

MoU signed for footwear/leather cluster in Punjab

The signing of a Memorandum of Understanding (MoU) for the formation of a footwear/leather cluster in the Pakistani province of Punjab was the highlight of a three-day seminar organised by the Footwear Manufacturers Association's (PFMA).

The event at the Lahore International Expo Centre was the result of a collaboration between the PFMA, the United Nations Industrial Development Organisation (UNIDO) and the Small and Medium Enterprise Development Authority (SMEDA). The Punjab Board of Investment and Trade (PBIT), the Italian Agency for Development Cooperation and the Italian Embassy in Islamabad were also partners for the event.

The key purpose of the seminar was to promote investment in the region's leather, footwear and accessories sector. Wasim Zakaria, PFMA president, said that the aim is to introduce new technology, best practices and global industry benchmarks in order to improve the existing infrastructures and create new industrial units in the country.

The MoU was signed by the PBIT and the InterConnect and Faisalabad Industrial Estate Development and Management Company (FIEDMC) and sets aside seventy acres of land on which the cluster will be built. Mr Zakaria said that he hoped the establishment of the cluster would stimulate the creation of new factories to serve the leather sector. This will add value to leather exports and boost the economic output of the sector, he added.

SATRA membership hits an eight-year high

The number of companies around the world taking up formal membership of research and testing organisation SATRA rose to an eight-year high in 2015, including a 3% increase on the previous year.

Chief executive, Austin Simmons, said on announcing the figures: “The recession in 2007 saw many of our members experience significant difficulties and a number even went out of business. Since then our membership has gradually recovered, increasing year on year. During 2015 we had, numerically and financially, the best year we have had for members for almost ten years.”

SATRA members comprise material and component suppliers, distributors, sourcing companies, retailers and end users, as well as manufacturers throughout the footwear and leathersgoods supply chain. More than one-quarter of SATRA members today are from China or a neighbouring country.

China still has an 80% share of shoe exports to US

Footwear imports into the US in the first quarter of 2015 reached 713.1 million pairs in volume and \$6.7 billion in value, growth of 8.7% in volume and 8.5% in value compared to the same quarter last year.

According to analysis carried out for the China Leather Industry Association by Peter Mangione of Washington DC-based consultancy Global Footwear Partnerships, China's shoe shipments to the US went up by 6.9% in volume and by 5.5% in value compared to the same quarter in 2014, reaching 570.1 million pairs and \$4.4 billion.

Increases for Vietnam were sharper, at 19.6% in volume and 22.9% in value, reaching a volume for the quarter of 78.2 million pairs and a value of \$982.2 million. Mr Mangione said that producers of sports and outdoor shoes are continuing to move production from China to Vietnam.

He said there was also strong growth, albeit from small volumes the year before, in exports to the US from Cambodia, India, Bangladesh, Nicaragua, and the Dominican Republic, with leather shoes predominating in shipments from all these countries (with the exception of Cambodia). These five countries recorded volume growth figures of 69.2%, 27.1%, 34.9%, 220.6%, and 18.2% respectively. They shipped volumes of 6.6 million, 6.1 million, 0.8 million, 0.5 million and 2.5 million pairs respectively.

Shipments fell from Italy, Mexico, Brazil, Ethiopia, and Thailand, "all of which seem to have lost leather shoe sales to the previous group", Mr Mangione said. These countries recorded declines of, respectively, 2.8%, 2.6%, 8.1%, 33.5% and 14.1%, with volumes of 4.7 million, 3.8 million, 3.7 million, 0.4 million and 1.7 million pairs.

Big fall in China's footwear export revenues in first two months

Chinese customs authorities have said footwear manufacturers in the country brought in just over \$8 billion in shoe exports in the first two months of 2016.

This figure represents a decline of 17.3% compared to the first two months of 2015.

The China Leather Industry Association said on reporting the figures that the fall in export values was because rising labour costs and sluggish demand in export markets

World Footwear contributor joins UITIC committee

The International Union of Shoe Industry Technicians (UITIC) has named its new executive committee, led by CTC president Yves Morin from France.

The vice-president is Leandro de Melo from Portugal while Miguel Angel Martinez from Spain has been appointed treasurer.

Joining the committee will be Sergio Dulio, a regular contributor to World Footwear.

The other members are Ricardo Guerra Sanchez (Mexico), VB Parvatikar (India), Andreas Tepest, (Germany), Uwe Thamm (Germany), Abdessatar Toumi (Tunisia), William Wong (Hong Kong) and Li Yuzhong (China).

The 20th UITIC Congress will take place in Portugal in spring 2018.

Top ten footwear groups, names and numbers

The ten biggest footwear groups in the world (meaning companies that clearly have footwear as their sole or main business) recorded a combined figure of €26.7 billion in revenues in 2015. The figures have been compiled by a specialist online media organisation in Spain, Modaes.

Converting all revenue figures into euro, its report gives total group revenues for last year (noting that in some cases companies' year-end dates extend into the first months of 2016). Group revenue often includes figures for sales on non-footwear items. In many cases, the companies concerned make public few or no details about the volumes of shoes they make and sell. Nevertheless, the information gives a clear top-ten list of the major players in the global footwear industry of today.

Top spot goes to Belle International, the Hong Kong-based group that runs more than 20,000 footwear stores across China. Its revenues in 2015 were equivalent to almost €5.4 billion. German group Deichmann comes a close second with a figure of €5.3 billion. These two are very clear leaders, with revenue figures that are close to double those of their nearest rivals.

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Company	Country	2015 revenues (€ billions)
Belle International	Hong Kong	5.4
Deichmann	Germany	5.3
Skechers	US	2.8
Payless Shoesource	US	2.5
Wolverine Worldwide	US	2.4
Caleres (Brown Shoe)	US	2.3
Clarks	UK	1.9
Deckers	US	1.6
Ecco	Denmark	1.3
Steve Madden	US	1.2

Expo Riva Schuh shows up two important changes

The eighty-sixth edition of the Expo Riva Schuh exhibition attracted just over 11,000 visitors, 16% fewer than when the event last took place, in January 2016. There were 1,438 exhibitors.

On the concluding day of the show, June 15, organiser Riva del Garda Fierecongressi said it had detected considerable change at this edition. Company president, Roberto Pellegini, said he had been left with the clear impression that the international footwear sector is changing. “We have seen new kinds of visitors, for example from large fast fashion chains that started off in clothing and are now looking at the footwear sector,” he explained.

He and his colleagues have also observed a move among some high-end brands to introduce mid-level collections too, offering shoes at a lower cost than their main collections

Assocal releases Micam 2016 dates early

Assocalzaturifici has announced the dates for the first edition of the Micam exhibition in 2016. The first Micam of next year will take place from February 14 to 17 in Milan.

“We have chosen to confirm the February slot,” said Cleto Sagripanti, president of Assocalzaturifici, on making the announcement, “continuing with our strategy of early disclosure of dates, which we believe is a means of reinforcing Micam’s importance in the international marketplace. This takes into account the needs of both buyers and manufacturers.”

Micam’s second edition of 2015 will take place from September 1-4.

First batch of recycled plastic shoe available

The adidas x Parley running shoe, made from recycled plastic waste and fishing nets retrieved from the ocean, is to be made available in a limited edition run of 50 pairs. The low quantity is due to the difficulty in spinning plastic ocean waste into high-performance fibres.

The shoe, the prototype of which was launched in July 2015, is the result of the German manufacturer's collaboration with ocean conservation organisation Parley for the Oceans and the launch was timed to coincide with World Oceans Day on June 8.



The shoe's upper is made entirely from recycled plastic. Each upper contains approximately 16.5 old bottles and 13g of plastic from gill nets. The shoe uses two kinds of recycled materials: PET from the water bottles and nylon from the nets. The only virgin material in the footwear is the thermoplastic polyurethane in the foam sole.

The shoes will not be sold, rather adidas has asked those who wish to own one of the 50 pairs to post a video on social media site Instagram demonstrating their commitment to stop using single-use plastic items. Winners will then be chosen by the company.