

**REPORT ON THE PARTICIPATION OF COIR BOARD  
IN THE HOUSE & GIFT FAIR - 2011,  
SOUTH AMERICA**



## **HOUSE & GIFT FAIR, SOUTH AMERICA - REPORT ON THE PARTICIPATION OF COIR BOARD**

### **About Brazil**

Brazil is the largest State in South America both in terms of geographical area and economy. Brazil is the world's seventh largest economy with a strong GDP and the eighth largest by purchasing power parity, according to the International Monetary Fund and the World Bank. It is also one of the world's fastest growing major economies and its economic reforms have given the country new international recognition. The country has been expanding its presence in international financial and commodities markets, and is one of the members of a group of four emerging economies called the BRIC countries (Brazil, Russia, India and China). Brazil is also the partner of India along with South Africa in the trilateral forum IBSA.

Brazil is also a coconut producing country with an annual estimated production of 3288.97 million nuts. However, the country has not made any advancement in the production of coir products. Brazil has been importing coir products from India though in a small way. The details of import of coir and coir products from India by Brazil in the last three years are as follows:

Year	Quantity (MT)	Value (Rs. in lakh)
2008-09	1332.44	695.78
2009-10	1170.66	696.47
2010-11	1551.06	1,043.84

The major items of coir products exported from India to Brazil are Tufted Mats, Handloom Mats, Coir Yarn, Handloom Mattings etc. The above statistics shows a fluctuating trend in terms of quantity. During 2009-10, the export figures showed a decrease in terms of quantity but it showed a significant increase in 2010-11 both in quantity and value. This proves that Brazil is a potential market for Indian coir and can be expanded if promotional measures are undertaken.

## **About the Fair**

House & Gift Fair, South America is the largest and most important trade fair for household items in Latin America and the fifth largest in the world for this sector. The House & Gift Fair is a professional housewares fair made up of 9 companies, manufacturers, importers, distributors, service providers, buyers and opinion leaders who interact with the market. In just 4 days, it attracts roughly 49000 buyers and about 1,300 exhibitors. More than 900 exhibitors from 20 countries and international purchasers from about 52 countries attended the fair.

Sao Paulo is located in South Eastern Brazil. It is the most ethnically diverse city in Brazil and the language spoken by the vast majority of the population is Portuguese. The city is the biggest financial centre in Brazil and it is reported that 63% of all the international companies with business in Brazil have their head offices in Sao Paulo. Another distinction of Sao Paulo is that it has a history of large projects and plans related to urban development.

The House & Gift Fair, South America commenced at 9 a.m. on 27.08.2011 and the fair was wound up on 30.08.2011 at 7 P.M. The participation this year was highly encouraging as more international participants participated in the Fair exhibiting their product range.

## **Board's pavilion**

The Board was allotted 24 sq.mtr. space in booth No.8-300 in the international sector of the House & Gift Fair, South America. The following exporters also participated along with Coir Board.

- 1) M/s. Coirflex
- 2) M/s. Nandana Overseas, Alleppey

Besides, M/s. Floor Decor, Cherthala also participated in the Fair by putting up a stall in the international sector under the India Pavilion.

### **Visitors**

Being a House and Gift Fair there was display and sales of entire range of household articles at the Fair starting from kitchen wares to furnishings. The visitors to the Coir Board pavilion have shown keen interest on the wide range of coir products exhibited and they wanted to source such materials from the local market. There were firm enquiries for coir door mats from prospective buyers and the two exporters who shared the facilities in the Booth were able to bag substantial orders for door mats particularly PVC tufted door mats. The feed back forms submitted by the exporters also reveal that the participation in the fair was quite successful. Apart from this, M/s. Floor Décor also participated in the Fair directly in the same hall along with other Indian participants. They were able to bag substantial orders besides renewing the contacts with the existing importers.



Shri V.S.Vijayaraghavan, Chairman Coir Board welcoming visitors to the pavilion

### Visit of Consul General of India, Sao Paulo

Smt. Abhilasha Joshi, Consul (Commercial) acting as Consul General visited the Coir Board stand twice along with Shri. V.K.V. Raman, Consul & Head of Chancery and Shri. T.T. George, Vice Consul. The Consul General appreciated the display made at the Board's stand. She was particularly



impressed by the Coir ornaments displayed. The Consul General had discussions with the Chairman, Coir Board and the Director (Marketing) on the possibilities of exploring the market for Coir and Coir products in Brazil and other LA countries. She assured all possible assistance to the Board in its endeavours.

*Smt. Abhilasha Joshi, Consul General at the pavilion of the Board*

### Bottlenecks of the Market

The exporters of coir participated along with Coir Board were constrained to inform some of the potential customers to the pavilion that unless they order for a minimum quantity it may not be economical for them to send the material in containers. The major problem faced by the exporters in exploring the Latin American countries' market is that there is not enough wholesalers in these countries who will be able to import coir products in large quantities and distribute among the retailers in the country. One of the major tasks resting with the exporters' community is to develop a wholesaler base to import large quantities of coir products in the country and distribute among the retailers. The second option would be to hire a warehouse in some of the countries in LAC in a strategic location so that fast moving coir products could be imported from India and stocked in the warehouse from where it can be distributed to retailers for sale in the chain stores and department stores. However, this arrangement may not be workable as the question of hiring warehouse and paying the rent will arise.

The exporters suggested that the Coir Board could undertake to hire out a warehouse either in Sao Paulo or some other strategic location in the LAC to support the exporters. The present schemes of the Coir Board does not provide for hiring warehouses abroad.

### **Recommendations**

The following recommendations are made for improving the Board's participation in House and Gift Fair, Sao Paulo.

1. The Board should have necessarily a translator in the pavilion as most of the visitors visiting the pavilion are unable to speak English. They will be knowing only the local languages and hence a translator is highly essential as otherwise they will not pay any attention to the coir products. It is worthy to point out that the Board lost a substantial amount of orders as the exporters could not communicate properly with the importers due to language problems.
2. Participation of Board in the exhibition should also be more attractive. While China has taken bigger space and put up a big show with their logo put up prominently so that the pavilion can be located even from a distance when the visitors enter the international sector. Such types of arrangements were needed in the India pavilion too. The visibility of Coir Board pavilion was very poor when compared to the China pavilion. Therefore, we have to make the participation more attractive by putting up a big show.
3. Separate cubicles have to be provided for the exporters so that they can discuss with their prospective buyers in isolation without being overheard by the neighbouring participants.

**Sd/-**  
**M. Kumaraswamy Pillai,**  
**Director (Marketing)**

**Sd/-**  
**V.S. Vijayaraghavan, Ex-MP,**  
**Chairman, Coir Board**