

CLE Participation in APLF Leather & Materials+, Hong Kong, March 14-16, 2018

- A Report



The Asia Pacific Leather Fair (APLF) Hong Kong is the leading global leather event in Asia, and is in fact the annual meeting point for the international leather fraternity. Indian Exporters have been participating in this fair for decades since its inception in 1984. APLF Fair was earlier termed as the MM&T Fair – Material Manufacturing and Technology Fair, which specialized in displaying Raw Materials, Chemicals & Components used for the manufacture of leather products and footwear. Today APLF “covers the needs of the footwear, leather goods, garment, upholstery and interiors sectors from leathers and synthetics to components and machinery”.

About the Hong Kong Market & Import Potential:

Hong Kong –A leading Global Trading Economy – Hong Kong is among the top 10 Trading Economies of the world. Hong Kong has been a key trading hub considering its strategic location, continuous coastline due to being an island nation, and unique history of having been a British Colony for more than 150 years - upto as recent as 1997.

Re-Exports account for 99% of Hong Kong’s Exports and Domestic Exports accounts for the balance miniscule 1%.

Hong Kong is ranked as the Freest Economy in the World and the most important entrepot to Mainland China, the world’s manufacturing behemoth and Number One exporting country,

Key Trading Hub for Leather Sector Products- Overseas buyers regard Hong Kong as an important supply center for leather products. Because Hong Kong is a transit trade point rather than being a manufacturer country, most of the leather & leather product companies in Hong Kong are not manufacturers but international trade companies. In the Seventies & Eighties Hong Kong leather and importantly footwear manufacturers moved most of their production to China in order to reduce their manufacturing costs with cheaper labor, primarily. At the end of



Source : Trade & Industry Dept, Govt of the Hong Kong SAR

2008, there were only 30 footwear manufacturing companies in the country, while there were totally 3730 trading companies dealing with leather and leather products.

Hong Kong is the 6th largest Global Importer and 5th largest Global Exporter of leather & leather products (2016, ITC Geneva). Total leather sector products trade by Hong Kong in 2016 amounted to US\$ 16 billion. Hong Kong is a venue nonpareil for the Asia Pacific Leather Fair, which also has been on a growth path since being launched over 30 years ago.

Hong Kong Leather Sector Products Exports & Imports

Value in Mn. US\$

PRODUCTS	2012	2013	2014	2015	2016
Finished Leather					
Imports	3075.57	3325.01	2991.65	2403.70	1771.44
Exports	2342.54	2439.18	2360.46	2001.48	1562.19
Leather Footwear					
Imports	3239.95	3088.08	3060.63	2725.94	2166.26
Exports	3443.72	3123.59	2852.44	2455.66	1810.19
Footwear Components					
Imports	277.15	270.73	292.81	293.12	321.2
Exports	334.22	336.07	327.69	338.08	373.67

Leather Garments					
Imports	195.26	213.87	240.65	186.00	133.39
Exports	189.06	225.91	222.06	186.79	144.79
Leather Goods					
Imports	3091.94	3426.38	3720.48	3308.62	2977.29
Exports	3404.75	3415.19	3218.40	2926.09	2698.75
Saddlery & Harness					
Imports	14.49	12.96	15.9	15.41	12.85
Exports	19.92	18.92	21.48	20.97	18.13
Non Leather Footwear					
Imports	1329.4	1253.69	1227.72	1218.66	1071.05
Exports	1404.09	1229.12	1161.12	1122.54	955.16
TOTAL					
Total Imports	11,223.76	11,590.72	11,549.84	10,151.45	8,453.48
Total Exports	11,138.30	10,787.98	10,163.65	9,051.61	7,562.88

Source: ITC/Geneva

During 2016, Hong Kong imports of leather & leather products were to the tune of US\$ 8453.48 Million and the country accounted for a share of around 5% in the global leather import trade of US\$ 180.87 billion. Out of Hong Kong's total leather import trade of US \$ 8454, the import share of various leather product categories in 2016-17 are Finished Leather 21%, Footwear & Footwear Components 37.42%, Leather Garments – 1.58%, Leather Goods 35.37%,

India – Hong Kong Leather Trade: India's export of leather & leather products to Hong Kong is to the tune of US\$ 266.16 million in 2016-17. Presently, India accounts for a share of only around 3.15% in Hong Kong's total leather import trade of US\$ 8.45 billion

Finished Leather is the main item of export, accounting for over 87% of India's leather sector exports to Hong Kong. In line with global trends, Hong Kong's import of Finished Leather has declined at a CAGR of close to 19% in the last 3 years (2013-16). India's Finished Leather Export to Hong Kong has also declined by almost the same percent in this period with exports of Finished Leather to Hong Kong dropping sharply from US\$ 445.27 million in 2013 to US\$ 231.73 million in 2016.

APLF Leather & Materials+

Asia Pacific Leather Fair (APLF) is the world's leading leather trade show where a huge range of leather and components are displayed. Besides the well-established APLF Leather segment, there is also a separate segment named APLF Materials+ to cater to the rising demand for innovations in advanced materials and smart components by the leather goods and sportswear markets. APLF Leather & Materials serves as a Supplier's Fair for the Leather Products, Footwear, Upholstery and Home Furnishings manufacturing industries.

The 34th edition of APLF was held during March 14-16, 2018 at the Hong Kong Convention & Exhibition Centre (HKCEC), which is located at the centre point of Hong Kong Island.

Exhibitor Profile - There were 839 exhibitors from 42 countries and regions exhibiting at APLF Leather

& Materials+. There were 25 Group Pavilions from 21 countries and regions including Bangladesh, Brazil (2), China, Egypt, Ethiopia, France, Germany, Hong Kong, India, Italy (3), Japan, Korea, Mexico, Pakistan, Spain, Sudan, Taiwan, Thailand, Turkey, UK and USA (2). Italy had 3 Group Pavilions in different display sectors and Brazil & USA had 2 each. Italy had the largest participation with 159 Companies and China was in second place with 148 companies. The fair also witnessed 94 first-time exhibitors from 22 countries and regions including Argentina, Brazil, China, Colombia, Egypt, Ethiopia, Germany, Hong Kong, Hungary, India, Indonesia, Italy, Japan, Korea, Mexico, Netherlands, Portugal, Russian Federation, South Africa, Sudan, Thailand and Turkey. The 2018 Edition saw the return of Egypt as a Pavilion, first time presence of 5 Sudanese Companies and the return of Chemical companies, that had stepped away from the event.'

Exhibiting Countries at APLF 2018			
Country/Region	No. of Exhibiting Companies	Country / Region	No. of Exhibiting Companies
Argentina	6	New Zealand	3
Australia	3	Pakistan	43
Bangladesh	7	Paraguay	1
Brazil	43	Philippines	1
China	148	Poland	3
Colombia	5	Portugal	3

Egypt	10	Russian Federation	4
Ethiopia	7	Saudi Arabia	2
France	37	Singapore	4
Georgia (Rep of)	1	South Africa (Rep of)	7
Germany	26	Spain	13
Hong Kong	47	Sudan	5
Hungary	1	Switzerland	2
India	65	Taiwan	15
Indonesia	4	Thailand	24
Italy	159	Turkey	44
Japan	12	UK	12
Korea	28	United Arab Emirates	1
Malaysia	1	USA	29
Mexico	8	Vietnam	1
Netherlands	2	Zimbabwe	2

Notable Industry Association Participations-

The APLF sees a number of National Pavilions with Industry Associations organizing the participation of their members in booths & pavilions of distinct colors and design.

- ACEXPIEL (Spain)
- Assomac Servizi Srl (Italy)
- CICB - Centre for the Brazilian Tanning Industry
- Council for Leather Exports (India)
- French Tanners Association – FFTM
- Pakistan Tanners' Association
- Taiwan Footwear Manufacturers Association (TFMA)
- Istanbul Leather and Leather Products Exporters Association (IDMIB) & Turkish - - - Leather Council
- Leather Industries of America – LIA
- UNIC - Italian Tanners Industry Association
- US Hide Skin & Leather Association
- The German Leather Industry Association (VDL)

Display Products at Fair - The APLF Leather & Materials + showcased various products. The exhibitors profile include Hides & Skins, Semi-

Finished/Crust Leather, Finished Leather, Bonded Materials, Synthetic/Advanced Functional Materials, Woven & Natural Materials, Tanning/Leather Finishing Machinery & Parts, Chemicals/Allied Materials For Tanning, Shoe Components, Machinery, Tools & Supplies, Fashion Hardware & Accessories, Advanced Fashion Technologies And Services.

In APLF Leather & Materials+, percentage of the Exhibiting Companies by product sector is as below:

S.No.	Product Sector	Percentage of Exhibiting Companies
1.	Finished Leather	48.7%
2.	Semi-Finished /Crust Leather	8.0%
3.	Bonded / Synthetic / Advanced Functional Materials /Woven & Natural Materials	8.0%
4.	Tanning / Leather Finishing Machinery & Parts / Leathercraft Machines / Tools / Supplies	7.3%
5.	Hides & Skins	7.0%
6.	Chemicals / Allied Materials for Tanning	6.4%
7.	Services – Testing / Inspection / Certification / Trade Publication and Association	6.1%
8.	Shoe Components / Fashion Hardware & Accessories	5.7%
9.	Manufacturing Supplies/Machinery, Tools & Supplies	2.8%
	TOTAL	100%

Visitor's profile includes the following:

- Traders of Hides & Skins
- Importer / Distributor / Wholesaler of Leather, Materials and Components
- Buying Office / Sourcing Agents of Leather, Materials and Components
- Manufacturer with Own Factory of Leather, Materials and Components
- Manufacturer with Own Factory of Fashion Accessories
- Manufacturer of Car Interiors / Leather Furniture
- CAD CAM System / Business Solutions / Testing & Consulting

Many sourcing professionals from well-known brands were present in Materials+ including : Asos, Adidas, Armani, Burberry, Charles & Keith, Chloe, Clarks, Dr. Martens, FILA, Gucci, GAP, H&M, Levis, Li & Fung, New Balance, TBS Group, TUMI, Under Armour, VF Corporation, Wolverine.

Inaugural Press Conference - Highlights

A Press Conference on APLF Leather & Materials+, Fashion Access and Cashmere World was held at the beginning of the Fair on Day 1 i.e. 14th March 2018. Mr. Michael Duck,

Director, APLF Ltd in his welcome address stated that the leather industry despite good demand from the upholstery and automotive sectors has still yet to recover the full market share it lost from 2015 onwards as synthetics were preferred by designers and manufacturers after leather priced itself out of the market culminating in autumn 2014.

He announced that this year APLF Leather & Materials+ would be joined by the return of Cashmere World, where Cashmere & other fine fibers would be displayed; whose previous edition was in September 2016.

He informed that for the fourth edition of the Global Footwear Retail Conference (GFRC), APLF has collaborated with the Footwear Distributors & Retailers of America (FDRA) to organize a programme that will project the future of footwear retail and the changes it is undergoing.

Dr. Arkebe Oqubay, Minister and Special Adviser to the Prime Minister of Ethiopia gave a key note address on the leather industry in Ethiopia.

Mr. Rafael Andrade, Spokesperson of CSCB-Brazilian Leather Certification of Sustainability and Ms. Sabrina Frontini, Director, ICEC – the Italian Quality Certification Institute for the Leather Sector briefed on the Agreement on Sustainability between Brazil and Italy.

Mr. Yves Morin, President, UITIC, highlighted latest developments on the 20th UITIC Congress Press Conference.

CLE Participation in APLF Leather & Materials+ Fair

CLE Pavilion -The Council has been organizing group participation in the APLF Fair since many years. The CLE Indian Pavilion at APLF 2018 comprised a large scale participation of 61 Member-Companies with the overwhelming majority ie 59 Companies displayed Finished Leather, 1 company exhibited Chemicals and 1 Textile Materials.

List of Participants in APLF Leather & Materials+, March 14-16, 2018

S.No.	Name of the Company	Region
1.	AJY Tech India Pvt. Ltd	Gujarat
2.	Abdullah Tannery Pvt. Ltd	Kanpur
3.	Acme Tanning Industries	Kanpur
4.	AFI Tannery	Vaniyambadi
5.	Alina Pvt Ltd	Chennai
6.	Allied Exims	Kanpur
7.	Allied Leather Finishers Pvt. Ltd	Kanpur
8.	Amulya Leather Impex	Chennai
9.	AMZ International	Chennai
10.	Axa Leather Group	Vaniyambadi
11.	Ayesha Exports Inc	Chennai
12.	Blue Diamond Leders	Chennai
13.	E.K.Hajee Mohamed Meera Sahib & Sons	Chennai
14.	Enayat Overseas	Kanpur
15.	Excel Exims	Kanpur
16.	Faizan Tanning Industries	Chennai
17.	G Abdul Raman & Co	Chennai
18.	G G Organics Exports Pvt Ltd	Chennai
19.	Gauri Tanners	Kanpur
20.	General Prime Tanners	Chennai
21.	H. Jeelani Leathers	Ranipet
22.	Habib Leather Venture	Kanpur
23.	Harsha Impex	Chennai
24.	Hidea Leather Works	Chennai
25.	Homera Tanning Industries Pvt Ltd	Kanpur
26.	Jama Corporation Pvt Ltd	Kanpur
27.	Karamat Tanning Industries	Kanpur
28.	K G Leathers	Kanpur
29.	Kohinoor Leather Company	Chennai
30.	M.F. Leather Goods Mfg. Co.	Lucknow
31.	Mega Leathers	Ranipet
32.	Middle East Tanning Company	Chennai
33.	Mirza International Ltd	Kanpur
34.	MMK	Chennai
35.	Model Exims	Kanpur
36.	Model Exims (India) Pvt. Ltd.	Kanpur
37.	Model Tanners	Kanpur
38.	Nadeem Leatherware Exports	Chennai
39.	Navratan Industries	Kanpur
40.	Northern Tanners	Kanpur
41.	Nuha Leather	Vellore
42.	Omega International	Kanpur
43.	Pacific Leather Finishers	Kanpur
44.	Richmark International	Ranipet

INTERNATIONAL

45.	Ruksh International	Kanpur
46.	Saba Exports	Kanpur
47.	Shalimar Tanning Company	Chennai
48.	Shine Leather Finishes	Kanpur
49.	Srimani Silpayan (I) Pvt Ltd	Kolkata
50.	Star Exports	Chennai
51.	Star Tanning Industries	Kanpur
52.	Sunrise Tannery	Kanpur
53.	Superhouse Ltd	Kanpur
54.	Super Tannery Ltd	Kanpur
55.	Suriya Leathers	Chennai
56.	T M Abdul Rahman & Sons	Chennai
57.	The Constructions & Industries Pvt. Ltd (Shewan Tannery)	Kanpur
58.	Tulsyan Impex Pvt. Ltd	Kolkata
59.	Unique Exports	Kanpur
60.	Venture Leather (India) Co.	Chennai
61.	Zain International	Kanpur

The Council has sought to enhance the stand design, mainly by focusing on improved & attractive fascia for India country branding. The Council had gone in for On-Site Branding in the Exhibition Halls by way of

Hanging Banners to highlight the CLE India Pavilion in the Hall. The India Brand Equity Foundation (IBEF) had advertised the CLE Indian Participation in local papers in Hong Kong.

The Visitors/Buyers Footfall on Day 1 of the Fair began with an encouraging note, for most of the CLE Stands too it was good, and the members expressed satisfaction with the visitor turnout. Days 2 & 3 of the Fair had fairly good traffic and members with whom we had made inquiries also reported good number of visitors with a couple of Members saying Business Visitors were more than the General Crowd, and that this was a positive development.]

Outcome – Member-Participants have reported booking Spot Orders of value US\$ 3.95 Million and Future Orders of value US\$ 12.91 Million over the 3 day period. A total of 1022 Business Meetings were held by the 61 Participants in the CLE Pavilion with a few companies reporting even 50 meetings or more. Three Companies have reported negotiations for Joint Ventures consequent to meetings at the Fair.

Some participants have informed that the participation in this fair has facilitated establishment of business

Snapshots of the Indian Pavilion



contact with not only customers in China and Far East but also from several other global markets Majority of the participants have reported in the Feedback Form that the response from visitors was positive, the fair was good for them and that they will participate again the next year.

Best of APLF Awards (BOAA) 2018

CLE Member Companies Win in two Categories!!

The first Best of APLF Awards (BOAA) was held in March 2004 to mark the 20th anniversary of APLF fair. The organisers saw the need to raise the bar for all exhibitors by creating an awards program that would encourage the pursuit of excellence in design and quality. The winners of the Best of APLF Awards (BOAA) 2018 were announced during BOAA & Design-A-Bag Awards and Cocktail Party in the evening of 15 March 2018 during APLF fairs. There were a total of 12 winners with 5 Fashion Access exhibits and 8 APLF Leather & Materials+ exhibits

Best Fabric Collection

Company: AJY Textile Mills, Surat



Description: AJY Textiles take jacquards up another level with a high-end collection that offers a wide range of patterns, prints and colours suitable for upholstery and bags

Best Fashion Leather Collection

Company: AXA Leather Group, Vaniyambadi

Description: AXA has presented a wide yet cohesive range of leathers that are ideal for various fashion applications. Particular mention is given to their "woven" line of colorful and graphic leathers.

CLE Information Booth - Council for Leather Exports co-ordinated the participation of its member-exporters



and organized Council's information booth for dissemination of Indian leather industry information. CLE's publication i.e. Members Directory, Leather News India, Exhibitors Profile Booklet and other necessary information were provided to buyers, visitors and government officials who visited the stall.

Ms. Sunanda Santappa, Deputy Director; Mr. Atul Kumar Mishra, Regional Director, CLE, New Delhi; and Ms. S. Poonguzhali, Asst Director, CLE, Chennai were present at CLE's information booth during the fair to coordinate with members and attend to inquiries received at the Council's booth.

Snapshots of the Indian Pavilion



CLE Officials at Council for Leather Exports booth along with visitors



Conclusion

APLF has firmly established itself as a much looked forward to annual event for the global leather industry, and a vital buying platform for fashion professionals. For CLE too this is a

key international fair which sees a lot of interest from members seeking to participate or visit. The 2018 editions has been well-received, with members responding positively in their post event appraisals. Many members have

highlighted that the APLF is a very good platform to meet a number of customers from across the world and have expressed interest in participating in the next edition too in the CLE Pavilion.

