



School shoes from the Yisti Society foundation that GST AutoLeather has set up in Mexico.

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Buyer's View

GST AutoLeather and Yisti Society

Automotive leather cutting operations necessarily generate waste. The cutting waste that GST AutoLeather creates now goes into an interesting venture that creates high-quality shoes for children. It is running the new operation as a standalone foundation called Yisti Society and the footwear will sell under the brand name Yisti Shoes. Sales of the shoes, which are for boys and girls and currently range from smart, casual styles to school shoes, will help fund ongoing production, with enough set aside to provide children with special needs and children in care with school shoes. This is the fruit of a social responsibility exercise called 'De Buenos Pasos', or 'Good Steps'.

Materials for the shoes come at the moment from the three cutting plants that GST AutoLeather runs in Mexico: in León, Nuevo Laredo and Saltillo. The production of the shoes themselves is being carried out by an outsource manufacturing partner, also in León.

León is the logical choice

Yisti development director, Rodolfo González, whose background is in automobile design and industrial innovation, explains that León was the logical choice for this, owing to its footwear traditions, which date back to the sixteenth century. "We've really only just begun," he says, "and in this first stage, which is to say in the second half of

Automotive leather producer GST has found a creative way to make use of the unwanted scraps of leather its three cutting plants in Mexico are producing. It has set up a foundation called Yisti Society and has begun working with a León-based shoe producer to turn the material into children's shoes, some for school, some for leisure. Sales of Yisti shoes generate enough of a return for the new foundation to give footwear away to children who have special needs or are in care. Its target for 2018 is one million pairs. It is also looking into the possibility of expanding the project to other GST plants around the world.



Tadeo Carrizales (left) delivering shoes to children in care.

2017, we have making 50,000 pairs as our objective." But the foundation is ambitious and has plans to increase production in 2018 to as many as one million pairs of Yisti shoes. "It's a lot of shoes," Mr González agrees, "and to be able to make them just with scraps from automotive leather cutting we are going to put in place a network and ask other companies to give us their scraps too. We've spoken to them and one has already signed up. Like GST, it's a company that's keen to make a contribution, to give something back. It's a company that has no charitable exercise of this kind in place already and, because this idea is in keeping with what the company wants to do, this arrangement will suit everyone."

Shoes for sale

He explains that what underpins the whole idea is that the shoes are for sale. "It's for a very affordable price," he continues, "which we are able to offer because we are cutting out all the intermediaries who affect market price so much. That price, around 190 pesos per pair, which equates to a little over \$10, less than €10 per pair. Of that money, a proportion will go towards funding the construction of more shoes and there will be enough to fund the shoes we give away too. So, sales of the shoes will allow us to recover production costs and give away the shoes we want vulnerable children to have."

Mr González says that, with the project having only just got off the ground, it's too soon for Yisti to have an organised distribution network. He adds: "For now, sales are to our colleagues and to contacts we have through industry associations. That's how we're opening doors. It's the quickest way for us to do it at the moment and we can look at other ways to get the shoes onto the market at a later date." All these companies have many employees with children; children grow quickly and are in frequent need of new shoes. If they are able to buy good quality shoes for their children at an attractive price through work, many will take up the offer. The development director insists GST is interested in taking the Yisti idea

to other parts of its operation around the globe, finding local shoemaking partners to turn scraps of leather from those factories into a valuable product too. Another subject under discussion is the possibility of offering GST AutoLeather employees the chance to learn footwear manufacturing skills. "This is a project with lots of possibilities," he says.

Responsible business

Yisti is up and running. In mid-June 2017, the GST AutoLeather team in Saltillo donated Yisti school shoes to students at a special education centre for people with disabilities. Also as part of the project, the cutting plant had already donated 140 pairs of shoes to children who are in the care of the state of Coahuila. Human resources manager at the Saltillo tannery, Tadeo Carrizales, travelled to the education centre and joined the state government's head of family affairs, Sergio Sisbeles, in handing the shoes over to students. On the day, Mr Sisbeles commented: "It's important for our citizens to know about the work that goes on here to integrate young people with disabilities into society. This is a contribution towards that effort on the part of a responsible local business." 🌱



The GST AutoLeather tannery in León.