



Social projects helped clinch top prize for Couro do Norte

A family-run company from the far north of Brazil is building up a customer base worldwide but is working hard to support deserving causes close to home. This turned heads and won hearts at the 2016 Tannery of the Year Final.



Couro do Norte managing director, Fábio Barbosa, celebrates winning the Global Tannery of the Year Award for 2016. CREDIT: WTP

The panel of judges for the 2016 Tannery of the Year awards heard many examples of excellent commitment to corporate social responsibility during the eight finalists' presentations at the competition's conclusion in Hong Kong on March 30. Among the examples that helped make Brazilian company Couro do Norte the fifth Global Tannery of the Year winner were work it does to help a school across the road from its tannery, in Belém in the northern state of Pará, and its support of a project to help abuse victims in the city.

Managing director, Fábio Barbosa, told the judges that Couro do Norte has made an arrangement with the school to help it provide learning support for students who have difficulty reading and writing: the tannery pays the salary of a specialist learning support teacher, an expense to which the school said its own budget would not stretch.

Raio de Luz is a shelter for girls aged between five and 15 who have been the victims of abuse (including sexual abuse) at home, providing them with a safer environment in which to live and learn. Couro do Norte's support for the facility includes providing food and personal hygiene products for the girls and for the people who work with them. The Couro do Norte team also visits Raio de Luz regularly and tries to help build up the girls' confidence in themselves and in other human beings again.

Eyes on the Amazon

Couro do Norte was judged the fifth winner of the Global Tannery of the Year Award at a Gala Dinner in Hong Kong on March 30, having earlier secured the regional award for the Americas. The business grew out of a family-run wet-salted hides operation. Around 15 years ago it began adding extra value to local hides by turning them into wet blue and wet white and has now built up a successful beamhouse operation with clients in Asia and Europe as well as in the Americas.

"We've been thinking about the environment ever since we built the tannery," Mr Barbosa told the Tannery of the Year judges. "We are very close to the Amazon and we have had the eyes of the whole world on our region." Couro do Norte makes use of the Amazon as a means of transporting hides. All the hides it sources are from the north of Brazil, mostly from its home state. But Pará is a big place and it runs a green logistics operation to bring hides from other areas to Belém by river. For example, it has a regular delivery of raw material from Santarém; it takes three days to arrive by boat along the Amazon. A logistics company drives a truck full of hides onto a ship and entrusts the keys to the shipping company. When the boat docks in Belém, the logistics company has a new driver collect the keys and complete the delivery by road.



Couro do Norte managing director Fábio Barbosa celebrates success at the Tannery of the Year Awards event with presenter, Lauria Wu. CREDIT: WTP



The Tannery of the Year Programme exists to give leather producers around the world a platform for sharing stories of the good work they do in their communities. CREDIT: WTP

Family-run business

At the Hong Kong dinner, the managing director paid tribute to the customers, partners and suppliers who have helped the company grow to become one of the biggest exporters in the Brazilian leather sector and one of the biggest in any sector in Pará. But he made particular reference to his family because Couro do Norte is very much a family-run company. Marcelo Barbosa established the company in 1981 (as an expansion to a hide trading operation that his family ran in the state of Ceará); he is still the chief executive and says it means a great deal to him to be able to work with his sons Fábio and Leandro (who is human resources and production director). His wife, Maria, also works at the tannery managing finances and a third son, also called Marcelo, is currently running a spin-off company that produces dog-chew products. Fábio Barbosa told guests at the Awards Dinner that he felt sure his father was in Hong Kong in spirit.

Optimism about Brazil's future

When *World Leather* announced that Couro do Norte was the winner of the global award, Fábio Barbosa said that, although Brazil has had a few difficult years politically and economically, he is still positive and optimistic about the future. He believes very firmly that Brazil will continue to be a major source of food for a hungry world, with the capacity to increase its production of beef and other proteins as global demand grows. Naturally, he thinks this is good news for tanners because it means that a high level of supply of hides from Brazil will continue. "The world needs food," he told the audience in Hong Kong, "and we in Brazil have the land, the technology, the space and everything we need to produce more and more food for the world. Also, Brazil is an important player in the world of leather. Our hides are suited to making leather for furniture, for automotive, for shoes and so on. We can continue to be a good market for meat and for leather."

Spirit of Tannery of the Year

Its support for Raio de Luz may have been the element of the Couro do Norte story that made the biggest impression of all on

the Tannery of the Year judges. Fábio Barbosa said modestly that he finds it hard to talk about the work that the refuge does because the girls' personal histories are so sad and he admitted that in all the time his company has been supporting the initiative, he has been able to face going in person only once. He paid a fond tribute to his brother Leandro, who goes every week to meet and talk to the girls who live there and the people who work with them, keeping the ties between Raio de Luz and the tannery strong, encapsulating perfectly the spirit of Tannery of the Year. The competition exists to give tanners around the world a platform for them to share positive stories about the work they do inside their production facilities and in the communities with whom they share resources. 🌐



Couro do Norte produces wet blue and wet white from the high-quality bovine hides that livestock farmers in the state of Pará have long been famous for producing. CREDIT: COURO DO NORTE



Regional winners celebrate

The Tannery of the Year Awards programme first recognises regional winners in Africa, the Americas, Asia excluding China, China and Europe and chooses the global winner from this group of exponents of excellence.

At the fifth Tannery of the Year Awards ceremony, which took place in Hong Kong on March 30, Couro do Norte was named as the global winner (see separate article at the start of this section). The judges chose the Brazilian tannery from five regional winners; earlier in the evening, it had picked up the regional award for the Americas. Other regional winners on the night were White Nile Tannery for Africa, Kings International for Asia excluding China, Dazhong Leather for China, and Atlantic Leather for Iceland.

Microfinance in Africa

White Nile Tannery is located in Khartoum, the capital of Sudan. It's a new venture set up in 2010 and run by father-and-son team Dr Mohamad and Nour Rifai. They were invited by the government to come to Sudan and attempt to reopen a state-owned tannery from the 1970s. At current production levels it processes 2,000 bovine hides and 6,000 sheepskins per week. As part of a series of expansion projects, already under way, White Nile aims to increase these production levels to 6,000 hides and 18,000 skins per week.

It uses all of the leather it produces to manufacture footwear, including military boots, officers' shoes, leisure shoes, fashion shoes and sandals. Its total output at the moment is 3.2 million pairs per year but the company aims to increase this to 10 million, expanding the number of production lines from five at the moment to around 35. It produces 3,000 pairs of military boots every day and the expectation is that this will grow to 10,000 pairs per day. The important point is that these are products that "eat leather", according to White Nile.

Part of what the White Nile team is bringing to Sudan is an extensive microfinance initiative that will create jobs and wealth for local people. White Nile is aiming to train as many as 10,000 new footwear manufacturing operatives over the next three years. Some will work in small groups (of, perhaps, ten people), setting up small enterprises, with White Nile supplying machinery. Another idea is aimed especially at empowering Sudanese women to learn new skills and for them to work at home and earn money to keep their families (again using machines provided by the company).

On accepting the Regional Tannery of the Year Award for Africa for 2016, White Nile managing director, Nour Rifai, paid tribute to the company's founder, his father Dr Mohamad Rifai, saying of him: "He's my teacher, my friend and, most of all, he is the person that has brought us this far."

He went on to pay tribute to the United Nations Industrial Development Organization for the work it has done to help upgrade its effluent treatment plant. "It's thanks to the Sudanese people that this project has been a success," Mr Rifai continued. "The reality is different from the image people often receive of Sudan." He confirmed that government of Qatar is planning to become a shareholder in White Nile Tannery.



White Nile managing director, Nour Rifai (left), with his father, the company's founder, Dr Mohamad Rifai, accepting the Regional Award for Africa.



Taj Alam, managing director of Kings International, says winning Tannery of the Year for Asia excluding China is the most prestigious of the 40 awards his company has won so far.

Indian integrity

Kings International, a tannery in the Unnao cluster close to Kanpur in northern India, is another that consumes all of its own leather to make finished products (most notably saddles and harnesses for horse-riding). It, too, is expanding because demand is strong. It process 200 buffalo and cow hides per day but is intent on expansion and has added a new factory, on the same site as the tannery, to allow it to make footwear as well as equestrian goods.

In total, 220 people work at Kings International, all of them contributors to and supporters of the pension, health insurance and



social security scheme run by India's Employees' State Insurance Corporation (ESIC), with the company and the workers contributing to the funds. Founder and managing director, Taj Alam, has said that prospective employees have, at times, asked him to pay these contributions directly to them saying they prefer not to have the insurance. At this point their prospects at Kings International come to an end: Mr Alam insists that all members of his team must have this safety net in place for themselves and for their families.

Kings International (also the winner of the 2016 Tannery of the Year Innovations Award, see separate article) is a strong supporter of the work of the team that runs Unnao's common effluent treatment plant and was quick to comply with a request for tanners to put in place effluent monitoring technology at their factories to help the CETP system run as effectively as possible. Taj Alam's view is that tanners should be "an open book" when it comes to environmental impact.

On receiving the Regional Tannery of the Year Award for Asia excluding China for 2016, Mr Alam said: "I am really very thankful that I have been chosen for this prestigious award. It feels something like being included in the Guinness World Records. Kings International has won around 40 awards so far; I think this one is the most coveted one so far."

China's oldest tannery embraces "new" industry

Chinese tannery Dazhong Leather claims to be the oldest leather producer in operation in China today. It began making leather in China's Leather City, Haining, in 1926 and, although it went through a series of changes of state and private ownership in the intervening decades, Xu Jian Xin, who has been the owner and company president since the end of the 1990s, is proud of Dazhong's heritage. He and his wife, Liu Yu Qing, have great hopes that their Northampton-educated daughter, Yangyang Xu, will continue the tradition.

Mr Xu insists that China is no longer a low-cost country and no longer seeks to compete on price, but rather on quality and efficiency. He believes Dazhong Leather is a good example of this, presenting the tannery as an organisation that cares more than most about energy saving and being environmentally friendly.

One recent demonstration of this is to have devoted 50,000 square-metres of roof space at its headquarters to solar panels, which is helping it make important savings in its energy costs (the solar energy generated is already equivalent to around 80% of all the energy Dazhong Leather needs for production). This idea is also contributing to the efforts that Haining, like many cities in China, is putting into clean-air initiatives.

At the ceremony in Hong Kong, Yangyang Xu said her experience of studying at Northampton University's Institute for Creative Leather Technology and Dazhong's experience of engaging with the Tannery of the Year programme had given her confidence that the future of the leather industry is positive. "It's a new industry now," she said, "with new perspectives. We as a family, and I include my mother who could not come to Hong Kong but plays a really important role at Dazhong Leather, intend to make the best of being in the tanning industry."

A fresh approach to fish leather

Atlantic Leather's specialisms are tanning sheepskin and producing fish leather: both products use raw material that remote Iceland has in relative abundance.



Family affair at Dazhong Leather: Xu Jian Xin, his daughter, Yangyang, and her husband, Hong Long Wessnitzer, at the presentation of the Tannery of the Year Award for China.



Atlantic Leather chief executive, Gunnsteinn Björnsson, accepts the Tannery of the Year trophy for Europe for 2016.

Chief executive Gunnsteinn Björnsson says the company spent almost ten years perfecting a method for tanning fish skins effectively. He would like to share this technique with other companies that have an interest in developing fish leather production. He will welcome the competition and will even consider investing in rival companies as well as sharing knowledge with them.

This would be to invite these companies to compete directly with Atlantic Leather, but as long they "do it properly", Mr Björnsson does not mind. "As long as they make the proper product, we'd all sell more fish leather; we would all benefit," he says.

Benefits for the entire leather industry were on Gunnsteinn Björnsson's mind when he accepted the 2016 Tannery of the Year Award for Europe at the Gala Dinner. "When I was growing up, leather was a sign of quality, of something good," he said. "What [leather's opponents] are trying to put into our minds now is that leather is a sign of pollution and something bad. They are wrong. We should be proud of what we do. It's our job to prove that leather means quality." 🌐



Highly commended awards for three excellent tanneries

The other three finalists in Tannery of the Year 2016 received Highly Commended awards at the gala dinner in Hong Kong. As well as a trophy that each company will keep permanently, their achievements as leaders and pioneers in the global leather industry earn them the right to promote themselves as Tannery of the Year finalists and to take their place in the competition's Hall of Fame.

The industry owes sincere congratulations to the other finalists in the Tannery of the Year competition for 2016. Far from leaving empty handed, they each took home from Hong Kong an award for being Highly Commended in the 2016 programme. This is an excellent achievement in its own right, and something to tell partners, suppliers, workers and investors about with great pride. This is important recognition for these tanneries' commitment to innovation, to fairness, to the environment and to the future.

North American vertical integration

Pennsylvania-based Wickett & Craig specialises in veg-tanned leather, which it believes can make work in most applications. Its stated aim is to manufacture the finest veg-tanned leather in the world.

The company has an interesting history. Its roots are in Toronto, but it moved into the US in the 1990s after the authorities in Canada's largest city acquired the site the original tannery occupied. However, the link remains because Toronto-based hide trading company Bank Bros has been Wickett & Craig's owner since 2003.

Bank Bros principal, Dr Barry Bank, says one of the highlights of this experience has been a new approach to vertical integration. "We wanted to test the hypothesis that leather-making begins in the hide warehouse, not in the beamhouse," he says. "How we grade hides is the big innovation. This was unheard of in the industry, but it helps eliminate the problem of hides the tannery cannot use."

From a social responsibility point of view, Dr Bank is proud of having preserved more than 100 jobs in the small town of Curwensville when they were under serious threat. Wickett & Craig is still one of the biggest employers in the area. It now has members of the local community that have worked their way up through the ranks in the tannery to senior management positions, with the company supporting them all the way, in work and in education.

This, too, is part of a heritage that Wickett & Craig aims to put at the heart of its brand-building efforts in the years ahead.

On the right track in China

Hebei province has long been one of the most important regions of China for leather production, but in 2014 the authorities there began to close tanneries down because of poor environmental management. Xinji-based Meihua Leather was one of the first



Dr Barry Bank (right) accepts the Highly Commended Award for the Americas on behalf of Wickett & Craig from chairman of the judges Steve Jesseph.

companies to react and in a period of only six months it designed, built and began running a brand new wastewater treatment plant.

A specialist in processing sheepskins, at a rate of 23,000 per day, Meihua mostly serves a customer base of international footwear groups. It requires big skins with fine wool and is willing to fight hard to secure them. Around 75% of the skins it uses today come from Australia, with the other 25% coming from the US. Degreasing is one of the special considerations tanners must pay attention to when working with raw material of this kind; Meihua is able to recover and reuse 99.5% of the perchloroethylene it employs for this purpose.

The skill with which the tannery's 900-strong workforce transforms these skins into high-value double-face leather is



Kelvin Dong (right) from Meihua Leather takes the Highly Commended Award for China from chairman of the judges, Steve Jesseph.



Sweden's Tärnsjö Garveri, the only tannery in the world to supply certified organic leather, was the winner of the Highly Commended Award for Europe. Chief executive, Axel Bodén (right), was in Hong Kong to accept the trophy.

something that technical manager Daniel Sánchez, originally from Spain, values very highly. "We have to have very professional employees," he says. "We use the most up-to-date machines we can in our processes, but we depend mostly on the ability of the people who work here. They are good people, with good knowledge and traditions in leather, and good skills, but with this material you have to work both sides with equal care. It's a very special raw material and it requires special attention." Drying, ironing and combing, for example, take place once before dyeing and are repeated once again after dyeing.

Meihua Leather has also been able to build up strong relationships with two important leather schools in China, those attached to the universities of Xian and Sichuan. At Sichuan, in particular, Mr Sánchez has had a lot of direct contact, helping for example to teach at summer schools there.

Closed loop

Tärnsjö Garveri is one of only three tanneries left in Sweden. Chief executive, Axel Bodén, has a clear view of the company's future: to survive and enjoy prosperity it must continue to tell its story of sustainable production. In fact, Tärnsjö believes itself (and we are unaware of any challenge to this view) to be the only producer of certified organic leather in the world.

Here is how this particular closed-loop supply chain works. Most of the cattle hides that come into the tannery are from farms and abattoirs whose meat is certified by KRAV, a Swedish organisation that promotes and certifies ecological, sustainable agriculture

throughout the country. KRAV certification for the cattle has allowed Tärnsjö to secure certification under the Organic Content Standard (through a Dutch organisation called Control Union) for the hides. Once inside the tannery, Mr Bodén's team uses vegetable-tanning processes and methods that he proudly describes as "a bit old-fashioned", which are enough to satisfy Control Union's requirements for organic certification of the leather.

Like other veg-tan leather producers, the company uses tanning agents derived from mimosa, quebracho and tara, but it wants to make this aspect of its supply chain local and niche too. Trials using extracts from native spruce bark have shown this can be a successful alternative method for tanning leather on an industrial scale. To use a tanning agent extracted from local raw material would complete the picture, the leather producer says.

The tannery has clients in large fashion chains that like this concept. Since 2014, Swedish fashion retail group H&M has been using Tärnsjö leather along with organic silk and other exclusive materials in a special capsule collection it calls Conscious, and Axel Bodén is in no doubt this will grow. It also makes a range of exclusive bags and leathersgoods of its own, which it sells under the umbrella name 'House of Leather'.

Another of the keys to Tärnsjö Garveri being able to continue to produce leather in a small town in a wealthy European country is its insistence that its leather must "look like leather". Its argument is that scars, far from being something awful, are part of the beauty and naturalness of a hide. Mr Bodén wants his people to be proud of what they do and to hold their heads up high. 🌍