

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 2011

REPORT FROM RICHARD KOTTLER, CEO

It's Showtime again! - and as you will see from the dates below, there is the normal high rate of activity for many member companies whether this be predicting leather and material trends at Linea Pele or taking a gamble on the increasingly important US Show, MAGIC in Las Vegas.

MICAM remains the key show but GDS is making substantial progress and features for the second season the British Edition, a group of 8 strong and progressive UK brands.

The August PURE exhibition includes, for the first time, a Designers Collective, a collaboration between the organisers and the BFA. Six up and coming women's designers will be showcasing their new collections in a specially created area and will benefit from significant pre and post show publicity and exclusive promotional activity.

As we all know, Government support for overseas exhibitions is being restricted and the BFA is working closely with both UKTI (the relevant central body) and our exhibitors to maximise financial support. We will continue, as ever, to offer our considerable expertise (master minded by Nicholas Parry-Billings) on all marketing and logistical matters necessary for member companies to have successful shows over the coming months.

Forthcoming trade shows:

WSA, Las Vegas:	27- 29 July.
Pure, London:	7 – 9 August.
Moda UK, Birmingham:	14 – 16 August.
GDS, Dusseldorf:	7 – 9 September.
MICAM, Milan:	18 – 21 September.
Lineapelle, Bologna:	18 – 20 October.

Made In Britain

The momentum is being maintained and more introductions have been made from established labels and retailers to several of the MIB companies listed on our website. You may also have seen the excellent article in Drapers (3 June, p38/39) regarding the great success story that is the New Balance factory in Flimby, Cumbria. I was at the factory a few weeks ago and will agree with the complimentary remarks made in the article. Highly efficient, competing with the Far East and Europe and producing quality products sold around the world.

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Members' Views

From time to time, the head of a British footwear company will be asked to give a personal view on the industry – his/her concerns, forecasts and issues of the day. We are very pleased that **James Gardiner, Director of Gardiner Bros**, has agreed to be this month's contributor and his article follows:

"World Getting Bigger/Smaller.

Access to different markets across the world has led to the adage that the world is getting smaller. In terms of footwear manufacture this has led to an ongoing growth in our business importing product from the Far East and India driven by price and manufacturing innovation.

It has also, perhaps, led to a change from brands being manufacturers of footwear, to being designers and importers of footwear with a brand's collection being sourced from many different locations.

The reason to buy then becomes much more associated with quality and service than with the brand name itself. Therein lies the question I have on future manufacturing trends. I know that we are not alone in seeing continued increases in price, volume required and lead time for footwear manufactured in Asia, let alone the increasing costs of freight. On the other hand, the volumes, lead time and price required from the good quality European factories appear to be decreasing, allowing us to buy far more within Europe again.

Perhaps this will lead to a resurgence of European manufacturing of more fashionable quality footwear with just volume lines made in China or a mixture of the two? Is the world from a manufacturing perspective getting bigger again rather than smaller? So should the larger footwear brands again be focussing on developing manufacturing a little closer to home once more?"

The Bribery Act 2010

This Act comes into force on 1 July 2011, introducing stricter controls and higher penalties for bribery offences and companies need to be sure that they have put in place policies and procedures that will provide them with adequate protection.

Offences under the Bribery Act will be classed as criminal offences.

There are two general offences: the first covers the offering, promising or giving of a bribe - active bribery; and the second is passive bribery - requesting, agreeing to receive, or the accepting of a bribe.

The Ministry of Justice sets out the six principles of the Act, although these are not prescriptive but rather are intended to allow flexibility. They are outcome focused and can take into account the variety of circumstances and the size of organisations:

Proportionality - the action taken should be proportionate to the risk and the size of the organisation.

Top level commitment - those in senior positions are best placed to ensure the organisation conducts business without bribery.

Risk assessment - many organisations will have little or no risk of bribery but a risk assessment will show the nature or extent of exposure to bribery.

Due diligence - this is about having a risk based approach to business relationships - with those you deal with or who provide services for you.

Communication - employers will need to communicate their policies and procedures to staff and others who perform services, additional training may help raise awareness, and this would be proportionate to the size and type of organisation.

Monitoring and review - risks to your organisation may change, over time you may want to carry out regular reviews and re-assessments.

The Act does not cover genuine promotional and other business expenditure such as tickets for sporting events, promotional gifts or taking clients to dinner.

BFA can provide member companies with a model anti-bribery policy - however, as offences under the Bribery Act will be classed as criminal offences, we cannot assist members with queries regarding their specific circumstances. Member companies may find it beneficial to seek specialist independent legal advice where necessary.

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New company car advisory fuel rates from 1 June 2011. HMRC have announced new advisory fuel rates that can be used by employers paying employees a business mileage when driving an employer-provided car. These rates can also be used when charging employees for fuel provided for private miles and ordinary commuting. These rates apply to all journeys on or after 1 June 2011 until further notice. For one month from the date of change, employers may use either the previous or new current rates, as they choose. Employers may therefore make or require supplementary payments if they so wish, but are under no obligation to do either.

Petrol: 1400cc or less: 15p	1401cc to 2000cc: 18p	Over 2000cc: 26p
Diesel: 1600cc or less: 12p	1601cc to 2000cc: 15p	Over 2000cc: 18p
LPG: 1400cc or less: 11p	1401cc to 2000cc: 13p	Over 2000cc: 18p

International Leather Exhibition, Casablanca, Morocco. 29 September – 1 October 2011. This is the fourth International Leather Marocuir Exhibition and will showcase 150 companies. For info: email m.duplain@altios-international.com

Donation/Shoes for Macedonian Child Outreach Project. This project seeks to help children from a slum on the outskirts of Jinja Municipality. Many of these children have no footwear at all and become victims of "Jiggers" a disease of the flesh caused by the penetration through the sole of tiny parasites, which results in severe putrefaction and even limb loss. The project workers are trying to raise £1,500 towards providing shoes for the children. If your company is able to assist in any way – donations; raising the profile; sponsorship; donations of shoes for raffle/sale to raise funds etc then please contact **Alison Thomas** on ath@asfc.ac.uk