

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

JUNE 2009

REPORT FROM RICHARD KOTTLER, CEO

The current recession has made our members more resourceful and resilient. Some have looked at different payment methods, some have reviewed the options (very few) on credit insurance, many have reduced staffing levels and some have gone in different directions. Own label suppliers have created, bought or licensed brands - direct marketing and etail is a popular option - supply sources have been reviewed, especially in the continued uncertainty on Anti Dumping - see below.

Smaller companies seek advice (check out www.quartoadvisors.com as one new interesting consultancy) whilst the bigger boys are determined to take more control over their destiny. Underlying all of this, whatever the size of operation, the present very difficult trading conditions have created enormous energy. On any visit to member companies, you are immediately aware of people working harder and with fewer barriers to change than ever before.

I have just returned from the European Footwear Association's meeting and the UK seems to be weathering the storm better than most. Our ability to find new ways of doing business and exploring new distribution channels is admired and our ability to create strong brands and train brilliant designers and technicians is still the envy of our competing countries.

ANTI-DUMPING

It seems unlikely that any decision will be made before the Autumn. There is some data still to be collected and it may be that the decision will be for the new Commission about to take office after the summer. There still seems to be a whole variety of options on the table from cancelling duty at the end of the year to phasing it out for Vietnam but not China and any permutation in between. The promise of a quick review has clearly not materialised and in the meantime, all importers will have continued business planning problems. As soon as we hear anything, we will let you know.

SKILLFAST-UK

As has been announced, there is a strong possibility that Skillfast will lose its licence to operate from next March. Our members have had some reservations about the effectiveness of the organisation in the footwear sector when compared with clothing, but it has produced some innovative training approaches for our industry. We believe that it would be a retrograde step for our industry's training needs to be incorporated into those of other non-related trades (as might be the case). Many of our members have written to their MPs and if any of you want to discuss this campaign please contact me on richard.kottler@britfoot.com.

The final decision will be made in the next few weeks so we will keep you informed.



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New Members

We welcome Shoe Trade International, LXY Brands (Strutt Couture), ADJD (London Rebel), Fishwalk, Homeys, T&A Footwear, Cuba Shoes. richard.kottler@britfoot.com

TRADE SHOWS

Expo Riva Schuh June 2009

BFA organized their usual group of 24 exhibitors supplying volume MTO footwear to International multiple retailers of budget and volume fashion footwear which this event specializes in. In spite of the current economic climate and the strength of the dollar and Euro, our exhibitors were generally satisfied with the retail attendance and interest shown which was only around 10% lower than this time last year. Added to this, the remaining trade visitors were professional and generally optimistic that the future looked brighter than envisaged only a few months ago. Even the UK retailers were satisfied that business was at worst steady and at best improving, albeit slowly. Unfortunately there were some obvious non attendees such as Shoe Zone who did not visit the show and some of the other, especially UK and Irish retailers, attended with reduced numbers cutting down on costs. Some of our exhibitors were very busy and some were quiet but on average more encouraging than we had hoped for in spite of the continuing lack of insurance cover available on many of these large multiples, this is probably the main area of concern going forward but it is slowly being addressed. The bottom line is that Riva is maintaining its leadership in this field of early development, closer to season buying of stock and volume fashion driven value for money product. **Nicholas Parry-Billings** nicholas@fitsuk.com

WSA Las Vegas

Leslie Gallin, the director of the Collections (better end brands) has resigned from WSA and taken up a new position as Vice President, Footwear for Magic, which is the main USA clothing trade show event with outlets in Las Vegas and NY. BFA are following developments with Leslie closely going forward to ensure that we support the right event in the US which is still our Industry's no 1 export market. It is conceivable that BFA will change its allegiance to supporting Leslie in her new venture going forward to Autumn 2010 and we will be keeping our industry informed of developments as soon as these are finalized for next year. **Nicholas Parry-Billings** nicholas@fitsuk.com

Footwear Expo 2009, Dubai

Members should be aware of this relatively new exhibition which we are reviewing. It takes place in Dubai from 2 – 4 November. www.orangeairs.com
vijay@orangeairs.com 00971 50 1505274.



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NEW LEGISLATION

As we have mentioned previously, new rules on how to handle **disciplinary and grievance meetings** came into force in April 2009. The "old law" from 2004 was considered too complex and has now been replaced by an Acas Code of Practice which sets out the basic procedure for handling a disciplinary meeting and a grievance meeting. To hold a disciplinary meeting, employers still need to write to the employee setting out the reasons for the meeting - give the employee a right to be accompanied by a work colleague or a trade union official - confirm the reasons for the disciplinary warning in writing and give the employee a right of appeal against the decision. The Code states that, in misconduct cases, where practicable, different people should carry out the investigation and the disciplinary meeting. This may depend on the size and resources of the firm. Failure to follow the Code of Practice could result in an increase of up to 25% on a tribunal award made to a claimant. On the other hand, if an employee has not followed the procedure (for example by not raising a grievance) the award could be reduced by as much as 25%.

In dealing with disciplinary hearings, dismissals and grievances, employers will have to bear in mind whether the "old law" or the new Acas Code of Practice applies and this is determined by which procedure the employment tribunal would follow if the case ended up in tribunal. In brief, for dismissal or disciplinary procedures, the deciding factor for most claims will be the date when the letter was sent by the employer to the employee asking him/her to attend the disciplinary or dismissal meeting. If the letter was sent on or before 5 April 2009, the old statutory grievance procedure applies. There is a final cut off point of 4 July 2009 for any claim with a three-month time limit (such as discrimination) or 4 October 2009 for any claim with a six-month time limit (such as an equal pay claim or a claim for statutory redundancy pay). elaine@britfoot.com

FOOTWEAR FRIENDS DESIGNER AWARD

In the shoe world of today, what is one of the greatest needs? – **innovative design** and who needs help most? – **budding designers**.

Footwear Friends, our industry's own charity, is eager to be relevant to today's shoe community. Hence it is offering this new award, along with a cash award and more importantly, mentoring by industry leaders. Applicants should be:

- A graduate of a shoe college, with probably 3-4 years' experience in industry
- A highly motivated person with ambitions to either create their own brand, web or high street presence, or to become a design director in a leading company
- A designer prepared to face a "dragon's den" style interview to establish whether they have the mettle to match the ambition
- Someone intending to make their career in the UK

An application form can be found on www.fbs.charity.org.uk Please complete and email by midnight of 6 September. If at this stage you are successful, you will be invited to an interview in London on 23 September 2009. The winner will be announced shortly afterwards and there will be a formal presentation in November. This will be followed by a thorough session to establish what support you will need. This may require several people to help you with different aspects. This mentoring process could last 6-12 months depending on the requirement. The £4000 will be used with advice from the mentor. Only the seriously motivated should apply.

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HEALTH & SAFETY

Diary Note: Our **2009 Footwear & Leather Industries' Health & Safety Conference** will take place on **11 November** at SATRA's conference facilities in Kettering, Northamptonshire. elaine@britfoot.com

CONGRATULATIONS to member company **F-Troupe Ltd** for winning the **UK Fashion Export Award for Footwear** www.5portlandplace.org.uk/ukfe_awards.pdf



SHOWROOM OPPORTUNITY IN NEW YORK.

A US designer company is seeking a room-mate to share their showroom. They have premises in Chelsea, NY, of about 1500 square feet which is too large for them but, as they like it so much, they don't want to move. It is on the 23rd floor of a doorman building and they say they have "a very cool downtown aesthetic". Suitable for a small company to share their loft space – any kind of fashion business – and can accommodate about five people. Rent is approximately \$2,500 per month. **Contact:** lee@geistent.com

Good Luck to Miss L Fire – Lynsey, Jenny and Damiana will be taking part in a 5k "Race for Life" to raise money for Cancer Research UK, in Hyde Park on 19 July. The girls are not accustomed to running any distance in "sporty" shoes so would greatly appreciate some support. If you would like to join in the sponsorship go to this link and follow the instructions: <http://www.raceforlifesponsorme.org/misslfire>

New BBC 2 Series seeks UK Manufacturing Businesses. In the current economic climate leading business experts are reassessing the way we structure our businesses. Do you want to turn things around and increase your productivity by up to 300%? Do you want to markedly improve your staff's productivity and slash absenteeism? Top business academic Dr Paul Thomas is at the forefront of this re-assessment. He's been working alongside struggling FTSE companies, small businesses and Government departments helping them to survive and grow through this difficult time. He will not charge for his help. ***If you're interested and would like to be part of a BBC series, please contact Nick Andrews: 02920 323755; 07974 397433. Email: nick.andrews@bbc.co.uk***