



NATIONAL AGENCY
OF INVESTMENT
AND PRIVATIZATION
REPUBLIC OF BELARUS

Investment offer

Technical re-equipment of the section for
stitch molding fastening footwear
production



Investment offer

General information

Company's characteristics	Market characteristics of the planned production
<p><i>Company's name:</i> "Grodno footwear factory "NEMAN" OJSC</p> <p><i>Ownership:</i> state - 57.59%</p> <p><i>Registration date:</i> 15.05.2001</p> <p><i>Address:</i> Grodno, 95, Sovetskikh Pogranichnikov str.</p>	<p><i>Product:</i> home footwear for women, men; walking shoes for women, men, children; special shoes; ankle boots, boots from PVC for women, children; men's and women's shoes</p> <p><i>Market capacity:</i> \$75 mln.</p> <p><i>Annual output of the sector:</i> \$3.3 mln.</p> <p><i>Return on sales:</i> 16.5%</p> <p><i>Concentration degree:</i> 62%</p> <p><i>Main consumers:</i> residents of Belarus, domestic traders, the CIS countries and far abroad countries (Lithuania, Latvia, Estonia, Mongolia)</p> <p><i>Main competitions:</i> footwear companies "Marko" JV LLC, "Belwest" JV LLC, "Otiko" JV CJSC</p> <p><i>Average nominal monthly wages at similar enterprises:</i> \$487.9 (2014)</p>

The project

- **Description:** the purchase of 13 pieces of processing equipment, including 1 rotary machine for direct two-layer soles tide mod, for arrangement of section for stitch molding fastening men's, women's and children's footwear production is required. It will introduce new advanced technology in the footwear production, improve significantly products' quality and design, enhance the products' competitiveness in both domestic and foreign markets, and lead to high added value.
- **Project branch:** light industry
- **Project location:** availability of a production facility: Grodno, 95, Sovetskikh Pogranichnikov str. (15 037 m²)



Investment offer

- **Financing requirement for investor:** €1.1 mln.
- **Total investment:** €1.1 mln.
- **Type of investor participation:** joint venture with the local partner

Preliminary indicators of project efficiency

- Sales revenue, excl. VAT (after reaching the estimated capacity): **\$7.6 mln.**
- Pay-back period: **3 years**
- Feasibility study is available

Competitive advantages of the project

Infrastructure available

- Railway lines and roads: Belarusian Railway (20 km), republican motor roads (15 km), other roads with improved surface (10 km)
- Communications: electricity (2 km, 10 kV), water supply
- Land plot availability (4.28 ha)
- Constructions for footwear production, space for personnel and equipment, warehouse stock (15 680 m²)
- Warehouses for the storage of products, materials, components (5 209.1 m²)
- Possibility of output expansion and installation of additional production capacities
- Three communities, a market place, an aid point

Strategic advantages

- Strong brand
- Profiled staff
- Distribution network
- Availability of valid patents, licenses, permits

Contact details



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