



ACTIVITY BRIEF

MARCH 9–11, 2019, BANDUNG AND SOLO



TPSA | CANADA-INDONESIA TRADE AND PRIVATE SECTOR ASSISTANCE PROJECT

Canadian Apparel Buyer Visits TPSA-Supported Indonesian Apparel SMEs

In 2017, TPSA invited Canadian fashion retailer Laura Canada to the Sourcing at MAGIC trade show in Las Vegas, initiating a relationship with TPSA-supported Indonesian apparel SMEs that culminated in a visit by Laura Canada to Indonesia to review product lines and discuss business opportunities.

Background

With TPSA sponsorship, two Indonesian apparel producers, World KNK and Tiga Selaras Bersama (TSB), took part in the August 2017 Sourcing at MAGIC trade show in Las Vegas, where they met representatives from Laura Canada.

Laura Canada is a Quebec-based, privately owned fashion retailer with a rich history, exceptional culture, talented and dedicated team, and loyal customers. Their curated collections are featured in Laura and Melanie Lyne stores throughout nine Canadian provinces as well as on their flagship e-commerce websites laura.ca and melanielyne.com.

World KNK and TSB had a chance to reconnect with Laura Canada when they showcased their products at an August 2018 apparel trade show in

Toronto, again sponsored by TPSA. After the show, the two companies travelled to Laura Canada's Montréal office to meet with their design team, import coordinator, merchandising VP, and senior import coordinator.

Buyers Mission to Indonesia, March 9–11, 2019

In March 2019, Martin Huang, Senior Import Coordinator at Laura Canada, travelled to Indonesia to discuss opportunities with the two Indonesian SMEs. The Canadian company is seeking to expand its supplier sources for both of its brands. Other than China and Bangladesh, Indonesia is the only country where they are looking for new producers.

The mission was a success: Laura Canada came away interested in creating women's apparel programs with both World KNK and TSB.



Laura Canada store.



Melanie Lyne store.

Canada

Program undertaken with the financial support of the Government of Canada provided through Global Affairs Canada

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Martin Huang reviews World KNK's denim program.

"The two factories we visited were very well-prepared, and samples were made specially for us with price and minimum order quantity information. The fabric supplier was also part of the meeting, which was very productive and helpful. A local market tour to a department store and a boutique provided me with a general idea of local trends and production strength, which can be beneficial to the Canadian market."

—MARTIN HUANG
Senior Import Coordinator, Laura Canada

When Mr. Huang met with the team at World KNK, he was very impressed by the company's price list, catalogue, and look book, which were all developed by the company during the TPSA project preparation stage. The buyer indicated that Laura Canada's biggest denim supplier was in Indonesia, and it so happens that World KNK uses the same supplier. This will provide a great opportunity for all three parties to collaborate.

World KNK's apparel prices were set at a level the Canadian buyer found to be appropriate, and as a result, samples have already been sent to Laura Canada executives for their review. The expected sales volume for this collaboration is between 4,000 and 6,000 garments per style.

In addition to the denim program, Mr. Huang took back some additional samples that World KNK had produced exclusively for his visit to their facility.

The company's level of commitment and preparation was evident.

Mr. Huang also visited TSB, where he met with one of their largest sourcing partners, Ivan Karwelo, who flew from Jakarta to Solo for the meeting. This provided Mr. Huang with the opportunity to negotiate fabric prices with the supplier, the producer, and the buyer all in the same room.



The World KNK team with Martin Huang from Laura Canada.



Mr. Huang performs a quality-control inspection at World KNK.



Mr. Huang revising styles and orders with Tiga Selaras Bersama.

Samples, timelines, payment terms, and prices were discussed and aligned with the buyer's expectations.

At the time of Mr. Huang's visit to TSB, an important quality-control inspection was in progress, performed by INTERTEK, a third-party inspection house for Matahari, the biggest department store in Asia (comparable to Hudson's Bay in Canada). This provided Mr. Huang with an opportunity to witness the inspection first-hand, thereby increasing his confidence in the quality of TSB's products.

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



Quality-control inspection at Tiga Selaras Bersama.

agencies, the private sector—particularly small and medium-sized enterprises (SMEs)—academics, and 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.

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