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## The Confederation of Irish Industry

Speech by Mr Liam Connellan, Director General, Confederation of Irish Industry, at 40th Anniversary Celebration of Dubarry Shoes, organised by Ballinasloe Chamber of Commerce, on 31 May 1977

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I am very pleased to be here this evening to celebrate the 40th Anniversary of Dubarry Shoes. It is a remarkable example of a Company which adapted and survived, despite extremely difficult trading conditions.

The Company was started in March 1937 by the Ballinasloe Development Association, with the assistance of the Department of Industry & Commerce. It was, therefore, one of the early crop of indigenous Irish firms in our young State. Over the years, the Company evolved through many different phases under the guidance of its first Chairman, Mr J.L. Cullen and its Managing Director, Mr F.J. Scott, who was Managing Director for 39 of those 40 years.

From 1954 until 1971, the Company had a supply and sales agreement with the Norvic Shoe Company for sales on the Irish market. During the early part of this period, it produced the wide range of products made possible by the protective tariffs, which were enjoyed by all industry. In the early sixties, in preparation for free trade, it began to rationalise its product range and, during this period also, had some success in exporting to the United States and to Canada.

A major turning point in the history of the Company occurred when Dubarry acquired the Norvic operation in Ireland and moved the warehouse activities to Ballinasloe. Since that time, the Dubarry brand has been developed and is now a major brand on the Irish market.

Further rationalisation was necessary in order to remain competitive. It was decided to specialise in the production of moccasins. A full-time export sales executive was recruited in 1972. This programme of product rationalisation was finally completed in the spring of 1977 and the factory now manufactures moccasins only, for the Irish and export markets. It reached the happy position in which demand was in excess of the Company's capacity to supply and this led to the purchase of a subsidiary factory in Westport, the Old Reliable Shoe Company, which will also manufacture moccasins.

I understand that the acquisition of this new factory will allow further specialisation, so that ladies' moccasins will be manufactured in Ballinasloe and men's moccasins in Westport. This will allow the Company to manufacture to a price which can compete, not only with other countries within the EEC, but also with competitors from the Far East.

The Company now employs 197 full-time staff and 200 part-time handstitchers in Ballinasloe. I understand that it intends to employ 50 to 60 full-time staff in Westport and about 60 handstitchers.

The Company now exports about 40% of its production to countries all over Europe, such as Britain, Norway, Sweden, Denmark, West Germany, Holland, Belgium, Switzerland, Austria and Iceland. It also has made arrangements to develop its sales to the United States.

The performance of the Company is quite remarkable compared with the performance of the footwear industry as a whole. Between 1966 and 1975, the output and employment in the footwear industry fell by 50%. This occurred as a result of declining tariff barriers and, of course, the international recession of 1975, from which we are just emerging. The completion of the Anglo Irish Free Trade Area Agreement, unfortunately, coincided with the worst recession since the war. However, there is evidence that the footwear industry has begun to fight back. For example, the volume of output of the industry grew by 18% between the third quarter of 1975 and the third quarter of 1976. Exports of footwear products in the first four months of this year, expanded by 40%. Imports, too, continued to grow but at the slower rate of 32%. There is, therefore, clear evidence that the worst is over for the footwear industry. It is now much smaller but, also, much more efficient. The remaining companies which have survived, like Dubarry, are poised for expansion. Dubarry now represents about 7% of the output and employment of the Irish footwear industry. It has completed 40 years of development and has emerged from a very difficult international trading period in an expansionist mood. It has reason to be proud of its own performance.

On behalf of Irish Industry, I would like to say that industry is proud of Dubarry Shoes.

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