



Upholstery leather producers in the US have complained that producers of cheaper rival materials ought not to be allowed to use the word leather in their labelling and marketing.

CREDIT: LEOLUX

In defence of the good name of leather

Competition is healthy because it concentrates the mind, but why should the leather industry have to put up with companies promoting synthetic substitutes by misusing and abusing the good name that leather has spent thousands of years building up?

It may be a curse and it may be a blessing, but there can be no denying that we live in interesting times.

Observers of the global economy talk about this being no ordinary boom-bust-bounceback economic cycle. Nani Beccalli-Falco, chief executive of the international division of General Electric, said in a recent BBC interview that he thinks the very gentle recovery the world's biggest economies have begun to experience will remain gentle for much longer than previous recoveries. He commented: "Generally after a recession of this magnitude, because it was deep

and it was long, you would expect a rebound of 5%, 6%, 7% growth, which is what happened in previous recessions, like the one we had in the early 80s. The reason why we are not experiencing that this time is that we still have a high level of unemployment and when people feel there is this danger of unemployment they don't spend. The second big constraint on the economy and on the consumer is that the housing market still has big problems. Consequently, we are seeing this modest and mild recovery."

He went on to say that economic cycles in the past meant the US economy

coming up, Europe following six months later and the rest of the world following six months after that, and then the same on the way down on the other side of the curve. The state of the US economy does not matter as much as it used to, he insists. "Today, the primary engine of growth for the world is not the US any more, but in those countries that are very rich in natural resources, and in population—China, India, south-east Asia, Australia, the Middle East, Latin America and Canada. So we are going to have a two-speed world, with the high-speed world driven by these countries."



Raw material shortage

This probably ties in with much that we are seeing in the leather industry and its supply pipeline. The fastest developing economies have been the source of recent growth for luxury leathersgoods, shoes and high-end cars that have leather upholstery. Footwear retailers are expecting a strong season this coming winter and this is good news. However, as a recent Market Intelligence report in our *World Leather Business Week* electronic newsletter has made clear, tanners are becoming seriously concerned that there is not enough suitable raw material available to meet the demands of brands and consumers.

Cattle herd sizes are down in most of the big meat-producing countries and slaughter rates are low. Hides are in shorter supply and, therefore, more expensive. Try passing the extra expense on to stubborn leather buyers, though, and most tanners are having to take no for an answer. Some have been finding it difficult to keep going, in spite of strong order books. The banks, too, have played a part in this through their unwillingness to lend and their lack of understanding of the constraints leather producers have been facing in securing working capital.

Order books ought to be healthy. The situation in the footwear market has been extremely consistent and shoe consumption is rising globally. Even in markets with flat consumer conditions shoe sales have outperformed and

consumption has been higher than in 2008 and 2009. Industry observers are convinced that additional demand for leather in standard shoe production has been held back by raw material prices and that this has led to growth in the use of substitute materials. As a result there seem to be more shoes in current collections than ever before that are made from artificial materials. If they are not completely made of polyurethane or other synthetic materials, there is a combination and word from major tanneries suggests that design teams in big footwear brands are reducing the amount of leather in the mix for price reasons.

Substitute material in shoes

We in the leather industry recoil in horror at this, but we have to accept that there is not enough raw material around to make every shoe in the world out of leather. And even if there were no lack of material, the price many consumers can afford or are willing to pay is another barrier. The China Leather Industry Association reported at the end of September that big brands including Nike and adidas had begun to implement a policy of cashing in on their popularity in China by supplying special cheap shoes to retail outlets in smaller Chinese cities. They are extremely happy that their most expensive models are selling well in Beijing, Shanghai, Tianjin, Wuhan, Shenzhen and so on, but they

have seen a growth opportunity in smaller cities and want to capitalise on it.

It seems inevitable that a certain proportion of non-leather materials has to be part of footwear production today. However, the leather industry has raised objections in the past, and will do so again in the future if it has to, if consumers are misinformed about what they are buying. Let us be clear about what we mean by this. Footwear brands that use synthetic materials that vaguely look like leather are misleading the public if they don't make it clear that their shoes are made of synthetic substitutes. They are cashing in on the cachet that leather still enjoys, taking advantage of the leather industry's efforts and output, and giving nothing back.

Apart from price, the system in the European Union of symbols showing what a shoe's upper, lining and sole are made of, works quite well. The hide symbol showing leather is easy to understand and has won a high level of recognition among consumers, although some argue that more needs to happen to highlight the difference between shoes with leather uppers and those made from alternative materials. It is also entirely possible that many younger consumers care less about the material than we like to imagine. Big footwear brands spend huge proportions of their turnover on marketing for a reason: if your shoes are hip, they will sell, no matter how much synthetic material you have used.

Consumers who choose to pay extra for leather shoes for their children and themselves deserve to have their confidence in the material reinforced and rewarded.

CREDIT: GDS/CONSTANCE TILLMANN





Much of the growth accessories brands have begun to enjoy again is being driven by fast developing economies in China and other parts of Asia.

CREDIT: GDS/CONSTANCE TILLMANN

Automotive imitation

At least the footwear industry has a system. Producers of automotive leather are envious and have been lobbying the representative body of the leather industry in the European Union, COTANCE, to have a similar initiative

introduced for car interiors. *World Leather* understands that COTANCE has received the suggestion positively and will take it up, but it will go out for consultation among the automotive brands, some of whom may be resistant to the idea.

The chairman of the Scottish Leather Group, Jonathan Muirhead, insists this will not apply to those clients of his company that are at the very high end of luxury, such as Aston Martin, Morgan, Lotus and Rolls-Royce. They use leather throughout their interiors because they view it as an important value-add for the discerning and wealthy consumers they serve. For some companies in the mid-tier, leather interior often really means leather seat-facings, with the back of the seat being made from synthetic material. Some manufacturers refer clearly to seat-facings, but others use their marketing expertise to give the impression that the whole of car interior is leather when it isn't.

Mr Muirhead says: "The car industry generally promotes leather very well, and with good reason because it is a powerful value-add for them. Nevertheless, the leather content has declined and the proportions of vinyl that attempts to match the leather is going up. Vinyl is encroaching on leather. If a seat used to be 60% leather and 40% plastic, it's quite possible that it has swung the other way now."

He believes that if a code of practice does come in for automotive interiors, it will enhance the luxury value of leather. "We hope that automotive brands might buy more leather so that they can highlight the benefits of it," he says. "This will enhance the luxury value of leather. Companies try to make plastic to match leather, but of course you can't do that. So we end up having to make leather that is more uniform and less natural, almost as though we were making leather to match the plastic. If consumers have to ask if the material is leather or plastic, we should be embarrassed. It should be obvious. This is to the detriment of leather. Customers want natural leather, and as you can't imitate the natural look of leather with vinyl or any synthetic material, we hope automotive companies will accept that they should use more leather and that it should be more natural looking, to set it apart. This will give our customers and consumers more prestige and more value."

Wide offering

The alternative materials offering is growing wider all the time, and manufacturers would probably argue that their imitations of leather are getting better. A public relations agency in Toronto got in touch in September to try to spark our interest in a new product that its client was launching, calling it a 'faux leather', produced in China using a



propylene-based elastomer from the chemical division of a major petrochemical firm.

"The leather [no 'faux' this time] can be used in automotive interiors, footwear, sporting goods, furniture and more or less any product in which real or synthetic leathers are currently used," the agency's representative said, before adding: "Please let me know if it is of interest to readers of *World Leather*." We think it is of interest, but perhaps not in the way he meant.

Soft furnishings

In the world of furniture, we know that upholstery leather suppliers in the US have complained about a decision from the country's main consumer protection body, the Federal Trade Commission (FTC), to allow some of their rivals to include the word leather in their product names. Important suppliers to the upholstery market, including Universal Leather, have pointed out that so-called bonded leather fibre (BLF) has too little leather content to merit the name and is, therefore, a confusing term for consumers.

The FTC has decided to allow the use of the term provided labels show the percentage of leather fibres in the mix. This means that even companies using large amounts of vinyl are still entitled to use the word leather when promoting their products. Universal Leather says: "Of course we believe that if you cannot see, touch or smell the leather shavings they cannot be construed to be leather to the consumer, so this is misrepresentation."

FTC guidelines offer an example of how a label should read, suggesting: "Bonded Leather Containing 60% Leather Fibres and 40% Non-leather Substances." The amounts are just an example. The FTC has given no lower limit for leather content. Therefore, if an upholstery firm stayed faithful to this, it would run the risk of a negative reaction from knowledgeable consumers if its labels stated, for example: "Bonded Leather Containing 10% Leather Fibres and 90% Non-leather Substances." But this would not prevent it from using leather's image to promote an inferior-quality product.

The system in use for footwear, in the

UK at least, is protected by legislation. For a shoe upper or lining to earn the right to the hide symbol, a minimum of 80% of the surface area must be genuine leather, meaning that the original fibre structure must be intact. For shoe soles, it's 80% of the volume. This is captured in standard BS2780, which Amanda Michel, director of specialist leather training consultancy Leather Wise, says is forming a new Europe-wide standard that will come into force in the near future.

Her opinion is that when manufacturers offer products made from BLF, their intention is not always to mislead the buying public. The same is true of another common description of synthetic materials that manufacturers think can take real leather's place, recycled leather. "Sometimes there is an ignorance of the standards," she says. "And sometimes companies just want to put waste material to use. They make products out of scrap, and the products are a lot cheaper, which many people like. BLF is leather dust mixed in with resin to bond the fibres back together. If you look at an image of the material under a microscope, you can see this quite clearly.

emmezeta
TANNERY MACHINES - AUTOMATION SYSTEMS

NEW!

**NEW TOGGING DRYER
FOR DRY LEATHERS**

MACH

- + Quality
- + Yield
- + Productivity
- + Versatility
- Consumptions

EMMEZETA TANNING S.R.L.: Loc. Isole Grosse, 1 (3311) - Montebellio Vicino (Trevi) - Tel. +39.0444.440025 - Fax +39.0444.848600
www.emmezeta.it - emmezeta@emmezeta.it



The fibres are all short, loose and different colours, whereas the fibres on a piece of real leather are longer and interweave with one another."

Putting the discarded fibres to some use is to be commended, but one of the consequences, she explains, is that BLF is only as flexible and as durable as the glue that is holding it together. "Flexibility and durability are two of the most important qualities of real leather," she says. "In this material, the leather content that is there has lost all its natural strength. I have seen examples, such as a belt that disintegrated after only a few weeks' wear. It's not suitable for belts, but you can put it into products that don't have to be as flexible and durable such as table mats. There is a market for this material, if it's described correctly."

Stick to the rules

Back in the US, Dr Nick Cory, director of the Leather Research Laboratory at the University of Cincinnati, insists that the FTC does regulate the descriptions and labelling of consumer products in a manner that protects the good name of leather. He suggests that the current



(Left) An image of a piece of bonded leather fibre under a microscope shows the fibres are short and loose. The fibres are held together only by glue, making the material unsuitable for applications that require durability and flexibility.



(Right) In contrast, this magnified image of a piece of bovine leather shows longer fibres that are naturally interwoven.

CREDIT: LEATHER WISE



TANMAC
ITALIAN TECHNOLOGY

NEW!

ROB3

MINIMUM SPACE
advanced technology



EMMEZETA TANMAC SRL: Loc. Isole Corso, 1 (SS 11) - Montebello Vic.no (Italy) - Tel. +39.0444.440025 - Fax +39.0444.648900
www.emmezeta.it - emmezeta@emmezeta.it



Automotive leather producers want car manufacturers to use more leather in their interiors so that they can return to making natural-looking leather.

CREDIT: ROLLS-ROYCE MOTOR COMPANY

guidelines make it clear that material containing ground, pulverised, shredded, reconstituted, or bonded leather must not be represented, directly or by implication, as leather. "Such materials are not leather," he says, "and if such a material does have the appearance of leather, the customer must be made clearly aware of its true nature, with the product being accompanied by either an adequate disclosure of its true composition, or a disclosure of the percentage of leather fibres and the percentage of non-leather substances contained in the material. But the material must not be labelled or implied to be leather."

He agrees that the public could be misled to some extent by the term bonded leather. For some, he accepts, this wording may even conjure up some form of "strengthened leather". But the regulations, if properly enforced, do protect the consumer, he says, and he insists that the FTC is diligent in the enforcement of its own regulations, so there should be no deception.

This is the key point, of course. Manufacturers have to call the material something, and if they have the chance to piggy-back on the benefits and beauty of

leather, many will be keen to take it. A better definition, a better name for this type of material would help matters greatly, in the opinion of Amanda Michel. She believes medium density fibreboard (MDF), used in many lower price-point furniture products as a cheaper alternative to wood, offers an interesting parallel. "Pretty much everyone knows MDF is made from sawdust glued together," she explains, "but the name does not mention the words 'wood' or 'timber'. So perhaps bonded leather fibre should not contain the word leather either."

Just like tanners and the composite materials manufacturers that produce synthetic alternatives to leather, timber companies and those selling MDF are competing against one another. In the case of wood, however, the terminology does seem to make the rules of engagement clearer and fairer. No one tries to make MDF sound like a classier product by calling it faux wood. Everyone knows it's a cheaper, lower-end alternative and there

seems to be no dispute that there is room in the wider marketplace for both. There is also room for leather and synthetic materials in the footwear, furniture, automotive interior and accessories sectors, but not interchangeably or side by side.

It's scarcely a new message, but the leather industry is no longer in a position to regard the competition complacently. The need to promote leather with pride, presenting the scientific reasons why it's worth paying more for and not just relying on aesthetics or tradition, is real. Consumers who decide to pay extra for leather shoes, say, for themselves and their children deserve to have their confidence in the material reinforced and rewarded. Design students and their teachers must be given more opportunity to experiment with leather and learn to love it and work with it, as so many of the best in their business have done in the past. The fight is in earnest and it's worth repeating the well worn message that it would help to have everyone in the leather industry fight together. ☉