



## ACTIVITY BRIEF

AUGUST 13–16, 2017, LAS VEGAS, NEVADA



TPSA | CANADA-INDONESIA TRADE AND PRIVATE SECTOR ASSISTANCE PROJECT

# Five Indonesian Footwear Companies Attend FOOTWEAR SOURCING at MAGIC Trade Show

Indonesian footwear products were showcased at the FOOTWEAR SOURCING at MAGIC trade show in Las Vegas. Five companies from Indonesia introduced their quality footwear products to buyers at one of the largest trade shows in the world, where over 300 companies from nine countries display their footwear.

As part of the Canada-Indonesia Trade and Private Sector Assistance (TPSA) project's Market Access Program, five Indonesian footwear small and medium-sized enterprises (SMEs) participated for the first time at the FOOTWEAR SOURCING at MAGIC trade show in Las Vegas. The five SMEs were: Fortuna Shoes, Main St., Queen Pacific, Top Torch, and Venamon.

The five companies were selected from a list of companies nationwide following extensive research and interviews. The selection process considered the product's commercial potential in the North American market, the company's demonstrated enthusiasm in participating in the project, the willingness of the company's management to improve their product, and the company's responsiveness to export enquiries. The process included interviews and surveys to determine the most qualified and prepared companies.

While there are good opportunities for Indonesian SMEs to export to Canada, the firms must first make sure they are ready to export. An export-ready business is one that has the capacity, resources, and management to deliver a marketable product or service in Canada at a competitive price. A checklist of questions helped assess each company's potential and capability to export.



Potential buyers look at Indonesian footwear products at the MAGIC show.

"We highly praise TPSA for their efforts to increase SME exports from Indonesia to Canada. This project is a complete package in all respects, especially in helping SMEs understand the international market and product development. The guidance and assistance provided are what we require."

—HENNY SETIADI  
Venamon

Representatives who attended MAGIC were experienced men and women chosen for their capacity to take on the challenges of international competition with an open mind. The goal was simple: to produce high-quality footwear that represent the best of Indonesia.

**Canada**

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## Footwear SME Profiles

**FORTUNA SHOES** is a footwear company that started producing shoes in the 1970s and grew to be a fully registered company in 1998. Fortuna Shoes has received international accolades for the type and variety of shoes: men's casual moccasins, leather sandals, dress, and golf shoes.



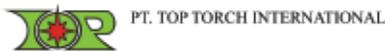
**MAINE ST.** was established in 2013 in a small workshop in Jakarta. The company moved to Bogor because of the high demand for their product. The company attracts a lot of attention with its broad selection of men's dress/sport and casual footwear.



**QUEEN PACIFIC** is a footwear company that specializes in women's sandals, flip-flops, and jellies. The company employs 90 per cent women employees. Queen Pacific caught the attention of many local brands and both local and international retailers.



**TOP TORCH INTERNATIONAL** was established in 1998 and is located in West Java. Top Torch can produce 1,600 pairs of shoes per day. The team produces women's leather shoes, boots, and sandals using cement, strobel, moccasin, and stitch-and-turn construction techniques. Their shoes are sold in the best department stores in Indonesia, and the company has established ongoing connections in the European Union and Japan.



**VENAMON** has been producing high-quality military and police footwear since 1976. They continuously improve their designs and deliver new ideas with pride of workmanship to ensure their footwear is solid, tough, and comfortable. The level of commitment by Venamon is matched by their level of production and quality.



## Show Highlights

During the three-day event, each company met with prospective buyers, as well as representatives from international companies who were seeking alternative sourcing. Some orders are in sight—a first test of their product's acceptance in quality and design.

Throughout the day, each representative had the opportunity to visit booths to study their competitor's products and booth designs—all part of the learning process to prepare them for possible attendance at future trade shows.

During the show, the team held a 45-minute seminar on footwear sourcing opportunities in Indonesia. The event was attended by participants from many countries including China, India, Japan, and the United States.

Some buyers expressed interest in visiting Indonesia, which would allow for the opportunity to better evaluate the potential of Indonesian products in the Canadian market. The buyers could also inspect the factories and production lines to ensure they meet required standards.

Since each factory represented different market segments and categories, they each drew a different audience. What was universal across all five factories was the "world class" quality of the products.

## Results

Participants were appreciative of the opportunity to attend an international trade show such as



Phil Zwibel, TFO expert footwear consultant, presents at the seminar on footwear sourcing opportunities in Indonesia.



Footwear producer discussing with potential buyer.



Interested footwear buyers at the FOOTWEAR SOURCING at MAGIC trade show.

MAGIC. They were able to witness first-hand the range of product designs, price references, and booth structures and layouts in a world-class environment. They now have a better sense of the level of competitiveness and preparedness needed to access the North American market.

An important benefit of participating with TPSA in the MAGIC show was how much the companies learned from each other about strategy, the look of the booths, how many samples to bring, and how to effectively engage with the buyers.

“We have been thinking for some time about exporting to North America. However, there was not enough information available nor the incentive to do so. In fact, we were already comfortable with the European and Japanese market. But the TPSA project came along and re-ignited our interest to pursue the North American market.”

—RUDDI SUPARMAN  
*Fortuna Shoes*

Having participated in one of the biggest trade fairs in the world, these companies now look forward to further developing their products and growing to meet the international competition head on.

One of the most common comments from buyers was that the Indonesian footwear companies were well-organized and easy to work with. They were

also impressed by the high quality of all the footwear products.

The Indonesian footwear booths drew attention from buyers from many countries, including Canada, the United States, Mexico, the Philippines, South Korea, and Thailand. One of the largest U.S. men's shoe wholesalers was interested in having Maine St.'s collection presented to their sourcing and design team. Top Torch generated interest from buyers for specific requirements, which they will work on and develop for the buyer. Venamon also generated interest with their superior quality and the precise nature of their collection. Three different innovators approached Venamon to work on development projects. Queen Pacific had a large collection of samples to showcase and generated interest from many countries keen on presenting orders. Fortuna, one of Indonesia's finest men's shoemakers, drew attention from men's custom-made suit stores across the continent.

### About the TPSA Project

TPSA is a five-year C\$12-million project funded by the Government of Canada through Global Affairs Canada. The project is executed by The Conference Board of Canada, and the primary implementation partner is the Directorate General for National Export Development, Ministry of Trade.

TPSA is designed to provide training, research, and technical assistance to Indonesian government agencies, the private sector—particularly small and medium-sized enterprises (SMEs)—academics, and



Footwear SMEs sponsored by TPSA to attend the FOOTWEAR SOURCING at MAGIC trade show.

civil society organizations on trade-related information, trade policy analysis, regulatory reforms, and trade and investment promotion by Canadian, Indonesian, and other experts from public and private organizations.

The overall objective of TPSA is to support higher sustainable economic growth and reduce poverty in Indonesia through increased trade and trade-enabling investment between Indonesia and Canada. TPSA is intended to increase sustainable and gender-responsive trade and investment opportunities, particularly for Indonesian SMEs, and to increase the use of trade and investment analysis by Indonesian stakeholders for expanded trade and investment partnerships between Indonesia and Canada.

The expected immediate outcomes of TPSA are:

- improved trade and investment information flows between Indonesia and Canada, particularly for the private sector, SMEs, and

women entrepreneurs, including trade-related environmental risks and opportunities;

- enhanced private sector business links between Indonesia and Canada, particularly for SMEs;
- strengthened analytical skills and knowledge of Indonesian stakeholders on how to increase trade and investment between Indonesia and Canada;
- improved understanding of regulatory rules and best practices for trade and investment.

For further information, please contact the Project Office in Jakarta, Indonesia:

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