



Made in Italy will always be associated most closely with leather shoes.

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LEATHER STILL TOP FOR ITALIAN SHOES

Italy's Footwear Manufacturers Association (ANCI) reported an increase in the volume and value of its exports for the first five months of 2011 compared with the same period last year. Over the five-month period, Italian footwear brands exported almost 108 million pairs with an average price per pair of €27.73 and a combined export value of just short of €3 billion. These figures represent increases of 9.7%, 6.8% and 17.2% respectively.

Leather shoes accounted for almost 83% of the export value, but only 58% of the volume as exports and the value of non-leather shoes also increased. Over the January-May period, Italy exported nearly 25.8 million pairs of shoes with synthetic uppers, 21.2% more than in the same period in 2010. These synthetic shoes had an export value of €263 million, 34% higher than at the same time last year.

PRESSURE ON LEATHER SUPPLY

ANCI's director general, Fabio Aromatici, says 'Made in Italy' will always be associated with leather more than any other material, but he points out that a decrease in consumption of red meat in many parts of the world and the increase in the absorption of existing stocks of leather into the domestic market in China are putting strong pressure on leather supply worldwide.

This reflects the message delivered a year ago at the World Meat Congress in Buenos Aires by the chief analyst of the United Nations Food and Agriculture Organisation.

The volume and value of Italian exports of shoes made from synthetic material are on the rise. However, ANCI says Made in Italy will always be more associated with leather than with any other material currently in use for footwear manufacture.

The analyst, Henning Steinfeld, said he believed an increasing world population and rising pressures on meat companies to produce in the most sustainable way possible will mean the end of beef as a commodity product. He said: "The world is going to have a population of 9.1 billion in 2050 and people are going to have to eat more tilapia and more pork." The agency believes the consumption of meat, taking all types into account, will double by 2050, but the increase in beef consumption will be small in comparison to the rise other sources of protein will see. Mr Steinfeld said pressure would grow on countries that raise beef cattle on a large scale, including Brazil and Argentina, because of the need to reduce greenhouse gas emissions. Global beef production is expected to stagnate at 65 million tonnes in 2011, just 0.2% higher than the figure for last year, the FAO has said.

CHINA ABSORBS MORE LEATHER

Meanwhile, in China, as reported earlier in the year in *World Footwear* (July-August 2011, page 34), major



ANCI president, Cleto Sagripanti, loves seeing Italian shoes in shop windows in cities around the world.



According to Fabio Aromatici, footwear manufacturers around the world are already feeling the pressures that exist on the supply of leather.

footwear-focused tanners such as Xingye Leather Technology and Gansu Hongliang Leather (both finalists in the 2011 Tannery of the Year Award programme created by *World Leather*) are doubling their production capacity to keep up with demand from customers such as Yue Yuen, Belle International and Aokang Group. Xingye Leather is hoping recent investments in new machines and factory space will allow it to take its monthly production of finished leather past 10 million square-feet. Demand from shoe manufacturers has increased because of the amount of business they are now doing in a domestic Chinese market that across the board could already be between 3.1 billion and 3.5 billion pairs a year in size.

In other words, Mr Aromatici's point about pressure on leather supply is well made. The views of Henning Steinfeld may be of significance here because his position is not that there will be no leather in the years ahead. If people continue to eat the same amount of beef, or slightly more, there will continue to be leather. His main argument is that beef will become an increasingly expensive source of protein, making bovine leather an increasingly expensive material choice for footwear manufacturers. If some shoe companies are likely to lose sleep over this, few of them will be members of ANCI.

THE BATTLE ANCI WANTS TO FIGHT

It was ANCI that led the information-gathering exercise that brought anti-dumping measures on imports into the European Union of shoes from China and Vietnam. The measures were in place between 2006 and March of this year. They did not apply to all shoes, of course, but to those with leather uppers. Accepting that footwear is a global industry and that global trade rules mean producers everywhere can expect to face competition, ANCI wants to be in a battle over quality, design, beauty and artistry, not over price.

The recently appointed new president of the organisation, Cleto Sagripanti, chief executive of footwear brand Manas, is another who insists that making beautiful leather shoes will continue to be the most important contribution Italy makes to the global footwear industry. "We are leaders in the medium-to-high ends of the footwear market," he says, "and Italian manufacturers and entrepreneurs want to keep that leadership. I think it's amazing to be able to go to Brussels, to New York, to Paris and see our products, Italian shoes, in the shop windows there. It's a great tribute to the hard work our companies put in from morning until night." 🇮🇹



Italian footwear manufacturers want to compete on beauty and quality rather than on price.