

# Participation of Coir Board in



4 - 6 May 2010

LAS VEGAS CONVENTION CENTER

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# REPORT



## REPORT ON THE PARTICIPATION OF COIR BOARD IN NATIONAL HARDWARE SHOW 2010

4-6 MAY ,2010 , LAS VEGAS USA

Coir Board participated in the National Hardware Show, Las Vegas ,USA during 4-6 May, 2010 organized by the Reed Exhibitions, USA. The Show was arranged through ITPO, New Delhi and housed in Central Hall Lobby and North Hall Lobby with key locations for registration, show office, press, medical aid, business center, security and overnight storage, new product launch, lawn, garden and outdoor living show, green product launch, education seminars, sales etc.

The 170 sq.ft booth # 1326 in India pavilion, at Central Hall shared by the Exporters along with Coir Board.

R.Gopalakrishna Pai, Senior Auditor and PS to Chairman was deputed to represent Coir Board.

The National Hardware Show 2010 kicked off on 4th May, 2010 at 0845 hrs at the Central Hall Lobby of the Las Vegas Convention Center with a procession of bag



*Convention Center, Las Vegas*

pipers, celebrating a rich history spanning 65 years of serving the home improvement market place. The Home Depot co-founder Mr. Pat

Farrah, performed the ceremonial ribbon cutting by grabbing a great neck saw and cutting a three tier wooden birthday cake.



The US is one of the largest and most technologically developed countries in the world. The GDP of the country in terms of Purchasing Power Parity(PPP) of the country has improved and the economy is coming back after a slowdown.

Even though destination wise percentage of export declined, while comparing EU and other countries, USA ranks number one as single major buyer of coir products from India.

The attendee list of National Hardware Show 2010 includes important players in the home products industry, covering not only traditional retailers and wholesale outlets but non-traditional channels and international retailers. This includes industry giants like The Home Depot, Wal-Mart, Sears, True value, Costco, Sam's club, Ace Hardware and many others representing the trade and industry. There was a strong attendance over last year and all of the orders being written and executed instantaneously at the booths, rather than choose to finalise over a period of time.



The US market with over 300 million consumers, may overwhelm many suppliers who assume the US is a single, homogenous export market, is a glaring example of having shares a single largest market share of more than 30% in Indian coir sector. As per the Coir Board statistics, around 54 Indian firms export coir products to USA.

The US is in fact made up of hundreds of different geographic and demographic consumer markets- many with distinct castes, purchasing behaviour, distribution system, regulations and climate.

Based on geographical segmentation, the US consists of 50 states; the capital city Washington, District of Columbia (DC), and various territories including Puerto Rico, the US Virgin Islands and areas of the Pacific Ocean. Almost seven of these states have larger economies and California alone produces as many goods and services.

Based on geography and industry, US can be divided into 6 distinct regions.

1. The North East Region known for its culture, education and medical institutions, viz., Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

2. Delaware, Maryland, New Jersey, New York, Pennsylvania, and Washington (DC) in middle Atlantic known for communications and pharmaceutical industries.

3. The South comprises of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Caroline, South Caroline, Tennessee, Virginia, West Virginia and parts of Missouri, Oklahoma and Texas.

These areas known for agriculture as primary industry due to temperate weather, but manufacturing and tourism have also become important.

4. The largest city is Chicago, a major port and transportation hub located in the Midwest

along with Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota and parts of Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin.

The region is often referred to as the nation's breadbasket because of its abundant production of oats, wheat and corn. But the area is not densely populated.

5. Las Vegas comes under Nevada in the South west, comprises Arizona, New Mexico, Western Texas and parts of Oklahoma.

The land in this region is generally flat and dry and the weather is very hot. The region has many deserts and is home to Las Vegas; one of the fastest growing cities in the US and a premier global gambling center.

Coir pith, coir geotextiles and other garden articles can easily penetrate in this region in view of its high potential that suits to the region's weather condition.

6. California is the nation's most populous state and is famous for its movie and high-technology industry. The area comes under the West, along with Alaska, Colorado, Hawaii, Idaho, Montana, Oregon, Utah, Washington & Wyoming.

These areas are best known for its natural beauty and adventure Sports industry.

The National Hardware Show 2010 new features include the new product launch spotlight in the lobby of the Central Hall.



*Central Hall, Las Vegas Convention Center*



Both the Central and North Halls of the National Hardware Show are fully equipped with sufficient numbers of conference halls, capable to conduct seminars by the participants. Seminars run continuously through out the show in three areas: the NRHA village and industry summit stage(Central Hall Lobby), the PRDA show & future fair stage (show floor, Central Hall) and the Lawn, Garden & Outdoor living stage(North Hall lobby).

An impressive line up of seminars that followed the inauguration included the keynote address by Mr. Bridget Brennan, CEO of Female Factor and author of the best selling book- Why She Buys.

In his elaborate presentation and speech, he made a reference to the importance of a new strategy for reaching the world's most powerful consumers. The no.1 rule in retail is know the customer and at most times and in most places that customer is female, he added. He stressed that the home improvement industry has an enormous opportunity with women, who are responsible for initiating 50% of home improvement projects. And a series of seminars were held throughout the show by the reputed retailers, wholesalers and experts on home improvement.



Mr. Fred Miller, Managing Director of the Home Improvement Research Institute (HIRI) gave a presentation entitled " the what and where of 2010 planned home improvement projects". He shared trends in home improvement spending on both national, regional and international level. He added that " making market only by market

decisions" and only through advertising or marketing, focusing on specific areas of the country. Thus an importer/exporter will be able to do his job better and adjust relative spending judiciously to get the desired results out of the efforts effectively.

To sum up, National Hardware Show continuously evolves through the industry's involvement, commitment and passion to improving quality of life through their homes and the National Hardware show is the place for global manufacturers, associations, organizations and the media to unveil their new products, ideas and insights to a broad spectrum of home improvement retailers.

National Hardware Show 2010 broadly focuses on the following areas and can be termed as a multi show floors within a single show. Perhaps this show may be categorised as a single show under one umbrella than any other floor shows in the world.

**Lawn, Garden & Outdoor Living:** With growing trends like home improvement and an increased consumer focus on green living, the expanded lawn, garden & outdoor living segment of the National Hardware Show provides home and garden retailers and distributors with the most "non-live" product sourcing opportunities in the US. This year's National Hardware Show was guaranteed to be the most product buying trip for lawn, garden categories and there was ample opportunities for Coir Board to display the coco lawn, coco chips, coco pith, garden articles and coir composite boards, coir tiles, coir composite products in this segment spread over for fertilizers(organic manure), flower plants, flower baskets and flower stands.

Under the Hardware & Tools category, includes, false ceiling products, doors, flooring and wood products. The novel products manufactured by the Central Institute of Coir Technology of Coir Board could easily be showcased under this segment.



Under Home ware Segment- exhibitors manufacturing the products and supplies consumers use daily to care for their home are displayed. Brushes and modular kitchen come under this category and there is every possibility to showcase the products manufactured in National Coir Training and Design Centre of Coir Board, Central Coir Research Institute and Central Institute of Coir Technology to explore the markets.

National Hardware Show offers ample opportunity to display any new product to the prospective business people with a view to source, learn and network effectively at the event.

Another area under Paint & Decorating Retailers Association( PDRA) Paint & Accessories Segment, ladders and stepstools and wall and window coverings can be showcased to provide new opportunities for retailers. The Central Institute of Coir Technology (CICT), Peenya, Bengaluru can emerge as a leading partner to explore the market by displaying various coir products developed by the Institute and there is possibility for creation of awareness among the buyers/retailers in the seminars organised throughout the event in the Central /North Halls.



Similarly CICT can organize attractive display of products of storage racks and bins under the new storages & organization segment.

There are a series of products displayed under Inventors Spotlight and awarded special merit

to the categories of Best New Product, Most Retail Ready, Most Eco- Friendly, Best Business Potential and Best for Simplicity & Manufacturability. This is with a view to bring new, unique and original solution to today's homeowner and for better home décor. CCRI and CICT can cash in those opportunities by display and presentation through education seminars, workshops in the National Hardware Show etc.

Another interesting segment is new products launch spotlight show, exclusively devoted to true new products, that take advantage by display to prospective buyers/retailers, which is one of the most popular areas of interest in the National Hardware Show.

The United Inventors Association(UIA), partner with the National Hardware Show, focuses to consider the trade show as one of the biggest annual trade shows in the world by bringing new, unique and original solution to today's home décor and focused the programme to reward innovation and get inventors ready for retail.

As it could be seen from a series of events taken place throughout the event, a host of participants were awarded for best new products, most retail- ready, most eco-friendly, Best business potential, best for simplicity/ manufacture by the invention- industry professional judges as an encouragement so as to help and to educate by innovative approaches in introducing their products to modern home décor.

The National Hardware Show also provides an opportunity to showcase the more environment friendly products, latest in green, eco-friendly and sustainable products that today's consumers are looking for. Facility is also available for presenting Hot Topics at the National Hardware Show and to explore the markets for green products.

Trade shows are an important part of the US commercial landscape and eventhough main



trade show capitals of the US, include Atlanta, Chicago, Las Vegas, Los Angeles, New York and Orlando, events are held throughout the country.

Trade shows provide a one stop shop where exhibitors can meet new and existing buyers, distributors, agents, retailers, wholesalers and media. They also provide opportunity for new suppliers also.



US buyers are very cautious about the majority of new exhibitors at the trade shows as they are not sure about the business operations within a short span. But Indian Exhibitors(Exporters) participated under the banner of Coir Board and ITPO could easily instill confidence among the US buyers about their credibility and business network. As a result, it is advisable and advantageous to return to the trade show a second or third time(year) consecutively to gain confidence among the buyers. The US buyers often test a company's/exporters viability/credentials by waiting to see if it returns to the trade show subsequently under the same banner or not.

Another important aspect is to observe the trends of the market by participating/ attending the fair consecutively and watch the ups and downs in the market and to gather market intelligence by attending seminars in the event. The National Hardware Show would thus be called a place to get the best variety of buyers and the place for global manufacturers, associations, organisations and the media to unveil their new products, ideas and insights to a broad

spectrum of home improvement resellers.

#### Publicity and Marketing:

US buyers depend on advertising campaign and the website is a good foundation for a good marketing approach and is a valuable opportunity to build the brand images. Websites should be extremely of high – quality to meet the expectations or otherwise sales will suffer. Exporters registered with the Coir Board and intending to participate in the trade shows along with the Coir Board will borne in mind to update their Websites, to maintain the trade impact.

For these internet strategies, Exporters can seek the help of Coir Board to link their websites to Coir Board, which in turn automatically be connected through Chamber of Commerce, BIS, NCTI, IIFT and Indian Missions abroad.

Further, in US, publicity through media is more effective to influence the buyers. So to create brand awareness and drive sales, media attention carry an incredible weight in the eyes of the US consumer.

Therefore editorial endorsements in the local dailies, trade show publications and listing in the trade show directories will be much advantageous.

#### The cost benefit analysis.

As regards cost benefit analysis, it may please be noted that while assessing the images built through participation and visit of buyers and orders canvassed and confirmed on the spot, foreign exchange earned by way of confirmation of orders, the expenditure on cost of exhibits ₹12000, airfreight ₹30796, hiring of display aids ₹ 8455 and contingent expenditure ₹13677 incurred for the event, seems to be reasonable to the effect that the purpose was served effectively to the entire satisfaction of the exhibitors and visitors/buyers/importers.



Indian Exporters M/s. Madapattu Exports, Kottayam and M/s. Anja Exports, Alleppey participated along with the Coir Board in the

National Hardware Show 2010 could garner massive orders to the tune of US \$ 16000 on the spot for coir door mats from a single buyer. This stands testimony to the enthusiastic buyer to act in good faith in a booth organised among other important players in the different fields/segments by a Government Department confirming a bulk order merely on the strength of samples/exhibits available in the booth. This was also possible on account of painstaking efforts of the Coir Board in the pre exhibition stages, by selecting an advantageous location and a lot of preparatory exercises for the show, right from the beginning of registration of the booth much earlier.

07/07/2010

R.GOPALAKRISHNA PAI  
SR.AUDITOR & P.S. to CHAIRMAN

