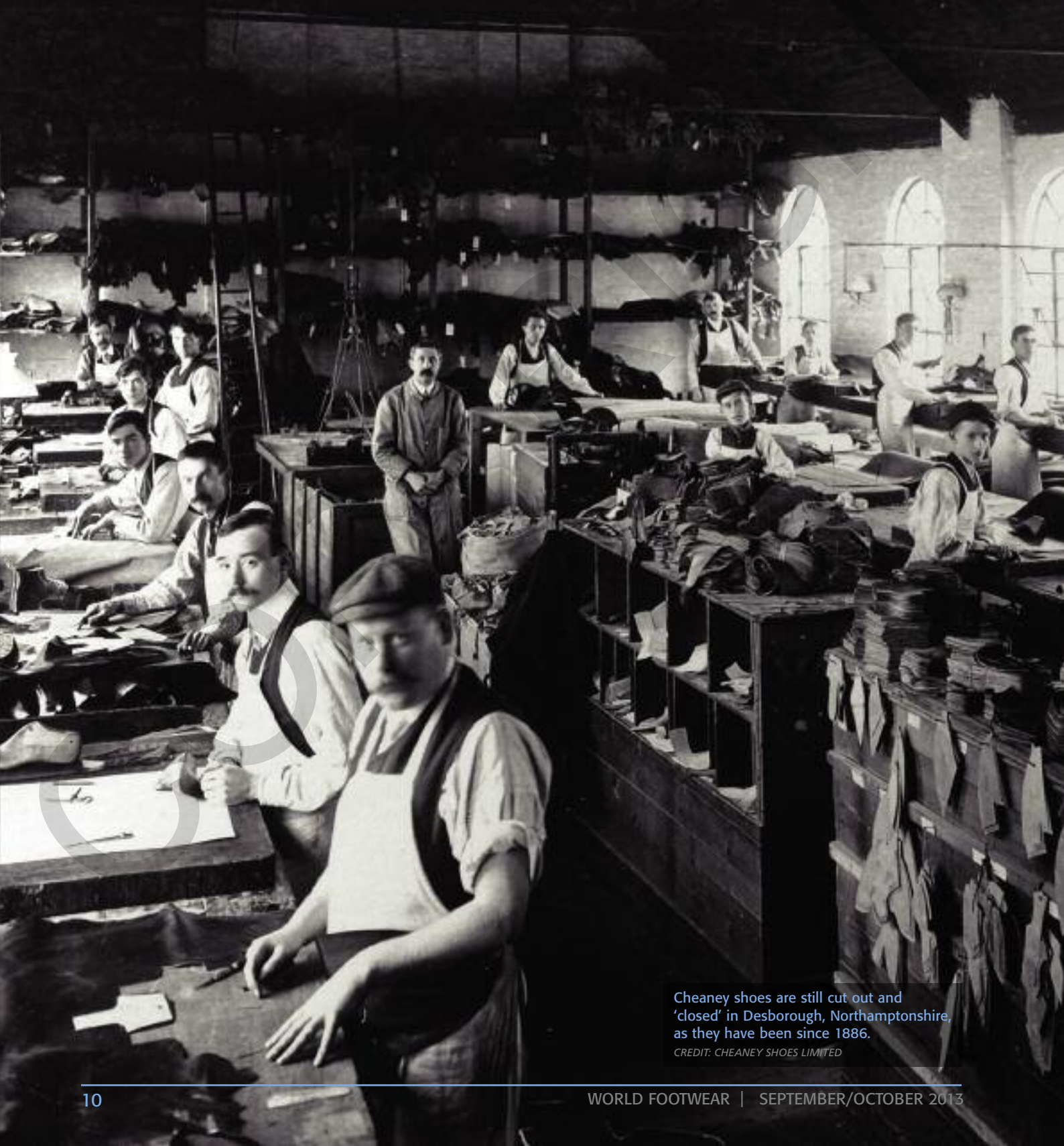


UK-based footwear production has declined over recent decades but traditional, Goodyear-welted men's brands have bucked the trend and are reporting increased orders and growing overseas demand.

History in the making



Cheaney shoes are still cut out and 'closed' in Desborough, Northamptonshire, as they have been since 1886.

CREDIT: CHEANEY SHOES LIMITED



"When people come into the factory it leads to increased orders because they see all the hand work that goes into the shoes," says Loake's Mark Hadden.

CREDIT: LOAKE

It's vital to have sturdy footwear when you're chasing terrorists through the streets of Istanbul, Shanghai and London. When you're James Bond, one slip could risk global security. Lucky then for Daniel Craig in 2012's *Skyfall* that he was shod by Crockett & Jones, the historic British shoemaker that has been based in the UK's footwear manufacturing hub, Northamptonshire, since 1879. Like a number of its peers, the family owned company is bucking the trend of declining UK manufacture and witnessing growth and a surge in popularity.

The footwear manufacturing industry continues to be a substantial part of the UK economy, with £6 billion of shoes sold annually in the UK, plus exports in excess of £500 million, according to the British Footwear Association (BFA). "UK manufacturing is focused around Northampton men's footwear – which is definitely not in decline," says Jonathan Saunders, sales and marketing manager for the BFA. "This sector shows good year-on-year growth with strong and increasing international demand for quality men's footwear."

The majority of these companies specialise in the sturdy, Goodyear-welted variety that takes weeks to construct, with about 200 processes and countless man hours going into each pair. "It's a very different look to the Italian shoes; the Italians have a huge market but the Made in England look is particularly strong at the moment," says Jonathan Church of the Church's footwear dynasty, who now co-owns Joseph Cheaney & Sons with his cousin.

While many of the companies that were established in the area in the late 1800s fell victim to the decline of the traditional footwear industry in the UK, there are still a good number going strong: Crockett & Jones, Loake, Grenson, Tricker's and John Lobb among them. Originally established due to the proximity to raw material, know-how and tanneries, the central England location is well connected to London and these firms built their businesses serving a growing base of quintessential English gentlemen or hardworking blue-collar workers.

Being faithful to tradition is their hallmark, but they also need to stay fresh to appeal to new generations. This might be in terms of embracing new business models, adopting marketing strategies that speak to different kinds of customer or conveying their message through different media.

Some brands achieve this through collaborations: John Lobb with designer Paul Smith, Tricker's with retailer End Hunting Co and Jeffery West with Norton Motorcycles to name a few. In September, Loake launched a collection with retailer Topshop and through this, for the first time, women's shoes. Was this a strategic move to target a new audience? Not necessarily, says international sales manager Mark Hadden. "Over the years we've had one or two collaborations but we're moving away from that now. We're so busy with supplying Loake shoes to our customers that if anybody asks us for different labels we're reluctant, because if you can't supply retailers with your own brand, then it doesn't make a lot of sense."

Evolving strategy

Loake is headquartered in the Northamptonshire town of Kettering, where a staff of 130 turn out around 4,000 pairs per week and where the company has been based since 1894. Business is more than healthy, and a new focus on retail is paying off, with a number of own-brand stores or specialist Loake departments springing up in the past year, including in London, Prague, Seoul, Japan and Chile.

"It's taken about 100 years to decide retail's a good option!" says Mr Hadden. "In terms of growth, rather than having a dissipated brand look – having a few shoes in several shops – if we have the Loake story represented, then the consumers can see it and they react well to it."

Exports have trebled in five years and now 40% of production finds its way to 65 countries, with particular interest coming from Asia. "The essential thing for Loake is that we are a mass-produced Goodyear-welted brand, we're not a bespoke shoemaker, we are volume based."

On top of the 4,000 pairs a week from Kettering, the company produces another 2,000 from Portugal and India. The sheer volume means there are cost savings realised by outsourcing. "You can't make all constructions in the same factory, it's not practical. We need a whole wardrobe of shoes because certain shops rely on us for nearly all their men's requirements. We need to have a wide spread of product," adds Mr Hadden.

Concerning reports last year that Loake was sourcing new suppliers in the Mexican footwear-producing city of Leon, he says, "We're always looking at options, including Mexico and anywhere else, but there would have to be a significant benefit to do that. At the moment we're very happy with the production we have – it's reliable, we're getting shoes on time, which is what it's about. If you go to a new source it's fraught with risk: if you don't deliver for a season you really are putting the business in jeopardy so we wouldn't do that without a lot of consideration."

He is also quick to point out that the design and quality is always monitored from Kettering. "Suppliers have to conform to our standards, otherwise we wouldn't fulfil the brand promise."

As well as being designed in-house, all the leather is checked in the UK before going to the factories abroad. Like other footwear manufacturers, the rocketing cost of the raw material in the past year has meant prices have had to rise to compensate. "We'll pay for the increase rather than downgrade the materials – we'd much rather buy the proper leather and explain to our retailers that they have to pay us more, rather than offer them an inferior product with cheaper leather; we don't think that's the way forward." Being able to buy large quantities of leather also gives the company bargaining power.

The volume gives it another advantage: more than 100,000 pairs are housed in a warehouse in Kettering, which means retailers don't have to commit to huge quantities of stock. "People do appreciate that, particularly in the UK, they can sell a shoe on a Saturday and it can be back in the shop by Tuesday. It obviously takes a bit longer than that abroad but the service level is one of our main selling points."

Another selling point, and one which Asian and US customers in particular appreciate, is the Royal Warrant. Issued to the company in 2007, it means the footmen at Buckingham Palace wear Loake and offers a perceived guarantee of quality. The warrant is in managing director Andrew Loake's name and comes with its own set of regulations surrounding its usage. "It's an interesting addition to Loake that other people don't have so it gives us a bit of an edge," suggests Mr Hadden.

Andrew Loake is the fourth generation of the Loake family to have worked in the company, following in the footsteps of his forefathers. "It's great to have a boss with the same name as the brand, not many companies can say that, it's quite an advantage," says Mr Hadden. "When I introduce him to Japanese or Russians, they think 'This is a passionate company, it has had the same ownership since 1880', and it's a nice situation to be in."

Export strength

Another company in that situation is Crockett & Jones: the fourth generation, Jonathan Jones, is now at the helm, joined by his brother Nicholas as production director. Jonathan's daughter Philippa joined in 2006 and son-in-law James Fox



Crockett & Jones staff spend years perfecting the craftsmanship: stitching, soling and polishing, with the Hand Grade collection taking 12 weeks to make.

CREDIT: CROCKETT & JONES

looks after marketing. C&J is more export-focused than some of its peers – 70% of production goes overseas, "which is fantastic, it's great news that the UK's manufacturing industry is still growing", says Mr Fox. The company also operates 11 retail shops including in London, Paris, New York and Brussels.

Unusually for a large company, all the designs are done by Jonathan Jones, who oversees product development. While styles don't change radically from year to year, the company does offer a made-to-order service for its wholesalers, who then build their own 'core classics'. "Customers will change the interlacing colour, or they'll have a contrast stitch, so they'll specify the shoe to their own quirks," explains Mr Fox. "They'll want to build a range that's different from the department store over the road, which works quite well for us, too."

Retail customers are also offered a bespoke option, where they can specify the pattern, the last and all the details, although it does disrupt production. "We charge a premium for

it because ideally we don't really need to offer it, it's just nice to offer customers."

Like many of the other brands, longevity of the work force is key, as the skills take years to perfect. Fifty of the 250 staff have been with the company for more than 35 years. "We've invested more time and money into getting the next generation into the factory. The younger guys are no longer doing the more menial jobs, they're now being trained up to do things like toe lasting and sole stitching. We know that they're the future of the company," says Mr Fox.

Rather than working to official apprenticeship qualifications, which are no longer applicable for shoemaking, C&J operates a buddy scheme, where young workers will pair up with someone experienced for up to two years. "Our toe laster, after a year of training, is now toe lasting himself and doing a fantastic job."

The company produces around 3,000 pairs per month, with each pair taking between eight and 12 weeks to make. However, with the factory based in the town centre with no room to expand, it is in the unusual situation of being unable to grow. It has already taken over the previously empty top floor of the building and expanded into the factory shop. Despite this, Mr Fox says the company is against moving locations. "We feel that you can tell in the actual shoe that it has been made in the type of factory we have. You can tell it's not a clinical process, it's part of the essence of the shoe and a lot feedback we get supports that"

Reaching out

The essence of the shoe is something Cheaney also wants to promote, particularly to its exports markets. In 2009, Jonathan and William Church conducted a management buyout of the company from Church & Co, also the parent group of Church's shoes, which had recently been purchased by Prada. "We've grown the company by going to trade shows Micam and Pitti, travelling, promoting the brand and working with people like the UK Trade & Investment department," says Jonathan Church. "It's very important to get out to the market; you can't expect it to always come to you."

In 2009, exports accounted for about 10% of revenue – now it's 35%.

Again, it is the history that resonates with consumers. Based in the Northamptonshire town of Desborough, Cheaney was established in the late 1800s by Joseph Cheaney who was later joined by his sons. The company flourished making shoes for the war effort during the early part of the 20th Century, turning out 2,500 pairs per week. By the second half of the century it was manufacturing for major department stores in the US and UK but it was not until the early 1970s that the decision was taken to make shoes under its own name.

Growth overseas has been supplemented by ecommerce – the online site launched two years ago and has made a "big difference" – as well as retail. Cheaney now operates three standalone stores in the City of London, and is on the look-out for new locations. However, "We don't want to upset wholesale so we need to be adding something new [with a new store] – you don't want to take away from your offering," explains Mr Church.

The company employs 130 people in Desborough, and it takes between six and

eight weeks to produce each pair, with 1,700 completed each week. Mr Church says one of the obstacles to growth could be price resistance, but "people looking for welts understand the pricing structure".

"Leather has gone up a lot and it is affecting next year's prices, but it's not as though we're on our own. At the same time, in the Far East labour rates have been going up so people who have been using very cheap labour are now having to increase their prices too."

The company stays fresh by introducing new styles and designs, and has recently collaborated with retailer All Saints, menswear brand Barbour and fashion brand Superdry. "We're always adding new things. Our customers expect classic, which we do, and they also expect a little bit on the edge, which we do. Even though we might have a quite high-fashion shoe, it is still weltsed and constructed on a classic last, so it has a twist but is still made in the same way as everything else."

They must be doing something right: staff numbers have grown 30% and turnover has doubled in four years. These numbers earned Cheaney the title of Men's Footwear Brand of 2013 at a recent awards ceremony organised by fashion publisher Drapers.

Valued heritage

The three companies agree that taking part in trade events such as the twice-yearly Micam, held in Milan, as well as Florence-based menswear show Pitti Uomo, are vital. The BFA's Saunders says attendance is "massively important" as the retail scene gets concentrated into fewer, bigger multiple businesses at home. "British manufacture and design is appreciated overseas," he says. "At Micam in September, Northampton men's brands were reporting expectations that business would be up 20% year on year – and last year was a record year, Micam alone booked more than £2 million, so things are looking good for this year too."

The kudos that comes with longevity, the experience gained over decades of refining processes and the unique qualities that come from creating by hand are qualities that customers do not tire of. There appears to be no danger of these brands being relegated to the annals of history – indeed, a new chapter has just begun. 



Cheaney's Beaulieu 'bronze', featuring oak bark stitched in channel leather soles and handpainted fiddle waists.

CREDIT: CHEANEY SHOES LIMITED