

## BLLISS 2017

### Bangladesh, the next sourcing destination

"Think Ahead, Think Bangladesh". This the theme chosen for the maiden edition of BLLISS – Bangladesh Leather Footwear and Leathergoods International Sourcing Show –, held from November 16th to 18th, 2017, at the International Convention City Bashundhara, Dhaka and organized thanks to the joint efforts of the Ministry of Commerce and of the Leather Goods and Footwear Manufacturers and Exporters Association of Bangladesh (LFMEAB): the final result was the launch of a platform specifically conceived to showcase the quality, creativity and competitiveness of Bangladeshi fashion and leather sectors. In her opening speech for the inauguration of the exhibition, the Prime Minister Sheikh Hasina once again stated the strategic role played by leather and its allied industries (including footwear and leatherware) in the growth of the national GDP, in the export turnover as well as in the achievement of the goals set by the "Vision 2021" project. 7 pavilions and 25 stands were arranged to put on display collections and creations – including shoes for men, women and children, bags, leather goods and accessories – manufactured by renowned local manufacturers: international dignitaries and buyers, including representatives of foreign industry associations, proceeding from more than 20 countries and regions answered the call and attended the show.

The programme of the event comprised also an interesting line-up of fringe activities, both on-site and outdoor initiatives, including seminars, networking dinners and factory visits. A special mention to the three Breakout sessions focused on the analysis of key industry issues and trends: as in the case of the third panel talk entitled "Prospects of Athletic Footwear Export for Bangladesh", dealing with the export and development opportunities entailed by the growing worldwide success of athleisure and sneakers collections.

BLLISS has been conceived to be a powerful tool for the promotion of domestic manufacturing as well as an effective gateway to a strategically located, fast-growing market. The ultimate goal pursued by the organizers is to firmly position Bangladesh in the global supply chain of leather goods and footwear, in order to arouse the interest of foreign investors on the lookout for fruitful business and sourcing opportunities: a significant initiative that, on the one hand, gives to the national leatherware and footwear industries the chance to show their quality, capacity and compliance in front of an international qualified audience, while, on the other, it manages to put in the limelight Bangladesh itself, its emerging economy and its full development potential.

The maiden edition of BLLISS was held concurrently with Leathertech, the 5th International Leather & Footwear, Machinery, Components, Chemicals & Accessories Tradeshow of Bangladesh: this peculiar scheduling aimed at effectively promoting cross-boundary integration between the upstream and downstream sectors of the leather supply chain, while putting at the buyers' disposal a comprehensive quality product portfolio. [www.bliss.net](http://www.bliss.net)

### Factory visits: Apex Footwear Limited and Picard Bangladesh Limited

One of the highlights of the programme of activities arranged by BLLISS' organizers was undoubtedly the chance given to the attending buyers, professionals and dignitaries to visit two of the most renowned Bangladeshi footwear and leatherware companies: Apex Footwear Limited and Picard Bangladesh Limited. The first one, located in Gazipur, is at the forefront in terms environmental safeguard and sustainability: as a matter of fact, in addition to the investments in eco-friendly production processes and modern facilities, Apex has become the first LWG (Leather Working Group) gold-rated tannery in Bangladesh as well as the first company to implement an Effluent Treatment Plant technology. Equally important is the corporate commitment in terms of CSR (Corporate Social Responsibility) initiatives, with a keen eye for the protection of the workers' rights and welfare as well as for occupational safety. Boasting an annual capacity amounting to 5.5 million pairs, Apex launches on the market a wide range of creations developed by its highly praised Product Development Center, able to provide fashionable solutions in line with the latest market trends. On the other hand, Picard Bangladesh Limited is a Bangladeshi-German joint venture specialized in mid to high-end leather goods for international brands: it skillfully combines the technical expertise of German manufacturing with the advantages entailed by an ample availability of raw materials and competitive labour costs guaranteed by Bangladesh. An excellent price/quality ration, a dedicated team of qualified professionals and a remarkable production capacity have allowed the firm to achieve a prestigious position in the industry. The production plant based in Boro Rangamatia is fully compliant with the international safety standards and regulations, as confirmed by the several audit certifications awarded to the company over the years.

[www.apexfootwearltd.com](http://www.apexfootwearltd.com) [www.picarbd.com](http://www.picarbd.com)



Renowned local manufacturers showcased their latest footwear and leatherware collections at BLLISS



Apex Footwear Limited is one Bangladesh's most renowned footwear manufacturers, always at the forefront in terms of environmental safeguard and sustainability.



Md. Saiful Islam, President of the Leathergoods & Footwear Manufacturers & Exporters Association of Bangladesh (LFMEAB)



The modern International Convention City Bashundhara hosted the maiden edition of BLLISS

### 36th International Footwear Conference

In acknowledgement of Bangladesh's growing importance in the supply chain map of leather goods and footwear exports, Dhaka was chosen to host the 36th edition of the International Footwear Conference, the annual event organized by CIFA (Confederation of International Footwear Associations) with the support of the LFMEAB. Held at the Westin Dhaka Hotel from November 14th to 16th, 2017, the three-day conference took place at the sidelines of the maiden edition of the BLLISS exhibition and brought together the representatives of the leading industry associations and institutions proceeding from the CIFA member countries and regions – Bangladesh, China, Hong Kong, India, Indonesia, Japan, South Korea, Malaysia, the Philippines, Taiwan, Thailand and Vietnam. The second day of the Conference was dedicated to the presentation of the reports concerning the status of the footwear industry in each national context, while sharing information about plans for future action and initiatives aimed at boosting the sector's competitiveness; visits to the BLLISS and Leathertech exhibitions were organized on the third day. M.P. Tofail Ahmed, Minister of Commerce of the People's Republic of Bangladesh, was one of the special guests of the event, together with Frank Z. Kung, CIFA Secretary General; experts from leading footwear markets attended the conference as well, providing their insight on the most topical industry issues – such as technology, sustainability, export dynamics, trade finance – as well as on the main market trends.

### "Fundamentals of USA market in shoes"

On the occasion of the maiden edition of the BLLISS exhibition, Peter Mangione, renowned industry professional and Managing Director of Global Footwear Partnerships LLC – Peter Mangione Associates – United States, held a seminar entitled "Fundamentals of USA market in shoes": main goal of the conference was to explain the distinctive traits of the US footwear market as well as to present the most effective strategies and tools that emerging economies like Bangladesh can use to build up a successful cooperation. Top retailers and companies account for a 63% share of the US shoe market: therefore, they are the best partners for all the foreign manufacturers interested in selling their products in the USA. Special attention must be paid to trends analysis: the decrease registered by the leather footwear sector has been counterbalanced by the outstanding growth in the sales of women's shoes and, most of all, of casual, athletic-oriented collections. Millennials, their growing purchase power and influence have played a key role in the success of athleisure fashion, now acknowledged as the main driving force shaping the US footwear market. As far as material are concerned, fabric, plastic and synthetic are progressively replacing leather.

The Bangladeshi companies interested in approaching this highly strategic market must take into account the following requirements: competitive prices and lead time, quality, social responsibility (focus on environmental safeguard, occupational safety, healthcare system for the workers), product development, factory capacity, focus on export, and economically solid performances. At the same time, it is deemed imperative to pay close attention to the competitors, starting with India, Vietnam and, above all, China – the world's largest footwear manufacturer that, after a slowdown in export in 2015-2016, is now coming back to the top, boasting a highly competitive lead time and supply chain able to fulfill its growing domestic demand. Relying on a highly competitive labour cost and tax advantages, Bangladeshi companies must invest in the upgrading of facilities, technologies infrastructures as well as strive to diversify their production so as to better meet the needs of the US market.

### The Bangladeshi leather industry: future prospects

Named by the Prime Minister Sheikh Hasina "Product of the Year – 2017", leather and its allied industries – mainly footwear and leatherware – earned approximately US\$ 1.3 billion in terms of export revenues in the fiscal year 2016-2017, thus strengthening its position as the country's second largest export-oriented sector. Upon realizing the huge potential for further growth and development of the leather and leather products branches, the Bangladeshi Government has chosen to implement long-term support measures and initiatives aimed at fostering the industry's competitiveness both nationwide and on the global markets. A strong commitment confirmed by the decision to open two more leather clusters in Rajshahi and Chittagong, in addition to the one located in Savar: these facilities will be equipped with environment-friendly technologies and processes, thus actively contributing to the sustainable growth of the sector. Being a labour intensive manufacturing field that provides many employment opportunities, and due to its significant contribution to the national GDP and to the export revenue earnings, the leather industry has been identified as a pivotal sector for the achievement of the objectives included in the "Vision 2021" project: with the aim to become a middle-income country by 2021, the Government has set a goal to reach an overall export turnover amounting to US\$ 60 billion, out of which 5 billion are expected to come from the leather and leather products branches. Ample availability of raw materials, low labour costs, competitive prices, steady increase of the growth rate and increasing commitment to compliance and CSR: thanks to these factors, Bangladesh is emerging as a potential prominent sourcing hub for the footwear and leather goods sectors, effectively arousing the interest of foreign investors and industry top players.