



TPSA | CANADA-INDONESIA TRADE AND
PRIVATE SECTOR ASSISTANCE PROJECT



SUCCESS STORY

Indonesian Footwear Producers Launch New Product Lines Suitable for Canadian Consumers

Many SMEs in the Indonesian footwear sector focus on the domestic market and lack exporting experience. This was true for the five TPSA-sponsored footwear SMEs. One area where they lacked expertise or knowledge was in developing new products to meet the needs of the Canadian and North American consumer. In response, the project focused on supporting production of new footwear products that are in demand not only in Canada but worldwide.

EXPANDING FROM MILITARY TO STREETWEAR

Sisters Henny and Lenny Setiadi run Venamon, a company that makes footwear for the Indonesian army and local police forces. Started by their father in 1976, the transition to Venamon's second generation has gone smoothly, and the company is now run by the two sisters and their brother, Eric, who serves as



The traditional jungle boot produced by Venamon before their participation in the TPSA project.



Now converted into a very hip fashion boot by adding an outside collar, streamlining the toe and heel shape, adding contrast webbing re-enforcement at the ankle, adding contrast lacing, and adding two zippers up the back to make it easy to get on and off.



Canada

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President Director and is responsible for marketing. At the beginning of the TPSA project, Venamon produced almost exclusively for the local military and police via a tendering process, meaning that their customer base was limited, contracts were not guaranteed, and their product line was small. The company was looking for long-term business partnerships that might start small but would have the potential to grow their business.

“After the 2017 MAGIC Show, we could see that we could actually do it. We still have a lot of homework to do, but attending this trade show has given us tremendous momentum to improve our product and take it to the next level. For example, for the 2018 trade show we want to produce waterproof shoes. We haven't done it before, but we are moving forward. Without the TPSA project's support, we would never have attempted it.”

—Henny Setiadi, Venamon

Venamon was excited to develop new products for the North American market. They acquired new lasts and soles with the goal of bringing a new streetwear focus to their designs. The company used waterproof materials for their new footwear lines, producing boots that used both membrane and waterproof leather seam-sealing techniques. The collection was excellent, highlighted by unique casual and hiking boots and a superior motorcycle boot.

Venamon created new standard operating procedures to produce small-quantity orders in response to the market segment for their new footwear line LARS. As a result, the company has changed its work processes, increased staff capacity, and introduced more flexible production processes. The design and production rooms have become more innovative and produced new product samples, and new tools and machines have been purchased to help manage the company's improved design, processing, and production capacity.

A NEW SPIN ON HAND-FINISHED CLASSIC SHOES

Fortuna Shoes produces classic men's dress and casual shoes. Owner Dede Chandra is a second-generation shoemaker who started the company 30 years ago. His factory and raw materials are world-class, and so are his customers. Fortuna combines classic shoemaking techniques with contemporary designs for men with a sense of personal style. Its customers have come to expect expert quality and craftsmanship. With a production capacity of 200 pairs per day, the company has a loyal customer base in Europe as well as in Japan, and was loosely contemplating the North American market.

Through the TPSA project, Fortuna received targeted technical assistance from a market and footwear expert and exposure to the North American footwear market. The Canadian footwear expert made factory visits and held one-on-one consultations with Fortuna, resulting in critical technical improvements to the company's production process.



“ We now understand the kind of shoe shapes popular in Canada and the U.S., and that the decision to revise shoe design must also align with quality improvement. ”

—Ruddi Suparman, Fortuna Shoes



New waterproof leather boots with winter soles.

The TPSA project has added clear value. The result is Fortuna's pristine collection of hand-finished waterproof leather shoes, which expands into American classics from British classics and is ready to serve the Canadian and worldwide high-end men's winter shoe markets. Fortuna leveraged its existing connections with the best tanneries in Italy to supply them with waterproof leather, and continued to source soles from Vibram, considered one of the best winter sole brands on the market. The company improved on its existing process by adding new and more modern lasts, more colours, and hand-brushing/finishing, all within its traditions.

Fortuna exhibited its new waterproof leather shoes at the 2018 Footwear SOURCING at MAGIC trade show in Las Vegas, supported by TPSA. The hand finish of its shoes made them stand out in the show, garnering excellent feedback from international footwear specialists as well as two of the best U.S. brands. Fortuna is currently developing a sample collection for a U.S.-based importer in Milwaukee, Wisconsin, demonstrating that it is ready to enter the North American market.

FROM FLIP-FLOPS TO RAIN BOOTS

How does a young woman in Indonesia start her own shoe business? In Surianti's case, you start in the purchasing department of a flip-flop sandal factory, learn as much as you can, take on as many new responsibilities as you are offered, and move up the organizational ladder. Eventually, as manager of operations in charge of production, purchasing, and marketing, Surianti saw the big picture and started Queen Pacific, her own flip-flop sandal factory, using her own designs and strategy. 90 per cent of her employees are women.

Before joining the TPSA project, Queen Pacific exported flip-flop beach sandals and "jellies" almost exclusively to developing countries in Asia and Africa. To enter the North American market, the company needed to broaden its product range. The TPSA footwear expert explained the North American requirement for a matrix of products (good/better/best) in a company portfolio, and that some products that are staples in developing markets have no attraction in developed economies.



Queen Pacific had never made boots before, but was up to the challenge to produce a rain boot collection to showcase at the 2018 fall and winter edition of the Footwear SOURCING at MAGIC trade show. During the development of new waterproof products, Queen Pacific continued to strengthen its presence in China with Michael Kors (MK), a world-renowned, award-winning designer of luxury accessories and ready-to-wear fashion. Queen Pacific took this opportunity to push out a rain boot collection for MK, based on the product development work it had undertaken with TPSA. This entrepreneurial spirit further strengthened Queen Pacific's relationship with MK and also turned the heads of potential buyers in North America. Business has more than doubled since 2013, thanks to Queen Pacific's exporting efforts and willingness to design and develop new products to meet demand.



New products showcased by Queen Pacific at the 2018 Footwear SOURCING at MAGIC trade show.

SUPPORTING MAINE ST.'S FLEXIBILITY: ADDING BAREFOOT AND BALLROOM SHOES

Lisbeth Joe is a woman-owned and operated company that was crowdfunded on IndieGoGo, a site that allows people to raise funds for various projects including start-up businesses. Owner Leontyne Ashmore decided to develop "barefoot" shoes because of a foot condition she developed after the birth of her first child. It was recommended that she walk barefoot, but as she was going back to work, she needed a footwear solution, and Lisbeth Joe's minimalist shoes were born.

The company asked Maine St. to develop a last, which is the shape of the finished product, from an original shoe they provided. Maine St. developed the last from scratch, as well as the desired design construction and outsole, to Lisbeth Joe's specifications. During a buyer mission to Indonesia, the shoe underwent some modifications and both parties were able to discuss and successfully resolve an issue related to the requirement for wider-than-normal outsoles, which is unique to the barefoot category of shoes.



The final shoe design for Lisbeth Joe.

“With the help of the TPSA project, we have developed our designs to meet future markets. These new designs were inspired by the TPSA training and attending international trade shows.”

—Randy Iwan, Maine St.



Reviewing the collection produced by Maine St. for Honey Brown.



Maine St. also worked with another North American buyer to develop a new product. Honey Brown Shoes had met several TPSA-supported SMEs at the 2017 Footwear SOURCING at MAGIC trade show. The company began a relationship with Tim Wallace, the owner of Honey Brown Shoes, which concentrates on men's shoes for ballroom dancing. Tim was looking for shoes that are very flexible and as "slippery" as possible for dancing, but still look like classic dress shoes.

Honey Brown sent detailed construction specifications to Maine St. Key aspects of these shoes were the heel shape and the materials. Maine St. provided Honey Brown with modified samples that were reviewed and discussed at length. The company struggled with Honey Brown's requirement for leather soles and heels (rather than the usual rubber heel lift) because of the wear-and-tear issue. The problem was also discussed and resolved during a buyer mission, where Tim travelled to Indonesia to meet with Randy Iwan and Lisa Yumi of Maine St. and the components of this small collection were changed to his satisfaction. Honey Brown has placed an initial order of 500 pairs for July or August 2019 completion.

