

India and Vietnam to strengthen cooperation in the footwear industry

M. Rafeeqe Ahmed, Chairman of the Council for Leather Exports (CLE), has underlined the mutual benefits of a stronger partnership between the two nations. During a meeting between Vietnamese shoe companies and Indian leather producers held in Ho Chi Minh City, the CLE chairman highlighted that by working together, Vietnamese and Indian companies will be able to enhance the international competitiveness in terms of productivity, design, and best practice manufacturing.

Cooperation between the two nations is already being developed, namely through the commitment of India's Central Leather Research Institute and the Vietnamese Leather and Shoe Research Institute to work together with a focus on cleaner technology options and improved effluent treatment technology.

M. Rafeeqe Ahmed underlined the opportunities lying in India's domestic market as currently the domestic Indian market for footwear is estimated to be worth about 6.5 billion US dollars and expected to reach 12 billion US dollars by 2020.

India's CLE achieves membership growth

India's Council for Leather Exports (CLE) has reported an increase in its membership.

At the end of May 2016, the organisation had a total of 3,630 member companies from all parts of India. This is 3.5% more than the figure for May 2015.

In terms of regions, the southern region has the most members with 1,107, followed by the northern region with 960, the eastern region with 714, the central region with 683 and the western region with 166.

BATA REJIGS ROADMAP, MULLS GROWTH FROM EXISTING STORES

The company has changed its strategy of opening 100 plus stores every year. It is now concentrating more on achieving same store growth," Bata India chairman Uday Khanna said during the company's 83rd annual general meeting. THE TIMES OF INDIA NEWS SERVICE | Aug 05, 2016, 09.10 AM IST

Gopalakrishnan said the footwear maker aimed to have 200-300 franchise-based stores in tier-III and tier-IV cities and rural areas in the next couple of years. Kolkata: Footwear major Bata has changed its plan to boost sales and achieve greater operational efficiency. Changing its strategy of opening 100 stores every year, it is now concentrating on growth from existing outlets.

"The company has changed its strategy of opening 100 plus stores every year. It is now concentrating more on achieving same store growth," Bata India chairman Uday Khanna said during the company's 83rd annual general meeting. The footwear giant plans to install online kiosks in some of its major retail stores for ease and convenience of the consumers, while it will focus on franchise model for better market penetration into tier-III, tier-IV cities and other rural areas.

While responding to the queries of shareholders, Khanna said his company added only 26 new retail stores during the last financial year. "We used to open 100 stores a year and going forward we will be opening 50-60 stores in a year. We are looking at opening franchise-based stores," said company's managing director and president (South Asia), Rajeev Gopalakrishnan.

Gopalakrishnan said the footwear maker aimed to have 200-300 franchise-based stores in tier-III and tier-IV cities and rural areas in the next couple of years. "We will have to develop a separate kind of product line to cater these markets," he said.

Bata said it will invest Rs 20-25 crore in the next one-and-half to two years time for modernisation of Batanagar factory, situated 18 km south of Kolkata. In addition, the company will also spend Rs 50 crore for its retail operation. "All these put together, a total of Rs 80-100 crore will be invested in a year," Gopalakrishnan added.

WOODLAND EYES 15% GROWTH IN 2016-17

"Last year, the business turnover was around Rs 1,100 crore. We are constantly growing between 10-15 per cent every year and this year also we aim 10-15 per cent growth in our business," said Harkirat Singh. IANS | Aug 10, 2016, 11.30 AM IST

Bhubaneswar: Woodland, country's leading outdoor apparel and shoe manufacturer, aims 15 per cent growth in the current financial year 2016-17.

"Last year, the business turnover was around Rs 1,100 crore. We are constantly growing between 10-15 per cent every year and this year also we aim 10-15 per cent growth in our business," said Harkirat Singh, Managing Director of Woodland.

He said the company is looking at expanding the business in the coming years.

On the e-commerce front, the firm has transacted 10-12 per cent growth.

On the international business, Singh said Woodland has stores in Hong Kong and is having good growth in the Middle East and the Commonwealth of Independent States (former Soviet Union states)) with 15 per cent revenue coming from exports.

He said the company is planning to expand its market in Odisha by opening three more stores in the coming years.

The stores are to be opened at Jajpur, Berhampur, and Puri. At present, Woodland has five stores in Odisha, and the total turnover of the company is about Rs 25-30 crore in the state.

INDIA TO REQUIRE 5 BILLION PAIRS OF SHOES BY 2020

The Indian government says that the country will need 5 billion pairs of shoes by 2020, more than double the present 2.3 billion per year. A government statement was released ahead of the second edition of the India International Footwear Fair (IIFF), which took place from August 5 to 7 in New Delhi.

The projection follows on from the words of Naresh Bhasin, chairman for the western region of India's Council for Leather Exports (CLE), who said in February at the nineteenth UITIC Congress that the country would be able to double its footwear consumption if men bought one extra pair of shoes per year and women bought two more.

Growth in India's GDP could see his prediction exceeded and meet the government's estimation. The International Monetary Fund estimates that GDP in the country will increase by 7.4% during both the current and next financial years. Ratings agency S&P forecast 8% growth in both periods.

The IIFF was organised by the Indian Trade Promotion Organisation and the Confederation of Indian Footwear Industries and was inaugurated by finance minister Arun Jaitley. It saw the attendance of 263 companies, 103 of which were from overseas.

Spanish shoe companies to target Australian market

The shoe industry in Valencia has identified Australia as a promising export market. Sales of Spanish shoes in Australia have a value of around €17 million per year at the moment, but industry body Avelal has said it feels sure there is considerable potential for growing this figure.

In recent comments, Avelal said that although Australia has a population of 24 million people, it imports 75% of the footwear its consumers buy. It pointed out that economic growth is good in Australia, running at around 3% per annum, and that shopper there like European products.

Specific to footwear, its research suggests Australian consumers are looking for good-quality shoes with high levels of design content, which Avelal is confident manufacturers in the Valencia region can supply, addressing the women's, men's and children's shoe sectors in Australia.

Children's market leads growth in US footwear sales

Data from specialist market research organisation NPD Group shows that US footwear sales grew 5% in June to \$2.6 billion.

The group said that fashion sneakers were the “overwhelming driver” for the fashion and leisure footwear market in recent months. Higher temperatures in June also saw an increase in sales of sandals

Children's footwear led the way, as sales increased 17% year-on-year to \$344 million. Sales of men's footwear rose 6% to \$1.1 billion and there was a 2% increase in the sales of women's footwear to \$1.2 billion.

The report said that June was an “outstanding” month for athletic footwear and there was a solid increase in the sales of running shoes, especially within the men's and children's markets. Sales of casual athletic footwear also grew.

Low visitor numbers at GDS spark consultation on “optimisation”

The summer edition of the GDS exhibition in Düsseldorf closed on July 28 with organiser Messe Düsseldorf saying around 12,500 visitors had attended to see the spring-summer 2017 footwear and accessory collections of 920 brands.

For the first time, GDS ran from Tuesday-Thursday; organisers explained that they hoped footwear retailers would be encouraged by this to travel to Düsseldorf to take part because they would be able to do so without missing one of their most important sales days, Friday.

But Werner Matthias Dornscheidt, chief executive of Messe Düsseldorf said at the end of the show

“Neither the sector nor we can be satisfied with this visitor attendance. We have decided to start consultations about the optimisation of GDS together with industry and retail over the next few weeks.

He gave no more detail.

GDS director, Kirstin Deutmoser, said she and her team had worked hard to make sure the shoes and accessories on show and the services available to visitors were as up to date as possible. She added: “In challenging times, new impulses are key for the sector.”

WORLDWIDE FOOTWEAR PRODUCTION REACHED 23.0 BILLION PAIRS IN 2015

According to the latest edition of the World Footwear Yearbook this represents a slight decrease of 0.4% from the previous year. The World Footwear project, developed by APICCAPS, the Portuguese Footwear, Components and Leather Goods Manufacturers' Association, in partnership with GDS presented the fifth edition of its Yearbook at the GDS trade fair last week.

The World Footwear Yearbook offers a comprehensive picture of the footwear industry worldwide, focusing on the main trends at international trade, consumption and production. Global information is enriched by dozens of individual country profiles, with 79 territories under analysis.

According to the World Footwear in 2015 the worldwide production of footwear reached 23.0 billion pairs, a slight decrease of 0.4% from the previous year. Apart from a decrease registered in in 2009, during the financial crisis, this is the first time in decades that footwear production levels decline.

At continental level, the geographical structure of the industry remains broadly unchanged from previous years. With 87% of world production, Asia is the hub of the footwear industry, with 7 out of the 10 main footwear producers.

At country level, China is the indisputable leader, producing almost 6 out of every 10 pairs of shoes sold in the world. China's share in the world production has increased in a sustained way in the last few decades, and has peaked in 2013. However, in the last 2 years the country has lost quota in the world production and is back to the share levels of 2010.

Asia continues to increase its lead as the largest footwear-consuming continent, as its share of consumption (53%) matches its share of the world population (60%). At country level, China is the largest footwear market, buying almost one out of every five pairs of shoes sold worldwide.