

## The Netherlands

# A \$1 Billion Sporting Goods Market

Canadian exporters looking for opportunities in sporting goods sales should take aim at the Netherlands market.

That advice comes from the Commercial Division of the Canadian Embassy in the Hague—it has identified a sporting goods market worth \$1.1 billion.

### The Market

The breakdown of that market scoreboard (for 1989) is as follows:

- sports clothing and sports-type casual wear, \$365 million;
  - sporting articles and accessories, \$314 million;
  - sports footwear, \$225 million; and
  - camping goods, \$211 million.
- Of interest to Canadian exporters, the following scores (figures in \$ millions) of the leading sporting goods imported by the Netherlands in 1989 reveal that sports shoes topped the list, with ice skates coming in last:
- sports shoes, 72;
  - camping equipment, 35;
  - equipment for gymnastics, athletics and bodybuilding, 19;
  - ski equipment, including boots, 19,
  - boards for windsurfing, 10;
  - tennis racquets, 8.5;
  - golf equipment, 8;
  - roller skates, 3; and
  - ice skates (figure, speed, hockey), 1.8.

For 1990, the Dutch imports of sporting goods, including sportswear, sports footwear and camping equipment, is estimated to have reached close to \$450 million.

The following were the top ten sports, in order of importance, in the Netherlands (population of 15 million) in 1989: soccer, tennis, gymnastics, volleyball, swimming and water polo, skiing, speed skating and figure skating, field hockey, badminton and korfbal.

### Foreign Suppliers

Major foreign suppliers to the Dutch market are countries of the

Far East—both through direct contracting with major Dutch buyers and indirectly through imports from European countries of brand goods and equipment made on specification in the Pacific Rim.

These European sources include Germany, France, Italy, Austria and Switzerland, while Czechoslovakia and Romania are the chief suppliers of low-priced skates.

It is expected that the Far East will continue to dominate the local Dutch supply scene as long as wages there remain substantially below those paid in developed countries.

But the overriding factor that determines purchase decisions with Dutch buyers can be summarized as follows: the best quality at the lowest price—although there is a willingness to pay more for prestigious world-class brand names, especially in the case of sportswear such as Nike, Lacoste, and L.A. Gear.

### Distribution Channels

The best way to cover the Netherlands, according to the Canadian Embassy, is through an importer/distributor buying for his own account and working on an exclusive basis—a number of local importers have inroads in nearby markets such as Belgium, and parts of Germany.

An agent should provide a suitable representational base for sports clothing and sports-look apparel. Direct sales are a recommended option only if the number of retail outlets is limited due to the nature of the product. Otherwise, direct sales would not provide full market coverage and would be of interest only if major orders are involved.

### Trade Shows

As local shows SPOVAK Spring (January) and SPOVAK Fall (September) are just that—very much local in nature, held in Utrecht—many Dutch agents, importers and

retailers visit such large international exhibitions as ISPO Spring and Fall in Munich, Germany. Canadian companies are encouraged to make themselves and their products known at such international trade shows.

### Standards

Safety and legal standards applicable in North America generally are acceptable in the Netherlands. For specific information on European Community (EC) standards, contact the Standards Council of Canada, 350 Sparks St, Suite 1200, Ottawa, Ont. K1P6N7. Tel.: (613) 238-3222. Fax: (613) 995-4564.

### Import Duties

There are no restrictions on imports of sporting goods, sportswear and sports footwear into the Netherlands. Duties range from 14 per cent on sportswear and 20 per cent on sports shoes to 6 per cent on most sports articles and accessories.

The duties are payable ad valorem on the Canadian FOB cost plus the cost of freight and insurance. The local value-added tax (comparable to Canada's GST) currently stands at 18.5 per cent.

### Language of Business

The Dutch widely use English as a second language, so there should be no problem in communicating with local agents and buyers. French is not commonly spoken except by firms doing business with French-speaking markets.

### Contacts

For more information on the sporting goods market in the Netherlands, contact the Association of Sporting Goods Manufacturers and Wholesalers, P.O. Box 9230, 3506 GE Utrecht, Netherlands. Tel.: (0) 30-562611. Fax: (0) 30-562626.

Or contact F.W. Zechner, Commercial Officer, Commercial Division, Canadian Embassy, P.O. Box

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