

EMBRACING ALL



Turkey Scholarships for graduate and research programs are receiving applications from all countries

GRADUATE AND RESEARCH PROGRAMS

ALI KÜŞÇÜ SCIENCE AND TECHNOLOGY SCHOLARSHIP

Scholarships for successful students who wish to engage in graduate or research study in Turkey in the fields of science and technology.

İBİNİ HALBUN SOCIAL SCIENCES SCHOLARSHIP

Scholarships for successful students who wish to engage in graduate study in Turkey in the field of social sciences. Open to students from all countries.

ECONOMICS STUDIES SCHOLARSHIP

Scholarships for successful students who wish to engage in graduate study in Turkey in the field of economics. Open to students from all countries.

HISTORY AND CIVILIZATION SCHOLARSHIP

Scholarships for successful, idealistic students who wish to engage in graduate study in Turkey in the field of history. Open to students from all countries.

tage of this situation, it was restructured so as to be dynamic, competitive, and able to satisfy what is needed of it. Scholarships for students coming to Turkey from abroad first started in 1992 for students from the Turkic republics in Central Asia, and since then it expanded its scope as it continued up until this day. YTB President Kemal Yurtnaç told state media that they as YTB have inspected the scholarship systems of 70 countries since the body was established in 2010, received opinions from 116 universities, and restructured scholarships in light of their findings.

Under the direction of Yurtnaç, YTB spends \$10 million each year on 11,000 students from 138 countries. The number of students expected to come to Turkey in the 2012–2013 academic year is 3,750. “In terms of both educational opportunities and scholarship possibilities, we need to make Turkey a center of education not just in its region, but in the world,” said Yurtnaç, indicating that scholarships awarded will be brought to the level where they can satisfy all of a student’s needs.

Together with Turkey Scholarships, YTB is establishing offices in several countries, where it will offer guidance and information to foreign students about Turkey and the educational opportunities available. “We are opening these offices in the name of guiding them in the matters of history and culture in Turkey and offering them guidance for careers. We will bring new projects with them, too. These offices will be a bridge between the students’ countries and Turkey, says Yurtnaç,

FOOTWEAR

QUICK STEPS

With its approximately \$500 million worth of exports, Turkey is taking an ever-larger share of the footwear industry pie each passing day

BY DERVA ENGIN KUTLU

SHOEMAKING IS A CRAFT as old as humanity itself. While one pair of shoes is sometimes enough to get by with, sometimes one expects shoes to appeal to the taste of the person who wears them with their designs. Expectations vary by time, place, and climate, of course, but shoes have been produced and sold for centuries.

In the footwear industry, which many countries recognize as a large market, there are some countries that have been involved in the business for so long that their names are the first to come to mind



on mention of shoe-making.

Next to countries like Italy and Spain, which stand out for their quality and design, there is also China, Vietnam, and India, which are known for their low cost. Stepping up toward the arena with a confident stride today is a new name—Turkey, which serves as a bridge between Europe and Asia and whose allure is increasing day by day. With the development of its economy and increasing production values, the footwear industry in Turkey has achieved commercial success domestically, and it is benefiting from these im-

provements as a whole internationally, too. According to a study done by the General Directorate of Exports, part of the Ministry of Economy, Turkey’s shoe exports in 1994 totaled \$28.1 million in value. In 2011, this figure rose to \$441.3 million, and Turkey is taking an ever-larger share of the pie each passing day. Among the countries that accounted for the highest proportion of Turkey’s shoe exports in 2011 were Russia, Iraq, Saudi Arabia, Germany, and Bulgaria. The value of Turkey’s exports to just these five countries in 2011 totaled more than \$218.2 million.

According to statistics from the Footwear Industrialists’ Association of Turkey (TASD), exports to Russia—Turkey’s largest market for shoes—totaled \$73.5 million in 2011. Iraq, which became the second-largest market, increased by 32.2% to \$58.4 million, and Saudi Arabia by 14% to \$28.8 million. These aren’t the only countries to which Turkey sells shoes—powerful European countries like the UK, France, Italy, and the Netherlands, too, are quite happy with the quality produced in Turkey. Exports to Germany in 2011 increased by 17.1% to \$19



million dollars, and per-unit export prices in shoes for Germany increased significantly in 2011 as well. To the UK, exports increased 3.5% valuewise to \$12.4 million and 6.9% by quantity to 856,600 pairs of shoes. A regional power in the footwear industry, Turkey secured increases in its exports to markets with high buying power like the US and Japan, too. According to data from TASD, roughly half the producers in the Turkish footwear industry, whose manufacturing capacity is increasing day by day, operate out of Istanbul. Total capacity is as high as 500 million pairs annually.

Turkey has stepped out of its own region to compete in such challenging markets as those mentioned above. On this point, Ender Yazıcıoğlu, President of the Footwear Suppliers’ Industry Association (AYSAD), said in an announcement, “Turkey has started exporting shoes even to important industry players like Italy and Spain. Turkey ranks within the top ten countries in shoe production.” The Footwear Industrialists’ Association of Turkey’s announcement, “European countries, which contain the world’s largest consumption societies, are ex-



tremely important markets for the Turkish footwear industry as well,” further shows how much the bar has been raised. President Yazıcıoğlu indicates that 500 million pairs of shoes are produced in Turkey every year, an activity that provides employment to more than 200,000 people and creates an annual value-add of more than \$4 million. He adds, “Turkey exports 70 million pairs of shoes annually. Its imports, on the other hand, increased 30% in the first six months of 2011.” Broken down into product groups, the footwear industry’s exports consist of roughly 50% leather shoes by value; in 2011, this was equivalent to \$200 million of leather shoe exports. The second significant group of products is made up of shoes with rubber or plastic treads and faces, with an exports value of \$100.9 million in 2011.

“MADE IN TURKEY” HAS BRAND EQUITY

The strategies Turkey has pursued abroad play a large role in the growth of the Turkish footwear industry, which is taking a larger slice of the pie each passing day. The country is striding confidently toward its 2023 centennial goals of entering the ranks of the world’s ten largest economies and generating globally recognized Turkish brands. Mehmet Zilyan, the president of Zilyan Group, which possesses several global shoe brands, interprets global success as follows: “Years ago, Turkish brands used to produce only to satisfy the demand of the internal market. Today, they export to many of the world’s countries. As for the factors underlying this increase, producers are now aware that the borders have been lifted

SELLING SHOES TO ITALY

Turkey ranks within the top ten countries in shoe production and competing with the most important global actors of the industry



in world trade to make a single global market. We are now able to produce shoes of better quality than many of the world’s shoe producers. Because of this, Turkish shoe manufacturers and Turkish brands have started to rank high in the world market.”

In recent years, the experienced shoemakers of the world have closed their facilities and shifted manufacturing to Third World countries. This influenced shoe production values in Turkey, indicates Lemi Tolunay, President of the Istanbul Leather and Leather Goods Exporters’ Association. “The Turkish footwear industry benefited



from this axial shift, too. An accumulation of information, know-how, and technology transfer therefore took place. Our industrialists put this opportunity to use and raised their quality, and they developed products in the upper segments of the markets,” he says, adding, “Standing out from among other countries in the world who practice mass production, Turkish shoe brands

European buyers have started looking for the “Made in Turkey” label on the shoes they purchase





achieved differentiation with products that comply to international norms and target quality, bringing them to the position where they are today." Another of the factors behind this rise is the importance given to innovation on footwear. The 47th Aymod International Footwear Fair held in April brought innovative shoes before an audience of consumers and other producers. In addition to shoes designed with countries where winters are long and cold in mind, and shoes that alleviate aches and arthritis, a heated shoe with a battery chargeable roughly 600 times was also on display at this fair. The heated shoe, which will become a very valuable product in military and security use when it is commercialized, was among the most popular products at the show.

All of this shows that the period in which Turkish brands in the footwear industry focused solely on the domestic market is coming to an end to be replaced by one in which they ask, "What kind of innovations can we bring to footwear?" One should also take care to recognize the influence that fairs held in Turkey and abroad have had on the Turkish footwear industry's confident stride. Turkish brands gain the chance to promote their wares in foreign markets and meet

with buyers from Europe, the Balkans, the Middle East, North Africa, and Russia in such global fairs as GSD Shoe Fair Düsseldorf, Mican Shoevent Milan, Motexha Spring Fair Dubai, Lineapella Italy, and Mosshoes Moscow, as well as at fairs organized by AYSAF, the largest trade platform of the footwear supply industry, which has reached a market size of \$4 billion.



MEHMET ZIYILAN

Chairman, Ziyilan Group

"Experience gained over years and the perception of quality in the product obtained are very important for a product to become a brand. Brands that keep up with the market, with fashion, and with technological developments will guide the market and the fashion so long as they analyze these well. FLO and Polaris brands will start appearing in stores in Italy and the rest of the world. This investment in Italy, a market that guides world footwear fashion, will bring Ziyilan Group to the forefront in the international arena. Additionally, when Ziyilan Group selected its markets, it chose according to the quality and needs of the countries, and it exports to many countries in continents like Europe, Asia, and Africa. Present with its brands in 48 countries, Ziyilan aims to export to 60 to 70 countries in the near future. The Group exports to 29 countries; namely Germany, France, Belgium, the Netherlands, the Czech Republic, Slovakia, Greece, Russia, Kazakhstan, Turkmenistan, Azerbaijan, Iran, Iraq, Egypt, Tunisia, Libya, Kenya, Lebanon, Kuwait, Estonia, Canada, the United States of America, Bahrain, Cyprus, Finland, Israel, Ukraine, Lithuania, and Saudi Arabia, and its exports to 29 countries in 2011 were worth \$11 million."

Turkey exports 70 million pairs of shoes annually, but its imports increased by 30% over the first six months of 2011



LEMİ TOLUNAY

President, Istanbul Leather and Leather Goods Exporters Association

"We must separate the markets of Turkish footwear brands into two. The first is EU and EU-candidate countries; the second is everything else. The main markets in EU countries in particular are Germany, Italy, Austria, and the Netherlands. Among EU-candidate countries, young economies like Slovenia, Croatia, Serbia, and Macedonia can be regarded as developing markets. Among other countries, our rising markets are our neighbors in Iran, Syria, Iraq, Azerbaijan, and the Persian Gulf countries of Saudi Arabia and Kuwait, and Libya. Our shoe exports of \$200 million in 2006 rose to \$450 million in 2011. Underlying this success is the fact that Turkish brands are in the highest segment of world standards in terms of materials quality, labor, know-how, technology, and supplies. And when you have all of that, the product is excellent as well. This conception and approach continues to gain acceptance for Turkish brands in the world market as their vision. Turkish footwear brands are continuing this strategy and are taking an ever-larger slice out of the world footwear market, which in 2011 was worth around \$112 billion."



MEHMET AKBACAĞOĞLU

Ayakkabı Dünyası

"Companies in the industry that have renewed their machinery, attained standard manufacturing, solved their corporate identity, and which follow world fairs, fashions, and trends have come a considerable distance in becoming a brand in our country. Many of them started opening their own branded stores in the retail industry. The transition to the euro with the European Union caused prices to double for labor and materials in Italy and Spain, which are leaders in shoemaking. Countries like Germany, or the UK, or France, meanwhile, gave up this labor-intensive industry and shifted production of their own brands to countries like China, Vietnam, and India. Turkey, on the other hand, uses a large part of its production capacity, and we have a significant set of machinery. That we possess an inexpensive and young labor force in comparison to Europe is of great importance. We are a country that responds even to orders in low amounts; we have fleets of semitrailers that can go anywhere in Europe within a few days. And there is significant support in retailing abroad. Additionally, the significant support that the supplies industry has started to give to exports, where it has renewed itself, is influencing export value as well."

