

The logo for the British Footwear Association (bfa) consists of the lowercase letters 'bfa' in a white, sans-serif font, centered within a solid purple rectangular background.

British Footwear Association Ltd

BFA NEWS FOR MEMBERS AND FRIENDS OF THE INDUSTRY

FEBRUARY 2010

REPORT FROM RICHARD KOTTLER, CEO

Exhibitions

It's show time for many of our members, selling their new collections around the world. The weak pound is helping, but the state of the economies in the States and Europe is not. Two points, however, are emerging as increasingly irritating ones:

Firstly, the continual difficulties companies are experiencing in finding new agents or distributors both in the UK and abroad, especially if they are start-up or smaller ones. We can help to a degree with export agents by liaising with the local Trade Commission and by referring known agents to other brands - but in the end, the individual company has to put itself in a position where agents will find them, and this means exhibiting at key exhibitions.

In the case of the UK, this should be simpler but is hampered by the sheer shortage of energetic, well connected and ambitious agents. We are actively trying to research the market and compile a portfolio of qualified individuals and organisations that our members can work with. More news in later editions of this Newsletter.

The second point is the question of unifying the UK shows. We understand that there is talk of yet another national footwear show, to be based in London and this is adding to the already confusing pattern of Pure, Moda and various regional events. We will be conducting a brief survey amongst our members on this topic at the end of the selling season.

Training

I am delighted to say that we have now approved 18 applications for financial assistance for our Training Support Programme and some 76 employees will benefit from either going on external training courses or receiving in-house training and development. Keep the applications coming!

We organised the third meeting of employers and training providers this week on the subject of Technical Training and have now signed off the agreed syllabus and action points for the Foundation Level Technical Training Project. We now start work on the Intermediate Level area in reaction to the substantial enthusiasm for this from the trade generally. You will read a lot more about this in coming months.

BFA Procurement

An increasing number of our members are using this service to save themselves money on various types of central buying. One of these areas is utilities and please find attached details of the service available - it is simple, quick and pays on results!

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New Members

We are pleased to welcome new members: Aspiga Ltd and Butterfly Twists Ltd.

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BFA's Board of Directors

In the January edition, we introduced a new feature whereby each Director on our Board will introduce themselves and give some views on footwear industry issues. This month it is the turn of **Stephen Etheridge, CEO of the Church Group**:

"Having served on the BFA Board now for a number of years, I continue to be amazed by the dogged determination shown by all sectors of the industry as we continue to adapt and meet the challenges that our markets, both domestically and overseas, present.

It is unfortunate, but inevitable, that manufacturing has declined rapidly in the UK over the past 20 years, but we are now left with a defendable core of niche and specialist heritage businesses, with global brand recognition, that have the skills, workforce and ability to develop and prosper.

Whilst the world has undoubtedly changed from both a supply and retail perspective, the UK still retains the spirit, experience and vision to capitalise on new opportunities whether as manufacturers, importers or design and distribution businesses.

I remain committed to ensure that the BFA itself continues to evolve and remain at the centre of the UK industry and is focused and able to provide advice, support, assistance and value to all our member companies".

Trade Shows

Platform at Magic, the new brainchild from ex WSA Collections director, Leslie Gallin, was launched recently in Las Vegas, in conjunction with WWD at Magic (the women's ready-to-wear national event) in the Las Vegas Convention Centre. BFA led a group of 20 UK brands who exhibited at this event for the first time. Most of these brands have been showing at WSA Collections for some time although there were 4 new exhibitors in the group.

The show was very well set out, European boutique style with stand build packages included in the price and the overall impression was very good with wide aisles to negotiate traffic and most exhibitors enjoyed good locations. The style of stand display also allowed for equality and meant that smaller stands were not, as is often the case at US shows, overshadowed by the large US brands.

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There were over 700 branded exhibitors which was an excellent turnout and the traffic/visitor figures were encouraging for the first event at approximately 11,000. These figures need to be taken in context with the last WSA event where there were 580 exhibitors with attendance at less than 7,000. There were quite a number of non US retailers at the event with Japan and Brazil providing the largest contingent although, as expected, the majority of visitors were from N America with a number of major stores making the trip from the East Coast. Our UK exhibitors had a mixed event, the majority of 'old hands' having a decent to good event but, with one or two notable exceptions, the new brands to the market were finding it difficult to attract new business their first time.

We also had the benefit of a visit from the UK trade office representative in New York and the initial reaction by her was that Platform is the **ONLY** US shoe event that is likely to take the place of a national shoe show for branded products. As with all events, Platform will take time to bed down and there are major issues to address in that the message needs to go out more vigorously to all North American retailers and also that the LVCC is possibly not a good enough show venue for an up market event. All these issues and others will be addressed by Richard and I over the next few months in discussions with Leslie and hopefully in time for the next Platform at Magic show for S/S 2011 August 17-19th 2010. Nicholas@fitsuk.com

Legislation.

The Department for Business, Innovation and Skills (BIS) recently announced the formation of HM Revenue & Customs' new Dynamic Response Team to work on high-profile and complicated National Minimum Wage cases. Current rates (non NCA) are £5.80 per hour aged 22 and over; £4.83 aged 18-21 and £3.57 aged 16-17. Apprentices are exempt if they are either under the age of 19 or during the first year of apprenticeship. They must follow a recognised training course. When the course ends, employers usually have to pay the NMW.

For the first time ever, the maximum limit on compensatory award for unfair dismissal claims will decrease from 1 February 2010 from £66,200 to the new limit of £65,300. The limit decreases because of a fall in the RPI (based on September's RPI compared to September in the previous year). The limit on the amount of guarantee pay payable to an employee in respect of any day also decreases from £21.50 to £21.20.

April 2010 increases to Statutory Payments. Although technically still subject to parliamentary approval, the following rates were recently announced:

Statutory Sick Pay will remain unchanged from 6 April 2010 at £79.15 per week.

Statutory Maternity Pay is six weeks' pay at £124.88 per week or 90% of average weekly earnings, whichever is lower.

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Statutory Paternity Pay is £124.88 per week or 90% of average weekly earnings, whichever is lower. An employee can take one or two weeks. If taking two weeks' leave, they must be taken together.

Statutory Adoption Pay is 39 weeks' pay at £124.88 per week or 90% of weekly earnings, whichever is lower.

For employees earning £97 or more per week in 2010-11, the above rate of SSP will apply from 6 April 2010. For SMP, SPP and SAP, the above rates will apply for complete pay weeks beginning on or after 4 April 2010.

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Slip sliding away – testing in snow and ice. **SATRA** has conducted research into the characteristics of slip between footwear and ice (frozen, frosted and smooth). Part of the research involves studded footwear used in various sports, where the design of cleats or studs now technologically advanced. As well as the construction of footwear and floor surfaces – for example stud and tread patterns and surface texture on floorings – the materials used in products can make a significant difference to slip. Advances in materials science, innovative design and further insights on the mechanisms of slip will offer manufacturers and research organisations like SATRA more opportunity to develop footwear and floor surfaces that are safer across a wider variety of conditions. www.satra.co.uk and www.dontslipup.com

IFRA Footwear Awards 2010

Congratulations to a number of our members, including Hotters, Start-Rite, Clarks International, Loake Bros and Fit Flop on their awards and, in particular, to Padders (Grocock & Co) for gaining first place in the Best Men's Brand.