



BTC TRADE FOR DEVELOPMENT



***SPANISH MARKET FOR
FAIR (AND SUSTAINABLE)
SPORTS BALLS***

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CONSUMPTION

Spain is one of the promising EU countries for sports balls producers from developing countries. This chapter provides information on the Spanish market for sports balls, fairtrade in Spain and fairtrade/FSC sports balls in Spain. Spanish imports of sports balls and the most important distribution channels for sports balls in Spain will also be discussed, together with the most important players on the Spanish (fairtrade/FSC) sports balls market. For more information on sports balls consumption on a global and EU level, please refer to chapter 4 Consumption of the main document. For consumption in other promising EU countries, please refer to the separate documents.

> SPANISH MARKET FOR SPORTS BALLS

Spanish consumption of sports goods for team sports had a value of approximately €478 million in 2008.

There are more than 91,000 sports clubs in Spain. When looking at the number of ball sports participants, football is definitely the most popular ball sport in Spain (32%), which can be divided into outdoor football (18%) and indoor/beach football (14%). Other popular ball sports are basketball (9.4%), volleyball (3.3%), handball (1.7%) and rugby (0.6%). Nike and adidas are the most popular sports balls brands in Spain, followed by Puma. The Spanish market for sports balls is very competitive and driven by price and quality.

CODES OF CONDUCT

There are very few sports balls importers in Spain that have an ethical code of conduct where their suppliers have to comply with. This is mainly because interest in fair and sustainable trade in Spain is low, even lower when sports balls are concerned. In addition, a competitive price for sports balls is more important in Spain than the way the balls are produced. It is estimated that only about 10% of Spanish companies that import sports balls have a code of conduct.

> FAIRTRADE IN SPAIN

Fairtrade in Spain is lagging behind in comparison to other EU countries. Total sales of ethically produced products in Spain showed continued growth with a value of €7 million in 2000 to more than €17 million in 2007. In 2008 however, sales decreased by 2.9% representing a value of €16.8 million. This decrease was caused by the global recession, which hit the Spanish economy very hard. The average spending on ethically produced products in Spain was only €0.35 per person in 2008. This is far below the European average (€1.50 per person per year). More than half of the Spanish that buy ethically produced products came from the provinces of Catalunya (29.7%) and Madrid (21.8%).

Sales of ethically produced products in Spain can be divided into three product categories: food (55.9% of total sales), handicrafts (36.4% of total sales) and other (7.8% of total sales). Coffee and cacao were in 2008 the largest product groups within food. Accessories and decoration were the largest product groups within handicrafts. In 2008, the most important supplying continent of ethically produced products to Spain was Latin America; 37.2% of the products came from this continent. Other important supplying continents were Africa (27.9%), Asia (25.6%), Europe (7%) and the Middle East (2.3%).

> SPANISH MARKET FOR FAIRTRADE/FSC SPORTS BALLS

The market for fairtrade sports balls in Spain is one of the smallest in the EU. About 99% of the fairtrade sports balls that are available on the Spanish market are footballs. Both in 2008 and in 2009, approximately 2,000 fairtrade footballs were sold. There is only one company in Spain that imports Fairtrade certified footballs. This company is Eroski, a Spanish hypermarket. The brand name of the fairtrade footballs is Romester and the balls are produced in Pakistan.

Besides the fairtrade sports balls that are supplied by Eroski, world shops in Spain also offer sports balls which are produced in a fair and sustainable way, but that do not have the Fairtrade certified logo. However, sales of this kind of sports balls by Spanish world shops are very low, approximately 100 per year. According to experts, the Spanish market for fairtrade/sustainable sports balls is not expected to grow in the years to come as interest in fairtrade/sustainable products is not as high as in other EU countries. Besides, a competitive price is extremely important in Spain and fairtrade sports balls cannot compete with prices and quality of normal sports balls. So far, there has not been developed any market for FSC sports balls in Spain.

IMPORTS

In 2009, Spain was a medium-sized importer of sports balls, ranking sixth in the EU, behind Belgium and Italy, but ahead of the Netherlands and Denmark. Between 2005 and 2009, total import value annually decreased by an average 3.4% to €23 million in 2009. In the same period, imports from DCs annually decreased by 2.8% in value. Compared to 2005, the total share of DCs in import value increased slightly to 47% in 2009.

In 2009, leading suppliers to Spain were Belgium, China, France and Pakistan. Vietnam recorded highest growth in the period mentioned (+45% per year), followed by Belgium (+43%; due to relocation of transit trade from the Netherlands to Belgium), Italy (+17%), Germany (+15%), France (+7.8%), China (+5.4%) and Thailand (+5.2%). Imports from Pakistan declined (-15%), as did imports from the Netherlands (-58%). Refer to Table 1 for more information.

Table 1 Imports by and leading suppliers of sports balls to Spain, 2005-2009, share in % of value in 2009

Supplier group	2005 € mln	2007 € mln	2009 € mln	Leading suppliers in 2009	Share
Total	27	32	23		
Intra-EU	14	16	12	Belgium (25), France (16), Italy (6.3), Germany (2.5), The Netherlands (1.2)	52
Extra-EU excl. DCs*	0	0	0	Taiwan (0.2), Hong Kong (0.2), USA (0.1)	0.6
DCs	12	16	11	China (23), Pakistan (15), Thailand (5.2), Vietnam (3.4), India (0.9), Colombia (0.3)	47

Source: Eurostat (2010)

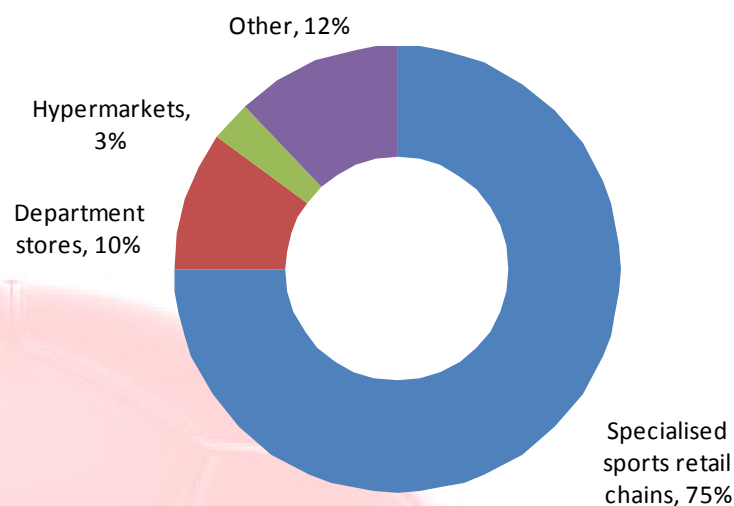
*DCs=Developing Countries

DISTRIBUTION CHANNELS IN SPAIN

The most important distribution channels for sports balls in the EU are multinationals (like adidas and Nike, but also regional brands), sporting goods importers and wholesalers and sports retail chains. Some non-specialised retail chains, such as supermarkets, hypermarkets and department stores also have sports balls in their assortment. In the case of fairtrade/FSC/sustainable sports balls, specialised fairtrade importers are also an important distribution channel.

Demand for sports balls in Spain comes from professional sports clubs, amateur sports clubs, schools and private persons. Figure 1 gives an estimation of market shares of retail trade channels for sports articles in Spain in 2008.

Figure 1 Market shares of retail trade channels for sports articles, 2008, in %



Source: Sport Panel

> SPORTS RETAIL CHAINS

With a market share of approximately 75% of the total Spanish sporting goods retail market, specialised sports retail chains are definitely the most important retail trade channel for sports articles in Spain. Spanish sports retail chains generally sell well-known sports ball brands like adidas and Nike and often import directly from these large sports brands. Sports retail chains in Spain generally sell to sports clubs, schools and private persons who purchase sports articles in the retail stores themselves or through their web shops. The most important sports retail chains in Spain are:

- > **Base** - <http://www.detallsport.es> - large Spanish buying group of sporting goods with more than 300 establishments in Spain. Only has footballs of adidas in its assortment.
- > **Decathlon** - <http://www.decathlon.es> - international sports retail chain with about 75 establishments in Spain. Decathlon is rapidly gaining market share in Spain. Sells sports balls of well-known brands but also of its own private label Kipsta. However, these sports balls are not Fairtrade certified. Decathlon has two codes of conduct: the code of conduct of the French sporting goods association and an international code of conduct.

> **Intersport** - <http://www.intersport.es> - international sports retail chain with more than 300 establishments in Spain. Intersport is the leading sports retail chain in Spain. It does not have fairtrade sports balls in its standard assortment. However, it does have an own code of conduct.

> **SPORTING GOODS IMPORTERS/WHOLESALERS**

Most Spanish importers/wholesalers sell to specialised sports retail chains, independent sports shops and sports clubs. Some wholesalers are specialised in supplying sports equipment to schools. Schools generally buy their sporting equipment through these specialised wholesalers or in sports retail chains, depending on where they can obtain a better price. Some sports club have a small sporting goods shop within their club facility which is owned by a distributor or wholesaler. The most important importers/wholesalers in Spain are:

> **Amaya Sport** - <http://www.amayasport.com> - importer and producer of sporting equipment, especially equipment for schools and educational centres. Imports different types of leather sports balls from Pakistan and markets them under its own private label Amaya. Does not have a code of conduct, but has long term relationships with its suppliers which are based on trust.

> **ImSPORT** - <http://www.imsport.es> - Spanish importer of sporting goods, including foot, basket, hand, volley and rugby balls. Sells all its products under its own private label ImSPORT. Mainly sells to sports retail chains and to companies that are specialised in supplying to schools, campings and hotels. Is one of the few Spanish importers that has a code of conduct against child labour.

> **Merca Total** - <http://www.totalsport.es> - Spanish wholesaler in sporting goods, only sells sports balls of adidas and Nike.

> **Redipro** - <http://www.redipro.es> - Spanish importer and wholesaler in sporting goods. Supplies skating equipment, rackets and material for team sports, including foot, volley and basketballs of its own label Krafwin.

> **Van Allen Sports** - <http://www.vanallensports.com> - importer and wholesaler in sporting goods, including foot, volley, basket and rugby balls. Sells the balls under its own label van Allen. Does not have a code of conduct.

> **OTHERS**

Other distribution channels for (fairtrade) sports balls in Spain are specialised fairtrade importers and non-specialised retail chains such as department stores and supermarkets. The most important ones are:

> **Carrefour** - <http://www.hypercarrefour.es> - international chain of hyper and supermarkets. Carrefour sells fairtrade products, but does not have fairtrade sports balls in its fixed assortment. However, during the Worldcup Football 2006, Carrefour Spain promoted fairtrade sports balls from Talon in Pakistan and took the balls in its assortment as a temporary product.

> **El Corte Ingles** - <http://www.elcorteingles.es> - Spanish chain of department stores that also has a large assortment of sporting goods, including sports balls of adidas and Nike.

> **Eroski** - <http://www.eroski.es> - a Spanish chain of hypermarkets. Eroski also imports fairtrade products, including fairtrade footballs which it markets under its own private label Romester.

- > **IDEAS** - <http://www.ideas.coop> - Spanish importer of fairtrade products. Sells sports balls that are produced in a fair way, but that do not have the official Fairtrade logo.
- > **Intermón Oxfam** - <http://www.intermonoxfam.org> - Spanish organisation that fights against poverty and injustice. Also has 46 shops in Spain where fairtrade products are sold. Some of these shops sell sports balls that are produced in a fair way, but that do not have the official Fairtrade logo. Intermón Oxfam is a member of Oxfam International.

> HOW TO DO BUSINESS IN SPAIN

If you want to do business with Spanish companies, bear in mind that the Spanish prefer to have personal contact and meet face-to-face. The Spanish working hours differ from other EU countries. Most Spanish companies and organisations have 'siesta' and close between 14.00 and 16.00. For more information about how to do business in Spain, please refer to <http://www.kwintessential.co.uk/etiquette/doing-business-spain.html>.

> USEFUL SOURCES

- > **Ciudad por el Comercio Justo** - <http://www.ciudadjusta.org> - information about Spanish municipalities, universities and schools that are involved in fairtrade initiatives. There is currently only one city in Spain that has the official 'Fairtrade town' label, which is Cordoba.
- > **Coordinadora Estatal de Comercio Justo (CECJ)** - <http://www.comerciojusto.org> - coordinator of Spanish fairtrade organisations. Information about fairtrade products, fairtrade importers, fairtrade figures and fairtrade research.
- > **Fairtrade Spain** - <http://www.sellocomerciojusto.org> - information about fairtrade products and fairtrade research.
- > **Setem** - <http://www.setem.org> - federation of Spanish NGOs, active in the field of international solidarity. Publishes information about fairtrade in Spain.
- > **The Spanish Football Federation** - <http://www.rfef.es>.
- > **Spanish Sports Industry Association (AFYDAD)** - <http://www.afydad.com> - provides links to different Spanish sporting goods suppliers.

