



In this first issue of 2012, we introduce a new series of features called **Beast to Beauty**. Our aim is to celebrate the whole of the leather value chain, starting with raw material and ending with highly desirable consumer products, but reporting it from the point of view of one prestigious user of leather at a time, with brands representing footwear, leathersgoods, furniture, automotive and other sectors. This first article focuses on prestigious Chennai-based footwear brand Gaitonde.

Only the best will do

*G*aitonde is a name with great renown, not just in India, but in the international footwear industry. The story begins in the 1920s, when the Gaitonde family carved out an important niche for itself as an agent in India for tanners from the UK. The important port city of Kochi in the state of Kerala in the far south of India was the company's original base because it offered a good transport link to Europe; it brought hides and skins from the UK into the port and sold them on to tanners in India for processing or finishing. When the port of Chennai opened in the neighbouring state of Tamil Nadu, the Gaitonde business moved there.

A significant development came in 1968 when Raghu (universally known as R.Y.) Gaitonde took over the agency from his father. Soon afterwards, an industry contact from Europe offered footwear manufacturing machinery including stitching machines and he decided to take the business in a new direction, by using the raw material himself to make finished products. "By 1994 we had three tanneries and seven factories of our own," explains the current head of operations, Vivek Gaitonde, nephew of Raghu and grandson of the founder, "making uppers, finished footwear, leathersgoods, the entire gamut."

Own brand

This output was as an outsource manufacturing partner of European brands, including Christian Dior, Bally,

Clarks (and its K Shoes brand) and Gabor. But in 1994, Raghu Gaitonde thought that if his company was able to make shoes of a sufficiently high quality to sell for high prices in European shops, he might as well create his own brand to sell, at least in the Indian market. Sales in the first two years were "average" according to the current operations manager. "But then we realised that feet are different in India," he adds. "So we sent two members of our design team to Italy to train and come back to adapt our designs for Indian feet. We studied Indian feet and came up with

different fittings and different tooling."

He explains that many Indian men reach their mid-teens before acquiring their first "proper" pair of shoes and even then spend much of their time indoors in bare feet. As a result, they tend to have splayed toes. "People loved our fitting and have kept the same pair of our shoes for years, only coming in to have us re-sole them."

Gaitonde shoes are based on classic English styles, which is in keeping with the preference of its customers, the company believes. Vivek Gaitonde says: "Between 1996 and about 2001 we ruled the market.



The joke here was that the typical gift for a son-in-law at the time of his marriage was a pair of Gaitonde shoes." During this period, the company set up five exclusive showrooms, in Chennai, Bangalore, Hyderabad, Mumbai and Kochi; the retail footprint was concentrated in the south and west of India. "People in this part of India are more brand loyal and brand conscious," he explains. "People in the north can be very stylish, and there are excellent men's shoe stores in every major city in India, but they tend to buy a pair of shoes because they are stylish and expensive and without much loyalty to any brand." In addition to its own stores, it

worked with seven distributors to have Gaitonde shoes in other retail outlets.

Recovery time

In 2000, Raghu Gaitonde died suddenly and the business, understandably perhaps, took time to recover. Between 2003 and 2007 it pulled back from having its own retail presence. It was in 2007 that current company president, Sateesh Jadhav (Raghu's son-in-law), asked Vivek Gaitonde to come on board and help him revive the brand. From 2007 until 2010, Gaitonde had one store of its own and a presence in around 50 other retail outlets across India. "Selling through other stores

didn't make sense," Vivek Gaitonde says now, "because we were giving away a huge margin. We had hit a roadblock. There had been a slight change in the product mix and young guys didn't know us, while older guys wanted the classic Gaitonde, and soon we went down to one showroom."

Having absorbed this new set of lessons, the company has decided that its future lies in being one of the first footwear firms in India to offer made-to-order shoes. It is importing electronic scanning technology from Europe to allow it to take the most accurate measurements possible of a client's feet. Gaitonde will make a last

Gaitonde imports all its leather from high-end tanneries in Europe and knows its customers understand the difference in quality.



BEAST to Beauty

for each of its clients' feet, left and right, because as in other markets Indian consumers can easily have one foot five or even ten millimetres longer than the other. It will modify the patterns in its catalogue to each foot and make the shoes the customer wants, and make them fit exactly. There will be customisation in design, colours and shapes too.

This service will become available during the first half of this year and customers can expect to pay around \$125 per pair for "the first level" (a particular colour of a particular model) of customisation. Fully made-to-order shoes will start at around \$300, rising to about \$1,200 for the most special shoes in the range, with everything made to measure and cordovan leather, from horse hide, as the raw material.

In addition to the store the company has now in a smart district of Chennai, Gaitonde intends to open one new boutique this year and two next year. Hyderabad and Bangalore will be two of the venues, but a decision has still to be made on whether the third of the new stores will be another outlet in Chennai or a store in Mumbai. Contacts that Sateesh Jadhav has been building up in the global industry for the last 20 years allow Gaitonde to have access to the highest-quality raw materials: French calf leather finished in Italy, ostrich leather from South Africa, salmon leather from contacts in Germany and the high-end cordovan leather mentioned above from Italy or Spain. Sole leather comes from Argentina.

"We may carry some ready-made shoes

to use up leather we have invested in, but customised and bespoke shoes is really all there is going to be now," Vivek Gaitonde continues. "We don't have our own tanneries any more and we are going to concentrate on sourcing high-end leathers as finished, or perhaps crust." The idea behind buying some crust, to have it finished in tanneries in India, is linked to colour preferences in the local market. There are brogues in four shades of tan, for example, burnt tan, mid-tan, light tan and dark tan, with the difference easier to see when you have them all together than to describe. In contrast, the burgundy colour that seems so popular in the US is not part of the preferred pallet in India.

Any defence of leather that Indian tanners, footwear and leathergoods



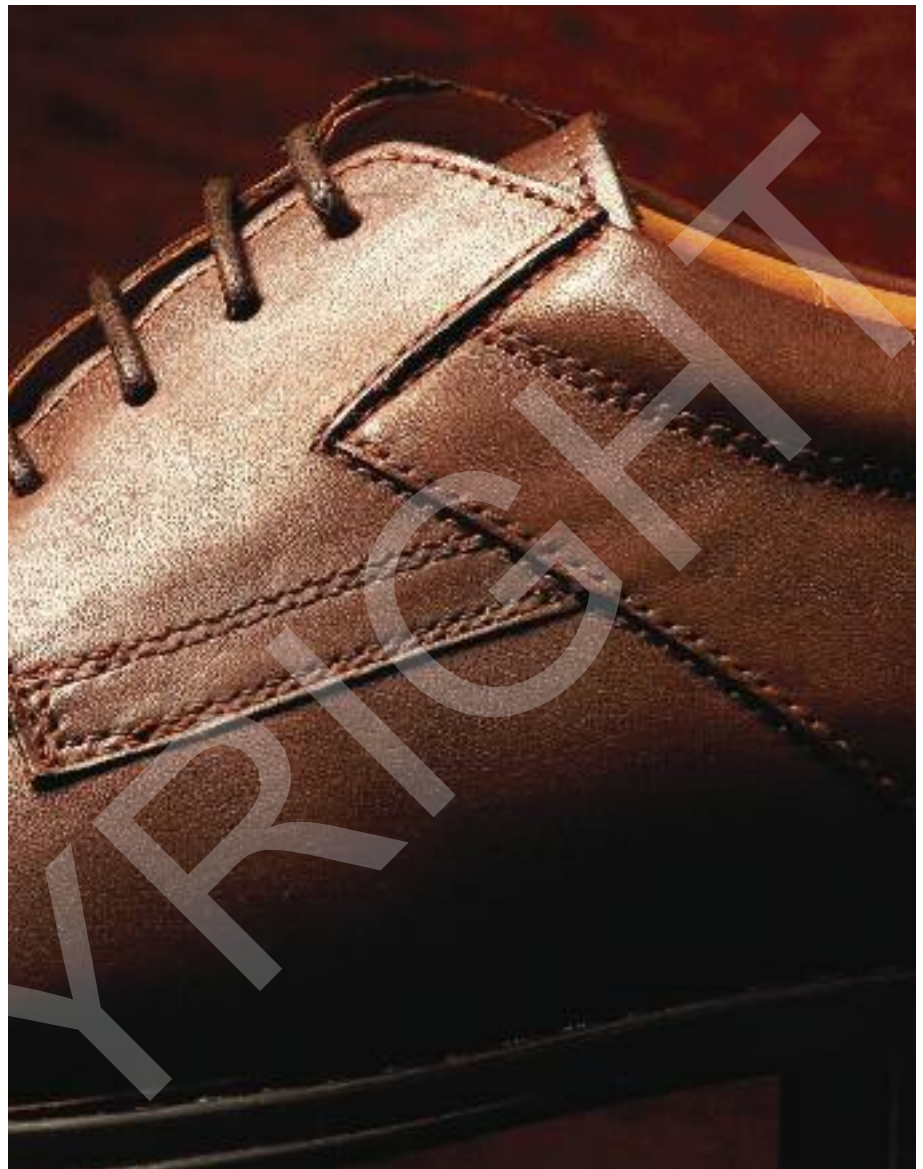
The company is entering a new phase in its history now and will concentrate on offering customised, handmade shoes for discerning clients in a small number of Indian cities.

brands have to present is sometimes linked to religious sentiments; 80% of the population is Hindu. According to Vivek Gaitonde, though, most of the scandals that the leather industry in India has been involved in recently have centred on environmental questions, particularly tanners' management of effluent. "The government here is very strict about this, but I think we are doing quite a good job," he says.

Crafted by hand

The new Gaitonde operation will be small, with a team of 15, including management and the company's own craftspeople and designers, working in its footwear factory in the Chromepet area near Chennai airport. The team consists of highly skilled people, Mr Gaitonde insists, people who may have learned the basics in other factories, but whom Gaitonde has educated on the finer details, encouraging them to make "perfect shoes" for clients. "They have that passion and philosophy in Italy," he adds, "to do, do and re-do each shoe until it's perfect. We have a long way to come, but on the sole of all of our shoes, it's going to say clearly that they are proudly hand-crafted in India."

Customers will, as before, be wealthy individuals in the cities in which the boutiques open, chief executives or vice-presidents of large, successful corporations, alongside celebrities and sports stars. There will be a range of styles to attract flamboyant as well as phlegmatic tastes, including eye-catching blue suede boots. "They are people who have achieved something and no longer want to wear shoes from a regular brand," Vivek Gaitonde explains. "They want their own personalised shoes now. I have a friend who, whenever he buys a suit, whatever suit he chooses, he wants red lining in the jacket. That's his personal touch. So if we design black shoes for him that look good with red laces, he can have them as a complement to his personalised look. Our customers understand everything about how their shoes should look and be finished. They don't want anything run-of-the-mill and they know that classy leather is the best material you can have for shoes."



Every shoe made has to go through three quality checks before being made available to the consumer.

PHOTOS: GAITONDE

He finds it easy to articulate the argument in favour of spending extra money on extra high-quality shoes and, in discussing this with his friends, uses a simple analogy. Young men making their way in the world usually buy beer from a store and drink it together in the home of one member of the group. Why don't they go to a five-star hotel and have a beer there in sumptuous surroundings? Well, because they feel they cannot afford to. Once they reach a point in their professional lives at which they can afford to gather in the five-star location instead, they will. At that point, the thought of buying beer in a store and drinking it in someone's living-room would seem

strange; people have moved on from there.

To bring this back to Gaitonde shoes (the equivalent of the five-star hotel's bar in his analogy), he invites discerning consumers to take account of the quality of the leather his company uses and is confident that Gaitonde products will come out well in comparison with other shoes available in the local market. "We're not in business to cheat anyone," he says. "There are three separate quality checks in the factory for every single shoe. We offer value for money because of the quality of our materials and because of the care and attention we apply." ☺