Sports goods,
A survey of the market in The Netherlands.

December 1998

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somo

stichting onderzoek multinationale ondernemingen
centre for research on multinational corporations

This report was prepared with financial assistance of the NCDO

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INTRODUCTION

The last few years, the world sports goods industry was under attack! Trade unions and NGO's criticized the working conditions in this industry which has subcontracted the major part of its production to factories in Asian countries. The wages are low, independent unions are not or hardly tolerated and there is no compliance with health and safety laws. The Clean Clothes Campaign (CCC), NGO's and trade unions managed to draw attention of the general public and the media. One example of these campaigns is the Dutch "Nike Fair Play?" campaign which was mainly aimed at sports shoes. This campaign gained good media coverage and it was decided to launch an additional campaign on sportswear focused at the 4 leading sportswear companies NIKE, Reebok, Adidas and Puma. In 1997, SOMO wrote an update of the company profiles to feed this campaign with up-to-date information.

This report on sports goods in the Netherlands covers sports shoes, sportswear and sports hardware. This broad scope might be handy for future campaigns since NIKE for example has expanded rapidly and covers a range of products from sports shoes to golf clubs, ice-skates and footballs.

Due to pressure of the campaign of CCC and the arising awareness of the general public many leading companies of the industry have adopted corporate codes of conduct for its suppliers.[1] Unfortunately these company codes do still not guarantee that the conditions at the workplace are really getting better. The weak content of the codes and the monitoring issue leave much to wish for.

Therefore civil society continues its work on campaigns for better working conditions in the sports goods industry. One of the strategies is to focus on retailers. To lobby them it is necessary to have more details on the profile of the sports goods market. What kind of companies are the major dealers in sports goods? What is their market share? Which sales organisations or importers of the major brands have a role in distribution? And what are the sources of imports? Very important as well is to have details on consumer expenditure and to know which factors affect sport participation and therefore overall expenditure on sports equipment.

The first part of the report will give a comprehensive overview of the sports goods market in the Netherlands. In the Netherlands the sports goods market covers sports and camping goods. The main focus of this report is on sportswear, sports shoes and sports hardware. The boundaries of these sectors are very difficult to draw owing to the huge diversity of sports and of sports equipment available. In this profile we selected to following items:

[1] Producers of Sportwear. Company Profiles of NIKE, Reebok, Adidas, Puma, October 1997, SOMO Document.

1. Sports hardware excluding bicycles, sports bags, sports accessories and angling equipment, including :

Golf	clubs, balls
Table tennis	bats, balls, nets, tables
Rackets	tennis, badminton, squash
Balls	leather, non-leather, inflatable / non-inflatable etc.
	tennis, football, hockey, cricket, volleybal, basketball etc.
Skates	ice skates, roller skates, inline skates, skateboards.

2. Sportswear. This productgroup is even more difficult to define. The Dutch Central Bureau of Statistics, CBS and its European counterpart Eurostat do not identify sportswear as one productgroup but classify it together with leisure wear. This means that figures on imports and exports cover leisure wear in general. This report only covers active sportswear as track suits, swimwear and ski suits. These are the only sportswear products which are specifically identified and of which figures are available.

3. Sports shoes
Sports shoes are classified within the product group shoes. It is categorised in two main ways, by raw material content and by end use. Statistics make fine distinctions between different types of shoes, according to the raw material used for the uppers and the soles. This study is focused on sports shoes and the main distinction will be drawn between sports shoes with leather uppers, sports shoes with plastic or rubber uppers and sports shoes with textile uppers.

The second part of the report will link up the sports goods market in the Netherlands with the production of these goods. Which countries are the major sourcing countries on sports goods and what do we know about labour standards in this industry. What has been the response of industry and sports associations?
This report will be a practical guide for those organisations who want to lobby retailers and the general public in the Netherlands in order to improve working conditions in the sports goods industry.

CHAPTER 1

DEMAND OF SPORTS GOODS, SPORTSWEAR AND SPORTS SHOES IN THE NETHERLANDS

There are several factors which affect sports participation and overall expenditure on sports shoes, sportswear and sports hardware. Demand is determined by developments in population; available income combined with life style, consumer priorities; fashion influences, price/quality relationships and other factors, like climate etc. In this chapter we will highlight the importance of demography, available free time, the influence of fashion and price and price quality.

1.1 Demography

The aging structure of the Dutch population exercises a strong influence on sports participation and consumption in the future. Generally speaking, different age categories have different behaviour concerning sports.

Projected age group compositions of population in the Netherlands, 1990 - 2000 (in '000)

Males:						
Age	**1990**	**%**	**1995**	**%**	**2000**	**%**
0 - 14	1,394.1	18.9	1,450.9	19.2	1,497.9	19.5
15 - 24	1,198.3	16.3	1,026.3	13.6	921.8	12.0
25 - 34	1,274.0	17.4	1,304.7	17.3	1,214.9	15.6
35 - 44	1,188.5	16.2	1,195.2	15.9	1,265.8	16.5
45 - 54	857.4	11.6	1,045.4	13.9	1,155.3	15.0
55 - 64	679.8	9.3	717.9	9.5	791.3	10.3
65 - 74	480.5	6.5	515.8	6.8	534.7	7.0
75+	275.2	3.8	284.1	3.8	313.3	4.1
	7,347.8	100.0	7,540.3	100.0	7,695.0	100.0

Females:						
Age	**1990**	**%**	**1995**	**%**	**2000**	**%**
0 - 14	1,333.8	17.7	1,390.1	17.9	1,433.7	18.2
15 - 24	1,153.6	15.3	989.1	12.8	887.7	11.3
25 - 34	1,224.4	16.3	1,252.3	16.2	1,171.2	14.8
35 - 44	1,133.2	15.1	1,154.9	14.9	1,224.6	15.5
45 - 54	821.7	10.8	1,002.2	13.0	1,120.3	14.2
55 - 64	719.7	9.6	733.7	9.5	789.9	10.0
65 - 74	614.7	8.2	654.1	8.5	652.0	8.3
75+	527.8	7.0	558.1	7.2	613.5	7.7
	7,528.9	100.0	7,734.5	100.0	7,829.9	100.0
Total Persons;	**14,876.7**		**15,274.8**		**15,587.9**	

Source: CBS

The proportion of under 19 year-olds has declined in recent years, and the number of people aged over 45 years will continue to grow until at least 2010. We see an ageing of the population as a whole. This will have a negative influence on total sports participation. Young people spend more free time on sports than elder people. 12 - 19 year-olds spend 7.1% of their free time while 65+ spend only 1,4%. The high penetration level of sports under young people means a negative development for sportswear.

Young people typically play different sports than older people and this means that , for the Netherlands as a whole, sports such as walking, cycling, swimming, jogging, tennis and golf will increase in importance relative to contact - and other physically strenuous sports, such as gymnastics, football and hockey. The composition of demand will therefore change. Different sports demand different sportswear, shoes and goods. Although an ageing people has negative influence on sports participation it does not automatically negatively influence demand on all sports goods since senior citizens presently enjoy a high level of disposable income and the greatest amount of leisure time. For the sports goods trade the elder segment of the population is a target consumer group since they are healthier and fitter than earlier generations and they have plenty of spare time and money to spend.

1.2 Free time

In the last five years the number of people playing sports in the Netherlands has remained more or less stable. About 8 million people play sports regularly and a further 3 million do so sometimes. Although this is a relatively high number of people active in sports, the priority it receives in terms of the proportion of free time spent is rather low. Approximately 3 percent of free time is spent on sports. TV, audio equipment and other electronic media use up the highest proportion.

The choice of activities which is available to people means that, compared to ten years ago, they tend to prefer sports they can play on a less frequent and more casual basis. This is especially true of the age group of 20 - 50 year olds who are often under pressure from work, household, children, further education etc. For them it is difficult to make regular and frequent time available and therefore choose sports which can be played individually or in casual groups, e.g. jogging, fitness, aerobics, tennis, squash, golf and swimming.

Participation in active sports in The Netherlands Number of players * 1000		
Sport	**Club Membership**	**Actual number of players**
Football	997	1300
Tennis	744	1212
Gymnastics	256	430
Swimming	164	3181
Skiing	161	767
Volleybal	153	708
Ice skating	149	2900
Hockey	129	190
Horse Riding	118	275
Watersports	97	1000
Bridge	97	
Korfball	93	110
Badminton	84	230
Athletics	80	140
Golf	69	119
Handball	63	85
Judo	59	
Basketball	49	135
Table Tennis	42	200

Source: CBI

1.3 Fashion developments

Demand for sportswear is highly influenced by fashion trends. The last ten years there has been a trend towards a less informal way of dressing. Sales of sportswear declined reflecting the declining popularity of sportswear worn as leisure wear. In the 1980's, for example, track suits were the most common form of leisurewear. Its popularity has declined since 1992. Developments in the textile industry, like breathing materials, micro fibres and elastic materials have great influences on fashion trends. Beside colours and materials great sport events like olympic games, Soccer Championships and grand Slam tennis tournaments have an influence on the collections (and sales!). The brand-sponsored idols are trendsetters in sportswear and accessories.[2]

Other factors which have a strong influence on consumer expenditure on sports goods are trends such as the growing pressure to be healthy and fit. This trend has been an important stimulus to sports like aerobics, steps, home training, jogging and cycling. These sports can be done alone or in small groups, and participants are motivated by the opportunity to improve their figures and their appearance.[3]

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[2] Centre for the promotion of Imports from developing countries, Sportswear and leisurewear, A survey of the netherlands and other major markets in the European Union (Rotterdam 1995).

[3] Centre for the promotion of Imports from developing countries, Sports and Camping goods, A survey of the Netherlands and other major markets in the European Union, (Rotterdam 1995)

Swim- and beachwear is more a fashion item than one of necessity. About 10% of swimwear is mainly used for sport purposes. Women's one piece swimsuits (swimming costume) are becoming more popular than two-piece swimsuits (bikinis).[4]

Dutch youth are strongly attracted to American trends and are very familiar with developments because of TV Channels like MTV and the televising of big American sport matches. In-line skating has become very popular and sports like baseball, American football and ice-hockey, though not very large in terms of participation, are growing. Licensed products, clothing and accessories in the colours and logos of well known US teams are considered very fashionable. Interest in street sports like basketball, volleybal and street soccer is also increasing at the expense of organised sport in teams and clubs.

This trend influences the demand for certain brands which are considered to be really cool. This is especially true for sports shoes. The sector of specialist sports shoes is highly dominated by well promoted brands. These sports shoes are frequently promoted alongside fashion clothing ranges for individual sports. Examples of these labels are: Adidas, Nike, Reebok, Puma and Lotto. The main source of production for these shoes if the Far East.[5]

Brand image is also of critical importance to sales of sports goods in The Netherlands. There are said to be over 1000 brands of sports articles on sale.

1.4 Price and price quality

Dutch consumers are very critical consumers and always expect good value for money. For the sports goods sector this means he seeks the guarantee of good quality and frequently chooses a well known brand to be certain of having the technologically most up to date equipment. Retail prices for sports goods are quite high relative to other EU-Markets. The main reason for this has been the strenght of promoted A- Brands.

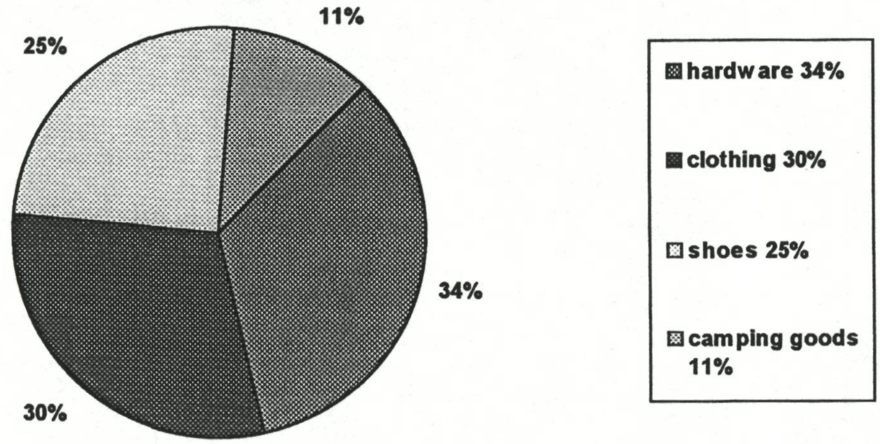
The sportswear and sports shoes comprises different market segments and we often see polarisation. Either a drive to cheapness above all else, or to high quality above all else. Purchases of products having a high price/quality can be complemented or interspersed with low-priced goods. Consumers expect retailers to have a clear image. In order to meet these consumer demands, we see many clothing stores going in for upgrading and on the other side discounters maintain their operating on discount level.

[4] Centre for the promotion of Imports from developing countries, Bodywear, A survey of the Netherlands and other major markets in the European Union (Rotterdam 1996).
[5] Centre for the promotion of Imports from developing countries, Footwear, A survey of the Netherlands and other major markets in the European Union (Rotterdam 1996).

1.5 Consumer expenditure on sports goods

Last year, total expenditure on sports and camping goods has grown by 10 percent. In 1997 Dutch consumers spent about 2.5 milliard guilders on sports and camping goods. Per head of population this amounts to approximately 145 guilders. Camping goods account for about 10% of total expenditure while the remaining 90% is spent on sports goods (clothing, shoes and hardware). The shares of clothing and hardware have grown at the expense of camping goods while the share of sports shoes has remained stable (figure 1).

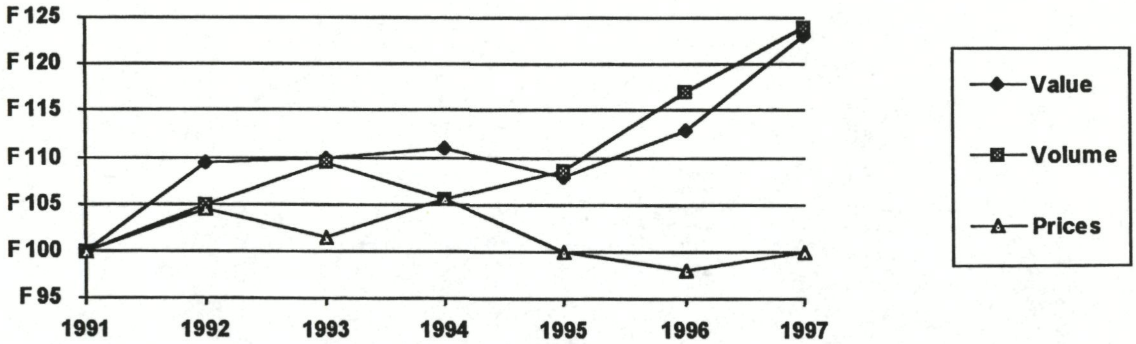
Figure 1: Distribution of consumer expenditure on sports and camping goods in 1997, in percentages of total expenditure.



Bron: EIM and CBS

The increase of consumer expenditure is mainly caused by a growth in volume. In addition to this there was a slight increase in value of sports and camping goods in 1997.

Expenditure on sports and camping goods in value and volume and the development in prices in index numbers (1991=100)



Source: EIM and CBS

CHAPTER 2

SUPPLY OF SPORTS GOODS, SPORTSWEAR AND SPORTS SHOES TO THE NETHERLANDS

2.1 Production in The Netherlands

Domestic production of sports and camping goods in The Netherlands is very insignificant. Approximately one-third of the total output of Dutch clothing, shoes and hardware for sports is exported and the remainder is sold on the home market.

There is limited production of swimwear, footballs, table tennis tables and surfboards. The sports shoes industry is also very small in The Netherlands. Domestic production of footwear has steadily declined from over 20 million pairs in the mid-1970's to a level of 9.5 million pairs in the mid-1980's. In the mid-1990's, domestic production of all kinds of footwear is stabilized at about 5.4 mln pairs, worth 270 million Dutch guilders. Production of leather footwear for sports was in 1995 approximately 330.000 pairs.

2.2 Imports of sports hardware, sports wear and sports shoes to The Netherlands

The production function of many so-called manufacturers in The Netherlands is nowadays insignificant in comparison to their role as importers. They contract out the production of ranges of goods under their own brand name to manufacturers in countries, where the labour costs are relatively low and the most attractive arrangements in terms of price and quality are available. As is the case with the major international brand names in sports goods, sources in the Far East are the dominant production locations at present. Until recently the main countries of origin were Hong Kong, Taiwan and South Korea, but there is a marked shift taking place to newer developing countries, where production costs are lower. Significant sources are China, Malaysia, Vietnam and Indonesia.

Sources in southern European countries, such as Italy, Portugal and Spain, where costs of production are lower than in Northern Europe, are important for the production of exclusive and very fashionable high quality goods, especially sportswear. Because the supply lines are shorter and small orders can be placed for delivery within shorter time scales these sources provide an important flexibility for the promoters of leading brands.

2.2.1 Imports of sports hardware

When we study the statistics of imports we have to keep in mind that since 1993 the intra-European community trade ceased to be recorded by the customs authorities. The CBS statistics are now based on what is recorded by companies themselves. These figures are very unreliable. The CBS etimates that, on average, the figures published are underestimated by 10n per cent for imports and by 8 per cent for exports.

Table 1 Imports of sports hardware to The Netherlands, 1993 - 1997, in value Dfl. 1000

Product Group	1993	1994	1995	1996	1997
Golf	16015	15637	12499	13605	15997
Table tennis	2872	3246	2517	2384	2938
Rackets	33004	24988	22796	42716	45148
Balls (all types)	37300	33524	42850	41935	46731
Skates	17724	29640	30599	49785	65556

Source: CBS

Since domestic production is insignificant, imports supply over 90% of the Dutch market for sports goods. Imports of sports hardware has grown in 1997 by 32% in value.

Rackets

Dutch imports of rackets suffered a decline since the early 1990's. Imports fell from Dfl 51.6 million in 1992 to an all-time low in 1995 of appr. 23 million. The major category , tennis rackets, which accounted for 65 per cent of the total in 1994, saw imports fall from Dfl 21.2 million in 1993 to Dfl. 15.5 million in 1995. After 1995 however, there was an increase in imports again. In 1996 imports increased to 32.5 million Dfl. which was continued in 1997 with 33.3 million which has an equivalent in volume of 530. 068 rackets.

Balls

Dutch imports of balls of all types amounted to Dfl. 33.5 million in 1994. In the most important category of import, non-leather inflatable balls (football, volleybal etc.) imports declined by 10 per cent in 1994 to a total value of Dfl. 12.4 million. After 1994 however there was a sharp increase of imports in this category to 22.2 million in 1995. But in 1996 this growth declined to an import of 14.9 million which increased again to a level of 16.5 million in 1997. The second largest segment, tennis balls saw imports decline from 11.4 million in 1993 to 9.7 million in 1994 and 9.8 million in 1995. Though, in 1996 the value of imports rose to 16.3 million and 16.5 million in 1997. Except for 1995 (value of imports 3.9 million) the value of imports of inflatable leather balls show a steady increase to 5.8 million in 1997. The volume of imported flatable leather balls decreased in 1997 which means that average prices of the balls rose.

Skates

The almost four fold increase in imports of skates to The Netherlands in 1997 compared to 1993 was in the early 90's directly linked to the explosion of popularity of in-line skating as a sport. Total imports of skates in 1994 amounted to Dfl. 29.6 million of which roller skates accounted for a two-thirds' share. Imports of the latter rose from 287.228 pairs in 1993 to at its peak 1252.039 pairs with a value of 34.3 million Dfl. in 1996. In 1997 imports decreased to 1119.869 pairs with a value of 34.5 million Dfl. This reflects a rise in the price of imports of roller skates.

Imports of ice-skates declined in value from Dfl 8.8 million in 1993 to Dfl. 4.0 million in 1995. From 1993 to 1994 this was due to a large fall of average prices of imports but in 1995 the number of pairs imported also decreased from 422.629 pairs in 1994 to 163.207 in 1995. After

1995 prices remained basically the same but the imports of ice skates - probably because of severe winters - jumped from 163.207 pairs in 1995 to 925.326 pairs in 1997.

2.2.2 Sources of imports of sports hardware

China is the main source for sports hardware in the Netherlands. Other notable sources are the USA and Taiwan. It should be noted that more than Dfl. 20 million of imports of the USA covers one item, Gym Equipment. Taiwan, together with the other three NIC's (Hong Kong and to a lesser degree South Korea and Singapore) has always been a very significant supplier to the Netherlands. However, the role they had in the early nineties is declining in relative importance, because multinational sporting goods companies and importers in general are moving production from the more expensive NIC's to new cheaper sources in developing countries like China.

Table 2 Main sources of imports to the Netherlands, 1997 Dfl 1000

Source	**Imports 1997**	**Main products**
1. China	55.912	All Items
2. USA	35.851	Golf, tennisballs, Gym Equipment
3. Taiwan	30.670	Gym Equipment, skates, tennisrackets, golf
4. Germany	22.138	Gym Equipment
5. Hong Kong	20.220	Rackets, skates,
6. Italy	19.733	rackets, tennisballs, skates, Gym Equipment
7. United Kingdom	11.592	Golf, tennisballs,
8. Pakistan	10.020	Inflatable leather balls and other balls
9. Czechia	8.210	Skates
10.Belgium	7.496	Gym Equipment
11.Thailand	4.974	Inflatable non-leather balls, rackets
12. White Russia	2.456	Other inflatable balls
13. Maleisia	2.447	Rackets
14. India	1.760	Inflatable balls
15. Indonesia	1.739	Tennis balls
16. South Korea	1.626	Golf, Gym Equipment

**** This table does not include single item countries such as e.g. Rumania, ice skates and Ireland, tennisballs.***

Source: CBS

The domestic market supply situation is not equal to imports. It can be derived from national production plus imports into The Netherlands and minus exports from The Netherlands.

The Netherlands is a sizeable exporter of sports goods owing to re-export activities. In some product categories, a high proportion of imports, especially from the Far East, are re-exported by the Dutch importers/traders. Moreover, The Netherlands is an important location for the European distribution centres of some major international brands.

Table 3 gives an overview of imports by product. Pakistan is the most important source for inflatable leather balls while China produces the major part of the growing demand of skates as well as rackets.

Table 3 Sources of imports by products outside the EU, 1997 Dfl. 1000

Products	Paki stan	India	Thai land	Indo nesia	Malay sia	Singa pore	Philippi nes	China	South Korea	Taiwan
Golf	20	261	0	11	155	21	0	239	1174	2965
Table Tennis	0	21	0	0	0	0	0	458	0	13
Rackets	15	110	1287	319	1239	49	0	22075	0	7722
Balls	9855	1318	2350	1409	0	90	188	3850	15	677
Skates	0	0	338	0	611	0	0	24109	0	4887
Gym Equipment	130	50	999	0	442	194	0	5181	437	14406
Total	**10020**	**1760**	**4974**	**1739**	**2447**	**354**	**188**	**55912**	**1626**	**30670**

Source: CBS

2.3.1 Imports of sportswear

Sports wear is categorised in three ways, by raw material content, by end use and by gender. This report only covers three product groups of active sports wear. Active sports wear is used in the sense of sports wear exclusively or mainly used for practicing sports. Distinction is however vague. There are no statistics avaible of active sportswear in the Netherlands. Sports wear in included within the general clothing categories, (e.g. sports trousers fall into the category trousers) with the exception of track suits, swimwear and ski suits.

Table 4 Imports of sports wear to The Netherlands, 1995- 1997, in value Dfl. 1000

	1995	1996	1997
Track suits	95847	84821	123553
Ski-suits	9067	11685	14380
Swimwear	76254	90976	90690

Source CBS

An increasing share of imports of sports and leisure wear in the Netherlands is the result of international subcontracting on the part of manufacturers. One form is Outward Processing Trade (OPT). This is because OPT has a narrower legal and statistical definition than subcontracting or international sourcing. OPT in clothing is the practice by which companies export fabrics or parts of garments, to be further processed in a third country and then re-import them as garments. Pre-cut garment pieces, together with accessories, are sent to sewing production plants, which very often have a joint venture relationship with the principal. The principal handles not only the cutting, but also the final inspection, making up, packing and shipment. Another term used in this case is 'Cut/Make/Trim' (CMT). OPT in The Netherlands (and some other EU countries) takes place with the East European countries and with countries around the Mediterranean.[6]

Sourcing is the practice of buying goods according to specifications issued by the principal made from materials supplied by the manufacturer. Subcontracting clothing production involves the making-up by a third party of materials owned by the principal according to his specification.

Strategies of clothing manufacturers in The Netherlands reveal the following developments: a decrease in production and subcontracting in the EU and an increase in subcontracting extra-EU.

With regard to factors like cost levels and distanes, the following competitive categories can be distinguished:

Low-cost, long-distance countries
This category of countries specializes in low-priced, high volume, fashionable and standard types of products with a seasonal life cycle and fair quality. These products are mainly made to buyers' specifications in countries in the Far East, South East Asia and. to a lesser extent, South America.

Low-cost, medium-distance countries
These countries supply medium-fashionable products, very often made as OPT. For mediterranean countries like Turkey, Tunisia etc. a shift took place: OPT decreased considerably in favour of direct imports.

High-cost countries
These countries supply quality fashion characterized by a shorter product life cycle, frequent deliveries, small quantities and sophisticated fabrics, which are difficult to obtain in low-cost countries. Western Europe, USA and Japan belong to this category.

[6] Centre for the promotion of Imports from developing countries, Sportswear and leisurewear. A survey of the netherlands and other major markets in the European Union (Rotterdam 1995).

2.3.2 Sources of imports of sportswear

Table 5 The ten leading suppliers of sportswear outside the EU and US 1997, in value Dfl. 1000

	Hong Kong	China	Tunisia	Bangla desh	Philippi nes	Taiwan	Indo nesia	Israel	Malay sia	Thai land	Viet nam
Track suits	16.539	10.812	0	15.399	12.709	9.081	6.312	0	3.818	2.546	2.635
Ski suits	1.201	7.914	0	782	0	0	397	0	0	205	21
Swim wear	16.634	13.702	21.551	0	0	147	2.127	5.984	0	919	664
Total	**34.374**	**32.428**	**21.551**	**16.181**	**12.709**	**9.228**	**8.836**	**5.984**	**3.818**	**3.670**	**3.320**

Source CBS

Hong Kong and the Philippines were in 1997 the major sourcing developing countries for synthetic tracksuits in value. From Hong Kong an amount of 459.356 pieces with a value of Dfl 12. 549 was imported. From the Philippines an amount of 823.090 pieces with a value of of Dfl 10.261. This shows clearly that the Philippines produce more tracksuits for less money. The same counts for Bangladesh. From Bangladesh an amount of 728.213 pieces was imported with a value of Dfl 8.804. It is an example of the already mentioned shift taking place to imports from Hong Kong to newer developing countries, where production costs are lower.

Imports of women's or girls' swimwear of synthetic fibres cover more than two third of the total imports of swimwear of developing countries in 1997. Tunisia, Hong Kong and China are the major sourcing countries in value. The Netherlands imported from Tunisia Dfl 19.464 in value and 1.242.781 in volume, from Hong Kong Dfl 12.564 in value and 1.323.957 in volume and from China Dfl 8.037 in value and 927.491 in volume. In this case Hong Kong is the source for cheap imports while Tunisia is more expensive. Ski suits are basically imported from China.

2.4.1 Imports of sportshoes

Table 6 Imports of sportshoes into The Netherlands, 1993 - 1997, in volume (mn pairs) and value (mn guilders)

Sportsshoes	**1993**		**1994**		**1995**		**1996**		**1997**	
	pairs	nlg	pairs	nlg	pairs	nlg	pairs	nlg	pairs	nlg
- leather	1.6	56.9	1.4	49.7	1.3	43.7	1.4	54.6	1.1	47.6
-non leather	6.0	108.4	6.2	129.3	6.3	141.6	5.9	159.1	6.8	197.6

Imports of leather sportshoes decreased steadily with a revival in 1996 of 1.4 million pairs. Imports declined though to a low of 1.1 million pairs in 1997. The leading categories in the non-leather sector are textile uppers and rubber or plastic uppers. In both categories China is by far the most important suppliers from outside Europe.

2.4.2 Sources of imports of sports shoes

Table 7 Imports of leather sportshoes (excl. ski shoes), by countries of origin in volume ('000 pairs), 1993 - 1997.

	1993	1994	1995	1996	1997
Total	**1.562**	**1.399**	**1.308**	**1.394**	**1.069**
of which from:					
EU countries	923	839	605	777	555
Romania	10	43	28	10	17
Slovenia	34	12	8	-	-
Poland	-	-	-	9	4
Czechia	-	-	-	13	7
Slovakia	-	-	-	16	11
USA	20	20	14	58	29
Colombia	48	11	2	-	-
Sri Lanka	-	-	-	-	8
Thailand	166	80	147	54	58
Vietnam	1	43	68	66	62
Indonesia	114	28	230	117	139
Singapore	9	4	20	1	7
Philippines	11	8	23	5	11
China	41	167	74	107	47
South Korea	65	41	20	87	26
Taiwan	28	42	22	23	18
Hong Kong	24	46	20	46	64
Other	68	15	27	6	5

Source CBS

Note table 7: 1996 and 1997 give figures on Poland, Czechia, Slovakia and Sri lanka which in 1993, 1994 and 1995 were less important and were included in 'other' sourcing countries.

Imports of leather sportshoes decreased steadily by 10% in 1994, almost 7% in 1995. A short revival in 1996 was followed by a further decrease of imports of 23%. In five years time imports decreased with 32%. The import share of intra-EU trade fell from 60% in 1994 to 46% in 1995. It slightly increased in 1996 and 1997 with 55% and 52%. Imports decreased from Germany, Italy, UK, Ireland and in 1997 from Portugal. Imports from Spain amounted to only 16 thousand pairs in 1993, 90 in 1994 and 167 thousand pairs in 1995. These imports decreased however to 121 thousand in 1996 and 127 thousand in 1997.

In five years time (from 1993 to 1997) imports increased from Hong Kong with 167%, from China with 15%, from Indonesia with 22% and Romania 70%. New leather sportshoes sourcing countries are Slovakia, Czechia, Poland and Sri Lanka.

Table 8 Imports of textiles sport shoes by countries of origin in volume ('000 pairs), 1993-1997

	1993	1994	1995	1996	1997
Total	4.753	5.330	4.889	4.985	5.985
of which from:					
EU countries	1.010	1.576	1.237	1.699	1.574
Slovakia	-	-	-	19	72
USA	214	355	865	518	506
Pakistan	63	72	43	73	33
Bangladesh	-	-	167	97	79
Thailand	144	277	193	130	256
Indonesia	406	494	529	449	787
Sri Lanka	-	-	-	43	17
Singapore	43	6	78	45	8
Philippines	26	169	115	52	31
China	1.224	623	311	529	987
South Korea	551	836	470	110	62
Taiwan	121	33	209	616	455
Vietnam	416	376	343	205	402
Hong Kong	371	308	159	277	615
Other	164	205	170	123	101

Source CBS

Note table 8: 1996 and 1997 give figures on Slovakia and Sri lanka which in 1993, 1994 and 1995 were less important and were included in 'other' sourcing countries.

In the category textiles sport shoes the most important sourcing countries outside the EU in 1997 are China, which has almost recovered its 1993 level, Indonesia of which imports increased in 1997 by 75% and Hong Kong of which imports increased by 122%.

From 1993 till 1997, imports decreased sharply from countries like South Korea by 89%, Singapore by 81% and Pakistan by 48%.

Within the intra-EU trade the share of imports from Belgium is relatively high. In 1996, 53% of imports of textile sportshoes came from Belgium and in 1997 even 66%. One of the explanations is the location of European distribution centres of major sport shoes brands such as NIKE. NIKE opened its distribution centre in Belgium in September 1994.

Since re-exports have such a high share in the sport shoes market we will focus shortly at the domestic market supply of sport shoes. The domestic market supply situation can be derived from national production plus imports into The Netherlands and minus exports from The Netherlands.

Domestic sports shoe production is marginal. There is no production of non-leather sports shoes in the Netherlands. Unfortunately it is not possible to obtain figures on domestic production of leather sports shoes since these figures are confidential. The CBS does not give information on domestic production figures either when one manufacturer has a more than 70% share of the Dutch market or when there are less than four manufacturers.

Therefore let's give an example on the basis of textiles sports shoes in 1997.

Domestic production: 0
Imports: 5.985.000
Exports: 2.865.000

Domestic market supply of textiles sport shoes in the Netherlands in 1997 is:
0 + 5.985.128 - 2.864.796 = 3.120.332

The overview of major sourcing countries in sports goods to The Netherlands shows in all three cases that the role of developing countries in the supply of these goods is large and growing. Manufacturers in those countries are operating as contract producers for the major international brands as suppliers of branded goods to Dutch importers and as suppliers of branded goods to multiple retail chains, department stores and buying groups. The structure of distribution will be discussed in chapter 3.

CHAPTER 3[7]

TRADE STRUCTURE AND DISTRIBUTION CHANNELS

3.1 The Structure of Imports

The Netherlands has a very large number of companies distributing to the sports goods trade. There are about 400 suppliers (importers, manufacturers, agents, buying groups and whole salers) who together sell over 1000 brands of sports articles to the retail trade. Of these about 100 are of key importance, and they supply about 90 per cent of the total market.

Agents are mere intermediaries who do not 'take a stand' on products. The agent may serve as an intermediary between the manufacturer and the wholesaler or retailer, receiving a commission from the former. Most agents represent more than one manufacturer. More and more agents are starting to sell from stock to meet their clients' short-term demands. If the agent builds up his own stock, he is in fact functioning as an importer / wholesaler.

Manufacturers and retailers may also function as importers. Contrary to the agent, the wholesaler holds his own stock at own risk. The development of an increasing number of agents acting as importer/wholesaler - also holds vice-versa: many importers/ wholesalers act as agents. The fact that many independent retailers prefer to sell from stock, as well as purchasing combination and multiple stores, is reinforcing the position of the importer/wholesaler.

The sports goods market is dominated by a limited number of powerful internationally operating brands (NIKE, Reebok, Adidas, Lotto, Puma, etc.). The sales organisations or importers of these brands have a dominant role in distribution. (Adresses of these importers are provided for reference in appendix A). Less significant international brands and merchandise imported on an exclusive basis for Dutch brands are distributed directly by the importer to the retail trade. These companies fulfill the role of both importer and wholesaler, and there are very few regional wholesalers remaing in The Netherlands.

3.2 Retailers

Retailers constitute the final stage before products reach the consumer. In the sports goods sector there are various retailing outlets. There are about 1400 à 1500 specialist shops in The Netherlands. In January 1998, in comparison with January 1997, the amount of stores has declined with 292 stores.[8] Other retail outlets are department stores, clothing multiple stores, specialty multiple stores, textile supermarkets or discount stores, mail order houses and independent retailers. Other categories are grocery supermarkets, street markets etc.

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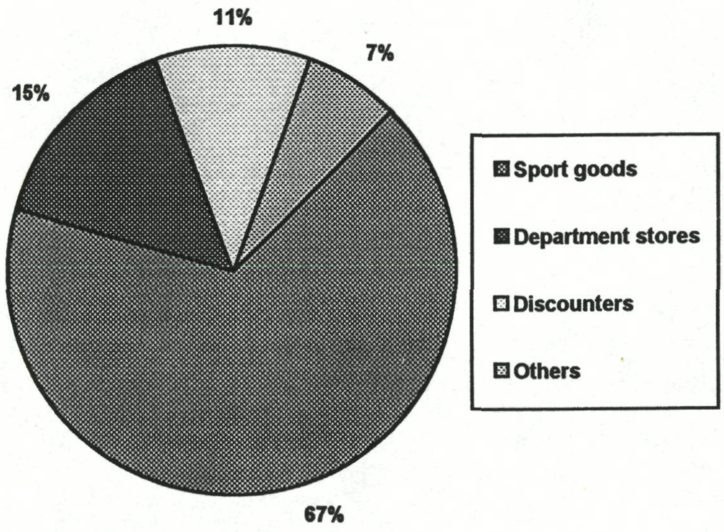
[7] Based on publications of the CBI.

[8] EIM, Centre for Retail Research, Detailhandel in sport- en kampeerartikelen, Den Haag April 1998.

Figure 3 shows the market shares of the different retail outlets in de sports and camping goods sector.



3.2.1 Specialist sports goods shops

A high proportion of sports goods shops are small to medium sized companies with only one outlet or a small chain with up to six shops.

Three main types of sport shops can be identified:
1. **General**: This type of shop sells an assortment of products spread over a wide number of sports. The primary emphasis is on equipment and clothing for serious sports players, and sales of hardware and camping sports are relatively higher than in other types of outlet. General sports outlet quite frequently have specialist sectors within their business which receive high priority or are promoted by a 'shop-in shop' concept. Examples include golf, women's corner, tennis and wintersports. This category of shop is represented in all price segments of the market. Although the number of these broad assortment shops has declined as a percentage of total shops, their market share has grown. The establishment of sport megastores (e.g. Sportscore in Roden, Duinkerken in Hoevelaken and Daka Sport in Rotterdam) will, moreover, further threaten the future for the smallest shops.

2. **Fashionable**: This type of shop generates at least 75 per cent of its turnover from sports clothing and shoes, and targets its range of products more at recreative and free time purchasers than the first type of shop. They operate in all price segments but there is a higher proportion (over 60 % per cent of shops) in the low to middle segment. This group also includes a number of shops specialised exclusively in running shoes and clothing. This type of shop has increased its share of the total number of Dutch sport outlets.

3. **Specialist**: This definition covers very specialised shops whose product assortment concentrate heavily on one or two sports. Sports hardware tends to be a very important item. This type of shop is fairly common for golf, riding, outdoor and tennissports. About 16% per cent of total shops fall into the specialist category.

3.2.2 Retail Cooperatives

In 1997, 70% of independent specialist shops belonged to a cooperative organisation.

Buying groups centralise a whole range of purchasing, marketing and selling services upon which their members can call. Their objective is to make it possible for small independent shops to compete with multiples who have buying power to obtain bigger discounts from suppliers and to buy directly under their own private labels from abroad.

Buying groups in the Dutch sport goods trade. Adresses of these buying groups is provided for reference in appendix B.

Buying group	Formulas	Number of Shops in 1998
Intres	Intersport Holland	145
	Sporteon	93
	Campingstore Holland	35
	Fun Center	17
Euretco	Sport 2000	96
	Sportpoint	100
	Runnersworld	15
Garant Schuh A.G.	Fair Play International Sports	275
	Running Center International	15
	Technicien du Sport (TDS)	?

Source CBI and EIM

International affiliations have become increasingly important for buying groups to give them greater purchasing power and more influence against the big international brands. Thus Intres' affiliation to the international group Intersport gives its Intersport members exclusive access to the range of sports goods purchased centrally under Intersport's private lables. Euretco's group Sport 2000 is affiliated to a European group of the same name which operates in Germany, France, Spain and Belgium. Garant is a powerful German buying combination in the shoe sector, which has expanded very quickly in the sports sector over the last three years. It has member groups of sports goods shops in Germany, The Netherlands, Belgium and France.

Fair Play International has one of the most important chains of shops in The Netherlands together with Intersport and Sportpoint. All three have 100 or more outlets. Fair Play has grown since 1995 with 105 more outlets. Sport 2000 and Sporteon are also important with 96 and 93 outlets respectively.

A smaller cooperative organisation is Coach Holland. It is specialised in primarily sport shoes and it has grown strongly. It is the fastest growing franchise company in the sports sector in The Netherlands.

3.2.3 Multiple Retailers

There are a limited number of multiple chains of sports goods stores operating nationally in The Netherlands.

Name of Store	Number of outlets in 1998
Perry Sport	36
Olympus	14
Pro Sport	22
Footlocker	41
Aktie Sport	29
Bever Zwerfsport	13
Wout Bergers	5

Source CBI and EIM

All the stores mentioned, with the exception of Perry Sport, concentrate primarily on fashionable sports footwear and clothing, and their ranges comprise alomst entirely 'A'-branded articles. Perry Sport is a general sports store with product assortments for organised sports, winter sports and outdoor activities and sells both major brands and secondary / private label ranges of products.

3.2.4 Non-specialised outlets for sports goods

The table below gives an overview of the types of non-specialised outlet which sell sport goods in The Netherlands. In general, sports equipment is not central to their product assortment, and they therefore tend to concentrate on articles which can be sold with minimal service and advice, such as clothing and general sport shoes.

Non-specialist outlets for sports goods

Type of outlet	Examples	Assortment
Department stores (medium)	Vroom & Dreesman	Clothing, shoes, hardware, camping
	De Bijenkorf	Clothing, shoes, hardware (exclusive)
	Hema	Clothing, shoes, fitness articles, other limited
Mail Order	Wehkamp	Clothing, shoes, fitness articles, other limited
	Neckermann	Hardware
Discount	Bristol	Shoes, clothing
	Scapino	
Shoe/clothes shops		Clothing, shoes
Markets		Socks, limited shoes and hardware
Sport schools and clubs		Mainly hardware

Source CBI

CHAPTER 4

LABOUR STANDARDS IN THE SPORTS GOODS INDUSTRY

4.1 A case study: The production of footballs in China

The overview of major sourcing countries of sports goods to The Netherlands shows in all three cases that the role of developing countries in the supply of these goods is large and growing. Manufacturers in those countries are operating as contract producers for the major international brands as suppliers of branded goods to Dutch importers and as suppliers of branded goods to multiple retail chains, department stores and buying groups.

As is the case with the major international brand names in sports goods, sources in the Far East are the dominant production locations at present.

Taiwan, together with the other three NIC's (Hong Kong and to a lesser degree South Korea and Singapore) has always been a very significant supplier to the Netherlands. However, the role they had in the early nineties is declining in relative importance, because multinational sporting goods companies and importers in general are moving production from the more expensive NIC's to new cheaper sources in developing countries like China.

In the introduction of this report it was explained why the worlds sports goods industry was under attack. The working conditions in this industry which has subcontracted the major part of its production to factories in Asian countries has been criticized continuously. This report showed how many sports goods in the Dutch outlets have been produced in countries which are criticized for its bad working conditions. Nowadays it is for example almost impossible to buy sports shoes which are not produced in Indonesia or China.

China is the most important sourcing country for Dutch imports of sports goods. Labour unions have strongly criticized China because of practices of forced labour used in producing goods for exports, and a lack of basic union rights and safety standards. The All China Federation of Trade Unions (ACFTU), the official trade union, defends the policies of the Communist Party and not primarily the rights of workers.[9]

The International Textile Garment & Leather Workers Federation (ITGLWF) has repeatedly called for the revocation of China's Most Favoured Nation status and the denial of WTO membership for China until it ceases its violations of human and workers rights. The ITLGWF's concern centres on two major areas. The first is the large number of detainees and prisoners engaged in production, often for export. Reports suggest that China's prison labour force is something between 16 and 20 million strong. A second major area of concern is the complete absence of workers rights as far as freedom of association, the right to organise and to bargain collectively are concerned. The first concern has proven to be right in the case of production of footballs for the FIFA.

This year in June, the production of footballs for the World Championships was under attack again. In 1996, the FIFA was accused of using footballs produced in Pakistan under terrible

[9] News from IRENE, Clean Clothes Vol. 3 August 1994, Issue No. 21, p.3

labour conditions and the use of child labour. This time Adidas which delivers footballs for the World Championships in France was accused of sourcing footballs from China where prison labour was used.

Four former Chinese labour camp inmates alleged that they were forced to make balls, including balls for the official World Cup supplier, in conditions violating their human rights. In signed statements, Han Lifa, Li Yuhua, Wang Rushuang and Zhang Libai said they had been hit with "electrified rods," punched, made to work in extreme heat and stand near naked in snow.[10]

They said their wardens in the Dafeng camp in eastern Jiangsu province forced them to make more than five balls a day in extreme conditions. The camp in eastern Jiangsu province is run by the Shanghai Re-education through Labour Bureau.

"I appeal to the world community to pay attention to Dafeng and hope they will come and investigate the human rights conditions of political detainees and the labour condition of other detainees," Li from Huaiyin in Jiangsu said. Li, sentenced to Dafeng on March 18, 1996 to serve an 18-month sentence for theft, said his job was to make balls "from about 4:00 a.m. to about 10:00 p.m."

He said he had to make five and a half balls a day, but for Adidas the quota was four and a half because the balls were for competition and had to meet a higher standard. "We suffered a lot mentally and physically making these balls. We lived an inhuman existence. Apart from our meals, we had no time even to wash ourselves," Li said. Zhang said that on one day when the temperature reached 35 degrees Celsius (95 Farenheit) the wardens did not allow the fan to be switched on.

“We were soaked in sweat. We were bitten by insects but we could not stop working because we were worried that if we did not meet our quota, police would beat us with electrified rods or box us," Zhang, 27, from Longhui in central Hunan province, stated.Wang said he had been forced to strip to his shorts and stand for more than 20 minutes in snow because he had been ill and fallen behind his quota. Wang, 31, from Huaiyin who was also sentenced for theft, said fast workers could make a ball in about two hours while others took more than two and a half hours.

"Those who are slow don't even have time to brush their teeth, and what's more wash themselves. If balls were not made properly, police would consider that we did not complete our job and that we have not changed our attitudes or admitted our guilt," he said.

Han, a dissident, said he made balls for local companies as well as Adidas and other foreign brands he could not read, with some balls earmarked for the Hong Kong Football Association and for South Korea. Adidas, the official supplier of balls for the World Cup finals, has strongly denied that balls for the tournament have been made in Chinese camps.

Bao Ge, a dissident now based in the United States, said last month he had been "forced by guards" in a labour camp between 1994-97 to make goods for Adidas. He said in Macau that

[10] Agence France Presse, June 27, 1998

he had asked legal representatives in Hong Kong, the United States, France and Germany to sue Adidas.

China has denied accusations that its labour camp system was the source of cheap goods for export.
A Chinese prison official dismissed allegations that prison labour was used to manufacture soccer balls in Shanghai for the Adidas sports label.[11]

No prisons or labour education camps in Shanghai produce any foreign-brand footballs," an official of the Shanghai Prison Administration Bureau said in a telephone interview.

Adidas responded that it had stopped orders for soccer balls made in China while it investigated whether prison labour was used in their manufacture. They said that the balls concerned are not those used in the actual games but are cheaper copies for general sale.

Adidas would cancel as soon as possible all current licensing contracts for the manufacture of soccer balls and would centralise all activities concerning the production of footballs. "No third parties, either licensees or other entities, shall source any Adidas-branded soccer balls in the future."

Adidas Asia-Pacific, which is based in Hong Kong, "will handle soccer ball sourcing with technical assistance from our central logistics organisation," the company said. All suppliers would have to comply with the company's code of conduct, the "standards of engagement", the statement said.
"Our aim is to have utmost control over the Adidas brand in the world," company president Robert Louis-Dreyfus said."Sourcing of our products plays an important role in the perception of our brand by customers. We are determined to directly control the whole value-chain."

4.2 Responses of the Sports Industry, the Atlanta Agreement and the FIFA Code

Fifty-six soccer ball manufacturers - including noted conglomerates like Adidas, Mitre, NIKE and Reebok - agreed on February 15, 1997 in Atlanta to a voluntary programme by which they would commit themselves and and all their subcontractors to eliminate stitching work by children under 14. The agreement marks the first time that multinational corporations and their local suppliers in any global industry have joined with human rights advocates to address the problem of child labour.

More companies are expected to sign in coming days, says the Soccer Industry Council of America, which represents the U.S. soccer industry. Kari Tapiola, deputy director-general of the International Labour Organization (ILO), called the Atlanta agreement "an important first step in linking the energies of international organizations, industry groups, workers and governments in the battle against the scourge of child labour."

But Dan McCurry, director of FoulBall, a Washington-based campaign against child labour in soccer, cautioned that the project is limited to only a small part of Pakistan's soccer ball trade and will need effective monitoring. The main thrust of the campaign is to ban child labour and

[11] Journal of Commerce July 7, 1998, Tuesday

provide educational opportunities in Sialkot, a district in the Punjab where, according to the ILO, some 75 percent of the world's hand-stitched soccer balls are made. The ILO estimates that some 7,000 children under 14 work in the industry, often being paid only 60 cents for each ball stitched while working from 10 to 12 hours daily under grueling conditions. Under the plan, all soccer balls manufacturing would be monitored independently to ensure that no one below the age of 14 is working in the trade in Sialkot.

Over the next 18 months, Pakistani and U.S. industries are to chip in some $ 460,000 for monitoring and funding social programmes for Sialkot workers. The ILO has received $ 500,000 from the United States to support the project, while the U.N. Children's Fund is spending $ 200,000 for education to help children dismissed from stitching jobs.

The companies represent most of the major firms involved in the soccer ball export market, which generates $ 1 billion a year worldwide, and their collaboration has been praised by industry and activist groups alike. But even their unified stance may not be enough to ensure the end of child labour in soccer, experts warn.

"Monitoring is not an easy issue," Tapiola told IPS after attending the Atlanta meeting. The industry still has to develop its plans for independent external monitoring and for ensuring that contractors and subcontractors comply with regulations against child labour, he said. More importantly, the ILO official contended, although compliance by firms is expected to be "sufficiently airtight," many soccer ball manufacturers have yet to join the voluntary programme. The monitoring task is made difficult by the nature of soccer ball manufacturing in Sialkot, McCurry argued, since much of the work is done on a per-piece basis in workers' homes.

Pakistani producers may also not be reliable in verifying the existence of child labour, he added: "Up until last year, the Pakistani soccer industry denied that children were being used (for stitching) at all." Now, he said, the industry concedes that some 17 percent of balls for the U.S. soccer market are stitched by child workers in Pakistan. In fact, soccer ball stitching is just one of many businesses in Pakistan that involve child labour. Others in the Sialkot area, Tapiola said, include surgical goods and construction - also the targets of ILO programmes to wipe out child labour.

As world interest in soccer rises, however, the demand for a high rate of production is likely to ensure that children will remain a valued part of the labour force, McCurry warned. In World Cup years, he noted, demand for production can rise from a normal average of 20 million balls to 35 million balls -- with children still the cheapest option to take up the slack.

Still, the industry is under heavy pressure to police labour conditions following months of complaints from consumers over the reports of child labour. Following those complaints, the International Federation of Football (Soccer) Associations (FIFA), the world soccer governing body, August 28 1996 proposed a labour code banning child labour in soccer ball manufacture.

Under the code, which is to be finalized in the next few months, FIFA would only label balls guaranteed to be made by adults or children over 14. Faced with the prospect that parents would boycott any balls that lacked FIFA labels, the sporting goods industry in recent weeks has adopted its own commitment to ensure a quick end to child labour. The FIFA code does not only cover the production of footballs but covers the production of all goods licensed by the FIFA.

The Atlanta plan is a weaker version of FIFA's own efforts, which were intended to push a broad range of human rights concerns -not simply child labour - in the manufacture of all soccer-related goods. Some labour rights experts are also worried that focusing only on children could also ignore the low wages and poor working conditions of the industry as a whole, which has itself been a main factor in ensuring that children perform much of the work. "Many of these children are the third generation of their families (who are) stitching balls," said Pharis Harvey, executive director of the International Labour Rights Fund. "Until their parents are paid a living wage, guaranteed freedom of association and other globally recognized workers' rights, these families will remain trapped in poverty." Adults simply cannot live off of 60 cents a ball," agreed McCurry. Either the wages in the industry rise, he said, or the temptation to hire children anew to meet production demands will be immense.

4.3 Implementation of the FIFA Code

The case of the football production in China for Adidas in 1998 shows that the efforts of the sports industry to improve its image and improve labour conditions has not been succesfull.

The FIFA has been not very active in really implementing its code. In article 18 of the FIFA statutes it is stated that decisions taken at a congress shall come into operation and become binding on the Federation and affiliated associations three months after the closing date of the Congress. Affiliated associations are the national associations such as the Dutch KNVB and the regional confederations such as the Union of European Football Associations, UEFA.

On its webpage there is nothing which reminds of the FIFA labour code. There is a code of conduct though in which FIFA refers at its sporting, moral and ethical principles for which FIFA has always stood and for which it will continue to fight in the future, regardless of the influences and pressures that may be brought to bear. Nothing in these 10 golden rules refers to the labour code.

There are twelve FIFA Partners who are explicitly mentioned under the head *Partners of FIFA*. These are the official World Cup Sponsors. The FIFA writes: Many of the world's leading corporations are proud to be included in the relatively small and select family of FIFA sponsors. And FIFA is proud of its sponsors policy and of the commitment of the members of the group it has compiled! Adidas is one of these partners and supplies the FIFA with footballs. Although it was said that the official 1998 World Cup footballs were not produced in China, it is very cynical that a cheaper copy of these balls was made under the circumstances described in the above case study.

The KNVB and the URBSFA, the Belgian Football Association, will organise the European Championship (EC) in 2000. Unfortunately the KNVB does not make any effort to support the FIFA labour code. The KNVB is not very critical towards its own suppliers of footballs and football equipment. NIKE is the official sponsor of the KNVB. In 1996, in response of growing criticism on labour standards in the production of footballs in Pakistan, the KNVB asked NIKE how far child labour was involved in NIKE production of sports goods. NIKE replied that there was nothing to worry about and that NIKE would never use child labour for the production of its sports goods. The KNVB was satisfied with that answer and never asked again. During the 2000 EC the FIFA will provide the KNVB with balls and equipment to be used during the games. The KNVB does not have any responsibiltity for these balls or equipment. It is the FIFA which should guarantee that these balls are produced in a way as described in the FIFA labour code.

It seems that the FIFA code up till now has been a mere eyewash only with the purpose to keep criticism quiet. The code can only be effective if the national associations would support the FIFA labour code by being critical towards its own sourcing companies.

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APPENDIX 1 ADDRESSES

TRADE ASSOCIATIONS

MITEX Sports department
Federation of Sports Goods
RetailersVondelstraat 172
1054 GV Amsterdam
tel:020-6832201
fax:020-6162921

FGHS
Association of Manufacturers and
Wholesalers of Sports Goods
Plesmanstraat 1
3833 LA Leusden
tel:033-4343580
fax: 033-4343583

FESI
Federation of the European Sporting
Goods Industry
5, Avenue de Janvier
1200 Brussels
Belgium
tel: 32-2-7628648
fax: 32-2-7628648

WSFGI
World Federation of the Sporting Goods
Industry
Le Hameau
Chalet les Hespérides
P.O. Box 480
1936 Verbier
Switzerland
tel: 41-26-353570
fax: 41-26-353579

BUYING GROUPS

Garant Schuh A.G.
Plesmanstraat 1
3833 LA Leusden
tel:033-4320118
fax: 033-4320631

- *Fair Play International Sports*
- *Running Center International*
- *Technicien du sport (TDS)*

Intres b.v.
Koninginneweg 1
3811 JZ Hoevelaken
Postbus 150
3811 CD Hoevelaken
tel: 033-2532399
fax:033-2532400

- *Intersport Holland*
- *Sporteon*
- *Campingstore Holland*

Euretco Sport b.v.
Archimedesstraat 17
4816 BA Breda
Postbus 3254
4800 ME Breda
tel:076-5785516
fax:076-5785578

- *Sport 2000*
- *Sportpoint*
- *Runnersworld*

MULTIPLE CHAINS OF SPORT GOODS STORES

AKTIESPORT
Muidenweg 5
2803 PR Gouda
tel:0182-546485
fax:0182-572418

FOOT LOCKER
Foot Locker Europe b.v.
Ir. D.S. Tuynmanweg 3
4131 PN Vianen
Postbus 309
4130 EH Vianen
tel: 0347-323300
fax:0347-323305

KWANTUM
Kwantum Nederland b.v.
Belle van Zuylenstraat 10
5032 MA Tilburg
Postbus 90160
5000 LK Tilburg
Tel: 013-4626626
fax: 013-4637979

OLYMPUS SPORT
Olympus Sport International b.v.
Larenweg 70
5234 KC 's Hertogenbosch
Postbus 3065
5203 DB 's Hertogenbosch
tel: 073-6483538
fax: 073-6483594

PERRY SPORT
Perry Sport b.v.
Oosteinderweg 247 B
1432 AT Aalsmeer
tel: 0297-330600
fax:0297-330660

PRO SPORT
Olympus Sport International b.v.
Larenweg 70
5234 KC 's Hertogenbosch
tel: 073-6483538
fax:073-6484594

SCAPINO
Scapino b.v.
Industrieweg 28
9403 AB Assen
Postbus 250
9400 AG Assen
tel: 0592-340042
fax:0592-344904

Private labels: Chicane en Dutchy

COACH
Coach Holland b.v.
J.C. van Markenstraat 25
9403 AR Assen
tel:0592-373918
fax: 0592-374232

INTERNATIONAL BRANDS

ADIDAS
Sports wear/ Sport shoes/ Sport accessories

Supplier:
Adidas Benelux
Hoevenseweg 41
4877 LA Etten Leur
tel: 076-5039911
fax: 076-5037718

Products: soccer, basketball, volleybal, tennis, hockey, rugby, fitness, golf, bags, accessories, running, cross-training, hiking, leisure, originals

CRUYFF SPORTS
Sports wear/ Sport shoes

Supplier
Denor Sportsfashion b.v.
De Geerden 1
5334 LE Velddirel
Tel: 0418-634655
fax: 0418-632999

KAPPA SPORT
Soccer Clothing

Supplier
Fros Sports
FROS International b.v.
Binderij 25 a
1185 ZH Amstelveen
Postbus 760
1180 AT Amstelveen
tel: 020-6474141
fax:020-6473005

LACOSTE
Sports wear/ Sport shoes/ Sport accessories

Supplier:
Fro Sports

LOTTO
Sports wear/ Sport shoes/ Sport accessories

Supplier:
Lotto Benelux
Baarnsche Dijk 1
3741 LN Baarn
Postbus 198
3740 AD Baarn
tel: 035-5423810
fax:035-5424159

New name:
Bo Sport International
Hoolstraat 7
6006 SL Weert
tel: 0495-574500
fax:0495-548505

MIZUNO
Sports wear/Sport shoes

Supplier:
Harry de Bruyn Agencies b.v.
Postbus 51
4870 AB Etten Leur
tel:076-5019292
fax:076-5034987

NIKE
Sports wear/ Sport shoes/ Sport accessories

Supplier:
NIKE Benelux
Energieweg 8
1271 ED Huizen
Postbus 201
1270 AE Huizen
tel: 035-5248524
fax.: 035-5248500

PUMA
Sports wear/ Sport shoes/ Sports goods

Supplier:
PUMA Benelux
Edelgasstraat 250
2718 TC Zoetermeer
Postbus 295
2700 AG Zoetermeer
tel:079-3617600
fax:079-3618073

QUICK
Sports shoes

Supplier
T.H.P. Sports b.v.
Industriestraat 59
5223 AT 's Hertogenbosch
tel:073-6221161
fax:073-6221191

REEBOK
Sports wear/ Sport shoes/ Sport accessories

Supplier:
Fokkerstraat 2
3833 LD Leusden
Postbus 884
3800 AW Amersfoort
tel: 033-4543400
tel customerservice: 033-4543434
fax general: 033-4560764

RUCANOR
Sports wear/ Sport shoes/ Sport accessories

Supplier:
B.V. Rucanor
Hoogeveenenweg 110
2913 LV Nieuwerkerk a/d IJssel
Postbus 199
2910 AD Nieuwerkerk a/d IJssel
tel: 0180-331700
fax: 0180-320731

SPEEDO
Swimwear/-accessories

Supplier:
SPEEDO Nederland b.v.
Plesmanstraat 1 unit B06
3833 LA Leusden
tel: 033-4320111
fax:033-4320487

TRIUMPH
Swimwear

Supplier:
TRIUMPH International b.v.
Hallenstraat 12
5531 AB Bladel
Postbus 1
5530 AA Bladel
tel:0497-389111
fax:0497-382297

BETTINE VRIESEKOOP
Table tennis goods

Supplier:
Dutch Tennis Sport B.V.
Ruysdaelbaan 3b
4642 JJ Eindhoven
tel: 040-2818391
fax:040-2818861

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