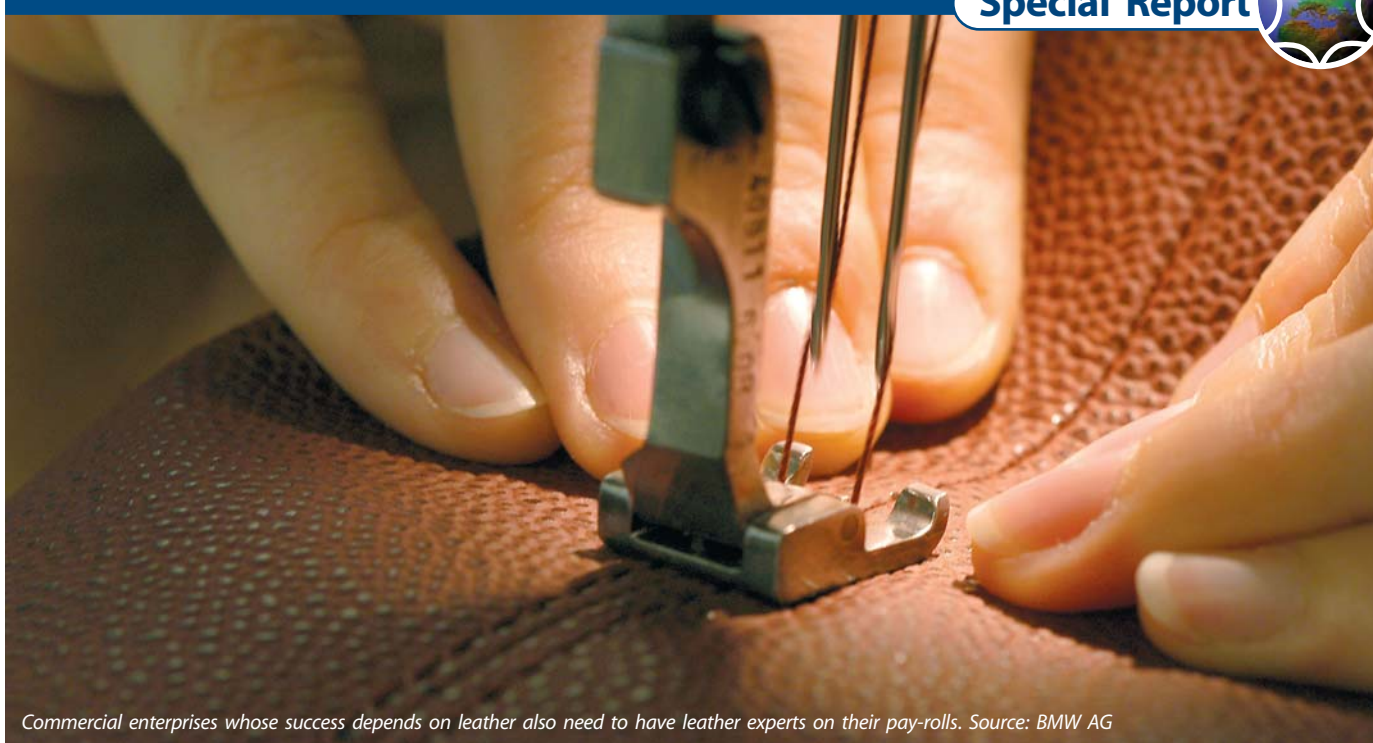




Commercial enterprises whose success depends on leather also need to have leather experts on their pay-rolls. Source: BMW AG

## Why the leather industry needs to attract and keep high-quality people

The first International Leather Forum, an initiative that came from the outgoing president of the International Union of Leather Technicians and Chemists (IULTCS), Marc Folachier, took place in Paris in September.

Mr. Folachier, who will retire from Lyon-based leather and footwear testing institute CTC at the end of December, announced the one-day conference at the start of this year, saying that he wanted to bring together professionals from all parts of the leather supply chain, and all parts of the world, and invite them to help the industry move forward in four key areas.

His impression was that the commercial, scientific and technical people in the leather industry desperately needed an opportunity to talk through together the main issues facing the leather sector today. "We are ignoring each other," he said.

He identified the four most important subjects for discussion as training, research, marketing and communications, and an impressive group of senior representatives of the tanning, leather chemicals, specialist academic and hide-trading sectors gathered in the French capital to discuss them in depth.

### Knowledge transfer

The day centred on four roundtable



*Next IULTCS president, Elton Hurlow, marketing manager for leather at Buckman Laboratories. He believes the leather industry will find itself unable to compete without improvement in its human resources management.*

debates, with a range of experts taking the stage each time, but also with plenty of questions and comments from the audience.

The panel for the first roundtable consisted of Dr. Heinz-Peter Germann, director of the Lederinstitut Gerberschule Reutlingen research institute in Germany, O.K. Kaul, the president of Tata International, and Reg Hankey, chief executive of the Pittards group of tanneries. Professor Geoff Attenburrow of the University of Northampton was their chairman.

Introducing them, the next president of IULTCS, Elton Hurlow, the marketing

manager for leather at Buckman Laboratories, said that the entire sector would find itself unable to compete (against synthetic materials in the upholstery space, for example, or textiles in footwear) without improvement in its human resources management.

"To make quality leather, and new types of leather, it will take professional people," he said. "Tomorrow's professionals will need a background in leather technology, but also in the chemistry, the physics and the maths that underpin it. And, because it's a global industry, they will also need language skills. So how do we attract the right talent to what is a mature industry?"

This was the question he hoped this first roundtable would examine.

### In-house experts

Professor Attenburrow said that he believed strongly that the commercial enterprises whose success depends on leather—footwear brands, the high-end fashion players, furniture companies and, to a lesser extent perhaps, automotive manufacturers—also need to have leather experts on their own pay-rolls.

He pointed out that the training organisations that could provide a new generation of leather professionals are already in place in the select group of universities that still offer courses in ➤



## WHY THE LEATHER INDUSTRY NEEDS TO ATTRACT AND KEEP HIGH-QUALITY PEOPLE

leather. Courses could last as little as six months, or as much as four years, he added, with qualifications going from certificates to higher-level degrees.

The professor reminded the group that IULTCS set up a commission on professional training last year, beginning with a questionnaire on the industry's training needs.

In all, 75 replies came back from ten different countries. The results suggested that more training on clean technologies and environmental science is a high priority, with leather finishing, tannery experience, beamhouse and wet-end techniques, and the area of fashion, design and forecasting following.

The study also found that companies in the leather sector also want students to learn about people management, marketing, shoe and leathergoods manufacture and language development.

Geoff Attenburrow acknowledged that producing people with all these areas of knowledge was a tall order, and he suggested that the best hope of achieving it, or coming close to doing so, would be to make sure the leather schools around the world were turning out graduates that are capable of problem-solving, of holding a global view and of appreciating fashion trends.

### Skills balance

Leather production, though, as Dr. Heinz-Peter Germann pointed out when he took the microphone, is strongly skills-dependent, more so than other industrial sectors, in his opinion.

He and his colleagues at the not-for-profit institute in Reutlingen, have done some work to try to find the best balance—between theory and practice—for passing on those skills to young people.

He suggested that the average person is capable of keeping in mind 10% of what we read, 20% of what we hear, 30% of what we see, 50% of what we see and hear at the same time, 70% of what we ourselves say and, at the top of the list, 90% of what we do.

However, the Reutlingen research concluded that the best training mix for new leather professionals is two-thirds theory and one third practice. Dr. Germann pointed out that a course that was based in the field for one third of the time was unusual, and added that the theory side of the course also included a high level of “practical instruction”.

### Student life

The president of India-based trading



*Students on leather courses at European universities are more likely to spend their working lives in Asia, according to Opendar Kumar (O.K.) Kaul, president of Tata International.*



*The chief executive of Pittards, Reg Hankey, urges players across the leather value chain to stop being secretive and help one another.*

company Tata International, O.K. Kaul, believes there are two types of student attending leather courses at the moment. The first group is made up of the children of tannery owners, those who are likely to inherit a family operation, very often coming from Asia these days.

But the second group are people who enter the leather course “by accident”; they don't know why they're there. Many of these young people move to a different course before their final year. Leather has always been one of Tata's specialisms. The company has moved from being a manufacturer of leather and leathergoods to being now what it calls “a leading supply chain integrator of leather and leather products with sourcing bases around the world”.

Mr. Kaul points out, however, that leather is hard work, and with margins as tight as they are at the moment, many students seem to decide, even after spending years learning about it, that leather is not for them. And, for the ones that do stick with it, the demands are high.

“The world is moving very fast, and so is trade,” he observed. “It took me 15 years to be able to manage the business. Today, time is the biggest constraint and I'm

looking for graduates who can take over the management of part of the business in about three years.”

He took the opportunity to point out that, regardless of where they come from originally, most of the students attending leather courses in European universities now are unlikely to spend too much of their professional life working in the European leather sector. That means they need to learn about the cultures of China, India, Bangladesh and so on, places where they almost certainly will work.

And even this emphasis on Asia is likely to change. Mr. Kaul said he believed that, just as footwear manufacturing moved from the US to Taiwan, and from there to China and now, gradually, to India, it is an area of manufacturing that could well move from India to the African continent “in a couple of years' time”.

### No magic formula for leather

For his fellow panelist, the chief executive of Pittards, Reg Hankey, this is an indication of how genuinely global the leather industry is. Nevertheless, he argued that, as far as leather production is concerned, the “magic formula” of moving an economic activity around the world to maintain its prosperity has not worked.

“Whoever I talk to, nobody is doing very well in this business at the moment,” he said. “I think that part of the problem is that we are too compartmentalised. We train people as one thing—an engineer, a manager or whatever—and we are not good at breaking the barriers down.”

He said there must be more collaboration among the various players along the leather value chain. This comes down to trust, he pointed out, which makes the tendency, among leather companies, to be so “secretive” a drawback.

“We are in an industry with low margins,” Mr. Hankey continued. “We are set up to fight each other, and we need to break that down and start collaborating where we can.”

He said he could think of “dozens of ways” in which this could become reality. The one example he gave was that, with an agreement now in place for trading hides and skins, the International Contract, everyone has a reference point for raw materials prices. Reg Hankey said that the industry needed the same thing for tanning.

The second part of our report from Paris on the International Leather Forum, covering the other three debates that took place on the day, will appear in the November issue of *World Leather*. 