
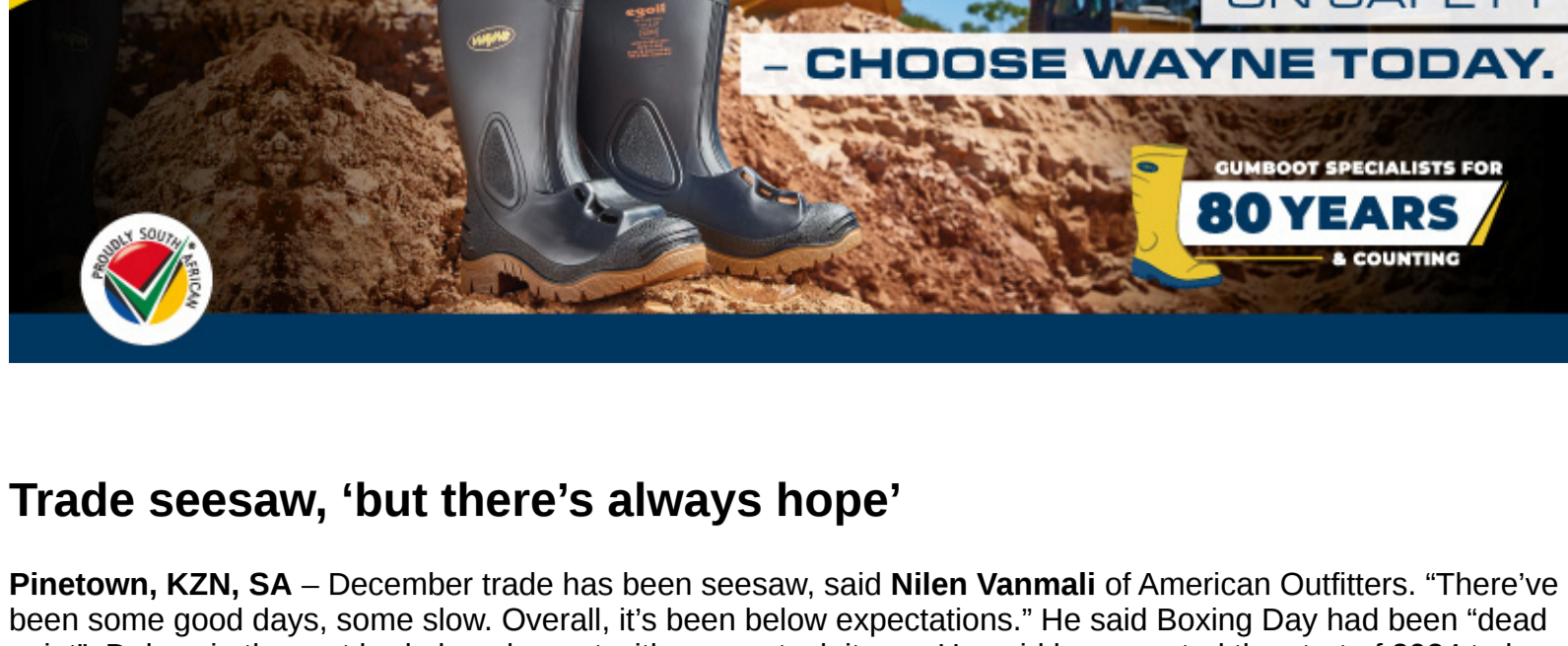


**S&V Weekly Newsletter Vol.9 No.52, December 27 2023**

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**Trade seesaw, 'but there's always hope'**

**Pinetown, KZN, SA** – December trade has been seesaw, said **Nilen Vanmali** of American Outfitters. "There've been some good days, some slow. Overall, it's been below expectations." He said Boxing Day had been "dead quiet". Delays in the port had played a part with some stock items. He said he expected the start of 2024 to be tough, "but there's always hope".

**On the whole, below par**

**Johannesburg, Gauteng, SA** – There have been periods when business has picked up, but the year as a whole has been under par, said **Azhar Bulbulia** of Belchinni Shoes. "Different businesses face different challenges," he said, "but speaking to some other retailers, they said this has been the worst year ever. On the other hand, some of the China Malls seem to be doing well."  
 "One factor which I think has affected retailers is that suppliers are holding less stock and they are very watchful over credit. I think consumers have been affected by many businesses closing earlier than usual and paying out less in the way of bonuses."  
 "Going forward, I've learned from Covid not to expect anything. However, South Africans are used to adversity. We know how to rope-a-dope."

**More competition for less custom**

**Marble Hall, Mpumalanga, SA** – Township malls are increasingly affecting retailers in traditional CBD areas, **Yusuf Sale** of AM Showroom said. "More and more malls are opening up in those areas," he said. "For us to open stores in those areas can be a security challenge, as well the normal issues such as travel time and the cost of setting up a new branch. I think overall there are more businesses and more chain branches competing for the same customers, while customers are spending less, proportionately, on apparel."  
 He said he didn't expect an improvement in trade in the first few months of 2024.



**Nike Aims to Save \$2B Over Three Years With New Plan to 'Streamline' Organization**

**Footwear News**  
 Nike on Thursday announced new measures to "streamline" its organization after reporting a profit beat for the second quarter.  
 The athletic giant said in a release that it sees the potential to save up to \$2 billion in costs over the next three years by "simplifying our product assortment, increasing automation and use of technology, streamlining our organization, and leveraging our scale to drive greater efficiency."

These savings will be invested into Nike to "fuel future growth, accelerate innovation at speed and scale, and drive greater long-term profitability," the company said.  
 Part of these measures appear to involve layoffs; Nike said it could see pre-tax restructuring charges of about \$400 million to \$450 million related to the costs of employee severance. This impact is likely to be seen in Q3.  
 In November, some Nike employees took to LinkedIn to share that they have been laid off from the company as the Swoosh unveiled major C-suite changes across design and marketing. According to the posts, the cuts occurred across talent and product management teams, as well as in contracted roles like copywriting, though Nike did not confirm layoffs at the time.

"We see an outstanding opportunity to drive long-term profitable growth," said Nike CEO John Donahoe in a statement. "Today we are embracing a company-wide journey to invest in our areas of greatest potential, increase the pace of our innovation, and accelerate our agility and responsiveness."  
 Nike EVP and CFO Matthew Friend added that Nike will issue a "softer second-half revenue outlook."  
 For the second quarter, Nike reported revenues of \$13.39 billion, up 1 percent compared to the prior year. This was in line with Nike's previously issued guidance for Q2, which projected revenue growth to be up slightly compared to the prior year. It was slightly short of estimates from analysts surveyed by Yahoo, which expected sales of \$13.43 billion. Nike's net income was up 19 percent to \$1.6 billion, with diluted earnings per share of \$1.03, which was up 21 percent over-year. This beat estimates that projected EPS at 85 cents for Q2.

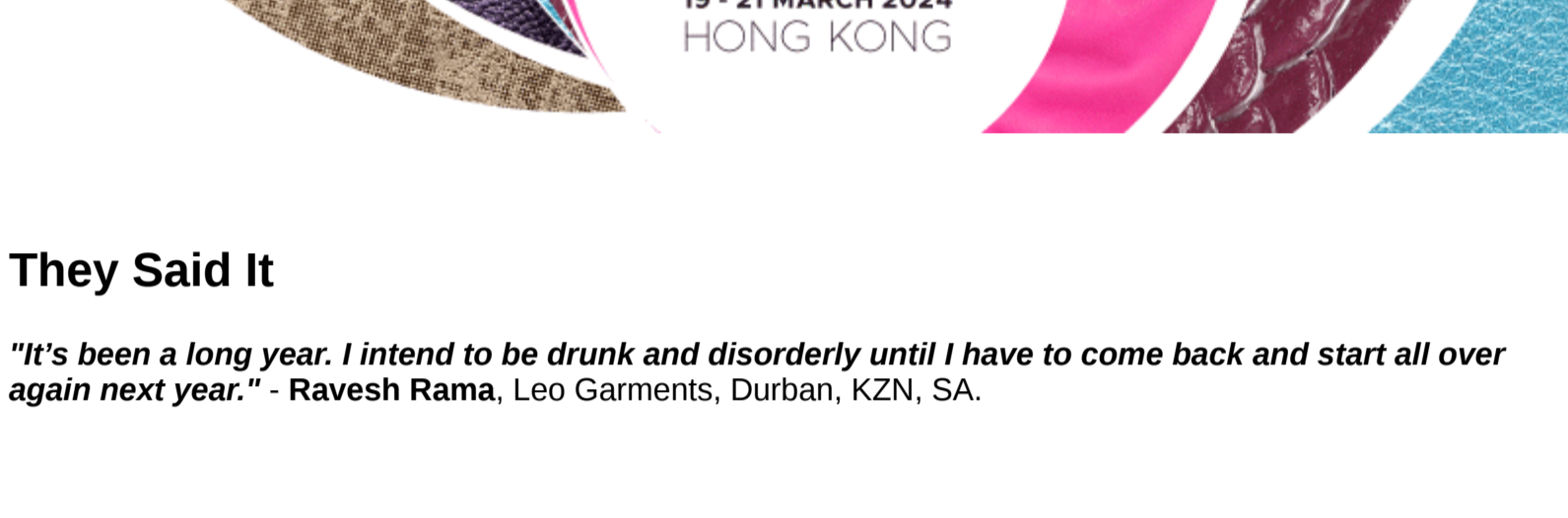
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 By channel, Nike Direct revenues were up 6 percent to \$5.7 billion. Nike brand digital sales were up 4 percent and wholesale revenues were down 2 percent to \$7.1 billion. North America revenues were down 3 percent in Q2, with wholesale in the region down 9 percent. Revenue in Greater China grew 8 percent in the quarter.

Looking ahead, Nike expects Q3 revenue to be slightly negative and Q4 revenue to be up in the low single digits. Full year revenue is expected to be up 1 percent compared to the prior year. Friend said in a call with analysts that the new outlook "reflects increased macro headwinds, particularly in Greater China and EMEA."

**Death notice**

**Durban, KZN, SA** – **Cecil Fenwick** of Saddler Belts & Leathercraft died on 17 December. There will be an obituary in the January issue of *S&V Footwear & Leather Goods*.



**They Said It**

**"It's been a long year. I intend to be drunk and disorderly until I have to come back and start all over again next year."** - **Ravesh Rama**, Leo Garments, Durban, KZN, SA.

**New subscribers last week**

**Neo Malatji**, Technical & Sales, MO-Tech, Gauteng, South Africa

**Got anything you'd like to share?**

Do you have any suggestions, comments or experiences about the industry that you'd like to share with the industry? - [tony@svmag.co.za](mailto:tony@svmag.co.za)

**Birthdays this week**

- 25/12/19???: **Malcolm Walton**, retired, formerly Corrida Shoes, Pietermaritzburg, KZN, SA.
- 25/12/1934: **Ivan Harris**, retired, formerly Woodheads, Cape Town, W. Cape, SA.
- 25/12/1948: **Morris Smith**, agent, Durban, KZN, SA.
- 25/12/1960: **Yusuf Moosajee**, Seltex, Johannesburg, Gauteng, SA.
- 25/12/1969: **Noel Whitehead**, Bolton Footwear and chairman, SAFLIA, Cape Town, W. Cape, SA.
- 26/12/1937: **Mohamed Ameen Ravat**, Ravat & Sons International, Pietersburg/Polokwane, Limpopo, SA.
- 26/12/1937: **Andre le Roux**, retired, formerly Watson Shoes Ladies' Division, Oudtshoorn, W. Cape, SA.
- 26/12/1948: **Peter Waddleton**, left the industry. Formerly Bata SA, then Finlam Textiles, Pinetown, KZN, SA.
- 26/12/1977: **Kirit Mistry**, Shoe Junction, Sasolburg, Free State, SA.
- 26/12/1986: **Omar Faruk Doolia**, Shoe World, Springs, Gauteng, SA.
- 26/12/1987: **Mohamed Bulbulia**, Boot & Shoe Centre, Johannesburg, Gauteng, SA.
- 27/12/1962: **Kareem Kader**, Options, Gaborone, Botswana.
- 28/12/1944: **Ken Moakes**, retired to Northampton, UK, formerly Buckman Africa, Cape Town, W. Cape, SA.
- 28/12/1970: **Tony Vaubell**, Mr Price Group, Durban, KZN, SA.
- 28/12/1979: **Peter Bassingthwaite**, Bass Marketing, Cape Town, W. Cape, SA.
- 28/12/1988: **Ismail Woods**, Jumbo Footwear, Pietermaritzburg, KZN, SA.
- 29/12/1944: **Ismael Moosa**, Woods' Tanning, Uitenhage, E. Cape, SA.
- 29/12/1949: **Paul Jacobus Smit**, S&S Boutique, Tzaneen, Limpopo, SA.
- 29/12/1971: **Regman Govender**, Exodus Marketing, Durban, KZN, SA.
- 29/12/1981: **Genesh Kadoo**, UCL Co Ltd, Dalton, KZN, SA.
- 31/12/1958: **Naileh Burnham**, Joslyn's Shoes, Johannesburg, Gauteng, SA.
- 31/12/1964: **Colin Teifel**, Harry E. Teifel & Associates, Cape Town, W. Cape, SA.

**In memoriam this week**

- 25/12/2003: **Lionel Klein** (b. 24/08/1926), agent, Durban, KZN, SA.
- 26/12/2020: **Neville Dodo** (b. 02/04/1941), Edworks Group [closed], Johannesburg, Gauteng, SA.
- 27/12/2020: **Yusuf Bham**, Megashoes [closed], Durban, KZN, SA.
- 30/12/2016: **Michael O'Connor** (b. 11/12/1951), Jensen Belts [closed], Cape Town, W. Cape, SA.
- 31/12/2003: **Peter Craythorne** (b. 28/02/1935), BUSM [closed]/Woodheads, Cape Town, W. Cape, SA.
- 31/12/2000: **Nols Jonker** (b. 10/06/1944), Watson Shoes, Great Brak River, W. Cape, SA.

**Have you let us know about your birthday, or the birthdays of your colleagues? Our readers love this section, so please become part of it. This also applies to the In Memoriam section. Help us remember former colleagues.**

**Directory entries updated last week**

Evolution Engineering cc, Durban, KZN, SA.  
 Ezweni Shoe Components cc, Durban, KZN, SA.

**Exchange rates**

Note: For previous rates, see [HERE](#)

1. SA Rand (ZAR)/Lesotho Loti (LSL)/Namibian Dollar (NAD)/Swazi Lilangeni (SZL)

Source: <http://www.x-rates.com/calculator/>

	Euro €	GBP £	US \$	CNY ¥
04/12/2023	R20.32	R23.69	R18.70	R2.62
09/12/2023	R20.37	R23.74	R18.91	R2.64
16/12/2023	R20.11	R23.41	R18.46	R2.59
27/12/2023	R20.55	R23.67	R18.60	R2.60

2. Botswana Pula (BWP)

Source: <https://www.xe.com/currencyconverter/>

	Euro €	GBP £	US \$	CNY ¥
04/12/2023	14.70	17.14	13.53	1.90
09/12/2023	14.67	17.09	13.62	1.90
16/12/2023	14.56	16.95	13.36	1.87
27/12/2023	14.86	17.12	13.45	1.88

3. Malawian Kwacha (MWK)

Source: <https://www.xe.com/currencyconverter/>

	Euro €	GBP £	US \$	CNY ¥
04/12/2023	1831.63	2135.08	1685.42	236.61
09/12/2023	1813.14	2113.02	1683.79	235.28
16/12/2023	1833.98	2134.67	1683.14	236.49
27/12/2023	1858.52	2140.38	1682.44	235.52

4. Zambian Kwacha (ZMW)

Source: <https://www.xe.com/currencyconverter/>

	Euro €	GBP £	US \$	CNY ¥
04/12/2023	25.88	30.17	23.82	3.34
09/12/2023	26.21	30.54	24.34	3.40
16/12/2023	26.64	30.01	24.45	3.43
27/12/2023	28.26	32.54	25.58	3.58

5. Zimbabwean Dollar (ZWL\$)

Source: <https://www.xe.com/currencyconverter/>

	Euro €	GBP £	CNY ¥	Official US\$
04/12/2023	6312.9	7357.01	818.20	5797.01
09/12/2023	6266.70	7303.15	813.20	5835.77
16/12/2023	6464.28	7477.57	828.40	5912.24
27/12/2023	6469.74	7541.82	829.81	5946.43

Note: For previous rates, see [HERE](#)

**ABSA Agri Trends: Hides & skins prices**

**Johannesburg, Gauteng, SA (14 December 2023)** - The average hide price decreased by 0.07% to R3.288/kg from R3.286/kg in the previous week. The current price is 0.23% higher than the average price a month ago and 21.3% lower than the average price a year ago. The range of prices reported was as follows: Minimum price: R3.25 Maximum price: R3.50. Please note: Our methodology weighs the prices we collect according to the number of hides they sell in a month. This is done to make it more representative of the prevailing market price. NB\* Hide prices are determined by the average of the RMAA (Red Meat Abattoir Association) and independent companies. - **Marlene Louw**, senior agricultural economist, and **Nkhensani Mashimbyi**, agricultural economist, and **Zama Sangweni**, agricultural economist, Absa group.

Note: For previous prices, see [HERE](#)

**Have a look at these links**

We invite businesses to send us links to websites, Facebook pages and the like which they feel would be of interest to others. The links below are from our database:  
[H. Schneider Retailers](#), W. Cape, SA, Co-op.  
[HC Hansen Leather Goods](#), Bloemfontein, Free State, SA. Belt, Handbag, Purse & wallet manufacturer.

**Contact us**

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Next newsletter: January 2, 2024.

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