

REPORT ON THE PARTICIPATION OF COIR BOARD
IN
DOMOTEX INTERNATIONAL TRADE FAIR 2010

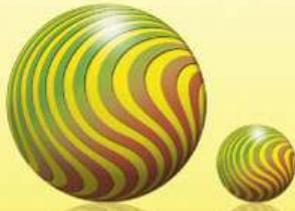
HANNOVER, GERMANY

16 - 19 January, 2010



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V.S. Vijayaraghavan, Ex. M.P. (Chairman, Coir Board)
M. Kumaraswamy Pillai (Director [Mktg.], Coir Board)



Domotex is the largest conclave of Carpet manufacturers and traders from all over the world. All the major manufacturers, agents and buyers of carpets and floor coverings used to converge at the Domotex Fair every year for booking orders for their products for the whole year and therefore it always turns to be the largest fair in this section held anywhere in the world. Domotex used to provide a golden opportunity for the sellers to meet the decision makers who visited the Fair to learn about the latest trends and innovations. These interactions lead directly to new business for the year ahead. Therefore, for the sellers, it turns out to be the world's largest market place for the carpet and floor covering industry.

This year, the Fair was held for the period from 16-19th January, 2010 at Hannover, Germany. Germany experienced one of its coldest winter during the year where temperature went down upto -20° C but the inclement weather did not hamper the interest of the visiting public and the Domotex 2010 witnessed maximum number of visitors and professionals with a substantial rise in attendance. It has been reported by the organisers M/s. Deutsche Messe that over the four days of the show, some 40,000 professionals turned out to admire the products offered by 1,395 companies from over 70 different nations. "With exhibitor numbers

holding steady and a 12 percent growth in visitor attendance, we have improved on last year's results in spite of the tough economic climate. DOMOTEX has given the industry some real momentum and charted the way ahead for the coming year. The floor covering industry has started 2010 in a confident note as been quoted by an industry expert. "The success of DOMOTEX 2010 provides an indication of an improving economic climate and demonstrates that our measures to fine-tune this flagship fair to the needs of the market have been right on the mark. This translates into even more tangible benefits for our exhibitors and their clientele."

On behalf of the German Home Textiles Industry Association, Director Martin Auerbach commented: "In view of the prevailing economic conditions, last year the home textiles sector put a major emphasis on innovation. DOMOTEX has provided us with an ideal showcase in which to present these products."

Dr. Ali R. Ipektchi, Chairman of the European Carpet Importers Association (EUCA), added: "The mood at this year's DOMOTEX has been much more upbeat. Over the last two or three years many large firms were preoccupied with reducing their inventory levels. But now the big customers seem ready to order again. We are very pleased with the run of the show."

Besides coming to Hannover to get an overview of what the market has to offer, the approximately 40,000 DOMOTEX visitors also indicated that picking up on the latest innovations and trends and placing orders were at the top of their list. This internationally trendsetting role played by DOMOTEX was resoundingly underscored by survey findings. "The focus of the interior decoration products at DOMOTEX HANNOVER 2010 has been on sustainability, styling and status," commented Professor Axel Venn, the internationally renowned color and trend scout. "Carpets often serve as the centerpiece of modern living, bringing special coziness to the coffee table or inviting you to stretch out, relax and interact with others in front of the fireplace." Professor Venn also identified some clear trends for other types of flooring on display, for example, an increasing preference for parquet made of domestic wood displaying a highly visible grain. "This is indicative of a rising interest in natural authenticity," he explained.



The Ministry of Micro Small and Medium Enterprises, Govt. of India have sanctioned the deputation of Shri. V.S. Vijayaraghavan, Ex. M.P. and Chairman, Coir Board and Shri. M. Kumaraswamy Pillai, Director (Marketing) i/c, Coir Board, Cochin for organising the Board's participation at the Domotex 2010 at Hannover, Germany. The Board's participation during the yester years was organised through the India Trade Promotion Organisation where the ITPO will be taking a large area for participation of coir industry and allot required space for the participants. This year, the ITPO withdrew from the Domotex and therefore the Board had to take the lead in organising the Fair. Accordingly, the Board reserved space of 264 sq. mtrs to be allotted to 19 exhibitors besides Board's theme pavilion. The following exporters participated

along with the Coir Board at the Domotex 2010.
M/s. Matex,
9/572, CCNB Road, Chungom,
Alleppey, Kerala.

M/s Décor Mats Private Ltd,
11/77, Calvetty Road, Post Box No.45, Cochin

M/s Indus Consumer Products Pvt. Ltd.,
West Saktheeswaram Junction, Alleppey

M/s. Home Furnishings,
XXVI/584/A, P.B.No.39, Alleppey-688001

M/s. K.S. Gangadhara Iyer & Co.,
P.B.No.3836, A.C. Street, Mullakkal, Alleppey.

M/s National Coir Mills,
Post Box No.2, Alleppey-688 001, Kerala

M/s. Pobji Emporium,
AGP/XIII/147, Thumpolly Post, Alappuzha

M/s Babu Coir Works,
Post Box No.4, Thumpoli P.O. Alleppey, Kerala

M/s Allakkatt International,
Alakkattuseril House, 2/304, Alleppey, Kerala

M/s East West Coir Exports,
Baiju Bhavan, Arattuvazhy Ward, Alleppey

M/s. Glenrock Rubber Products Pvt. Ltd.,
Mallikassery P.O., Pala, Kottayam – 686 577.

M/s. Consolidated Wood Industries,
Chingavanam P.O. Kottayam-686531.

The `S' Exporters,
VII/64-A, Nellipuzha Road, Aroor ,Alleppey

M/s. International Carpet Consortium,
S.N. Puram, Shertallay, Allappuzha- 688 582.

M/s. Kaison Rubbers,
Kalady-683574, Kaipattoor, Ernakulam

M/s. Wallace Langford & Associates,
MGP 139/XI, Muhamma, Alleppey, Kerala.

M/s. T.J.P. Industries,
Industrial Dev. Plot, Poovanthuruth, Kottayam.

M/s. M.V. Joseph & Sons,
P.B.No.86, Vazhicherry, Alleppey-688 001.

M/s Ganesh Coir Mills,
Post Box No.64, Alleppey-688 001

Coir Board, (Ministry of MSME, Govt. of India)



The Deutsche Messe, organisers of the Domotex allotted space to the Board in a prominent place in Hall No.5. This was in 2 separate areas of 240 sq. mtrs and 24 sq. mtrs.. In the 240 sq. mtrs, the participation was organised for Coir Board theme pavilion and 17 exporters whereas in the 24 sq. mtrs block, the participation of 2 exporters was organised. All the participants reached well in advance on 15th of January, 2010 at the Fair grounds and organised their display in a tasty manner. The Board's pavilion was also ready on the evening of 15th January as the exhibits of all the participants were delivered on time by the concerned agency.

Board's stand

The Board's stand was spread over 24 sq. mtrs. with a small conference area and also video display. The novel R&D projects of CCRI/CICT and the garden articles/coir tiles only were displayed at the Board's stand. Besides, continuous screening of video films on coir was also carried out for the benefit of the visitors. There was a pantry area at the Board's stand to provide coffee/tea and cookies to the exhibitors who were participating along with the Coir Board and also the visitors who were visiting the Board's stand. Drinking water is also provided with the Board's stand for the visitors and co-exhibitors.

The visitors to Board's stand could be categorised as

- i) The important buyers who have been in the business for quite long and wanted to have discussions with the Chairman and officials of

the Board on certain important problems faced by them.

- ii) Prospective buyers who wanted to expand their business by including coir floor coverings.



The details of major visitors to the Board and the discussions held by the Chairman, Coir Board with them are given here under.

Opening day- 16th Jan 2010.

The Board organised participation at the Domotex 2010 directly along with 19 exporters. The entire stands at Hall No.5 were handed over to the exhibitors by the contractors on 15th itself. All the nineteen exhibitors arranged display of the products by the evening of 15th itself. On 16th morning by 9 AM the Coir Board's entire area was ready for welcoming the visitors.



This time the Board's stand was having elegant look with the banners flying high with letters "Indian Coir". The interiors of the stand were also looking good with the slanted racks and hangers. All the visitors from the coir community in India appreciated the stand.

There were a good number of visitors to

the Coir Board stand and that of the co-exhibitors. Many of them renewed their contacts and a few new enquiries were also received. Mr. Bitcher, Chairman of German Coir Association also visited the Board's pavilion and held discussions with the Chairman and Director(M) on the prospects of Indian Coir in Europe particularly the hand loom products. Mr. Bitcher said that unless the Coir Board takes up generic publicity on the coir products the future of Indian coir is not so bright.

The officers of the Indian Institute of Foreign Trade who has been entrusted with the study of market potential in Europe for coir products visited the Board's stand and held discussions with the officials. They have sought an appointment with Mr. Bitcher and it was fixed for 11 AM on 17th at Coir Board stand.

One of the importers from the Netherlands complained that the prices of coir products are going up and the delivery schedules are not strictly maintained by the exporters. He also said that in the Jute sector in Kolkatta there is a strike going on and both coir and jute supplies are affected. We replied that as far as the coir is concerned the scarcity of raw materials has been a past story and normalcy attained. It was assured that there will not be any problem in the coming days in shipping schedules.

In the evening of the opening day the Chairman and Director (M) attended the "RED CARPET DINNER" hosted in honour of the participants by the Messe.

Day 2: 17.01.2010

The day started with a meeting with the IIFT officials with Mr. H. Bitcher and the Chairman, Coir Board at the Board's stand. The IIFT officials interviewed Mr. Bitcher as part of their study. The Director (M) emphasised the need for promoting the sale of hand loom products so as to sustain the large number of workers engaged. He also pointed out that the onus giving publicity largely depend upon the wholesalers as the exporters and the Coir Board have an interface only with the wholesalers and not with the ultimate consumers and house wives. However Mr. Bitcher informed that the Board has been supporting the German Coir Association for generic publicity during the earlier days and now there has not been any initiative from the Board's side. He wanted to renew the publicity programmes.

Mr. Momo Bouabida, from JVL Homeware Solutions, West Yorkshare, London visited the Board's stand and held discussions with the Chairman and the Director(M). He too had complaints on the rising prices of PVC mats and hand loom products. However he said that U K continues to import coir products in large quantities, but to sustain the same, the Govt. Of India has to take appropriate steps to contain the prices and maintain the delivery schedules.

Mr. Greg twitt of medici888, Virginia Beach, US A visited the Board's stand and evinced keen interest in one of the research product exhibited. This is a loop mat made of blended yarn. Mr. Greg requested the Chairman to help his suppliers in sourcing the finer yarn of blended fibre. The Chairman and Director (M) agreed to consider the request and promised to provide all support to the exporter.

Mr. Anu Menon of Deutsche Messe, Dubai branch visited the Board's stand and held discussions with the Chairman and the Director (M) on the participation of the Board in the DOMOTEX Middle East to be held in Dubai during 10-12, May 2010. The Chairman said that the request will be considered by the Board and a decision taken in consultation with the exporters.



Day 3: 18-01-2010

On the third day there were a quite a few visitors to the Board's stand. However the co-exhibitors reported that the first two days were better. None the visitors were showing interest in handloom products. Enquiries are only for PVC mats in the coir category. Also some cheaper

varieties of the mats like corridor mats which are costing less than a dollar per piece.

Shri S R Patnaik, Vice-Counsel, Consulate General of India with his deputy visited the Board's stand and held discussions with the Chairman, Coir Board and the Director (M) on the possibilities of promoting the handloom products made out of coir. He appreciated the R&D products exhibited at the stand particularly the coir polymer composite board and the tray made out of it. The Vice-consul promised that he will try to promote the coir products in the country. The Director(M) requested the Vice-consul to pursue with the Messe authorities to allot a prominent place for the Coir Board in Hall No.5 next year and the Vice-Consul agreed to do so.

Day 4: 19.01.2010

On the 4th day, comparatively visitors were much less. However, there were a few serious enquiries from new entrance in the business. The exhibitors started dismantling their display. In the afternoon of the 4th day and by evening the entire stall was vacated by the exhibitors.

Observation on the Board's participation at the Domotex 2010

1. The design of the Board's pavilion and facilities offered by the Board for exhibitors was better and all the exhibitors appreciated the arrangements made by the Board directly this year.
2. The presence of Chairman, Coir Board at the Board's stand through out enabled the major buyers who visited the exhibition to have interaction with the Chairman and the Director (Marketing) so as to highlight the problems faced by them.
3. The Board's stand was a resource centre for the exhibitors not only those participated in the Fair along with the Coir Board but also for other participants in the Hall No.5 and 6. The exhibitors were furnished with the details on the quality aspects, technical specifications and also samples of new and novel products developed by CCRI for which the buyers have shown interest.
4. The publicity though on a limited scale

initiated by the Board this time, has made an impact on the visibility of Coir Board and its co-exhibitors at Hall No.5.

5. Domotex is an international fair for floor coverings in general and there have been a good no. of products in the floor covering sector from all the countries. In the stand provided by the Board, the exporters were advised to exhibit products comprising of a minimum of 50% of coir and coir related products. Most of the exporters have obeyed the instructions given by the Board but a couple of them have not exhibited atleast 50% coir products in their stand.
6. There is a general trend in the shift of the export business from the handloom products to the non-traditional products including PVC tufted mats. Consciously, many of the exporters were also encouraging the buyers visiting them to place orders for PVC tufted mats in place of handloom products as according to them the supply schedule for handloom products cannot be ensured under the prevailing circumstances in the coir industry in Kerala.



Conclusions

The Board may continue to acquire adequate space in advance directly from M/s. Deutsche Messe and allocate space for the exporters who are willing to participate. Eventhough the space allocated at the Hall No.5 this year was having better visibility it may be possible to get better space in the passage from Hall No.5 to 6 so that most of the stands in the Coir Board pavilion will have the attention of the visiting public.

M.Kumaraswamy Pillai
Director (Marketing)

V.S.Vijayaraghavan, Ex. M.P.
Chairman

