

Chinese industry and trade shows move inland

A shortage of labour and rising costs, such as the recent rise in minimum wage in Shenzhen, are increasingly driving industry towards the interior of China and as a result Chengdu is now a fast growing city which has become famous for footwear production.

The 18th China International Sporting Goods Show, held at Chengdu, in mid-April, proved to be a busy four-day event. Communications director of the China Sporting Goods Federation, Zhou Liquan, said he was pleased with the show, that attracted some 20,000 visitors. Over 700 exhibitors showed a huge variety of products on display from synthetic turf to tennis racquets. Focusing on the shoe trade, it was interesting to note a growing trend in the Chinese market that, although major brands such as adidas, Nike and Double Star were all present, a higher volume of smaller companies exhibiting was noticeable.

This is because companies are seeing a demand for more specialised shoes, as a result of the changing lifestyles of middle class Chinese families who are now more affluent than ever before. Leisure companies now offer holidays tailored to meet the needs of the 'second generation traveller' as the younger demographic does not want to travel in groups, all wearing the same baseball cap, the same T-shirt, being shepherded along by a pennant-carrying guide.

The Tian Bu Lun Company, from Fujian province, had a wide variety of mountain climbing boots on its stand. Mr. Wha, domestic sales manager told WSA that whilst the company mainly exports its products to East Asian countries such as Thailand and Malaysia, "We are looking to sell more into the domestic market. More Chinese people are taking up this adventurous sport and we can satisfy any demand." The sole and some other necessary components are imported from Italy and it has a production capacity of over 10 million pairs per year.

Scott Riegelmann, vice president of Riedell Ice Skates, Minnesota, USA, has agreements with four companies in China for the manufacture of skates. His beginners' skates, with all of the component parts made in China, are currently exported to the USA, selling for between \$49 and \$119 at retail.

Skating is already popular in the north of China, and Riegelmann is predicting that the Chinese government will build more ice rinks



A higher number of smaller footwear brands exhibited in Chengdu.

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around the country. With this in mind he commented, "I am at this show looking for distributors in Sichuan Province for West China."

Choi Jin Sung is director of Top Dream Dance Shoes, a Korean company from Seoul, and he came to the show for the same reason—local distribution. Dancing is popular with the older generations in Chengdu and elsewhere in China, who offer a sizeable niche market for dancing shoes for the tango and waltz.

Few foreign buyers were in obvious attendance. Those that were there included Yusuf Dockrat, director of Sedgars Sports, from South Africa, which operates a chain of wholesalers selling sports goods... Why was he here in Chengdu? "Well I come to China about twice per year, and I may get a better deal here than at the other shows," he said.

This is certainly thought to be the case. Peter Mangione, president of Footwear Distributors and Retailers of America, was a recent visitor to the city, at the invitation of The West China Shoe Centre. During his visit he gave a speech at the Sichuan University, which attracted an audience of over 200 people, most of whom were from the top echelon of the local footwear trade. The topic of his speech was "Dealing with America".

Ending his speech, Magione's parting comment was, "Chengdu is a well kept secret and I look forward to working with the centre to carry the message of the opportunities here to the USA and beyond."

French technicians from CTC are also busy in Chengdu where they have just opened a new testing laboratory for testing both footwear and textiles. 