**Press Release**

**Immediate Release**

**29 August 2018**

**On its 20th Anniversary ACLE focuses on Innovation**

Taking place in Shanghai from 29 - 31 August, ACLE is celebrating 20 years since its launch in Beijing in 1998 alongside the 30th anniversary of the founding of the China Leather Industry Association in 1988.

This year the focus of the ACLE is on innovation, with a series of areas to display, and activities to discuss the future and endless opportunity of leather. *Details of the 2018 Special Event Agenda at ACLE are presented in a separate format in the media pack.*

**Backdrop of the 20th anniversary of ACLE**

2018 has been a challenging year for the global leather industry. There are ample supplies of raw materials available for the tanning industry and more in the pipeline with over 4 million hides sold but not yet shipped in US warehouses and cattle on feed numbers between 8% - 9% higher than one year ago.

At the same time, despite buoyant auto sales and a sound performance in the furniture industry, demand for shoe leather which traditionally accounted for over 50% of global leather demand continues to fall as it has done since 2015.

The supply / demand picture described above has unfortunately been exacerbated by ongoing trade tensions between China and the US with both countries threatening huge tariffs on each other’s exports. This economic / political scenario has tended to undermine confidence in trade generally and could well have hit China’s footwear exports to the US and US hide and leather exports to China.

The boom in sneaker demand and production that mainly uses synthetics allied to plentiful bovine hides being produced from the meat industry has forced prices lower to levels not seen since the financial crisis of 2008/2009.

Thus, the backdrop to ACLE 2018 is by far from encouraging but key questions about the leather sector must be asked:

**Where is the demand?**

Nevertheless, such supplies are neither in China nor in the emerging leather sector of the ASEAN nations that are accelerating their progress by taking advantage of their lower labour costs compared to China.

Vietnam, as China’s main competitor in the leather footwear sector, has to import 70%+ of the leather it uses. The nearest main sourcing hub where buyers from Vietnam and other nations such as Cambodia can meet international supplies is at ACLE in Shanghai.

For this reason the Organisers of ACLE – APLF Ltd and the China Leather Industry Association (CLIA) – expect buyers from China’s leading tanneries as well as tanners from other ASEAN nations that need to import raw materials supplies and require a hub from where to source them. The Organisers will be promoting the fair not only in China but also in ASEAN.

**Imports needed to feed China’s leather sector**

According to official CLIA figures, leather imports to China in 2017 were as follows:

* Raw hides and skins were 1.25 million tons in quantity and US$2.2 billion in value.
* Semi-finished leather imports were 706,200 tons in quantity and US$1.46 billion in value,
* Finished leather amounted to 116,800 tons in quantity and US$1.99 billion in value.

Total leather imports by China in 2017 from international suppliers in value were: **US$5.68 billion**

This is where the export sales opportunity lies for international tanneries wishing to serve the Chinese leather sector with the added bonus of coming into contact with buyers from ASEAN nations at ACLE.

**2018 is a special year for China’s leather sector and ACLE**

This year marks the China Leather Industry Association’s (CLIA) 30th anniversary that since its founding has led to great improvements in China’s tanning industry, reaching state of the art levels in sustainability standards.

At the same time, it is ACLE’s 20th year as the platform where those changes were brought forward and have positioned ACLE as the best showcase of this shift in manufacturing, which, as Manufacturing 4.0, encompasses automation, technological innovations to allow sustainable processes and added efficiency.

This process in China’s industry over the last three decades has transformed it from a low cost manufacturing export-driven economy to a technologically advanced and sustainable manufacturing nation driven by demand from the huge domestic market.

**Focus still on China’s automotive sector**

Auto sales continue to boom in China that is by far the world’s biggest buyer of new cars. This has encouraged specialist firms such as Adient, Faurecia and Lear that serve the automotive seating industry to set up plants in China.

With more than 24 million new passenger vehicles sold in China in 2017 and some 5 million light trucks and other vehicles this is, historically speaking, the biggest opportunity for auto leather seating that has ever existed.

The strength of the auto market is buoyed by an annualized increase in retail sales of 9.7% far outstripping any other major economy.

**And don’t forget footwear**

Despite progress being made essentially by Vietnam in footwear exports to the US and Europe, China’s leather shoe production is still light years ahead of what is produced in Vietnam and the rest of the ASEAN nations put together.

According to the report presented by the CLIA during APLF, China manufactured 4.48 billion pairs of leather shoes in 2017. Vietnam manufactured just a respectable 404 million. In the case of both countries much of this leather in semi-finished form is imported to be finished in local tanneries to feed the production lines.

At the same time there are other key sectors for leather demand that simply cannot be ignored.

**Quality Buyers from China and Overseas**

With more than 22,000 buyers attending ACLE each year of which 19,000 originate from the major manufacturing and tanning provinces of China, ACLE is by far the most dynamic business platform available to penetrate the Chinese markets.

These are the main buyers who will visit the **1,087** exhibitors participating at the fair.

This year, the organisers has invited groups of Vietnamese manufacturers and Chinese furniture producers to visit ACLE. Chinese designers are also invited to attend workshops on leather garments, footwear and leather goods, conducted by renowned experts from Italy and the Netherland. All of the groups will also attend 15 minute Leather Naturally Talks, held by Leather Naturally and visit the Leather Naturally Zone in E1 and Technological Innovation Trend forum in E3.

**ACLE international presence for 2018**

The exhibition halls at the Shanghai New International Expo Centre (SNIEC) in Pudong, will be taken by tanners and the world’s leading chemical suppliers seeking to consolidate their business in China itself and harvest new contacts for the future.

These companies come from the world’s leading tanning nations such as USA, France, Spain, Germany and Brazil amongst others and companies supplying chemicals for the tanning industry will be the most renowned internationally and these often use ACLE as a platform to launch new technologies and products to the China market.

For media enquiries and onsite support, please contact Ms. Chi-On Kwok at chion.kwok@ubm.com or visit the Press Office located at the Hall E1-D29.

**Notes to Editors**

**About All China Leather Exhibition (ACLE)**

All China Leather Exhibition (ACLE) is known as the premier event for international companies seeking opportunities in China's huge markets. Since its inception back in 1998, ACLE has welcomed hundreds of thousands of buyers from the main manufacturing provinces of China where leather is tanned and footwear and leather goods are manufactured. In fact, a majority of buyers come from China, making ACLE the hub of activity for the leather industry.

ACLE offers many “upstream” sources of semi-finished leather to Chinese tanners so that the leather can be finished in China. There are also finished leathers of high quality available from many leading western tanneries in the international tannery hall at ACLE aimed at local footwear and automotive leather manufacturers.

The exhibition provides the largest variety of leather, chemicals, components & accessories, manufacturing equipment and tools, machinery and technology.

For more fair details, please visit <http://www.aclechina.com/>.

**About the Organisers**

ACLE is organised jointly by the China Leather Industry Association (CLIA) and APLF Ltd.

CLIA is the only officially recognised representative body for China’s vast and successful leather industry. CLIA has at its disposal the largest and most comprehensive databases of leather makers and manufacturers of finished products, suppliers and buyers.

APLF Ltd is a joint venture between SIC Group and UBM Asia. For over two decades, Hong Kong-based APLF Ltd has been providing the global leather and fashion industries with its most important meeting and trading place.

**About APLF Limited (**[**http://www.aplf.com/**](http://www.aplf.com/)**)**

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**About SIC Group (**[**http://www.sicgroup.com/**](http://www.sicgroup.com/)**)**

SIC Group has been organising international professional events since 1926 for companies working in the leather sector. Its role is to support businesses in their development and offer them work platforms in areas of the world with high potential. With four shows organised each year, SIC Group and its partners can take advantages of expertise that is unique in the world.

**About UBM Asia (www.ubmasia.com)**

UBM Asia recently became part of Informa PLC, a leading B2B information services group and the largest B2B Events organiser in the world. Please visit [www.ubm.com/asia](http://www.ubm.com/asia) for more information about our presence in Asia.

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