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IMPORT PROFILE

Investment Opportunities

SKI BOOTS (DOWNHILL AND CROSS-COUNTRY)

Pub. No.: 8806-IP October 1988



Government
of Canada

Regional Industrial
Expansion

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du Canada

Expansion industrielle
régionale

Canada

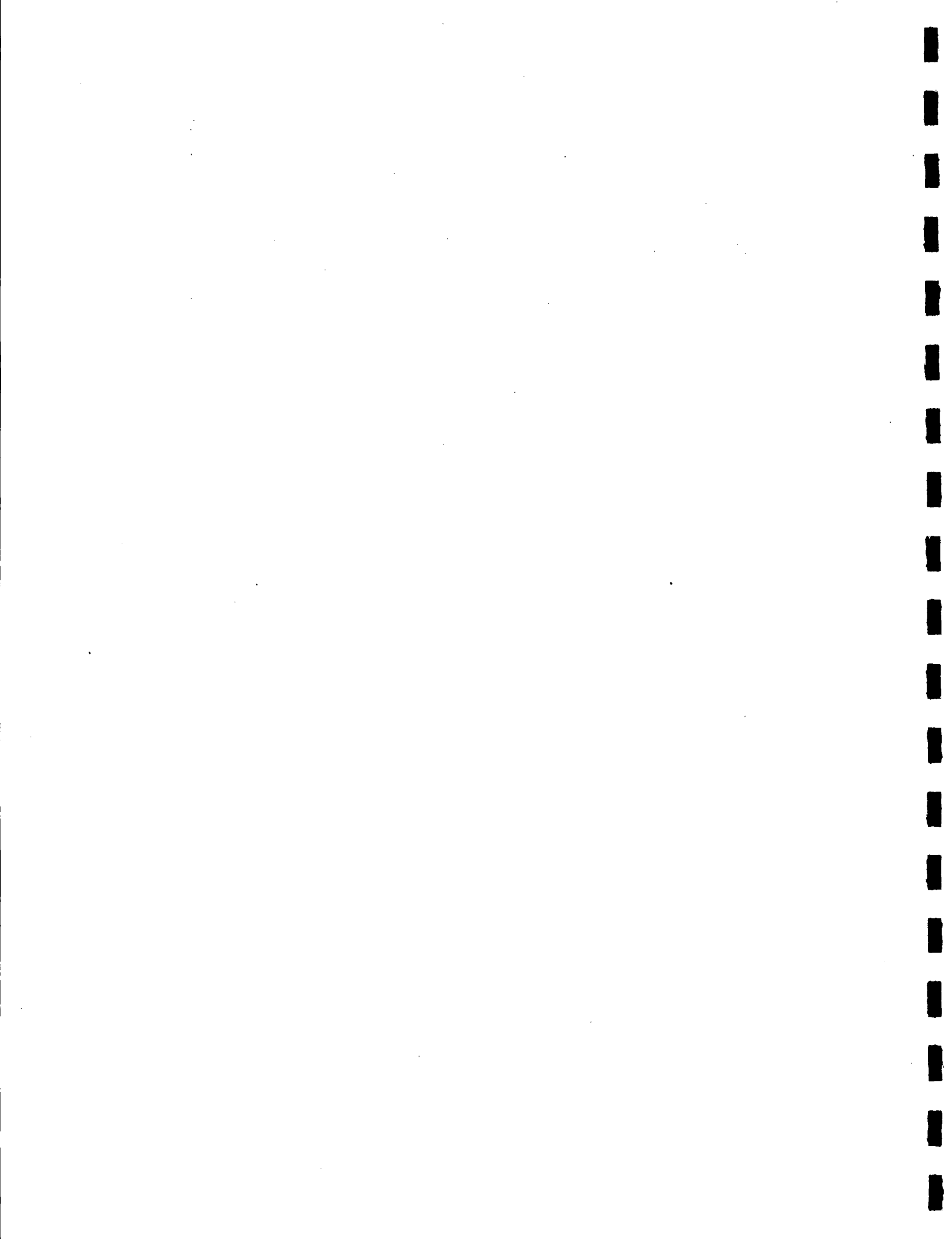
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SKI BOOTS

INTRODUCTION

This report is part of a continuing series designed to increase business awareness of the potential existing for production in Canada.

CANADIAN IMPORTS

Import data are given on subsequent pages for the following products:

<u>Description</u>	<u>Commodity Codes</u>	<u>TOTAL IMPORTS 1987</u>	
		<u>Quantity</u> (000 Pair)	<u>Value</u> (C\$ million)
Downhill Ski Boots	798-93 (various)	489	27.0
Cross-Country Ski Boots	798-93 (various)	<u>158</u>	<u>3.7</u>
Ski Boots (Total)	798-93	647	30.7

Data on import trends for individual products within the above commodity groups are shown separately on pages 6 and 8 of this report.

Lists of Canadian importers and foreign exporters to Canada are given in Appendices A and B, respectively.

For information on other segments of ski equipment, please see Import Profile No. 8807-IP (Skis, Downhill and Cross-Country) and Import Profile No. 8808-IP (Ski Bindings or Fittings).

CANADIAN PRODUCTION

There are at least two Canadian manufacturers of cross-country ski boots. There are no Canadian manufacturers of downhill ski boots. Statistics Canada does not publish specific production data for ski boots.

CANADIAN EXPORTS

Statistics Canada does not publish specific export data on ski boots. They are included in the export class "Special purpose footwear/footwear not elsewhere specified."

UNITED STATES' IMPORTS

The United States Department of Commerce indicates that 1987 U.S. imports of ski boots from all countries totalled C\$128 million of which over 90 per cent were downhill boots. Canada's share of U.S. imports totalled C\$1 million.

MARKET SUMMARY

It is estimated that over 6.0 million people participate in downhill and cross-country skiing in Canada. Of these, 3.2 million participate in downhill, while 3.6 million participate in cross-country skiing. Included in these estimates are 1.5 to 2.0 million engaged in both activities. Both downhill and cross-country skiing continue to be extremely popular winter sports, although there are a number of demographic differences in the participants. Currently, downhill skiing tends to be dominated by male participants (60 per cent), whereas cross-country skiing is almost equally popular with males (48 per cent) and females (52 per cent). However, as the majority of the population moves through middle-age during the next decade, demographic changes may have significant effects directly on the ski market.

The high level of imports and the continuing popularity of both downhill and cross-country skiing indicate a market that has potential for import replacement. However, there are major concerns which must be addressed by any company seriously considering a manufacturing facility. First, the downhill and cross-country ski markets are distinctly different, as are the techniques of downhill and cross-country ski boot manufacturing. There is very little synergistic effect gained by manufacturing boots for both markets.

In the downhill ski boot segment, successful marketing is highly dependent on many of the factors associated with downhill skis. Brand name loyalty and recognition are major influences on consumer purchase decisions. Aggressive, albeit expensive, consumer and trade journal advertising and the association of internationally renowned skiers with particular brands are some of the major techniques used by successful marketers. Downhill ski boots are subject to continuing technical modifications and feature changes. Rear entry, thinsulate and "hot" boots are some of the modifications and features that have been introduced recently in the downhill boot segment. Major and continuing expenditures in research and development, and the ability to respond quickly to changing market trends are requirements for any company seriously contemplating entry into downhill ski boot manufacturing.

Particularly in the downhill boot segment, the extremely high cost of entry and continuing major expenditures associated with both the technical and marketing aspects have effectively eliminated most Canadian manufacturers except the largest and most financially sound companies. A company investigating the feasibility of manufacturing should at an early stage not only seriously consider the feasibility of a joint-venture or licensing arrangement with a well-known downhill boot manufacturer, but also consider its ability to compete in the United States market.

In the cross-country ski boot segment, the product is much less expensive than the downhill variety. Although cross-country ski boots are currently not as brand-oriented as downhill boots, there is a continuing movement towards improved performance characteristics and lighter, better insulated boots. Recent innovations and specialization in cross-country bindings have started to segment the boot market so that some boots and bindings must be compatible rather than using the universal type of binding used in the past by the recreational skier. There is a definite and pronounced trade-up trend which is expected to continue in cross-country ski equipment.

A number of the marketing and technical barriers relating to downhill boot manufacturing are not as significant in cross-country boot production. The cost of entry, product development and general production processes have many significant similarities to athletic footwear manufacturing. A company contemplating entry into this market segment should focus closely on emerging market trends and the demographic and consumer preference spheres. It should also consider changes in materials and performance features such as leather versus non-leather boots, and specialized bindings; and the increasing emphasis on compatible boot-binding systems.

MARKET SUMMARY (CONT'D)

Effect of the United States/Canada Free Trade Agreement (FTA) on Ski Boots

The North American downhill ski boot import market is estimated at over C\$150 million and the cross-country import ski boot at about C\$20 to C\$25 million. Canada accounts for C\$27.0 million and C\$3.7 million respectively.

Although there are no significant downhill boot manufacturers in either the United States or Canada, there are at least two Canadian cross-country boot producers. Under the FTA the duty rates between Canada and the United States are scheduled to be reduced in 10 equal yearly steps commencing January 1, 1989; whereas, imports from Western Europe will continue to be subject to the current Most Favoured Nation rates in both Canada and the United States. The current MFN duties are:

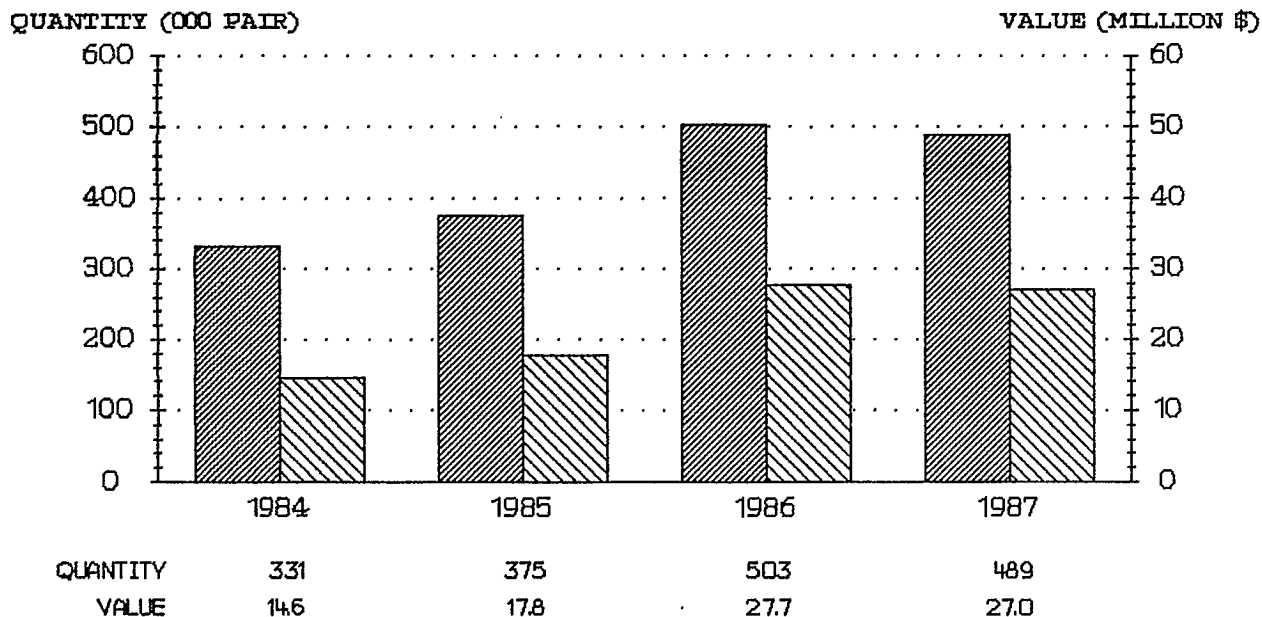
Canada:	Cross-country boots	22.8% (on or after January 1, 1988)
	Downhill boots	20.0% (on or after January 1, 1988)
United States:	Cross-Country/Downhill boots	6.0%

SCOPE

Imports covered in this report consist of the following Canadian International Trade Classification (C.I.T.C.) commodity codes:

<u>CODE</u>	<u>DESCRIPTION</u>
798 93 15	Boots, Men's & Boys', Ski, Leather, Downhill
798 93 19	Boots, Men's & Boys', Not Elsewhere Specified, Downhill
789 93 35	Boots, Men's & Boys', Ski, Leather, Cross-Country
798 93 39	Boots, Men's & Boys', Ski, Not Elsewhere Specified, Cross-Country
798 93 45	Boots, Women's & Girls', Ski, Leather, Downhill
798 93 49	Boots, Women's & Girls', Ski, Not Elsewhere Specified, Downhill
798 93 55	Boots, Women's & Girls', Ski, Leather, Cross-Country
798 93 59	Boots, Women's & Girls', Ski, Not Elsewhere Specified, Cross-Country
798 93 65	Boots, Children's, Ski, Leather, Downhill
798 93 69	Boots, Children's, Ski, Not Elsewhere Specified, Downhill
798 93 75	Boots, Children's, Ski, Leather, Cross-Country
798 93 79	Boots, Children's, Ski, Not Elsewhere Specified, Cross-Country

DOWNHILL SKI BOOTS IMPORT TRENDS



IMPORTS BY MAJOR FOREIGN COUNTRY OF EXPORT

FOREIGN COUNTRY OF EXPORT	1984	1985	1986	1987	AVERAGE ANNUAL GROWTH RATE 1984-87
					%
ITALY					
QUANTITY [PAIR]	213302	210923	289225	302924	12
VALUE [C\$000]	7703	7071	12611	14674	24
FRANCE					
QUANTITY [PAIR]	64869	106903	136448	102596	17
VALUE [C\$000]	3858	7011	8920	6755	21
SWITZERLAND					
QUANTITY [PAIR]	15488	19951	29708	29677	24
VALUE [C\$000]	1010	1429	2420	2356	33
AUSTRIA					
QUANTITY [PAIR]	27959	28058	30913	19339	-12
VALUE [C\$000]	1575	1884	2854	1876	6
UNITED STATES					
QUANTITY [PAIR]	2189	4512	9698	15258	91
VALUE [C\$000]	143	289	592	690	69
OTHER					
QUANTITY [PAIR]	7344	4227	6846	19128	38
VALUE [C\$000]	270	127	310	608	31
TOTAL					
QUANTITY [PAIR]	330971	374574	502838	488922	14
VALUE [C\$000]	14559	17811	27707	26959	23

DOWNHILL SKI BOOTS

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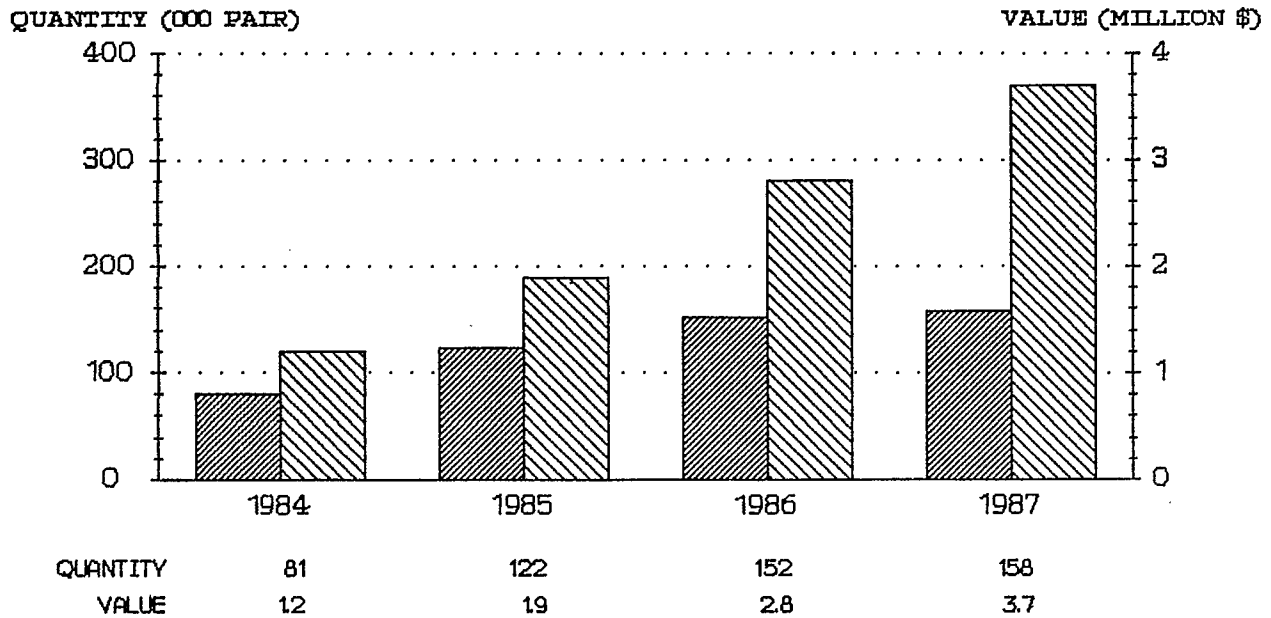
IMPORT MARKET SHARES

FOREIGN COUNTRY OF EXPORT	1984	1985	1986	1987
	%	%	%	%
ITALY				
QUANTITY	64.4	56.3	57.5	62.0
VALUE	52.9	39.7	45.5	54.4
FRANCE				
QUANTITY	19.5	28.5	27.1	21.0
VALUE	26.5	39.4	32.2	25.1
SWITZERLAND				
QUANTITY	4.7	5.3	5.9	6.1
VALUE	6.9	8.0	8.7	8.7
AUSTRIA				
QUANTITY	8.4	7.5	6.1	4.0
VALUE	10.8	10.6	10.3	7.0
UNITED STATES				
QUANTITY	0.7	1.2	1.9	3.1
VALUE	1.0	1.6	2.1	2.6
OTHER				
QUANTITY	2.2	1.1	1.4	3.9
VALUE	1.9	0.7	1.1	2.3
TOTAL				
QUANTITY	100.0	100.0	100.0	100.0
VALUE	100.0	100.0	100.0	100.0

UNIT PRICES (C\$)

FOREIGN COUNTRY OF EXPORT	1984	1985	1986	1987
ITALY	36	34	44	48
FRANCE	60	66	65	66
SWITZERLAND	65	72	81	79
AUSTRIA	56	67	92	97
UNITED STATES	65	64	61	45
OTHER	37	30	45	32
ALL COUNTRIES	44	48	55	55

CROSS-COUNTRY SKI BOOTS IMPORT TRENDS



IMPORTS BY MAJOR FOREIGN COUNTRY OF EXPORT

FOREIGN COUNTRY OF EXPORT	1964	1965	1966	1967	AVERAGE ANNUAL GROWTH RATE 1964-67
					%
FRANCE					
QUANTITY (PAIR)	1137	6356	36026	67321	290
VALUE (C\$000)	26	220	630	1666	307
ITALY					
QUANTITY (PAIR)	27046	34334	51402	40052	14
VALUE (C\$000)	511	690	1166	1011	26
CZECHOSLOVAKIA					
QUANTITY (PAIR)	27460	37475	39670	33335	7
VALUE (C\$000)	214	296	333	276	9
GERMANY, FED. REP.					
QUANTITY (PAIR)	1513	345	2020	5633	55
VALUE (C\$000)	25	7	54	173	91
YUGOSLAVIA					
QUANTITY (PAIR)	11597	9366	5268	7014	-15
VALUE (C\$000)	171	119	76	154	-3
OTHER					
QUANTITY (PAIR)	12650	32328	17395	4990	-27
VALUE (C\$000)	201	596	368	200	0
TOTAL					
QUANTITY (PAIR)	81403	122226	151963	158345	25
VALUE (C\$000)	1150	1930	2629	3700	46

CROSS-COUNTRY SKI BOOTS

IMPORT MARKET SHARES

<u>FOREIGN COUNTRY OF EXPORT</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
	%	%	%	%
FRANCE				
QUANTITY	1.4	8.8	23.7	42.5
VALUE	2.4	11.4	29.3	51.0
ITALY				
QUANTITY	33.2	28.1	33.8	25.3
VALUE	44.4	35.8	41.3	27.3
CZECHOSLOVAKIA				
QUANTITY	33.7	30.7	26.2	21.1
VALUE	18.6	15.3	14.8	7.5
GERMANY, FED. REP.				
QUANTITY	1.9	0.3	1.3	3.6
VALUE	2.2	0.4	1.9	4.7
YUGOSLAVIA				
QUANTITY	14.2	7.7	3.5	4.4
VALUE	14.9	6.2	2.7	4.2
OTHER				
QUANTITY	15.5	28.4	11.4	3.2
VALUE	17.5	31.0	13.0	5.4
TOTAL				
QUANTITY	100.0	100.0	100.0	100.0
VALUE	100.0	100.0	100.0	100.0

UNIT PRICES (C\$)

<u>FOREIGN COUNTRY OF EXPORT</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
FRANCE	25	26	23	28
ITALY	19	20	23	25
CZECHOSLOVAKIA	8	8	8	8
GERMANY, FED. REP.	17	20	27	31
YUGOSLAVIA	15	13	14	22
OTHER	16	18	21	40
ALL COUNTRIES	14	16	19	23

SKI BOOTS - COMMOOITY CODE 798-93

IMPORT TRENDS BY TYPE

COMMOOITY CODE					AVERAGE ANNUAL GROWTH RATE 1984-87 %	MAJOR COUNTRY OF EXPORT	
	DESCRIPTION	1984	1985	1986		1987	1987 VALUE (C\$000)
798-93-15	MENS AND BOYS LEATHER SKI BOOTS, DOWNHILL					ITALY	
	QUANTITY (PAIR)	2619	5810	5290	8237	47	
	VALUE (C\$000)	158	247	286	473	44	366 77
	UNIT PRICE (C\$)	60	43	54	57		
798-93-19	MENS AND BOYS SKI BOOTS, DOWNHILL, NOT ELSEWHERE SPECIFIED					ITALY	
	QUANTITY (PAIR)	246462	312314	402666	367792	14	
	VALUE (C\$000)	10964	14682	22251	19691	22	11560 59
	UNIT PRICE (C\$)	44	47	55	54		
798-93-45	WOMENS AND GIRLS LEATHER SKI BOOTS, DOWNHILL					ITALY	
	QUANTITY (PAIR)	1745	2859	5789	24	-76	
	VALUE (C\$000)	43	111	144	1	-71	1 100
	UNIT PRICE (C\$)	25	39	25	42		
798-93-49	WOMENS AND GIRLS SKI BOOTS, DOWNHILL, NOT ELSEWHERE SPECIFIED					ITALY	
	QUANTITY (PAIR)	65229	44371	81956	107507	16	
	VALUE (C\$000)	3175	2560	4875	6705	28	2872 40
	UNIT PRICE (C\$)	49	58	59	62		
798-93-65	CHILDRENS LEATHER SKI BOOTS, DOWNHILL					CZECHOSLOVAKIA	
	QUANTITY (PAIR)	0	0	0	2475	N/A	
	VALUE (C\$000)	0	0	0	19	N/A	19 100
	UNIT PRICE (C\$)	N/A	N/A	N/A	8		
798-93-69	CHILDRENS SKI BOOTS, DOWNHILL, NOT ELSEWHERE SPECIFIED					ITALY	
	QUANTITY (PAIR)	14916	9220	7135	2887	-42	
	VALUE (C\$000)	219	211	151	70	-32	55 79
	UNIT PRICE (C\$)	15	23	21	24		

TOTAL, DOWNHILL SKI BOOTS							ITALY
	QUANTITY (PAIR)	330971	374574	502838	468922	14	
	VALUE (C\$000)	14559	17811	27707	26959	23	14674 54
	UNIT PRICE (C\$)	44	48	55	55		
798-93-35	MENS AND BOYS LEATHER SKI BOOTS, CROSS-COUNTRY					CZECHOSLOVAKIA	
	QUANTITY (PAIR)	56775	81847	71789	36894	-13	
	VALUE (C\$000)	884	1387	1257	602	-12	232 39
	UNIT PRICE (C\$)	16	17	18	16		
798-93-39	MENS AND BOYS SKI BOOTS, CROSS-COUNTRY, NOT ELSEWHERE SPECIFIED					FRANCE	
	QUANTITY (PAIR)	12003	20068	64357	78548	87	
	VALUE (C\$000)	136	301	1268	2040	147	942 46
	UNIT PRICE (C\$)	11	15	20	26		

SKI BOOTS - COMMODITY CODE 798-93

IMPORT TRENDS BY TYPE

COMMODITY CODE ----- DESCRIPTION -----	1984	1985	1986	1987	AVERAGE ANNUAL GROWTH RATE 1984-87	MAJOR COUNTRY OF EXPORT -----	
					%	1987 VALUE (C\$000)	% OF TOTAL
798-93-55 WOMENS AND GIRLS LEATHER SKI BOOTS, CROSS-COUNTRY							
						FRANCE	
QUANTITY (PAIR)	877	8495	3730	7301	103		
VALUE (C\$000)	20	123	115	212	120	185	87
UNIT PRICE (C\$)	23	14	31	29			
798-93-59 WOMENS AND GIRLS SKI BOOTS, CROSS-COUNTRY, NOT ELSEWHERE SPECIFIED							
						FRANCE	
QUANTITY (PAIR)	8701	2079	8527	24082	40		
VALUE (C\$000)	89	47	164	687	98	636	93
UNIT PRICE (C\$)	10	23	19	29			
798-93-75 CHILDRENS LEATHER SKI BOOTS, CROSS-COUNTRY							
						CZECHOSLOVAKIA	
QUANTITY (PAIR)	2340	9737	70	6940	44		
VALUE (C\$000)	13	72	0	56	63	44	79
UNIT PRICE (C\$)	6	7	N/A	8			
798-93-79 CHILDRENS SKI BOOTS, CROSS-COUNTRY, NOT ELSEWHERE SPECIFIED							
						FRANCE	
QUANTITY (PAIR)	707	0	3510	4580	86		
VALUE (C\$000)	8	0	25	103	134	96	95
UNIT PRICE (C\$)	11	N/A	7	22			

TOTAL, CROSS-COUNTRY SKI BOOTS							
						FRANCE	
QUANTITY (PAIR)	81403	122226	151983	158345	25		
VALUE (C\$000)	1150	1930	2829	3700	48	1901	51
UNIT PRICE (C\$)	14	16	19	23			
TOTAL, ALL SKI BOOTS							
						ITALY	
QUANTITY (PAIR)	412374	496800	654821	647267	16		
VALUE (C\$000)	15709	19741	30536	30659	25	15684	51
UNIT PRICE (C\$)	38	40	47	47			

N/A - NOT APPLICABLE

CANADIAN IMPORTERS

The principal 10 importers of ski boots accounted for 90 per cent of the total import value during 1986.

<u>Principal Importers</u> (No.)	<u>Cumulative Value</u> (C\$ million)	<u>Per Cent of Total Value</u>
5	23.4	77
10	27.3	90
All Importers (51)	30.5	100

Of the 10 major importers, wholesalers accounted for over 85 per cent of 1986 imports. In 1987, imports of downhill ski boots cleared through the province of Québec accounted for 407 950 pairs (83 per cent) and were valued at \$21.7 million (80 per cent). Imports of cross-country ski boots cleared through the province of Québec accounted for 117 554 pairs (74 per cent) for a value of \$2.9 million. Ontario accounted for 16 per cent (quantity) and 8 per cent (value) of cross-country ski boots.

Importers of ski boots during 1986 are listed below in alphabetical order. This list includes all importers except individuals and a minimal number of importers whose names were not available. The numbers in brackets following the names of the importers indicate the specific type of ski boots they are importing as follows: (1) ski boots, downhill; (2) ski boots, cross country.

<u>Name</u>	<u>Address</u>	<u>Name</u>	<u>Address</u>
Adidas (Canada)-Ltd.(2)	Downsview, Ont.	Karhu Titan Canada Ltée(2)	Cowansville, Qué.
Bata Retail, Div. of Bata Industries Ltd.(1)	Don Mills, Ont.	Leslee Sports Importing (Brockville) Ltd.(2)	Brockville, Ont.
Bic Sport Canada, Div. of Bic Inc.(1)(2)	Markham, Ont.	L P Royer Incorporé(2)	Lac Drolet, Qué.
Caber Sport, Div. Warrington Products Ltd.(1)	Montréal, Qué.	Leisure Time Distributors Ltd.(2)	Vancouver, B.C.
Canadian A B C Company Limited(1)(2)	Montréal, Qué.	Micron Sports Products Inc.(1)	Montréal, Qué.
Dafran Sport Inc.(1)	Montréal, Qué.	Monark Sports Ltée(1)(2)	St-Laurent, Qué.
Exel Sports Limited(2)	Peterborough, Ont.	Nokia Products Ltd.(1)	Don Mills, Ont.
F M H (Canada) Limited(1)	Downsview, Ont.	Norvinca Inc.(1)	Mont-Royal, Qué.
Fletcher Leisure Group Inc.(2)	Montréal, Qué.	OmniTrade Limited(2)	St-Laurent, Qué.
Gabriel A Mordo & Son Ltd.(1)(2)	Vancouver, B.C.	Savetier Inc.(1)(2)	Lac Drolet, Qué.
Gilmour Sports Ltd.(1)	Montréal, Qué.	Ski Montcalm Ltd.(1)	Rawdon, Qué.
Greb Industries, Div. Warrington Products Ltd.(1)	Mississauga, Ont.	Skis Rossignol Canada Ltée(1)(2)	Granby, Qué.
Horse Shoe (Canada) Ltd.(2)	Canton, MA, USA*	Skisport International Limited(1)(2)	Toronto, Ont.
I S S Sports Services Inc.(1)	Montréal, Qué.	Solomon Canada Sports Ltd.(1)(2)	Montréal, Qué.
Industries Sportives		Sport Dinaco Inc.(1)(2)	Lachine, Qué.
Tecnicanada Inc., Les (1)	Laval, Qué.	Sport Expert Ltd.(1)(2)	Laval, Qué.
Jelinek Sports, Div. of Canadian Corporate Mgmt. Co. Ltd.(1)	Oakville, Ont.	Tonus Sport Inc.(1)	Laval, Qué.
		Vikski Canada Inc.(1)(2)	Ste-Agathe Des Monts, Qué.
		Village, Ski Shop Ltd.	West Vancouver, B.C.

* Non-resident importer.

FOREIGN EXPORTERS TO CANADA

Major exporters to Canada of ski boots are listed in descending order of dollar value. These exporters accounted for 83 per cent of the total value of imports in 1986.

<u>Country</u>	<u>Exporter Name</u>	<u>1986 Value of Imports (C\$ 000)</u>
Italy:	Nordice SPA)	9 373*
	Lange SPA)	
	Caber Italia SPA)	3 314*
	Calz Brixia SPA)	
	Salomon Schweiz Ag)	
France:	Salomon SA)	9 889*
	C.F.A.S. Trappeur)	
	Skis Rossignol SA)	
Austria:	Dachstein International)	2 846*
	Sportschuhfabrik)	
	Dynafit Gesellschaft)	
	Kastinger Ski_boots GmbH)	
	Koflach Sport Ges.) & Co.)	

* Aggregated to preserve confidentiality of Canadian importers

FOR MORE INFORMATION PLEASE CONTACT:

Market Information and Analysis Division
Market Development Branch
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario
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Tel: (613) 954-4970

OR

Leisure Products Division
Service Industries & Consumer Goods Branch
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 954-3109

REFERENCE SOURCES

Department of Regional Industrial Expansion
Statistics Canada
Revenue Canada

ENQUIRIES CONCERNING TARIFFS SHOULD BE DIRECTED TO THE NEAREST CUSTOMS AND EXCISE OFFICE OR TO:

TARIFF PROGRAMS
REVENUE CANADA
CUSTOMS AND EXCISE
OTTAWA, ONTARIO
K1A 0L5
TEL: (613) 954-7006

EXPLANATORY NOTES

Valuation

Imports are generally recorded at the values established for customs duty purposes according to the provisions of the Customs Act. Customs values are identical to selling prices for most transactions between non-affiliated companies, but customs values exceed selling prices for many transactions between affiliated companies. All values are reported in Canadian dollars and do not include duty.

Average Growth Rate

Growth rates are calculated on the basis of annual compounding.

Rounding

Figures may not add due to rounding.

