83 million in 2009 to US\$ 31565.21 million in 2013, growing at a CAGR of 9.74%. USA accounts for a share of 18.61% in the global leather import trade of US\$ 172.67 billion in 2013.

Out of USA's total leather import trade, the import share of various leather product categories are as under:

Finished Leather	2.17 %
Footwear (leather & non-leather and compts)	81.70%
Leather Garments	0.02 %
Leather Goods & Accessories	14.81%
Saddlery & Harness	1.30%

India – USA Leather Trade - USA is the second largest importer of leather & leather products from India. During 2014-15, USA accounted for a share of 11.83 % in India's total leather products export of US\$ 6494.41 mn. However the first nine months of the current year 2015-16 has seen growth in India's export of all product segments to USA compared to the previous year . In the first 9 months of the current year, USA's share in India's exports has increased to 14.48%, as compared to 11.47% in the corresponding period the previous year.

**USA's import of Leather & Leather Products and India's share
(2009-10 to 2013-14)**

(Value in million US\$)

DETAILS	2009	2010	2011	2012	2013	2014
Leather						
Import	444.58	563.86	584.12	652.84	683.49	
India's Export	7.70	8.86	14.01	13.85	14.33	31.73
% Share of India	1.73%	1.57%	2.40%	2.12%	2.10%	
Leather Footwear						
Import	10049.2	11559.03	11829.03	12252.53	12770.7	
India's Export	120.88	139.60	177.92	222.3	305.51	348.07
% Share of India	1.20%	1.21%	1.50%	1.81%	2.39%	
Footwear Components						
Import	341.13	401.28	404.99	470.31	471.49	
India's Export	0.86	0.98	3.22	3.21	3.86	6.49
% Share of India	0.25%	0.24%	0.80%	0.68%	0.82%	
Leather Garments						
Import	437.24	483.63	485.18	494.17	582.64	
India's Export	17.04	21.96	31.92	42.19	56.33	60.56
% Share of India	3.90%	4.54%	6.58%	8.54%	737.30%	
Leather Goods						
Import	2720.58	3246.51	3862.78	4234.84	4673.83	
India's Export	137.97	162.90	196.83	225.83	259.91	286.48
% Share of India	5.07%	5.02%	5.10%	5.33%	5.56%	
Saddlery & Harness						
Import	312.17	348.40	380.98	408.96	411.28	
India's Export	10.06	11.38	13.77	16.63	26.37	29
% Share of India	3.22%	3.27%	3.61%	4.07%	6.41%	
Non Leather Footwear						
Import	7854.97	9971.94	11416.02	12138.84	12546.8	
India's Export	1.86	2.44	1.88	2.12	2.84	5.73
% Share of India	0.02%	0.02%	0.02%	0.02%	0.02%	
Total						
Import	22159.83	26574.65	28963.10	30652.49	31565.21	
India's Export	296.37	348.12	439.55	526.13	669.15	768.06
% Share of India	1.34%	1.31%	1.52%	1.72%	2.12%	

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

STANDS IN CLE PAVILION





(Value in Mn US\$)

	Apr-Dec. 2014	Apr-Dec. 2015	% Change
Leather	23.51	25.03	6.48%
Leather Footwear	252.08	307.01	21.79%
Footwear Component	5.29	4.02	-23.90%
Leather Garments	49.94	53.51	7.13%
Leather Goods	215.31	230.65	7.13%
Saddlery & Harness	22.46	22.11	-1.55%
Non- Leather Footwear	3.59	3.16	-12.15%
Total	572.18	645.49	12.81%

Source : DGCI&S

An analysis of the above data shows the following trends:-

- USA's import of leather and leather products has increased from US \$ 22159.83 million in the year 2009 to US \$ 31565.21 million in the year 2013, growing at a CAGR of 9.25%
- India's export of leather and leather products has increased from US \$ 296.37 million in the year 2009 to US \$ 768.06 million in the year 2014, growing at a CAGR of 20.98%
- Footwear is the major item of export from India, with an export value of US \$ 305.51 million, out of the total export of US\$ 669.15 million during the year 2013, followed by Leather Goods (US\$ 259.91 million), Leather Garments (US\$ 56.33 million) and Saddlery & Harness US\$ 26.37 million.
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Current Export Trends – Exports to USA during April-Dec 2015 increased by 12.81%, with Leather Footwear Exports seeing robust 21.79% increase, as against sector's overall decline in exports by 10.68% in corresponding period April-October 2014.

Statement showing India's export of leather & leather products to USA during April-December, 2015, and during April-December, 2014, given below:-

CLE's Marketing Activities in the US – The Council has over a decade ago identified USA as a focus market considering the sheer size of the market and the low share or India therein. Towards increasing market share in the US, the Council initiated the Focus US Programme in 2002 under Market Access Initiative Scheme (MAI) funding assistance of Govt of India for a period of about 7 years. The Council has organized member participation in the MAGIC Show and WSA Show on a regular basis. Further, the CLE organized exclusive Buyer-Seller Meet in New York for Leather Garments and Leather Goods & Accessories during January & October 2010, October 2011 & 2012. USA was one of the 5 identified markets for the 'Make in India' programs of the CLE during the current year and was held in New York during November 2015. The Council is also currently implementing a Buyer Outreach Program for member-exporters of Leather Garments & Accessories by engaging a US-based Marketing Consultant. Our sustained presence in the US market, backed by substantial publicity has culminated in an increasing awareness of India's potential among US Buyers and increasing number of Indian Exporters are now becoming sensitized to the requirements of the US market

CLE Participation in MAGIC Show February 2016 edition – The February 2016 edition of the MAGIC Show had 1.1 million square feet of display filling both the Las Vegas Convention Center and the Mandalay Bay Convention Center. CLE participation in the February 2016 edition of the MAGIC Show is a continuation of our sustained marketing efforts in USA, and is partially funded by the Market Access Initiative (MAI) Scheme of the Government of India. There were a total of 23 Member-Companies which participated in the MAGIC Show, August 2015.

CLE Pavilion in three locations as per Display Product – As in the August 2015 edition, the Companies displaying Footwear and the companies displaying Leather Garments & Accessories were in two different locations in the Fair venue ie the Las Vegas Convention Center. Thus the Companies displaying Footwear were located in the Footwear Sourcing Show in 'South Hall' in the Las Vegas Convention Center, while the Companies displaying Leather Garments & Accessories were located in Sourcing @ MAGIC Show in 'North Hall' in Las Vegas Convention Center. One member-company was in the Projects Show, located in the Mandalay Bay Convention Center.

List of Participants & Display Products

Sl.No	Name of the Participants	Place	Booth Number	Category
1	3D Creation	Delhi	61910	Accessories
2	Apex Exports	Delhi	61906	Accessories
3	Apex International	Delhi	61907	Accessories
4	Ayman Tanning Company Pvt Ltd	Kolkata	61909	Accessories
5	Beauty Wear	Delhi	61908	Accessories
6	Bharat Enterprises	New Delhi	62012	Accessories
7	Springfield Leather Pvt Ltd	Kolkata	61911	Accessories
8	Super Tannery Ltd	Kanpur	61904-05	Accessories
9	Alig Tannery	Kanpur	91604a -91605a	Footwear
10	Ahmad International	Kanpur	91705	Footwear
11	Calico Trends	Kanpur	91604	Footwear
12	Gupta H C Overseas (I) P Ltd	Agra	91605-606-607	Footwear
13	IMZA Scm	Chennai	91706	Footwear
14	Kundra International	Agra	91704	Footwear
15	Manufex (India)	Agra	91806 - 91807	Footwear
16	N M Zackriah & Co	Chennai	91707	Footwear
17	Nuova Shoes	Agra	91805	Footwear
18	Pond's Exports Ltd	Chennai	91703	Footwear
19	Pyramid Exports	New Delhi	91803	Footwear
20	Sachdeva Overseas	Agra	91804	Footwear
21	Sakay Overseas	Jalandhar	91603a	Footwear
22	Torpedo Shoes P Ltd	Kanpur	91603	Footwear
23	Torero Corporation Pvt Ltd	Delhi	33200	Project Area
24	Council for Leather Exports	INDIA	61912	Accessories



Post Show Data from Fair Organizer - As per the Show Organizers, there were 1500 factories exhibiting in the Sourcing @ MAGIC and Footwear Sourcing representing a 7% increase as compared to the previous Feb'15 edition. Over 15,600 people visited the Sourcing Shows including 3800 Brands from concurrent Shows at the MAGIC Show walked the floor at Sourcing. The exhibition area also saw an increase of 37% compared to the Feb 2015 edition. The exhibitors in Sourcing were drawn from 32 countries with new entrants to Sourcing including Bolivia, Greece, Ghana and Japan.



Business Results - A total of 23 CLE member-companies participated in this Fair for which MAIS Funding support has been approved by the Dept. of Commerce. Of the remaining 23 Member-Companies, 14 were Footwear Companies which participated in the Footwear Sourcing Show, and 8 were Leather Garments or Leather Goods/ Accessories Companies which participated in the Sourcing at MAGIC Show which was held in the South Hall of the Las Vegas Convention Center. One member-company from Kolkata M/s Torero Corporation participated in the Project Show which was held in the Mandalay Bay at a distance of about 7 kilometers from the Las Vegas Convention Center. Project Show is only for Brands and the member-company is the authorized licensee for a reputed international brand of Accessories.

Footfalls were lower in the Footwear Sourcing Show as compared to the Sourcing at MAGIC Show for Leather Garments & Accessories. However although Footfalls were higher in the Sourcing at MAGIC Show for Accessories; the member-participants stated that most of the buyers who visited them were small retailers. The President of the US Accessories Council Ms Karen Giberson

visited the CLE Pavilion in the Sourcing at MAGIC Show

The total value of business reported is USD 250,000 and additionally in terms of quantity as 160,000 Pairs of Footwear, 10,000 Wallets & 1000 Bags. Participants have stated in their Feedback Form that the US Market has huge potential and our participation should continue with enhanced marketing & publicity. Twenty-one of the 23 participants have stated that they wish to participate again through CLE.

Conclusion - The MAGIC Show is a comprehensive and well-attended trade show and currently the most suitable platform for leather sector products of Footwear, Leather Garments and Leather Goods/Accessories to access the US market. This is also endorsed by the member response as per which over 90% participants have stated that they wish to participate again in the coming edition of the Show with CLE. Besides the Council has been receiving requests from other members too who are keen on participating in the next edition of the Show. USA is keen to diversify away from China and there are excellent opportunities for Indian companies in this large market.

