

LEATHER GLOVES AND MITTENS
Canada

-1991-

Commonwealth of Independent States

-1992-

Leather gloves - Commonwealth of Independent States

Product description	1989		1990		1991 (Jan-Sept)	
	Q	V	Q	V	Q	V
Gloves of natural leather						
Exports	-	-	3	76	3	29
Imports of which:	4,972	20,666	2,094	13,196	979	11,557
China	2,241	2,723	312	1,374	571	6,544
Romania	1,124	7,801	837	5,963	320	2,380
Hungary	854	5,818	326	2,177	32	496
Czechoslovakia	435	2,713	246	1,532		
Germany	-	-	244	1,332	5	453
Yugoslavia	65	469	-	-	16	479
Bulgaria	208	745	-	-	2	14
India	-	-	-	-	3	183
Mongolia	-	-	-	-	...	182
Viet Nam	-	-	-	-	...	128
Sweden	35	290	-	-	-	-
Switzerland	-	-	-	-	...	93
Portugal	10	107	-	-	-	-

Source : Market Research Institute (MRI) - Ministry for Foreign Trade.

Figures cover the former USSR and are only indicative of the size of the market.

Market profile

Leather gloves are produced in all the republics of the Commonwealth of Independent States (CIS). However, official statistics give production figures for state-owned factories only. The real figure, as a result of production in innumerable small, privately-run and cooperative shops, is much higher.

The Russian Federation alone has a population of 150 million people who require at least two pairs of gloves each, one for normal cold weather and one lined with fur to cope with the severe winters. Domestic demand for leather gloves is thus greatest during the winter months. Consumer preference is mainly for black or brown colors.

Until the 1990s imports supplied much of domestic demand, although levels have been falling with the shortage of hard currency in the former USSR.

The ending of the Council for Mutual Economic Assistance (CMEA) also reduced imports of leather gloves as the main exporters - Romania, Hungary, China, Czechoslovakia - were unable to continue to trade on a "clearing" basis within the CMEA. Very few imports were from non-CMEA countries.

Market access

Import duties were introduced in July 1992. The duties are payable in hard currency or Roubles at a base rate of 5% of contract value, except for specific products.
(Source : Business International Ltd, Sept.1992)
In Jan. 1993 a new tariff scheme will be introduced.

Prices

Retail prices for leather gloves depend on the quality of the gloves and the distribution channels: Leather gloves produced within the country and sold in department stores or speciality shops, retail for 100 - 250 Roubles per pair. Imported high-quality leather gloves sold in special shops, retail for 1,000 - 2,000 Roubles per pair. Leather gloves retail in hard currency shops for US \$ 30-50.

Distribution channels

Wholesalers buy gloves from foreign trade organizations for onward selling to department stores and speciality shops.

Exporters wishing to sell leather gloves to the CIS should decide whether they are prepared to countertrade, owing to the shortage of hard currency in the CIS.

Commercial practices

Exports should only be made against an irrevocable letter of credit, confirmed by a first class bank with final payment to be made by a bank in the exporter's country.

Packaging

Importers require leather gloves to be packaged in plastic bags or in other waterproof but ventilated materials. Bags containing 10 to 12 pairs are placed in cartons for shipment.

Sales promotion

There are various methods of promoting gloves in the CIS:

- Regular fairs and consumer goods exhibitions in Moscow, St. Petersburg, Kiev and other big cities where foreign leather goods producers/exporters are represented.

- Advertisements in various catalogues and specialist magazines.

- Potential exporters can also contact overseas trade representatives of the CIS.

Market opportunities

The harsh climates in the Russian Federation, Ukraine, Belarus and Kazakhstan ensure that gloves are basic necessities for much of the population. In the coldest weather, cheap but warm, fur lined gloves are the most in demand. In spring and autumn plain leather gloves are preferred.

According to trade sources an increase in demand for imported leather gloves in the CIS is foreseeable, as soon as the economic situation in the Republics will be normalized.

Selected importers

INCO-CENTRE
1, Marshal Birusov
123298 Moscow
Russian Fed.
Tel: 215-42-95

LEGPROMEXPORT
21 A, Zvezdni brd
129085 Moscow
Russian Fed.
Tel: 129085
Tlx: 411150
Fax: 2003281

UBILEI
60, Sverdlovskaia Naberejnaia,
195160 St. Petersburg
Russian Fed.
Tel: 244-00-54
Tlx: 121163 MUMO

MOSTORG
4, Seliverstov Per.
103045 Moscow
Russian Fed.
Tel: 208-67-88

CUM
9, Vainera
620014 Ecaterinburg
Russian Fed.
Tel: 51-13-57

ZIL
23, Avtozavodskaia
109280 Moscow
Russian Fed.
Tel: 275-33-28
Tlx: 411006

MOSSTROY-3
17, Dimitrova
109180 Moscow
Russian Fed.
Tel: 230-02-03
Tlx: 503

UKRIMPEX
22, Vorovskogo
252054 Kiev
Ukraine
Tel: 216-21-74
Tlx: 131384 UKIE
Fax: 216-29-96

Exchange rate

1992 Aug. US\$ 1,000 = 156,000 Roubles

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Prepared in cooperation with MRI (Market Research Institute)-
Ministry for Foreign Trade (ex-USSR).

Leather gloves and mittens - Canada

Product description HS 4203.29 (1988) Other leather gloves and mittens

\$Can'000	1988	1989	1990

Total imports	57,467	56,597	59,464
Total exports	1,396	805	644

(Source: Statistics Canada)

Main origins of imports China (56), Philippines (10), Hong Kong (7.5), Rep. of Korea (6.8), Sri Lanka (5.4), Czechoslovakia (2.4), Hungary (2.4), India (1.8), Italy (1.8).
(% of imports by value, 1990)

Market characteristics The domestic leather gloves industry in Canada is small, accounting for approximately one-third of the market. Due to Canada's very harsh winters and the fact that domestic production is low, imports account for a very large part of the market. There are four dominant and basic colours on the market; brown, tan, black and blue. There are colour variations, such as light blues, bright pinks, greens, etc. but they are not as popular.

Market access As Canada is a bilingual country, labelling should be affixed in both English and French. It is mandatory that the country of origin, materials used for lining and insulation (if any) and shell be listed on the label. Due to the fact that domestic production is low, duties imposed on imports are also rather low, ranging from 7.5% for countries covered under the General Preferential Tariff to 11.3% for those countries covered under the Most Favoured Nation tariff. Canada is a signatory to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and as such, exporters should contact CITES before exporting leather gloves which may have been manufactured with banned pelts.

Prices Information on prices may be obtained through mail-order catalogues. Retail prices vary greatly from retailer to retailer. It is possible to find the same pair of gloves in an exclusive speciality store selling for over \$Can100.00 while in a department store they retail for under \$Can60.00.

Distribution channels The most important channels for the distribution of gloves are specialized importers and manufacturers/importers. Major department stores are also gaining importance.

Exporters should be aware of the fact that the majority of the Canadian population live in Ontario and Quebec , and it would be wise to form an association with an importer from either one of these provinces. Toronto is the largest distribution centre for consumer goods.

Retail sales are carried out by specialty stores, department stores, general merchandising stores, mail-order houses and specialty chains.

Sales promotion

There are a number of fashion and leather garments trade fairs taking place throughout the country, especially in Toronto and Montreal, such as the Luggage, Leather goods, Handbags and Accessories Show every June in Toronto. Specialized importers also promote their lines of leather gloves directly to retailers.

Commercial practices

Imports are widely based on samples to prospective buyers. The major season for gloves sales in Canada is winter, with retailers displaying their lines since October.

Market opportunities

Developing countries account for over 80% of the imported leather gloves market in Canada. The largest exporter is China with 56% of the import market. Despite the Canada/United States Free Trade Agreement which came into effect on 1 January 1989, it is doubtful that the United States will hinder the value of imports from the developing world to any large extent.

Useful addresses (this list is not exhaustive)

Convention on International Trade
in Endangered Species (CITES)
Canadian Wildlife Service
Dept. of the Environment
Ottawa
Ontario K1A 0H3
Tel: (819) 953 1411
Tlx: 0534567
Fax: (819) 997 1929

Canadian Industry Shows and
Exhibitions
777 Bay Street
Toronto
Ontario M5W 1A7
Tel: (416) 596 5890
Tlx: 06219547
Fax: (416) 591 1240

Leather Bureau of Canada
P.O. Box 182 Station 'H'
Montreal
Quebec H3F 2H7

Luggage Leathergoods and
Accessories Association of
Canada
380 Wellington St. W.
Toronto
Ontario M5V 1E3

Trade fairs

Luggage, Leather goods, Handbags and Accessories Show
(Toronto - every June)
Show management:
Show Productions Organization Ltd
33 Isabella Street, Suite 102
Toronto
Ontario M4Y 2P7

There are also a number of annual leather garments, clothing and fashion shows, around the country where leather gloves may be displayed.

Importers

Charles-Garre Belt Co. Ltd
125 Chabanel St. W., Suite 506
Montreal
Quebec H2N 1E4

Monark Import-Export Inc.
9500 Meilleur St., Suite 100
Montreal
Quebec H2N 2B8
Tel: (514) 382 3130

Chris Simpkins Sales
1003 D 55th Avenue N.E.
Calgary
Alberta T2E 6W1

Ladies' wear Canada Ltd
1 Phoebe St., 4th Floor
Toronto
Ontario M5T 1A6

Department stores

The T. Eaton Co. Ltd
1 Dundas St. W.
Toronto
Ontario M5B 1C8

Hudson's Bay Co.
2 Bloor St. E.
Toronto
Ontario M4W 3H7

Simpsons Ltd
401 Bay St.
Toronto
Ontario M5H 3K2

Woodward Stores Ltd
101 West Hastings St.
Vancouver
British Columbia U6B 4G1

Speciality stores

Boutique des Amoureux Ltd
1250 Baulac St.
Montreal
Quebec H4R 1R9

Dylex Ltd
637 Lakeshore Blvd. W.
Toronto
Ontario M5V 1A8

Mail-order houses

Simpsons-Sears Ltd
22 Jarvis St.
Toronto
Ontario M5B 2B8

Sources of information

- Statistics Canada: Imports by Commodity and Country, 1988
Exports by Commodity and Country, 1988
Imports Merchandise Trade, HS Based, 1988 - 1990
Exports Merchandise Trade, HS Based, 1988 - 1990
- Bulletin international des douanes - 1988-89
 - Revenue Canada Customs and Excise, Customs tariff, January 1988
 - Trade Facilitation Office Canada, Exporting to Canada, Geneva 1989
 - ITC, Leather, Clothing and Accessories in Canada, Geneva 1982
 - ITC, The Canadian Market for Clothing Products, Geneva 1987
 - Price Waterhouse, Doing Business in Canada, September 1989
 - Contacts with retailers and the Trade Facilitation Office

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