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## From Its Annual 175 Million Flip-Flops Brazil Alpargatas Exports 10%

Contributed by Isaura Daniel  
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One of the largest Brazilian shoe makers, São Paulo Alpargatas company, intends to triple its export volume to the Arab market by 2009. The company currently sells from 10,000 to 15,000 pairs of shoes to Saudi Arabia, the United Arab Emirates, Qatar, Tunisia, Morocco, Egypt, Oman, Kuwait, Bahrain, Syria, Lebanon, and Libya.

According to information supplied by the company, the main Alpargatas products sold in the Arab world are flip-flops of the Havaianas brand.

In order to raise its sales to the region, Alpargatas has recently closed a deal with a new exclusive distributor to the Emirates, Qatar, Oman, Kuwait and Bahrain. The company, called Hamac Trading, is based in Dubai, in the United Arab Emirates.

Before closing the partnership, Alpargatas had an exclusive contract with another distributing company to the region. According to information supplied by Alpargatas, its consumers in the Arab world are people in the middle- and high-income groups, as well as tourists.

"The Arab market is very strong for internationally renowned brands. The Arabs have good purchasing power, they are demanding with regard to product quality, and they enjoy going out shopping at malls and commercial centers. Furthermore, they travel a lot, so they see the shop windows and marketing actions we promote throughout the world, attesting to our seriousness and care concerning our brand, and giving us great credibility. These, by the way, are very important values to the Arabs when buying," the company said.

According to Alpargatas, the identification of the Arabs with Brazil also helps the performance of its products in the region. Coupled with the factors above, this justifies the company's forecast of growth in the Arab market.

"The scenario is favorable to us, and it constitutes a great opportunity for growth," states Alpargatas. Last year, 17 million Havaianas were exported. This equals approximately 10% of the brand's flip-flop production capacity, 175 million pairs a year.

Alpargatas owns a production unit exclusively turned to the manufacturing of Havaianas. Furthermore, the company has seven units that manufacture its other products, such as sports shoe brands Mizuno, Rainha, Topper, Timberland, Bamba, Conga, Kichute, Sete Léguas Wellington boots, and the Locomotiva tarpaulins.

The company is controlled by the Camargo Corrêa group and has 14,000 employees. Alpargatas leads the Brazilian

market for shoes and sports items.

The Havaianas flip-flops, manufactured by the company, are the most sold in the country, at a market share of 80%. According to the company, they are also the most sold worldwide. The brand is presently commercialized in 80 different countries.

This year, São Paulo Alpargatas celebrated 100 years of existence. It was established in 1907 in the Moóca neighborhood, in the southeastern Brazilian city of São Paulo, by Scottish businessman Robert Fraser and by an English group, under the name Fábrica Brasileira de Alpargatas e Calçados. During the 1940s, the company was changed to São Paulo Alpargatas, which remains to date.

The company launched historical icons in Brazilian fashion, such as the Brim Coringa fabric, used for manufacturing jeans trousers, and the Conga shoes, which were a huge trend among high schools students in the 1970s and 1980s.

The Havaianas sandals, another sales phenomenon, were launched in the 1960s. In the 1980s, the company also launched the Samoa sandals, which quickly made a name for themselves. Alpargatas also owns shoe and sports items store chains of the Meggashop and Timberland brands.

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