Industry, Science and Technology Canada
Industrie, Sciences et Technologie Canada

MERCHANDISING OPPORTUNITIES FOR CANADIAN FOOTWEAR MANUFACTURERS IN THE U.S.A.

Canada

MERCHANDISING OPPORTUNITIES FOR CANADIAN FOOTWEAR MANUFACTURERS IN THE U.S.A.

PREPARED FOR INDUSTRY, SCIENCE AND TECHNOLOGY CANADA
BY KORMOS, HARRIS & ASSOCIATES
JUNE 1991

Merchandising opportunities for Canadian footwear manufacturers in the U.S.A./Opportunités de vente aux É.U. pour les fabricants canadiens de la chaussure

This document is not available in the French language at this time. If you wish to have a French copy at a future date, please complete this form and forward it to the address indicated below.

La version française de ce document n'est pas disponible en ce moment. Si vous en désirez un exemplaire à une future date, veuillez remplir cette formule et la retourner à l'adresse ci-dessous.

Name/Nom --

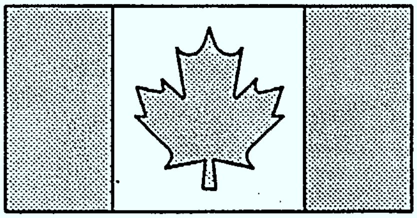
Company/Compagnie ------------------------------------

Address/Adresse ------------------------------------

Please return to/s'il vous plaît retourner à:

Diane Capella
Shoe Manufacturers' Association of Canada
Association des Manufacturiers de Chaussures du Canada
4101 ouest rue Sherbrooke St. West
Montreal, Quebec
H3Z 1A8

Merchandising Opportunities
for
Canadian Footwear Manufacturers



A Retailers' Perspective

Table of Contents

INTRODUCTION

Preface:

Because the group discussion and analysis of the findings address a consortium of Canadian footwear manufactures, the conclusions reflect attitudes about the industry in general. Comments and analysis do not universally apply to specific companies, rather, it reflects pervasive attitudes and perceptions of the total Canadian Footwear Industry.

BACKGROUND

The purpose of this research project, conducted for the Clothing and Footwear Division of ISTC, is to more precisely understand Canada's competitive position and potential opportunities in the U.S. retail shoe market.

Canadian footwear's strength in the U.S. has historically been concentrated in the boot classification. Canada has demonstrated superior product performance in the manufacturing of cold weather boots. It is the intent of this research study to evaluate the strength and elasticity of this current position as it may extend to other product groups, as well as the following issues:

Key Project Issues:

- Canada's competitive position as a footwear resource in the international market
- Canada's perceived strengths and weaknesses as a footwear manufacturer
- Opportunities for Canada in the U.S. retail footwear market

The findings of this study will provide to Canadian footwear manufacturers marketing information from a U.S. retailer's perspective which can serve to direct:

- Product development
- Retailer service and operational programs
- Consumer merchandise and promotional programs

APPROACH

Focus group discussions were conducted with selected footwear retailers across the Northern tier of the United States. The intent of each discussion group was to glean an in-depth understanding of Canada's competitive position as compared to other footwear sourcing countries. This competitive positioning analysis focused upon both the product offering from Canadian footwear manufacturers as well as their operational and service performance. The study also probed the buying process for retailers and the requisite merchandising strategy necessary for Canada to effectively serve the U.S. market.

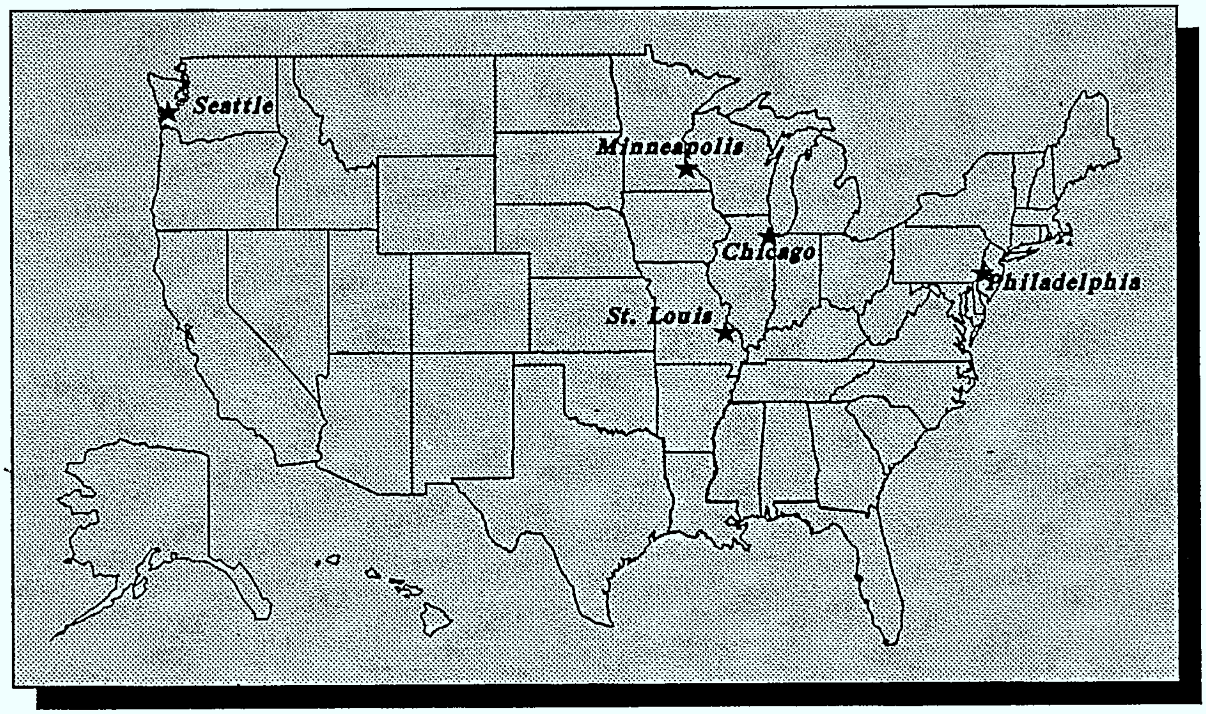
KEY RESEARCH OBJECTIVES

- Understand the retailers' buying process
- Analyze the strengths and weaknesses of key footwear sourcing countries
- Evaluate Canada's position against the competition
- Determine Canada's strength and weakness
  - Canada's product mix
  - Canada's operational/service performance
- Indicate Canada's product or merchandise niche
- Verify the potential extension or elasticity of this existing niche to other footwear categories
- Develop a pro forma merchandising/operational program for Canadian footwear manufacturers for effective marketing in the United States.

RESEARCH METHODOLOGY

Five focus groups were conducted with selected footwear retailers in the United States. The selection of cities considered both climatic and proximity issues which would be most compatible with Canada's obvious existing strengths.

The cities included:



Each group comprised of between eight and thirteen participants. The composition of the groups included independent footwear retailers, e.g. these were not leased or franchised stores owned by a footwear manufacturer. The product mix represented by the participants' stores included men's and women's shoes, from fashion to functional footwear. Boots were a category in every retailers' merchandise mix; this may include functional work boot styles, cold weather boots, or fashion boots.

Refer to the appendix for the detailed listing of footwear retailers.

SUMMARY OF THE FINDINGS

SUMMARY OF FINDINGS

The Buying Process

- Key sources of manufacturer information for footwear retailers:
  - Attendance at trade shows: provides the big picture and identifies trends in the industry
  - Salesman calls: major buying for lines and items
  - Catalogs: ordering vehicle for fill-ins and special items

- Retailers hear of new resources through:
  - Customers
  - Peers
  - Trade shows
  - Consumer ads
  - Trade ads

- Retailers' reasons for acquiring new resources:
  - In response to customers' fashion or brand request
  - In anticipation of a higher margin (unbranded goods)
  - As a fill-in on a fashion or product classification
  - To replace a former vendor who has either gone out of business or has been dropped

- Critical buying needs - requirements

  The must haves:
  - Salability to the consumer - interpreted as fashion, style or a look
  - Fit with retailers' fashion and price point market niche
  - Value as interpreted by the consumer and retailer
  - Proper fit on the foot
  - Prompt/complete deliveries
  - Competitive terms

  Nice to haves:
  - Non case pack or limited case pack order option
  - Open stock
  - Controlled distribution
  - Guaranteed returns
  - Access to close outs
  - Promo/co-op support
  - Durable boxes

Canada's Liabilities

- ◆ Lack of visibility and knowledge outside of boots
- ◆ No realizable product differential or reason to buy

Marketing and sales

- Lack of product/brand knowledge outside the boot classification
- Fragmented exposure at trade shows -- underdeveloped link and association between Canada as a footwear resource and the Canadian manufacturers
- Inconsistent sales and marketing efforts to retailers
- No consumer marketing to develop a stronger brand image or to extend Canada's image outside the boot classification

Product Offerings

- Lack of product offering or justification to retailer to buy any product other than boots:
  - ▸Weak branded position
  - ▸No value as unbranded product:
    - - Non-competitive prices
    - - High quality exceeds customers' needs or observable differential
    - - Price is not supported by perceptual quality
    - - Functional high performance product strength does not translate into a fashion oriented position
    - - Canada's image as a European fashion center is not fulfilled in exported footwear
  - ▸Non-realizable construction features often do not support the retail price

Service/Operations

- Inconsistent re-order capability within the boot market in mid-selling season
- High tariff/duty costs incurred in returning goods

Exported Canadian footwear is not:

- High fashion
- Delicate
- Trendy
- Inexpensive

Canada's Strengths

- Association with European fashion -- internal fashion credibility

- Reputation as a credible, reliable manufacturing resource

- Desire to do business is driven by operational performance expectations, even though specific product/company knowledge is limited or non-existent

- Quality product reputation, in boots. Canada is the premier resource for highest quality, cold weather boots. Quality perception does extend to other product classification expectations

- Market niche: **Canada is:**
  - ▸ Cold weather/boots
  - ▸ Outdoor
  - ▸ Rugged
  - ▸ Nature
  - ▸ Durability
  - ▸ Quality

  Product Opportunities:
  - ▸ Casual footwear
  - ▸ Sport/fashion boots
  - ▸ Wet weather footwear
  - ▸ Hiking boots
  - ▸ Upper end price sector

- Retailers are predisposed to want to buy more shoes and boots from Canada

> ***"What I have I sell, but I could sell more -- especially if it was interesting."***

CANADA'S MARKETABLE OPPORTUNITIES

STRENGTHS

- cold weather boots
- quality
- credibility - product and manufacturer
- consumer acceptance "Made in Canada"
- retailer/consumer preference to buy/sell Canadian footwear

PROBLEMS

- exported footwear not fashionable
- non-competitive low-end price points
- low association with temporate climates/ warm weather footwear

OPPORTUNITIES

- exported boot offering:
  rainwear
  hiking/outdoor
  fashion
- casual/traditional/ outdoor footwear

WEAKNESSES

- narrow product image
- lack of reasons to buy casual/dress shoes:
  fashion
  price
  value
- minimal trade/consumer marketing exposure
- no brand position strength

STRATEGIC RECOMMENDATIONS

RECOMMENDATIONS

Marketing efforts should be directed to two key strategic objectives:

- Educate and inform retailers and consumers of product breadth and manufacturing capability inclusive of all footwear classifications, not exclusively boots
- Develop product and marketing program which gives justification to the retailer/consumer to buy based on the following issues:
  - ✓fashion
  - ✓price
  - ✓quality
  - ✓brands
  - ✓margins

An Integrated Marketing Strategy

COUNTRY STRENGTH "Made in Canada"		PRODUCT STRENGTH Cold Weather Boots
	Footwear from Canada Quality casual outdoor footwear from a reputable resource	
Sourcing Niche •Acceptable source to consumer •Credible/Reputable manufacturers •Low product/financial risk •Pleasant environment to do business •Association with European fashion		*Product Niche* •Quality •High Performance •Outdoor •Rugged/Durable •Casual footwear •Weatherproof leathers •Fur linings •Inclement weather footwear

AN INTEGRATED MARKET STRATEGY

GOAL:
Position Canada and Canadian footwear as a viable footwear manufacturing resource.

APPROACH:

A marketing strategy should be employed which optimizes the existing strengths of both Canada as a footwear manufacturing/business resource complimented with individual manufacturer's product and brand strengths.

Such a merging of strengths has the potential to yield a market position unique from other major manufacturer resources. Italy, Spain, Mexico and Brazil are all positioned as product strong resources but carry certain liabilities as business sources, particularly to the independent retailer. The United States, on the other hand, has limited manufacturing strength but is a strong business source.

Strengthening Canada's viability as a manufacturing source and reinforcing its current position as a credible business resource, combined with a sharpened fashion and price position, places Canada in the position of a viable and meaningful footwear resource for U.S. retailers.

It is recommended that this integrated marketing strategy merge from two directions:

- Macro-Canadian Footwear Industry
- Micro-Individual Manufacturer

Macro: Consortium of footwear manufactures

Goal: Market as a unified goal Canada as a footwear resource. The key communication message:

- *Quality footwear*
- *Reliable business structure*
- *Meaningful - value added country of origin to consumer*

Strategy

Broad Market Exposure:

◆ **Trade Shows:** Create a strong and noticeable visual presentation at national and regional trade shows. Bring together individual manufacturers under a Canadian umbrella. Such a presentation will communicate to U.S. industry the breadth of Canadian products and brands as well as lend "Canadian" credibility to individual manufacturers.

◆ **National Advertising:** *(Trade and Consumer)*

Sponsor national advertising program to promote Canada as a footwear resource featuring:

- Product breadth - boots to dress
- Quality
- Brands
- Country strength

Focused Marketing Exposure:

◆ **In-store retailer promotions:**

- Highlight Canadian goods with displays and P.O.P. material
- Offer travel specials, give-a-way programs or purchase premiums to stimulate interest and buyer excitement

◆ **Direct Mail:**

Develop an industry brochure/directory which features:

- The breadth and quality of products
- Recognized brand names
- Central information contacts or specific manufacturer contacts

Micro: **Individual Manufacturer Marketing Program**

Goal: *Offer products service/operational programs and products which meet and satisfy retailer needs.*

Strategy:

Service/Operational Programs:

- On time and complete shipments
- Extend Terms: Particularly meaningful in the boot classification where the buying season significantly precedes the selling season.
- In-Stock Programs: A "must have" to sell to high end independent retailers; also a marketable opportunity in the boot category. Retailers more favorably consider a resource that can offer back-up or re-orders as demand necessitates.
- Controlled Distribution: Manufacturers must be sensitive to retailers' annoyance with, and sometimes rejection of, a brand that is indiscriminately distributed.
- Returns: Facilitate the ease and cost of merchandise returns. Consider returns to F.O.B. point rather than origin of manufacturing.
- Provide an 800 customer service number

Product Development:

- Concentrate in the moderate and high end boot classification, developing product attributes commensurate with market sector needs/expectations.

  High End - Feature internal construction and functional superiority
  - Waterproof
  - Warmth
  - Comfort
  - Quality

  Moderate - Focus on external cosmetic issues
  - Water resistant
  - Fashionable: trims, fur linings
  - Retail price point $60 - $90
  - Suitable in low use/temperate climates

- Expand boot classification to include:
  - Hiking boots
  - Sport boots
  - Rain boots
  - After ski boots

- Convert and extend existing market position strengths in the boot classification, e.g., quality, rugged, function with fashion to non-boot product classifications, specifically casual footwear.

- Offer retailers a reason to consider item/line - point of entry as either a branded or unbranded product offering.

Branded:

- Build and market Canada's existing brand recognition in the boot market, e.g. Sorrel and Kodiak. Use this as leverage to expand outside the boot classification.

- Support and reinforce "**Made In Canada**" as it becomes a generic brand, e.g. "Made In Italy", and assumes its own meaning and product credibility to the consumer:
  - Durability
  - Quality
  - Outdoor
  - Casual

- Cultivate a branded position through:
  - Consumer advertising - National
  - Co-op retailer/manufacturer promotions

Unbranded:

- Offer retailers a product differential, uniqueness, or price niche which gives interest and justification to the retailer to consider.

  - Position the product and terms to offer a competitive position in the market and present the retailer the extended margins which are indigenous to unbranded lines.

Sales/Marketing/Promotion:

- **Personal Sales Contacts:**

  - Employ salesmen or reps who consider the product a meaningful share of his total line presentation, not just a side light or add-on.

  - Maintain sales contact continuity and penetration within sales territories. In speaking with a men's store in Philadelphia, the shoe store buyer had experienced excellent success with a man's boot. Asked whether he would continue the item, his response was yes, if the salesman contacted him.

◆ **Trade Shows**

- Strengthen and unite manufacturers' presentations at trade shows. Reinforce the connection and association of Canada as a footwear resource with each individual manufacturers' line presentation.

- Offer a "show promotion" price on selected items to stimulate interest, particularly from new accounts.

◆ **Direct mail - catalogs**

Direct mail and catalogs will generally not result in a direct sales response, but it does build name awareness and establishes product image and credibility.

Within the boot category a direct mail piece featuring a promotional boot price mid season of boot sales could be effective. Retailers are often hungry at this time to buy products and may be more receptive to buying by catalog. It is also a possible entry opportunity for a manufacturer.

◆ **In-Store Promotions**

Trunk shows and in-store promotions featuring Canadian footwear and related products are effective marketing tools to present an expanded product image. Such promotions should be supported by a Canadian representative, promotional materials and either product or travel specials.

◆ **Trade Advertising**
"Footwear News"

◆ **Consumer Advertising**
Consumer Magazines

An Integrated Marketing Strategy
To Result In:

- An increased awareness of Canada footwear other than the boot category

- Justification to consider and buy Canadian footwear based on product attributes and value offering

Made in Canada ⟷ **Individual Manufacturer**

*Value added to consumer

*Affirms manufacturer credibility

*Offers brand recognition

*Extends product knowledge outside boot classification

↘ ↙

Recognition as a Viable Footwear Manufacturing Resource Country

DETAIL OF FINDINGS

Section I:

The Buying Process

THE SHOE RETAILERS BUYING PROCESS

STRATEGIC ISSUE:
Footwear retailers employ a variety of industry options for buying their footwear lines. Each option serves a distinct need, yet all are very interdependent. The primary vehicles or outlets for buying include trade shows both regional and national, salesman's calls, and manufacturer catalogs.

RESEARCH FINDINGS:

All respondents in all locations expressed the same buying process and the same expectations from each source of buying as it fit in the process and served their needs. There are three key sources for buying or placing orders for footwear. While the three are unique from each other, they are also very interdependent in the process and could not effectively perform independently.

Trade Shows:

Trade shows are where the retailer gets the lay of the land for the new season. Retailers depend on the shows to see fashion trends, identify the potential "hot" new resources and styles, and to screen for new resources they would like to pursue further, back in their own office. While respondents indicated that they do place orders at a show, particularly if it is a show promotional price, that is not their primary purpose in attending. Retailers are more confident in their order if they understand their selection relative to the total market offering.

Most respondents depend on the shows to seek out new resources. Retailers are hesitant to ask a new salesman or company to call on them in their store because it places potential pressure on them to have to commit to a buy. They prefer to preview a new resource line "incognito" at the show, decide there whether its worth pursuing, then request a personal appointment.

Fashion Retailers:

The selection of shows and frequency of attendance was a reflection of the type of retail store and its regional location. Participants in the fast turn fashion business attend shows often. This usually included the National Shoe Show in Chicago, the Las Vegas Show, and regional shows. Several indicated that they had also been to shows in Montreal because of its perceived European fashion influence. Within the fashion sector, retailers have a higher incidence of picking-up a new resource and shows are the primary opportunity to establish contact.

Retailers in the fashion sector are usually more inclined to frequent New York shows and show rooms. This was common from Philadelphia to Seattle.

Functional Footwear Retailers:

Respondents whose merchandise mix was focused more in the basic or functional category generally attended one to two shows a year. They may include the National Show or Las Vegas Show, dependent on their location, or a regional show. This retailer is slow to add new resources but still wants to keep in touch with industry trends.

Orders commonly are placed at a show for a "Show Promotion" shoe, or for an item to fill a category need. Respondents indicated that although they seldom place major line orders while at the show, it is the knowledge from seeing the line at the show which will drive their final order.

Promotional Show Incentives:

It is a common occurrence for manufacturers to offer "show" promos. This is usually an item which is placed at a special price during the show to stimulate interest in the company. Many respondents indicated that they do take advantage of these promotions if it is a product they would consider buying in spite of the offering. The consequence of the promotion is that the retailer may buy more of the item than if it was at regular wholesale cost.

Representation of Foreign and Canadian Booths at National Shows:

Most participants who attended the Chicago or Vegas show, did recall seeing booths which were sponsored by a foreign country. This was usually a consortium of manufacturers exhibiting a wide mix of products. The countries most frequently recalled included Mexico, Italy, Portugal and the Far East. Although retailers recalled seeing the booths, few actually entered in to view the products. Not only was there a resistance to enter due to perceived language barriers but also there was an attitude that the retailer did not feel comfortable broaching the "unknown". Buyers have no confidence in the manufacturer's dependability, as foreign manufactures or importers usually require larger minimum orders than the independent retailer can accommodate, and the retailer knows he is "stuck" with the merchandise regardless of the condition of how it arrives or how it compares to the original sample. The representation of products within the booths was usually consistent with pre-established expectations (discussed in Section III). No retailer recalled placing an order at these booths.

Participants already familiar with Canadian brands were quick to recall names of Canadian manufactures represented at the Chicago Shoe Show. The impression was that the product was mainly boots. The booths, while not housed as a group under a Canadian umbrella, were within the same area. For those not familiar with Canadian brands, there was little recall of specific booths, and they did not initiate locating Canadian footwear resources.

Key National/Regional Shows Frequented by Respondents:

National:
The National Shoe Show - Chicago
FFNY - New York (exclusively fashion)
The Vegas Show
Regional show but has a National draw

Regional:
The Mid Atlantic Show - Atlantic City
The Northwest Shoe Show
The Kansas City Show

In-Store Salesman Visits

It is with the salesman that most orders are written. The retailer makes the final decision in writing the order, but he depends heavily upon the salesman to provide critical elements of information which influence this decision:

- The "HOT" selling items
- Item, line distribution within his market area
- Pricing, terms and delivery date information

The frequency of salesman visits ranged from 2 to 6 times a year. This variance was contingent upon the proximity of the salesman to the store and the volume of business generated by the retailer.

Responsibilities of the Salesman:

- Liaison to Management:

The salesman is the eyes and ears to his company's management. Retailers expect the salesman to keep them informed of any changes in the product, the line mix, or operational issues such as changed delivery dates, cancellations, or close outs. A professional salesman is knowledgeable about a client's shipment dates and particularly any delays from the scheduled due date. Retailers often require salesman assistance or intervention in handling returns.

• Product/Line experts:
Retailers expect the salesman to have in-depth knowledge of the product including construction, special features, materials and prices. While this degree of product knowledge is expected, it is frequently not realized. Retailers often expressed that salesman were just order takers and offered no assistance or expertise concerning the product.

• Goodwill Ambassadors:
A good salesman will apprise the retailer of close outs or special price promotions. If logistically possible, the salesman will take inventory counts and do fill-ins for the retailer. This is not expected but is a pleasant accommodation. He will also be honest about the distribution of a line or item within the retailers market area. Respondents expect the salesman to apprise them of the specific styles carried by the competition in his market area.

Regional Variances

In Philadelphia, the salesman is considered an order taker. Many of the respondents insist upon only dealing with the president of a company, bypassing the salesman. Others will attempt to involve the salesman in the ordering process so as not to offend him or jeopardize the salesman's position with management, but still only use him as an order taker, going directly to management for problems or major buys.

As one moves West, particularly in Minneapolis and Seattle, the salesman is a very integral part of the buying decision and is the primary or sole contact with the company. Buying decisions are more influenced by the retailer/salesman relationship. Trust in the salesman is a critical need of the retailer. A retailer will go out of his way to avoid or only deal by necessity with a salesman he doesn't trust. This trust is predicated upon two key issues; being honest regarding what is being bought by the competition and not, unknowingly by the retailer, selling to a local discounter.

In Minneapolis, Sorrel has generated a very poor reputation due to a nonrestrictive distribution program. Sorrel's distribution to the discount department store Target has precluded any interest by traditional retailers to carry the line even though it formerly sold very well in their stores. Such distribution policies impact retailers' trust in the salesman as well as the reputation of the manufacturer.

Catalogs

The catalog is most commonly used as the referencing material after having seen a new line. Retailers refer to the catalog to recall styles when placing an order. It also serves as a resource for buying fill-ins, reorders, or replacement merchandise.

For retailers whose merchandise mix is concentrated in basic items -- and business is primarily re-orders -- catalogs become the primary vehicles for placing orders. This is particularly pertinent in the work boot classification. This retailer seldom attended shows, carried a very narrow brand mix, and appeared very loyal to existing resources.

Catalogs were never used as a resource for ordering a new item, unseen or untouched, but they are a means of featuring or bringing to the retailers attention a new item or brand.

ACQUISITION OF NEW RESOURCES

STRATEGIC ISSUE
New resources are constantly being sought and bought in the fashion sector. Buyers are constantly responding to fashion and brand trends. Loyalty to manufacturers wanes to potential sales profits. It is a buyers market at present; retailers have little trouble finding or ordering from new resources.

RESEARCH FINDINGS:

Merchants in the fashion footwear business move in and out of resources frequently in response to fashion trends as well as brand name trends or prominence. This mobility is not as prevalent in the non-fashion sector where retailers are very loyal to a vendor and build their store reputation on a specific brand presentation.

Respondents indicated that a new resource is acquired usually for one of the following reasons:

- Pick-up a "hot" new brand fashion item which has high consumer demand
- Fill a void within an existing product category
- Offer product within a new category or niche e.g. the "comfort" shoe
- Bring in an unbranded item which may yield a higher margin than branded goods.
- Replace a vendor who has either gone out-of-business or has not maintained product quality and service
- Use as a leveraging tool to keep existing resources "on their toes".

Retailers seldom buy a line from a new vendor; rather they begin with items and build on the relationship based on product sell through and vendor service.

<u>Locating New Resources</u>
The sluggishness of the retail industry has resulted in very aggressive sales programs by manufacturers. Most retailers indicated that they are constantly being pursued by sales representatives. Their problem is not in finding vendors rather controlling the number of salesman's calls.

This buyers market does not preclude a merchant's desire to be called on and serviced by a salesman. It does however make a meaningful impression if a salesman has done his homework and understands a retailer's merchandise mix and price points as it fits with the product line. Retailers are agitated if their time is wasted by poorly prepared salesman. It was also frequently expressed by the respondents that they want a salesman to make an appointment and not just drop in. Often the retailer wants his sales staff to meet with the salesman; he also prefers to have reviewed his sales records for the company from past seasons.

Respondents expressed that they depend upon shows to seek-out and preview new brands and styles. They prefer not to request a salesman to call on them until they have seen the line to affirm any interest in placing an order.

The most common means of hearing about a new line/brand include:

- Requests from the customer
- Consumer national advertising - print or video
- The competition
- Trade advertising, e.g."Footwear News"

Section II:

Critical Buying Issues

Critical Buying Issues

"But I will put up with all sorts of hassle if the product sells."

> *STRATEGIC ISSUE:*
> ***Several key factors must be present within the product, or as services provided by the manufacturer, before an order will be placed. The shoe must be consistent with the retailers' merchandise and price mix, it must properly fit the customer, and the manufacturer must fulfill required service needs. Above anything the product must appear salable!***

RESEARCH FINDINGS:

Group participants were asked to identify and discuss the elements critical to the purchase decision. This includes product issues as well as the services provided by the manufacturer. These issues were designated as "must haves" and "nice to haves":

Must Haves	Nice To Haves
▸ Salability	▸ Non-case/pack order option e.g. open stock
▸ Price/value	▸ Controlled distribution
▸ In-stock program	▸ Guaranteed returns
▸ Fit & sizes	▸ Customer service number
▸ Delivery	▸ Access to close-outs
▸ Terms	▸ Promo support
	▸ Packaging/boxes

MUST HAVES:

- **Product Salability:**

  Foremost, the shoe must be salable. This is identified as a shoe which is consistent with and fits with the existing merchandise mix. Respondents generally defined "salability" as it filled two criteria, fashion and function.

  ▸ *Fashion:*

  Fashionability of a shoe is highly subjective and indigenous to the fashion position of a store, e.g., fashion is equally as integral an issue with a traditional casual product such as a loafer as it is with a high heel pump. The shoe must have eye appeal on the shelf and on the foot.

The definer of fashion is often competitively driven. A brand or particular style can be the determinant of what is fashionably acceptable. This product may set the standards which the competition must meet.

Critical product elements which define fashion are:

- Shoe silhouette
- Heel heights
- Contour of the toes
- Fabrications
- Color
- Detailing/finishing

▸ *Function:*

Although eye appeal is a factor, it is a complement to product performance. Functionalism in footwear is particularly critical in the following categories:

- Work boot
- Cold weather boot
- Hiking boot

The key definers of functionalism in these categories include:

- Sole/heel composition
- Upper materials: durable, water resistant, easy maintenance
- Structural comfort
- Traction
- Durability

- **Price/Value:**

The price of the shoe must fit with the retailers' total inventory price structure, as well as price brackets within a category.

This was particularly critical in the cold weather, functional boot category. Many retailers have very specific maximum price limits within this category.

Price and value must be in sync. A brand name often determines product value and supports a price. Unbranded merchandise's value is predicated upon the perceived product quality as it supports the price. One respondent defined value as "A shoe that looks like it's worth more than the conventional mark-up price".

• In-Stock Programs:

Respondents consistently mentioned the need for reliable in-stock programs. In this softer retail economy, retailers do not want to buy deep, yet they want to be able to respond to fashion trends or consumers' functional needs.

The cold weather boot category is most vulnerable to climate and customer need shifts. Retailers are very apprehensive to over inventory in the anticipation of customer demand. Retailers buy boots early, yet virtually all participants indicated they want to re-order in late October and November during the selling season. Respondents consistently are unable to get back into boots due to lack of manufacturer in-stock programs. This is lost revenue to the retailer. If a manufacturer guarantees that they can back up reorders, this can be a critical variable in the retailers' decision to use a resource.

Participants did complain that manufacturers often <u>claim</u> they have an in-stock program, yet product is never available when the re-order is placed. This inability to fulfill a manufacturer's claim definitely negates credibility to the retailer.

Participants were also conversely sensitive to the problem of the manufacturer providing adequate in-stock programs. They realize they are asking to transfer the inventory risk back to the manufacturer. There was no resolution offered.

In-stock programs also allow retailers the option to buy within specific size and widths, rather than by case packs. The independent retailers' identified their market niche and need within the footwear retailer business as based on customer service, fit and availability of sizes and widths, not otherwise offered in department stores or discounters. The option of buying for specific sizes and widths is critical to the retailers' profitability. It allows tighter inventory control and a closer ratio of inventory to sales. The Independent retailer does considerable special order business; open stock is critical to support this service. Case pacs orders are usually associated with low end merchandise.

• Fit and Size Ranges:

As previously indicated, the independent caters to fit and size offerings. The retailers' reputation is at stake if shoes are sold that don't fit. Customers will return the merchandise and expect credit. One participant expressed that they carried, as a new item, a sandal by Koala. They had carried the boots which did well, so they assumed the sandal would have excellent sell through. The product sold initially because the customer knew the brand. The sandal did not fit. The customer returned the shoes. The retailer was apprehensive to carry any product, other than boots, from the Koala line again.

The independent buys for size, widths and lengths. Many of the independents cater to an ethnic area which will concentrate purchases within length and width groupings. The optimum for the retailer is an open stock buy. An acceptable option is to buy customized case pacs groups by size, e.g. 4-7 and 8-11. This allows the retailer to semi-customize the order.

•Timely, Complete Delivery:

Such an obvious critical need, this was often omitted by respondents as a need. Consistently late or incomplete shipments was the most frequently mentioned reason a line would be discontinued.

NICE TO HAVES:

These services enhance the relationship with the retailer. They will not influence whether an item or line is bought, but they may shift a variable decision in the manufacturer's favor or they may encourage a larger order.

•Controlled Distribution:

Distribution of brands and items indiscriminately sold in every store, including discounters, elicits reactions ranging from "I'd prefer they weren't" to "I refuse to carry anything from that manufacturer."

Respondents expect that a popular high consumer demand line, such as Timberland, will be broadly distributed. A retailer will elect to carry the line as it enhances his competitive image. The retailer will, however, attempt to select items which are unique to his store. He depends on the salesman to inform him of the items carried by the competition.

Retailers will drop a line, however, if it is distributed to discounters. The attitude was particularly acute in Minneapolis. Retailers in this city demand a trusting relationship with their salesman. If this is violated, the relationship is severed.

Respondents did express that the problem of distribution to discounters is not always the fault of the salesman or manufacturer. Middlemen are often involved. This insight did not, however, alter their aversion to carrying indiscriminately distributed brands.

•Guaranteed Returns:

Service to the customer is the independent retailers' differential offering. This includes accepting return on most goods. The retailers' image and reputation is dependent upon this service. He does not, however, want to absorb the cost of defective merchandise; he expects comparable return policies from the manufacturer.

Return procedures are a hassle with most manufacturers. Retailers must contact either the salesman or customer service department, obtain return authorization numbers, ship the item and hope it is accepted.

•800 Customer Service Telephone Numbers:

Retailers expect that manufacturers provide instant access telephone numbers. This has become an industry standard. The retailer uses the number to request return authorization and place special orders. Particularly helpful is on-line computer inventory control so the manufacturer can instantly respond to product availability and shipping dates. This is particularly helpful with special orders.

•Extended Terms and Closeouts:

Retailers always appreciate extended terms particularly in the cold weather boot classification where there is a significant lag in time between placing orders and the selling season.

The opportunity to receive closeouts is very important to the retailer. It is one of his key opportunities to obtain higher margins and bring in store traffic.

•Shoe Boxes:

The problem of shoe boxes was raised by many participants. A mangled, torn box immediately exudes to the customer the impression of old merchandise. The message to the customer is that the retailer is selling past season shoes at full price. The product image becomes synonymous with the box image. In the premium price sector, retailers feel the manufacturer should invest the extra monies to provide substantial durable boxes.

Because boots are often carried over seasons, a substantial box which offers a longer shelf life is very important. It can be the difference in maintaining a full mark up late in the season or the following season vs. becoming a mark down.

•Promotional Co-op/National Advertising:

A brand that has been promoted nationally, either on T.V. or in print generally has good sell through. Demand becomes customer driven. Retailers are compelled to offer known branded lines to enhance their store image. Respondents did indicate that they benefit significantly from having their store name tagged on a national ad as a resource from a brand or item.

Co-op monies are generally not sufficient to implement any major T.V. or newspaper ad campaign. Co-op support is often applied to targeted retailer direct mail brochures.

Section III:

Footwear Sources

Competitive Analysis

POSITIONING ANALYSIS - FOOTWEAR SOURCING CENTERS

Note: With few exceptions, the retailers interviewed did not directly source from off shore resources. The retailer dealt with importers or local agents/salesman. The discussion was therefore more focused upon the product offering than operational issues related to doing business with offshore countries. This situation does not apply to Canada. Many of the respondents have dealt with or currently deal directly with Canadian manufacturers.

> ***STRATEGIC ISSUE***
> ***Because independent retailers do not generally source directly from foreign countries, the importance of the manufacturing source is not a critical factor in their purchase decision. A retailer either buys a branded item -- the product credibility confirmed by the brand, not the origin of manufacturing -- or they buy unbranded goods brought into the country by an importer and distributed F.O.B. - U.S. The source of manufacturing is not as critical as the perceived value of the product and the assurance that the distributer will perform expected services, e.g. timely and complete deliveries.***

RESEARCH FINDINGS:

Countries consistently mentioned as major suppliers of footwear included:

- **Italy**
- **France**
- **Spain**
- **Portugal**
- **Brazil**
- **Mexico**
- **United States** (Linked as a distributor of footwear, not as a major manufacturing base)

Other countries mentioned on a more limited basis and usually associated with a particular expertise or product.

- **Yugoslavia**
- **China**
- **Taiwan**
- **India**
- **Canada**

The independent retailer seldom directly sources from foreign countries. Minimum order requirements are too large and most require case pack orders, the logistics are difficult and there is inherent risk. The goods shipped may be different than the sample, shipments may be late or incomplete and the retailer perceives no recourse to return inferior or damaged goods. Independent retailers only buy from foreign resources that have domestic offices, sales representatives, or agents.

Canada is not positioned in the same category as other foreign resources. While Canada is a unique entity, it is perceived as an extension of the United States with respect to philosophies and procedures for conducting business. Many of the retailers that were interviewed attend trade shows in Montreal and Toronto, and travel to Montreal as an accessible location to preview European fashions. The buying process and operating terms are essentially comparable to buying from a U.S. manufacturer.

Countries Who Share A Branded As Well As A Manufacturing Source Position:

ITALY

Considered the premier source for quality footwear, Italy is consistently associated with fashion, fine leathers and highest quality workmanship. Italian footwear is also expensive but considered value in proportion to price. Quality also remains consistent. Whether an Italian brand or a manufacturing source for a domestic firm, Italian footwear is predictably of the highest quality.

SPAIN

Second to Italy, Spain is also positioned as source for quality, fashion footwear. Spain tends to be linked more with boots and kid leathers. Unlike Italy, the quality of footwear may be less consistent. The pricing structure also ranges from moderate to expensive. Spain's branded position is not as strong as Italy.

FRANCE

France is significant only as a high end, fashion resource for footwear. It is perceived more as a branded resource than a manufacturing base country.

UNITED STATES

When respondents were asked to identify the primary sources for footwear, the United States was not readily volunteered. Although, the U.S. is an important branded factor in the footwear market; it is universally acknowledged that most manufacturing is done offshore. Brand name drives product quality expectations, not the source of manufacturing; e.g. a Cole Haan shoe made in Italy will be of comparable quality in construction and fit as those made in Mexico and it will be the same price. Source of manufacturing does not usually interfere with or influence the salability of the shoe to the customer if it is a recognized brand name. Several of the participants did specialize in footwear made in the United States and others indicated that they have customers who only buy made in U.S.A. footwear. This customer's requisite for the manufacturing source is more indigenous to blue collar, labor union market sectors.

Whether made in the U.S. or offshore, U.S. branded footwear is considered to offer the best fit. U.S. manufactured shoes are generally traditional in fashion and are in the moderate to upper moderate price range. Retailers associate footwear manufacturing with the Northeast region of the U.S..

Countries Exclusively Manufacturing Resources -- No Native Brand Position:

The following countries share a common perception amongst the respondents. Footwear manufacturing in these countries is either contracted by a known branded company from another country, quality is being controlled by the parent company, or it is an independent manufacturer's distributor. Product quality expectations are literally polarized contingent upon these two operating formats. For footwear produced by native companies who control design and quality standards, these goods are usually exported as unbranded merchandise. Country of origin does become an issue; often a country is linked with a specific expertise or product category.

BRAZIL

Respondents did not consider Brazil to be as significant a resource as in the past. Prices are generally moderate to low. Product quality is inconsistent and unreliable. Product classifications associated with Brazil include leather boots and sandals.

MEXICO

Mexico is acknowledged as an emerging manufacturing base for U.S. companies. It did not appear to be a reliable source of footwear if not manufactured under the auspices of a U.S. firm.

PORTUGAL

Portugal is perceived to manufacture a quality product. It's importance as a reliable manufacturing base is growing.

TAIWAN/KOREA

These are primary resource for athletic footwear and promotionally priced goods. Taiwan is also recognized as an excellent resource for "skins": lizard, alligator, snake etc.

CHINA

China is considered an excellent resource for fashion children's shoes. The shoes are often man-made and inexpensive. These shoes were often described as "disposable" footwear, i.e., they have a short wear life.

INDIA/YUGOSLAVIA

Both countries are sources for inexpensive but acceptable quality footwear. Strictly identified as manufacturing sources, they represent no unique expertise or product distinction.

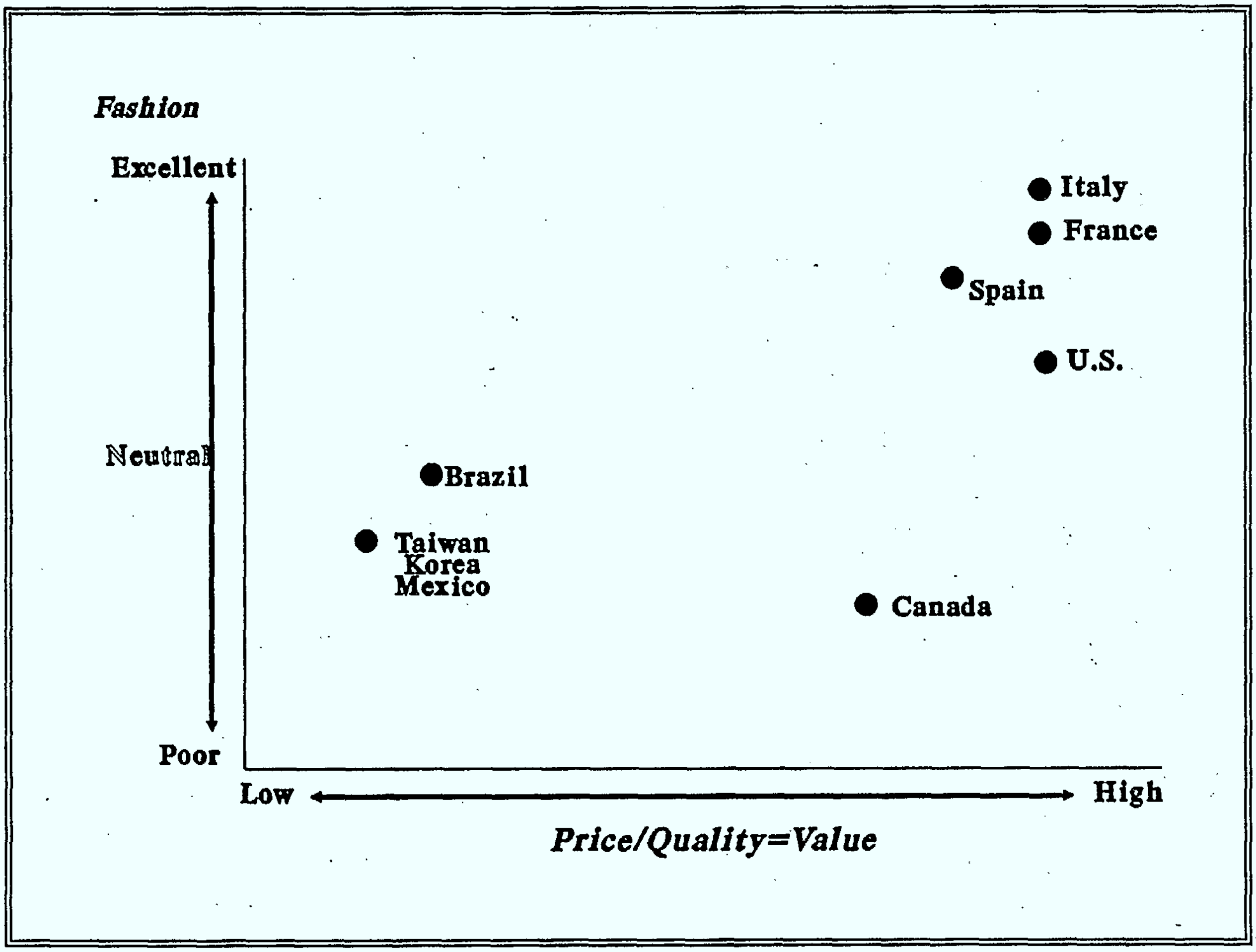
Footwear Sourcing Countries
Competitive Analysis

Product Issues	Italy	Spain	U.S.	Mexico/ Brazil	Far East	Canada
Fashion	+	+	+	0	0	-
Quality - high	+	+	+	-	-	+
Price - high low	+ -	+ +	+ -	- +	- +	+ -
Brand recognition	+	-	+	-	-	-
Fit	+	0	+	-	-	0

Manufacturing						
Credibility/Reliability	+	+	+	-	-	+
Quality Control	+	+	+	-	-	+
Manufacturing Base/Capability	+	+	0	0	+	0
Unbranded - margin benefit to retailer	-	+	0	+	+	-
Country of Origin Value Added	+	+	+	0	0	+

+	Excellent
-	Poor
0	Neutral

Canada's Competitive Position
Exported Footwear - (Excludes Boot Category)



BRANDED VS NON-BRANDED

STRATEGIC ISSUE
Branded merchandise brings in the customers and is critical to the retailers' public image. Unbranded merchandise offers margins not obtainable with price competitive branded lines.

RESEARCH FINDINGS:

Retailers felt that the movement in merchandise mix was definitely in favor of branded lines. Respondents expressed that from 70 to 90% of their inventory mix was branded merchandise. While the retailer may not realize the greater margins often obtainable with unbranded goods, branded shoes usually offer a better sell through and subsequently may yield a higher maintained margin than unbranded.

Branded Footwear

Branded merchandise positions a retailer in his market area. Brands are the definers of his product mix, quality and fashion position and price structure. Retailers feel they must carry branded lines to compete in the market place. Brand names can be as powerful an indicator of fashion position as product styling.

Unbranded Footwear

Retailers will however search to find unbranded goods which fill a very specific purpose.

- Opportunity to glean higher margins than obtainable with branded merchandise.
- May offer the retailer exclusivity or a unique product not sold by the competition.
- Possibility of offering a fashion look at a competitive price for customer shopping for a look, not a brand.

Value is redefined in this context. Value to the retailer in buying an unbranded product is the opportunity to buy low and sell high. The retailer considers a shoe to have value if it appears to be of higher quality than the conventional keystone mark-up allots.

Store Reputation > Product Reputation

Most of the retailers interviewed enjoyed a strong competitive position and image within their market. They have built their business on service and have established a loyal customer base. Because of this position, the retailer -- and more specifically the store salesman-- lend their own reputation and credibility to sell unbranded footwear. The product assumes or absorbs the reputation of the retailer rather than the manufacturer and is sold on the basis of the retailers reputation.

Several respondents expressed that they found it much to their advantage if a major retailer carried an unknown brand. Their credibility in the market carried the salability of the shoe in the independent store.

Section IV:

Canada's Market Position

Strength and Weakness Analysis

CANADA'S MARKET POSITION

"There is nobody around that makes boots better than the Canadians."

> ***STRATEGIC ISSUE:***
> ***Canada's image and position in the footwear industry is predicated upon a single product classification - COLD WEATHER BOOTS. Canada holds a significant competitive position in the quality boot market. This reputation does not extend outside the boot category. Canadian dress and/or casual footwear elicits minimal images, perceptions, or product knowledge.***

RESEARCH FINDINGS:

Experience with Canadian Manufacturers:

Within every group, with the exception of Seattle, approximately half of the respondents currently are buying or had purchased boots from Canada. Slippers were the only other meaningful product category mentioned that was sourced from Canada. Canada was not only one of the few resources for boots, but they also manufactured the highest quality cold weather boots. Retailers who indicated that they did buy Canadian boots were generally upscale in their price lines.

CANADA'S STRENGTHS

Product Issues:

◆ Premier Quality Boot Source:

> ***"Canada is the resource for water-proof, cold weather boots. Nobody can make them like the Canadians at any price."***

Retailers consistently identified Canadian footwear manufacturers as the makers of the best cold weather waterproof boots on the market. Retailers feel confident in guaranteeing to the customer that the boot is truly waterproof, not just water resistent. Unique from any other boot available, Canadian boots combine the attributes of waterproofing, warmth, comfort, and light weight. With few exceptions, the respondents' problems with Canadian boots is not in selling what they buy, rather, not having enough product to sell.

Although Canada is a resource for fashion boots, it is their functional rather than fashion value that establishes their distinction in the boot category.

Brands frequently mentioned as retailed in participants stores were:

- **Kaufman**
- **Kodiak**
- **Maxine's**
- **Cougar**
- **Sorrel**

♦ Value Added "Made in Canada":

> *"If I saw a boot just like a Canadian boot and it was made in China, I wouldn't buy it. 'Made in Canada' on a boot is an easy sell."*

The consumer in the Northern tier of the United States has a strong association with Canada as a quality boot resource. Familiar with the cold weather, the consumer expects that the Canadians must know how to make a quality warm boot; it is a natural association. In lieu of a plethora of recognizable branded lines, **"Made in Canada"** becomes a generic brand and this identification does pre-sell the product. A Chicago retailer in an exclusive suburb expressed that he would like to sponsor a store promotion: a Canadian weekend, highlighting a spectrum of Canadian made products, not just boots.

Canadian branded shoes are also an acceptable alternative to the consumer who refuses to buy foreign goods. Retailers stated that this customer generally will not resist buying Canadian merchandise.

Operational Issues:

♦ An Extension of the U.S.:

Doing business with Canadian footwear manufacturers is perceived to be comparable to dealing with U.S. manufacturers. Canada does not pose the risk inherent in dealing with foreign resources. **"Made in Canada"** is not a barrier to doing business; instead it's an alternative "domestic" resource, particularly for boots. Most respondents indicated that they would like to do more business with Canadian companies. The deterrent is lack of product or resource knowledge.

COMPETITIVE WEAKNESSES

Product Issues

♦ Singular Product Niche:

Aside from boots and slippers, Canada holds no image or presence in the footwear market. This void in perceptions/knowledge is attributed to both the absence of products other than boots as well as minimal marketing exposure. There was virtually no acknowledgement, within any focus group, of Canadian manufactured footwear. Respondents had no recall or images based on product knowledge concerning brands, fashion, quality, price or competitive differential.

Canada does fill a market need in the boot category. Outside the boot category, respondents do not perceive a product differential or market need other than the intrinsic value to the consumer of "**Made in Canada**".

♦ Fashion: Internally Available - Not Exported:

Product Expectations:	→	Product Realization:
High Fashion/European Influence		Dated Styling/Dull Designs

> *"I don't think Canada has tried to establish fashion in the United States. You don't see it. But when you go to Montreal, it is there."*
>
> *"They keep the fashion goods in Canada. The U.S. doesn't get the good stuff."*

It was frequently expressed that it is not necessary to go to Europe to find European fashion -- you can to go Montreal. While respondents do feel Montreal is North America's European fashion center, what retailers see in the store is not what is exported. Style and fashion is omnipresent within Canadian stores, but retailers characterize Canadian export footwear as not stylish or "sharp" in design. Much of the exported goods appear dated or lagging behind fashion trends. Upon further discussion of this contradiction, most feel the merchandise they see in the stores is imported from Europe. Canadian manufacturers do not produce comparable merchandise.

Many of the respondents frequent Canada, as Europe's alternative fashion market, to gain insight into trends. The retailer's shelf is a contradiction to what appears at Canadian Shoe Shows. Retailers who have attended the shows do not find their preconceived expectations are fulfilled at the show.

♦ No "Reason d'etre" - Competitive Offering:

Other than boots, footwear from Canada offers no product uniqueness, differential or competitive benefit. Canadian footwear is not distinctive in its fashion image or consumer demand and quality is comparable to shoes offered at a lower price from other sources. Canadian footwear does not offer the retailer a consumer recognizable brand with reliable sell through, or an unbranded, high margin product.

Operational/Service Issues:

♦ Inconvenience and Costs of Returns:

For those retailers who have or do carry Canadian footwear, the difficulty and expense involved in returning goods to Canada was often raised. Getting goods into the United States is not considered a problem. Most are shipped F.O.B. U.S., thus the retailer basically deals with a domestic resource. If the retailer must return goods, however, the process can be expensive and an administrative hassle. Due to tariffs on goods moving into Canada, the add-on costs are high. Obtaining return stickers is involved and time consuming. These problems are not universal amongst all Canadian manufacturers but the incidence was significant. The frustration and cost of returning goods has often resulted in retailers either dropping a line or discouraging major buys. Returning merchandise, legitimate or not, has become a way of retailing in the U.S. Dominant retailers have set the policies that all goods will be accepted for return from the customer. Such policies have forced all competitive merchants to follow suit. Return policies and procedures with the manufacturer have subsequently become a critical issue and point of difference.

♦ **Unreliable Boot In-Stock Programs:**

> *"The problem is that if I need more, I can't get them."*
>
> *"I can't get deliveries on time; they have no in-stock program."*

Because the boot category is often bought far in advance of the selling season and buys are based on anticipated need (usually predicated upon anticipated winter weather), independent retailers cannot afford to heavily invest in inventory. Merchants will buy short, expecting to get back into the market based on customer demand and product sell through. Retailers who carry Canadian boots generally have a good sell through on the initial order. Re-orders, however, are usually impossible; manufacturers have no backup stock. Respondents stated that they are often assured by salesman that the manufacturer does maintain an in-stock program and buy on that assumption only to find that in fact not to be the case when they attempt to reorder.

The boot classification appears to be somewhat unique from other product categories. In the fashion sector the retailer usually wants to get in and out fast while the fashion is salable. The success of a boot season is totally predicated upon the weather. Retailers want the assurance that they can restock the inventory, customer demand warranting.

♦ **High End Price Niche:**

Functional - High End Use Sector	Fashion - Low Use Sector
Price Elasticity	Price Inelasticity

Respondents were only knowledgeable about the pricing of boots. Although the boots were considered high end prices, quality was in proportion to price. Retailers considered Canadian boots to be superior in construction and functional value to any other available product. This superior product performance value does have marketable limitations, however. As a strictly functional high use item, Canadian boots are salable at any price. Within the fashion and the limited use sectors of the country, high functional performance and premium prices are not as salable. In markets where weather is more temperate and the need for boots may be very limited, retailers consider price to be a critical issue. Within the fashion sector, styling is the driver -- not functional value. Boots become short term disposable items rather that investment footwear.

Retailers do not associate Canadian boot manufacturers as a source for low end or promotionally priced products. These products are generally manufactured in Third World Countries or the Far East.

Some respondents referred to several Canadian companies that effectively combined fashion in an excellent performing cost competitive boot, e.g. Maxine's, Kaufman and Santana. Outside these companies, most respondents familiar with Canadian boots associated them with performance issues: warmth, waterproofing, and functional footwear at premium prices.

Most respondents perceived that Canada's price position precludes distribution in low end retail stores.

♦ Trade Cost:

> ***"I've often looked at boots from Kaufman and LaCrosse and I've had to buy LaCrosse because the duty tax added on the Kaufman is not price competitive; the quality is the same."***

There was very vague knowledge of tariff and trade costs between the U.S. and Canada. Respondents know a duty is placed on goods coming into the U.S., but they have minimal specific knowledge as to actual cost. Understanding of the "Free Trade" agreement was also vague. It was also not an issue of curiosity. Retailers want to know the F.O.B. cost. If tariffs accelerate this to a non-competitive price position, the product is by-passed. Retailers do feel that because Canada's product quality is comparable to U.S, the tariff is the variable which forces Canadian footwear to be non-competitive. Retailers can get comparable products in the U.S. at lower costs. Retailers did expect that free trade may allow Canadian footwear to be price competitive.

Participants were much more knowledgeable and conversant about the expense of returning goods back to Canada than the cost of bringing goods into the U.S.

Several respondents felt Canadian footwear could not be competitively priced in the market place as long as it was totally "Made in Canada". They felt that Canada must ultimately consider manufacturing offshore in order to contain costs. There was some recognition that this is being considered. If the same levels of quality control are maintained -- particularly as it relates to their waterproofing leather expertise -- manufacturing offshore is acceptable if it allows the product to be more price competitive.

♦ Industry Stability:

Respondents did not appear apprehensive or insecure about buying from Canadian footwear resources based on their financial stability. Amongst those who have sourced from Canada, however, there was much discussion about the number of companies now out of business. The consequence of losing a Canadian boot resource generally resulted in the retailer attempting to replace it with another Canadian resource. Most respondents were satisfied with their relationship with the Canadian company and the product performance. ***They prefer to continue to source Canada for boots.***

In spite of a lack of specific product knowledge, retailers were favorably disposed to want to see and consider products from Canada other than boots.

♦ No Marketing Initiative in U.S.:

> ***"I think Canada does an extremely poor job of promoting their name. They're almost the United States. Canada needs to do a better job promoting to U.S. customers. Let the customer know the product is made in Canada. They have the ability, the quality is there. They have just never promoted anything other than boots."***

Many respondents stated that they would like to buy and offer more **"Made in Canada"** shoes. Within upscale stores and particularly those that specialize in **"Made in U.S.A."** merchandise, Canadian products are perceived as very comparable in price points, quality, and consumer acceptability. Several of the retailers carry **"Made in Canada"** apparel. Most have experienced very successful sell through based on styling and association with Canada.

A total lack of awareness or significant presence in any category other than boots, has precluded any initiative to seek out other product offerings or categories. This lack of awareness is a result of a dearth of retailer/consumer promotion, minimal presence at shows, and no aggressive solicitation by salesman. Not one of the retailers present in Seattle recalled being contacted by a Canadian manufacturer or sales rep.

Section V:

Merchandising Characteristics

The Boot Classification

CHARACTERISTICS OF THE BOOT MARKET
CANADA'S POSITION

> ***STRATEGIC ISSUE:***
> ***The market is characterized by a dearth of manufacturing resources - it is a sales market. The product characteristics are end use driven and are proportionately more focused upon product attribute expectations than traditional footwear.***

RESEARCH FINDINGS:

Consumer boot purchases are generally driven by two issues: end use and frequency of use. These two issues impact price, fashion/function needs and place of purchase.

Retailers' Buying Behavior For Boots:

Boot buying for functional cold weather use is a speculative buy. Retailers buy on anticipated need and generally initial orders are conservative. Philosophy of buying as it relates to product mix is fragmented into two groups:

◆ **Consumable Boots:**

Needs: Generally this retailer is looking for items which are low to moderate price. The product must combine some fashion and offer minimal functional value. This is interpreted as water resistent, not waterproof, often synthetic materials, and acceptably comfortable. Price is the main driver of the consumer purchase decision, with \$30 to \$60 being an acceptable price range, but not exceeding \$100. Products are often manufactured offshore, e.g., Taiwan or Korea. Most can find available price point product and knock off styling. As a branded item, Sporto was frequently mentioned as a fashionable yet price point acceptable product.

Attitudes Towards Canadian Goods:

Canadian boot price points often exceed their price categories. Many retailers interviewed, particularly those somewhat unfamiliar with Canadian footwear lines, have a locked-in association with exclusively high performance, very warm boots, e.g., Sorrel. The technological performance exceeds their customers' requirements in a product.

♦ **Investment Boots:**

Needs: The retailer in this category buys a boot for its exceptional performance attributes, superior product quality and/or fashion. The customer shows little price resistance to obtain these attributes. The retailer serves a customer who either has a specialized performance need and/or is a high end fashion shopper.

Attitudes Towards Canadian Boots:
Retailers that serve this customer consider Canadian boots the most superior product available with respect to the performance attributes and many expressed that they have bought Canadian boots that blend fashion and function at a price acceptable to their market. This retailer would buy more Canadian boots and footwear if the product was available. "Made in Canada" has intrinsic value to the customer. They associate Canada with quality, cold weather and it's an acceptable extension of the U.S.

♦ **Work Boots:**
The issue of branded vs. non-branded has significant meaning to the retailer in this category. Retailers selling work boots as a functional/non-fashion item build their store reputation and clientele based on their brand representation. These are usually long term relationships between vendor and retailer. The retailer will carry unbranded lines as a price point offering. While Canada is recognized as a quality resource for work boots, they are not price competitive. LaCrosse and Red Wing are two well known and accepted brands in the U.S. market and are priced below Canadian products. There is no incentive to retailers to consider Canadian work boots from a branded or price point position.

Most respondents perceived that the higher cost of Canadian work boots is attributed to duty/import costs, not product superiority.

Canada's Performance Within Boot Classification

Product Performance	Negative	Neutral	Positive
Performance: Waterproof/Warmth/Comfort			✓
Value			✓
Fashion		✓	
Quality			✓
Price Competitive	✓		
Value Added "Made In Canada"			✓

Manufacturer Service	Negative	Neutral	Positive
Consumer Brand Recognition (except Sorrel)		✓	
Deliveries		✓	
In-Stock Programs	✓		
Re-order Capabilities	✓		
Exposure To The Retailer: Salesmen/Trade Shows	✓		
Import Transaction/Paperwork/Expense:			
Merchandise Coming Into U.S.		✓	
Return to Canada	✓		

Section VI:

Canadian Footwear Manufacturers

Marketable Opportunities

CANADIAN FOOTWEAR MANUFACTURERS
MARKET OPPORTUNITIES

STRATEGIC ISSUE:
For those group participants who have previously traded with Canadian shoe manufacturers, most would like to expand this relationship both within and outside the boot category. Respondents who had not traded with Canada expressed no negative attitudes and were favorably disposed to "looking at" Canadian products.

RESEARCH FINDINGS:

The barriers which currently exist for Canadian footwear manufacturers with respect to expansion of trade within the U.S. are centered around two issues:

- Lack of exposure to available product
- No cognitive understanding or justification to consider pursuing, buying or retailing

Trading with Canada poses none of the concerns, apprehensions or reluctance conceived in dealing with foreign resources. Doing business with Canada is within the same "comfort zone" as doing business domestically. This attitude applies whether it's direct resourcing or through a U.S. distributor.

Extended Boots - Casual Footwear:

Canada's entrenched position in the quality boot market equates to a branded position. "Made in Canada" on a boot offers the retailer the same sell through benefits of branded goods. The consumer understands the intrinsic attribute and superior performance of the product. Retailers feel this image can be extended to other boot related or inclement weather related products, with their salability riding on the strength of the Canadian boot reputation. Retailers want a bigger offering of Canadian boots.

Product Suggestions:
- Hiking Boots
- Rain Boots
- Sport Boots
- After Ski Boots (most retailers did not inventory this category, but feel it was a natural extension)

Moving outside the boot classification, respondents felt Canada's image was credible in the casual footwear arena, both men's and women's:

Canadian Footwear ...

Is:

- Cold Weather
- Durable
- Natural Materials
- Outdoor
- Sturdy Design
- Traditional
- Quality
- Expensive

Is Not:

- Delicate
- Non-Durable/Consumable
- High Fashion
- Warm Climates
- Cheap

Although Canada has a European fashion association as cultivated by Montreal's image, the retailer did not feel this image stretched to the fashion/dress sector. Whether this impression was based on lack of exposure, or exposure to exported goods inconsistent with this fashion image, Canadian exported fashion footwear is not a natural link or perceived product position strength.

Section VII:

Sample Product Evaluation

Preface:

It was the expressed consensus within all the groups that the sample products presented did not reflect the quality or styling respondents familiar with Canadian footwear are accustomed to seeing. It was decided to continue to show and discuss the sample products. The comments and conclusions, however, are reflective of retailers' selection judgements and do not necessarily reflect a pervasive attitude concerning all Canadian footwear.

"Are you showing us components assembled and brought into Canada?"

PRODUCT EVALUATION

Note: Due to the repetitiveness of styling or end use classification, some of the products submitted were eliminated from the test sample group.

STRATEGIC ISSUE:
With the exception of shoes, the products evaluated did not offer fashion salability, price point differential or branded position strength. The shoes also were not considered representative in quality or fashion of products respondents have seen and bought from Canada.

RESEARCH FINDINGS:

The Winners:

Men	Manufacturer	Description
Boot #1 Boot #2 Loafer #12	Chausser's Regence, Inc. Chausser's Regence, Inc. Topaz Shoe	leather mid-calf brown ankle boot moccasin style loafer
Women Boot #3 Boot #9	 Chausser's Regence, Inc. Santana, Inc.	 fur lined black boot brown suede boot

Fashion Position

- The basic boots for men and women were perceived salable. The styling, particularly for boots, was consistent with customer preference and would also lend themselves to be carried over a season if necessary.

- The remaining products were often described as:
  - ***"dull or not sharp styling"***
  - ***"dated"***
  - ***"inappropriate for the market"***
  - ***"near misses of more salable fashions"***

Quality

The quality of products was evaluated as it related to retail price:

- **Lower Priced/Promotional Products**

  While many of the lower priced products were considered good quality, the price and fashionability of the product were not competitive to other available products, particularly those manufactured offshore.

- **High End Fashion or Functional Products**

  Many of these shoes were perceived to be of superior quality, but of such a nature that exceeded consumers' performance needs, or the quality was in the internal construction and could not be appreciated by the consumer. Many stated that they could buy comparable top quality footwear at lower prices from domestic resources.

SHOE # 1

Product classification: Men's Boot
Manufacturer/Supplier: Chausser's Regence Inc.
Retail Cost: $110.00
Retailer Purchase Interest: High
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability			✓
Functionality			✓
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price			✓

Respondent Comments: "Fits with my expectations of Canadian boots"
Most Preferred In: Philadelphia and Chicago

SHOE # 2

Product classification: Men's Boot, Brown
Manufacturer/Supplier: Chausser's Regence Inc.
Retail Cost: $100.00
Retailer Purchase Interest: High
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality		✓	
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price		✓	

Respondent Comments: Appeal limited to a narrow market sector
Most Preferred In: Minneapolis

SHOE # 3

Product classification: Women's Fashion Boot
Manufacturer/Supplier: Chausser's Regence Inc.
Retail Cost: $115.00
Retailer Purchase Interest: High
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability			✓
Functionality			✓
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price			✓

Respondent Comments: Most preferred product of all samples:
•Classic, uncluttered fashion •Broad market appeal •Quality workmanship
•Functional, yet attractive sole •Price consistant with product quality and fashion
•Fur lining adds fashion but does not restrict use to severe cold climates

"Good eye appeal" "I could use that boot"

Most Preferred In: Chicago, St. Louis

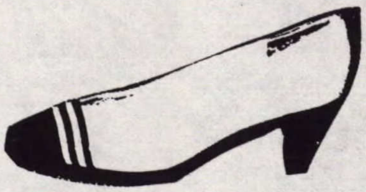
SHOE # 5

Product classification: Men's Fashion Boot
Manufacturer/Supplier: Grenico, Inc.
Retail Cost: $61.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability	✓		
Functionality	✓		
Construction - Quality		✓	
Materials - Quality		✓	
Value - Style/Quality/Price	✓		

Respondent Comments: Isolated fashion appeal amongst groups. Very limited market/consumer appeal. Neither fashionable nor functional. Fleece lining too warm for most U.S. climates.

SHOE # 6



Product classification: Women's Dress Shoe
Manufacturer/Supplier: Studio Wallace
Retail Cost: $120.00 - $150.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability	✓		
Functionality	—	—	—
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price	✓		

Respondent Comments: "I can get a similar shoe with sharper fashion, better detailing, a brand name, and cheaper."

SHOE # 7

Product classification: Men's Fashion Boot
Manufacturer/Supplier: Alfred Cloutier
Retail Cost: $90.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability	✓		
Functionality	✓		
Construction - Quality		✓	
Materials - Quality		✓	
Value - Style/Quality/Price	✓		

Respondent Comments: Shoe is a contradiction in style: sporty/hiking upper but non-performance functional sole. Minimal customer need or demand, particularly at $90 retail price *"It's neither a fashion boot nor a functional boot. It has no meaning to me or the consumer."*

SHOE # 8

Product classification: Women's Utility Boot
Manufacturer/Supplier: Bata Footwear
Retail Cost: $34.95
Retailer Purchase Interest: Moderate
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality			✓
Construction - Quality		✓	
Materials - Quality		✓	
Value - Style/Quality/Price		✓	

Respondent Comments: *"Similar to the Sporto boot but does offer a good styling and this is more expensive."*

SHOE # 9

Photo Not Available.

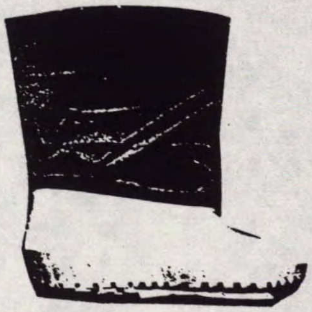
Product classification: Women's Suede Boot
Manufacturer/Supplier: Santana, Inc.
Retail Cost: $150.00
Retailer Purchase Interest: High
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability			✓
Functionality			✓
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price			✓

Respondent Comments: *"Similar in style and price to other boots I've sold."* Very salable in the high end price sectors. Combines fashion and function.

Most preferred: Philadelphia, Seattle and Chicago

SHOE # 11



Product classification: Children's Snow Boot
Manufacturer/Supplier: Maple Leaf
Retail Cost: $25.95
Retailer Purchase Interest: N/A
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality			✓
Construction - Quality		✓	
Materials - Quality		✓	
Value - Style/Quality/Price		✓	

Respondent Comments: The boot was considered attractive and suitably styled for the youth market. Most put this as a price item. The cost of the Canadian boot was considered high relative to other available, offshore manufactured products.

Note: Respondents were not recruited to include children's retailers. Opinions and comments were more personally or perceptually driven than based on professional experience.

SHOE # 12

Product classification: Casual Men's Moc.
Manufacturer/Supplier: Topaz Shoe
Retail Cost: $70.00
Retailer Purchase Interest: Moderate
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality		✓	
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price		✓	

Respondent Comments: The leather was considered very soft. The shoe would offer more consumer appeal if the brass label was removed.

Most Preferred In: St. Louis

SHOE # 13

Product classification: Men's Loafer
Manufacturer/Supplier: Topaz Shoe
Retail Cost: $70.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability	✓		
Functionality		✓	
Construction - Quality		✓	
Materials - Quality			✓
Value - Style/Quality/Price	✓		

Respondent Comments: The styling slightly misses the popular branded men's loafer lines, e.g. Timberland, Dexter, Bass. The brass decorative element interferes with the classic styling. The welt styling construction makes the shoe appear heavy and dated and inexpensive. Most respondents felt the sole rim was a stamped decoration attempt rather than a function of construction.

SHOE # 14

Product classification: Men's Work Boot
Manufacturer/Supplier: Terra Footwear
Retail Cost: $110.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability	✓		
Functionality		✓	
Construction - Quality		✓	
Materials - Quality			✓
Value - Style/Quality/Price	✓		

Respondent Comments: The black color polarized respondent attitudes. In the work boot category, deviations from traditional styling mean very fragmented/narrow customer niches. Retailers prefer to confine product mix to the basics, the differential being price and quality, not color and fashion.

SHOE # 15

Product classification: Men's Cold Weather Boot
Manufacturer/Supplier: Genfoot, Inc.
Retail Cost: $39.95
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality			✓
Construction - Quality		✓	
Materials - Quality		✓	
Value - Style/Quality/Price		✓	

Respondent Comments: Most retailers do not have the customer need or demand to carry a Kamila style boot. Product exceeds consumers' functional needs.

SHOE # 16

Product classification: Men's Non-Safety Work Boot
Manufacturer/Supplier: H.H. Brown
Retail Cost: $70.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality	✓		
Construction - Quality	✓		
Materials - Quality	✓		
Value - Style/Quality/Price	✓		

Respondent Comments: *"The sole looks cheap. I can get much better looking quality at a lower price."*

SHOE # 18

Photo Not Available.

Product classification: Women's Fashion Boot
Manufacturer/Supplier: Grand Footwear
Retail Cost: $125.00 - $150.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality	✓		
Construction - Quality		✓	
Materials - Quality		✓	
Value - Style/Quality/Price		✓	

Respondent Comments: Limited market appeal for high heel boots.

SHOE # 21

Product classification: Unisex Snow Boot
Manufacturer/Supplier: Vimod
Retail Cost: $49.95
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality			✓
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price		✓	

Respondent Comments: This boot reflects the type of boots consumers and retailers associate with Canada and establishes the credibility as a source for functionally superior cold weather boots. The functional value of this boot exceeds customer needs in the market areas interviewed.

SHOE # 22

Product classification: Women's Boot
Manufacturer/Supplier: N.A.
Retail Cost: $110.00
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality		✓	
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price		✓	

Respondent Comments: N.A.

Most Preferred In: N.A.

SHOE # 23

Product classification: Sorrell Style Snow Boot
Manufacturer/Supplier: N.A.
Retail Cost: N.A.
Retailer Purchase Interest: Low
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability		✓	
Functionality		✓	
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price		✓	

Respondent Comments: Exceeds customers' needs for warmth and protection.

SHOE # 24-26

Product classification: Children's Duckies
Manufacturer/Supplier: Maple Leaf
Retail Cost: $22.00 - $25.00
Retailer Purchase Interest: N/A (Most respondents did not inventory children's boots)
Respondent Evaluation:

	Poor	*Average*	*Excellent*
Fashionability			✓
Functionality			✓
Construction - Quality			✓
Materials - Quality			✓
Value - Style/Quality/Price			✓

Respondent Comments: This was considered a salable group of shoes competitively styled and priced with comparable other products.

Appendix

Shoe Store Representation

By City

Seattle

- **Shoe Biz,** Cynthia Lauby
- **Shoefitters,** Anne Curtis
- **Harrison's Comfort Footwear,** Jon Harrison
- **Shafrans Apparel,** Leon Capelouto
- **Country Square,** Dana Nirsche
- **Steppin Out,** Dale Hosfield
- **Ultima,** Derrick Eng
- **Great Northern Workwear,** Dave Porter
- **I Luv Shoes,** Gary Wiemann

Minneapolis

- **DJ's Shoes,** Dave Anderson
- **Shoes to Boot,** Dave Addis
- **Nokomis Shoe Shop,** Susie Thorton
- **Belleson's,** Doug Haugen
- **Shoe Box,** Walt Theis
- **Shoe Zoo,** Pat West
- **Campus Cobbler,** Bob Phelps
- **Antioch Shoe Shop,** Walter Collins
- **Papagallo,** Sheree Faulkauff
- **Schuler Shoes,** John Schuler
- **United Stores,** Didi Kavanagh
- **Joyce-Shelby Shoes,** Peter Redmond
- **Charles' Footwear,** Thomas Morisette
- **Soldati Footwear,** Butch Schmidt

St. Louis

- **Trautmains,** John Crocker
- **Laurie Shoes,** Mark Waldman
- **Vogue Boot Shop,** Vorman Crasilneck
- **Shoe King,**
- **Gene Shoes,** Gene Kate
- **Stylos Footwear,** Pahra Ashok
- **Markenson's Shoes,** Gary Perkins
- **Weisst Neuman,** Dan Zussman
- **Toby's Shoes,** Phillip Taxman
- **Mr. J.'s Shoes,** John Jones
- **Shoe Stop,** Steve Fralich
- **Lou's Shoes,** Jeff Osheroff
- **Globe Shoes,** Bill Wilensky
- **Steens Style and Fashion,** Ernestine Shouse

Philadelphia

- **Albert Fusters Sons,** Mary Ann Conrad
- **Lester's Shoe Store,** Jeff Kogan
- **Goodrich Shoes,** Melvin Goodrich
- **Beige, Inc.,** Fran Delsorda
- **Boyds Men Shoes,** Joel Jaffe
- **Clere's Shoe Store,** Lou Berry
- **Shoe Bar,** Robert Klausman
- **Bernie's Shoe Mart,** Steven Lesser
- **Scorsome's Shoes,** Mimma Scorsome
- **Arnolds Shoes, Etc.,** Arnold Gelsand
- **The Shoe Revue,** Sandy Dressler
- **Pliner's Shoes,** Aronald Silverman

Chicago

- **Allure Shoes,** Renee Apack
- **Simone's Shoes,** Derek Dowell
- **Johnson's Shoe Store,** Herb Johnson
- **Avventura,** Arnold Klein
- **Robles, Inc.,** Paul Robles
- **Wesley's Shoes Inc.,** Claude Wesley
- **Forrest Bootery,** Roger Wolff
- **Alamo Shoes,** Allyn Barnett
- **Village Cobbler Shoes,** Art Finkler
- **Village Bootery,** Andrew Key
- **Joseph Shoes,** Mike Kush
- **Der Lipizzan,** Jim Stracker
- **Walking Source,** Chuck Wilson

SAMPLE PRODUCT

SHOE #	MANUFACTURER	PRICE	DESCRIPTION
MEN'S			
1	Chausser's Regence, Inc.	$110.00	black leather boot
2	Chausser's Regence, Inc.	$100.00	brown leather boot
4	Grenico, Inc.	$52.00	black boot with strap
5	Grenico, Inc.	$61.00	brown boot with strap
7	Alfred Cloutier (Chausser's Barbo)	$90.00	hiker boot
12	Topaz	$70.00	black/brown casual shoe
13	Topaz	$70.00	brown casual shoe
14	Terra Footwear	$110.00	black leather work boot
15	Genfoot	$39.95	black and beige Kamik type
16	H.H. Brown	$70.00	beige leather work boot leather boot
WOMEN'S			
3	Chausser's Regence, Inc.	$115.00	black fur lined boot
6	Studio Wallace	$120-150.00	black/white dress shoe
8	Bata Footwear	$34.95	utility boot
9	Santana, Inc.	$150-160.00	brown suede boot
18	Grand Footwear	$125-150.00	black high heeled boot
25,28	Maple Leaf		women's duckie
21	Vimod	$49.95	utility boot
22	N/A	$110.00	black boot
23	N/A	N/A	sorrel style
CHILDREN'S			
10	Maple Leaf Shoe Co.	$25.95	black multi-colored boot
11,24, 25,26	Maple Leaf Shoe Co.	$34.95	children's "duckie" boots

Comparative Product, Domestically Sourced

WOMEN'S			
50	9 West	$122.00	boot
51	Evan Picone	$109.00	black/white dress shoe
52	Joan & David	$235.00	boot
MEN'S			
60	Timberland	$88.00	deck shoe
61	Timberland	$80.00	deck shoe
62	Johnston & Murphy	$150.00	loafer
63	Timberland	$59.00	sport boot
64	Timberland	$80.00	work boot

Number Of Respondents Favoring Each Shoe

Shoe #	Philadelphia	St. Louis	Minneapolis	Chicago	Seattle	Total
1	5	2	1	4	–	12
2	3	1	7	1	–	12
3	2	5	2	8	2	19
5	–	1	1	–	–	2
6	–	3	1	2	–	6
7	2	1	1	–	–	4
8	3	2	–	1	–	6
9	4	2	1	3	3	13
10	2	2	1	–	–	5
11	1	1	1	–	–	3
12	1	5	2	1	–	9
13	–	1	1	1	–	3
14	–	2	1	1	1	5
15	–	0	2	1	1	4
16	–	1	–	1	1	3
18	–	2	–	2	1	5
19	–	0	–	4	–	4
21	–	3	–		–	3
22	–	–	–		1	1
23	–	–	3		1	4
24	–	–	1		–	1
25	–	–	2		–	2
26	–	–	1		–	1
27	–	–	–		–	0
28	–	–	1		–	1
29	–	–	1		–	1
50	–	1	1		–	2
51	–	1	1	1	2	5
52	–	3	–	1	1	5
60	–	4	4	2	–	10
61	–	1	5	3	–	9
62	–	5	–		–	5
63	–	–	–	1	–	1
64	–	2	2	1	–	5
Total	23	51	44	39	14	