

German Leather Goods- and Baggage Industry Optimistic for 2008

The German leather goods- and baggage industry shows positive signs for 2008. This is due to the unbroken boom with fashionable ladies' handbags; high quality travel- and leisure bags still prosper and the handbag for men was newly discovered as accessory. Not least the good economic data of last year give a good support for 2008.

Manfred Junkert, managing director of the BVLK – Bundesverband Lederwaren und Kunststoffzeugnisse e.V., Offenbach (Federation for leather goods and synthetic products) (www.lederwarenverband.de), declared on the occasion of the Internationalen Lederwaren Messe Offenbach (International Fair for Leather Goods) - I.L.M Winter Styles from 7 to 9 March (www.messe-offenbach.de) at the press conference that the sales of the branch increased in 2007 compared to 2006 considerably by 20.8% to ca. 320 (265) Mill EUR. The sales in export rose by "fantastic" 45.1% to around 111 (77) Mill EUR. The domestic sales could be extended by 10.9% to around 209 (188) Mill EUR. The foreign sales out of the total sales were 34.8%. The number of employees rose slightly by 0.7% to 2,295 (2,278). Since nowadays in the statistics there are only companies registered with more than 49 employees, the leathergoods industry, however, is characterized mostly by companies with less than 50 employees, there is again about 2,500 employees in small and middle firms to add. The number of enterprises stayed with 26 (27) in effect the same. And additionally there are also about 270 small companies, so there are around 300 enterprises active in Germany.

The foreign trade of importers/exporters and producing industry gave in 2007 also a gratify-

ing picture. The import climbed by 9.5% to 1,673 Bill EUR. The export increased by 18.5% to 934 Mill EUR. The products shown on the Offenbach Fair especially excelled, and were the ones mostly exported. The fair director Ursula A. Diehl (u.a.diehl@messe-offenbach.de) brought by engaging the fashion consultant Martin Wuttke - nextguru.NOW/Berlin - the daily fashion shows, this time for fall/winter 2008-09 under the motto "Supreme" and "Dynamic Vibes", in their presentations up to international standards and therefore upgraded the fair place Offenbach as global leather goods metropolis further. At the I.L.M Offenbach Winter Styles also the lavish and colored trendbooklet arranged by nextguruNOW (mwuttke@next-guru-now.de) plus the daily trend lectures of this fashion expert contributed to this.

With high quality leather handbags last year an export plus of 9.2% was visible. With ex factory release prices of more than 100 EUR were South Korea, Malaysia, the Arabic Emirates, Kuwait, Saudi-Arabia, Taiwan, Singapur, Japan, Hongkong, China, France and Canada the main buyers. Altogether the export of handbags had a capacity of 15.1 Mill pieces in 2007, worth 155 Mill EUR. And the German leathergoods trade is full of confidence for 2008.

Axel Augustin, manager of BLE – Bundesverband des Deutschen Lederwareneinzelhandels, Köln (www.lederwareneinzelhandel.de), (Federation of the German Leathergoods Retailers, Cologne) informed the journalists that leather goods are still in trend, also the spending power of the people seems to have increased due to higher labor agreements and decreas-

ing unemployment. Also 2007 was successful for leathersgoods retailers. The BLE estimates that the specialized trade has closed after decent christmas business 2007 with a sales plus of about 4%. This development is very pleasant, as Augustin stressed. Furthermore the leather goods special trade showed a similarly high rate of increase already the third year in a row. Bags and accessories were and will be the leading trend object in the fashion trade.

Also comparing branches the sales increase of last year is prominent. The shoe specialized trade has been able to increase their sales

only by 0.1% and the clothing trade by 2.3%. The market volume of leather goods in Germany is estimated to be by around 2.1 Bill EUR (at consumer prices). In 2005 there were domestically 1,985 autonomous leather goods shops of the specialized trade, with a gross sales of just 1.1 Bill EUR.

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