



Leather companies hope to capitalise on 'Made in Britain' ethos

A raft of UK-based finished goods start-ups suggest demand is there – but can the tanning industry benefit, or does business go elsewhere?

A number of UK-based leather-goods manufacturers are reporting increased interest on the back of the 'Made in Britain' movement, which organisers of the London-based Meet the Manufacturer event and organisations such as EEF, a manufacturing association, are trying to instil through marketing campaigns, grants and various events.

Mulberry's second Somerset factory is close to capacity and recently confirmed its commitment to British manufacturing: "We intend to maintain UK production of handbags close to the current 50% level. Since the UK factories are already approaching capacity, this is likely to involve opening further factories."

Although mass manufacturing of leathergoods, footwear, clothing and textiles looks unlikely to come back to UK shores, there seems to be a resurgence in a demand for artisan skills, with UK consumers willing to pay the premium and overseas buyers favouring the quality. An EEF survey of 241 British businesses concluded that one in six had reshored production in the last three years, with the top reasons being improved quality and minimised logistics costs.

Banbury-based Atlas Works is a small but rapidly growing leathergoods manufacturer. Founder Sarah Ward

Hendry set up her Ruxx brand five years ago and was keen to produce in the UK, but struggled to find suppliers. She eventually brought the manufacture in-house, setting up a workshop in the same building as two sister companies and now produces for other brands.

"What I explain to new customers is you have to shout about the fact it's made in Britain," she says. "They need to use good quality leathers and fittings, because if you compromise you won't get the price that you need to charge, because labour is the most expensive part of making something. If you can cut some of the making-time down, that's where you'll save."

With a logo stating 'Made in England, Every Stitch', she initially hoped to source UK leather. "We want to break into the overseas market as a purely British product, but most of our leathers come from Italy so it's hard. We have a customer that's just come to us with a fantastic bag design but they wanted to use English leather, fabric and manufacture. But it's really hard to source that for them. It's tricky to know where to send them."

Tanning capacity

The problem might not be the lack of tanneries, but that people are unaware of them, says Dr Kerry Senior, head of the UK Leather Federation. "Although there are

only a small number of producers in the UK, they cover a large part of the spectrum of leather applications so it should be possible for most manufacturers to find a UK source to meet their needs," he explains. "A notable exception would be calfskin, which is not processed in the UK."

Albeit a fraction of the number in the early to mid-20th century, there are 23 tanneries operating in the UK, a number that has been stable for the last few years, barring one closure. The industry exported £168.2 million of wet blue, crust and finished leather last year, 7.7% more than in 2013. However, it imported a similar amount: £162.2 million, an increase of 7.9%. Exports of part-processed and finished leather were up, suggesting UK leather is in demand, although the figures suggest the price has fallen. "On the issue of sourcing leather in the UK, I wonder whether it's availability or availability at a certain price!" adds Dr Senior.

Walsall-based Bliss of London, a saddlemaker that is now branching into leathergoods, is one of a few manufacturers that sources mainly from UK tanneries – J&E Sedgewick, Pittards, Joseph Clayton & Sons – as well as France, and brings in deer and elk skins from Australia. "Certain tanneries are good at different kinds of leather," explains sales manager Ian Rea. "The French and Italians are good at soft calf leather, whereas the UK is better at solid leathers," which suit the company's inventory of briefcases, hat boxes and belts. "We always go for quality – if it is a UK tannery that can produce it, then fantastic, but they need to be able to deliver."

The high quality is translated into the retail cost: a belt with a presentation case and platinum buckle can sell for up to £4,000 and incorporate skills from other local businesses – furniture-makers create the boxes and jewellers in Birmingham's Jewellery Quarter supply some of the fastenings. "We've gone away from trying to make to a price," adds Mr Rea, "we make to a quality and the price is based on that. That's key for us nowadays

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– to keep the craft and skill there, we need to be charging what it demands. I think there are too many leather companies that are lowering prices as European makers are raising theirs. It's time to turn the tables."

The area around Birmingham and Walsall in particular is home to the UK's saddlery industry – in 1900 there were an estimated 10,000 people employed locally in preparing leather and making saddles, although now there are only about 40 businesses left. That history means that while there are skilled leatherworkers in the area, the labour pool has halved in 10 years, according to Mr Rea. "Unless we do something now to shore up that talent, in another 10 years it will be gone altogether and it's not coming back. While we've still got the craftsmen that can pass on those skills, we need to keep it going."

Passing on the skills

Also keen to preserve leatherworking skills, Abreption is launching a series of seminars at its newly established Abreption School, starting in July. The courses combine theoretical work with practical demonstrations and include Introduction to Leather, Small Leathergoods, and Make a Satchel. "I think it's brilliant that there are still people out there who are willing to pay for something that's Made in England," says founder Paul Johnson.

Abreption was launched 19 years ago in Lincolnshire, specialising in making men's leather bags for brands such as Hackett and Bill Amberg, and is set to launch its own label this year. Expanding into a new space, the plan is to grow the business and push its own range, selling direct to consumers.

"That's the problem with what's happened in the past: all the big companies have gone offshore, and it has decimated manufacturing talent and equipment in this country," added Mr Johnson. "So we're left with a very small pool of people. Made in England is currently in vogue, and they might want to come back but there aren't enough manufacturers to cope."

Tannery and finished goods-maker Pittards has found "no issues" with filling vacancies for its apprenticeship schemes. Headquartered in Yeovil, the company runs a leathergoods factory next door to its tannery and is also owner of the Ethiopia Share Tannery, which won the first global Tannery of the Year competition in 2009, and a substantial gloving operation in the African country. The range of ages in the English factory make for a "very vibrant" atmosphere, says sales manager Craig Baker. "It's interesting to see young guys, who you wouldn't necessarily think would

want a career in leather, are keen to join."

The company bought Daines and Hathaway 12 years ago to add to its Pittards England brand. Leathers are sourced in-house and are occasionally brought in from elsewhere, with around three-quarters of production for other brands and retailers. "Companies you would think would never be interested in the price point – because Made in England comes with a high process price – such as some high street stores, are now coming to us, not just independents," adds Mr Baker. "Because the Made in England thing is so big, I think stores are realising they need that as part of their collections. It will probably never be a huge part, but I think it's a necessary part, particularly if they're a British company."

Northampton-based shoemaker NPS says another reason British retailers like Made in England is the convenience factor. "The brands like that they don't have to fly to China or India, then it's the ease of communication, and you can put a collection together more easily than if you were trying to do it long distance," says managing director Christian Castle.

Making for brands which include Fred Perry, Jack Wills, Marks & Spencer, as well as its own Solovair label, the company makes around 50,000 pairs per year using leathers mainly from Europe and suedes from UK-based Steads, as well as PVC. Although Mr Castle sees the resurgence in the idea of making in England, he doesn't think will be enough to grow manufacturing, but could stabilise it. "If we were the same size in 10 years I think that would be an achievement," he admits.

Investing in the future

For manufacturers to compete with overseas rivals, they must invest in modern machinery, training and innovation. Ms Ward Hendry says legislation should be brought in to make it clear to consumers where goods are made – an issue the footwear industry has been struggling with at EU level for many years. "There are a lot of products that they say are British-made, but they're just finished in this country. We'll never get British manufacturing back if we don't take a stand on it."

Dr Senior says the leather industry also is affected by broader issues such as an aging workforce, poor profile and a general lack of understanding by the public, which mean that expanding the sector could be challenging even if the finances were available. However, work is being done at UK and EU level to raise the profile of the industry and the increasing popularity of

apprenticeships could be a way to recruit the next generation of tanners.

"I believe there is scope for establishing several new tanneries in the UK if the investors could found. Obviously, the cost of production in the UK is higher than in places like China and India and, as a consequence, UK tanners service the top end of the market. However, the bulk of our bovine raw material goes to Italy, also producers of quality leather, and it makes more sense, to me anyway, for those hides to be processed in the UK and the leather sold to the same markets as the Italians. In 2013, 55% of UK raw bovine exports went to European destinations; if it can be cost-effectively processed there, why not do it here?"

Most raw material produced in the UK is exported with no value added. This is particularly true for sheepskin where, of 14 million skins produced annually, only 60,000 to 100,000 are processed in the UK with the rest exported, predominantly to China and Turkey.

"Sheepskin is more complicated as the market is volatile and fashion-driven," explains Dr Senior. "There were also environmental issues with fellmongering but I am sure these would be readily soluble if one were building a fellmongery today. There are also more possibilities with sheepskin now than perhaps there were 20 years ago when the sheepskin industry in the UK really began to fall apart. For instance, the New Zealand research institute LASRA has patented a process that would make sheepskin strong enough to use in footwear, a much more stable market than clothing. Again, I am sure that there is a business case for processing sheepskin in the UK, if investment could be found."

On the revival of the industry, he adds that "as always, it comes down to money". "Obviously we would be very happy to see UK manufactured leather included in the demand for Made in Britain products and I am more than happy to make suggestions as to where manufacturers might source UK leather."

For the manufacturers, they hope their strengths can be conveyed in a meaningful way not only to domestic consumers but also overseas. Goodyear-weltd brands such as Cheaney & Sons, Church's and Loake have all reported growing interest from Asia in recent years, where consumers value the quality that is implied by 'Made in England'.

"The future's rosy, it's wide open out there and it's a marketers' market," adds Mr Rea from Bliss. "As long as the product's right, that is." ☺