



CREDIT: MARCO CIANNAREL/SHUTTERSTOCK

Around the world

It's a hot summer's day and my smartwatch is showing that the outside temperature is 39°C. All at the same time, my mobile phone and landline start ringing and I am in the middle of answering an email from a customer about a problem that is driving me a little crazy. I feel like I am living in a modern-day setting of Dante's *Inferno*. It's time to pause for a minute: I stand and take up a position in front of a huge map of the world that covers almost the entire wall of the office. Staring at it, I start to feel as if the world is spinning around me like a vortex that wants to draw me in. Perhaps it's just the migraine I am suffering from, which is making itself more noticeable than usual.

Still looking at the map, I begin to count the number of countries I have travelled to for work in recent years and the total is 39, the same as the outside temperature. I find numerical coincidences like this one fascinating; it's as though it were a sign of something that I must pay attention to and reflect on. It has never before occurred to me to think deeply about the particular characteristics and the similarities among all the customers I meet, but here I am, staring at the map, starting to look precisely at this question.

South America

Everyone here is becoming desperate because hide prices are at historic lows. Argentina, as always, is the exception. In Argentina, when the market is difficult, people always take a different approach to the problem. Many of my Argentinean customers are telling me that the new free trade agreement between the European Union and Mercosur, which will gradually come into effect in the coming years, will bring success for them. And true enough, just last month, the international markets confirmed a fall in Argentina's country risk

of 20 basis points. I have to admit that the enthusiasm the Argentineans have is admirable; you can feel it even when discussing leather. In contrast, the Brazilians I talk to, even though their country has such a long leather-sector tradition and produces a bigger volume of hides than its neighbour, are pessimistic about the future.

North and Central America

Mexico is going through something of a challenging time because of the recent discussions about trade with President Trump of the US, but Mexico has great potential for growth in the leather industry, growth at the expense of China. On the other hand, when I talk to tanners from the smaller countries that Mexico has as southern neighbours, I detect among them less interest in international politics, perhaps because their domestic markets remain their principal focus. We do very little business in the rest of North America. I do have some thoughts about Trump, but I don't want to spoil things here by dwelling too much on politics.

Europe

On thinking about it, I realise that, in interactions with European tanners, their approach is completely different from that of their counterparts in other continents. With regard to northern and central Europe, I have the impression that an Italian chemicals company today has to try to make amends to some extent for the mistakes of others in the past and for the less than positive reputation that our national politics have. This is the same as saying we will always be regarded by some as a company that cannot possibly be well organised. To prove that things in Italian companies have changed, we have to be much better than the required standard and accept that



customers won't allow us even one mistake. Something that does appeal about doing business in this part of Europe is that the environmental impact of products and their contribution to making production processes more sustainable are things that matter here. If a new product or a new production system brings with it any environmental or sustainability advantages, it will attract great interest now; switching products on the basis of a cheaper price is no longer a priority in Europe. Southern European countries such as Spain and Portugal are very similar to Italy, including in the way the leather industry works there, with the influence on leather of the wider fashion world, something at which Italy excels, adding great value.

North Africa

What I've learned in these countries is that business negotiations can take a long time. I recall some years ago a business negotiation that lasted an entire day, with pauses for food and prayers. On the first occasions I visited this part of the world, I found this hard-going and difficult to understand. These days, I am able to look at it as an aspect of life here, something that gives me an opportunity to make new friends; friendship and price are the keys to sales success here.

Central Africa

This is a region I visit rarely, with the exception of Kenya and Ethiopia, both of which are improving their leather production every year, with more and more industry partners from Italy and from China having a presence there and bringing their tanning know-how. Governments are providing financial support to the sector, which is giving the industry plenty of hope for the future.

Southern Africa

This area seems very beautiful to me, even if, in recent years, the tanning and leather finishing business has reduced there.

Middle East

With clients in the Middle East, the deal and the press are the critical variables in any sale. I have something of a love-hate relationship with this because, inevitably, you sometimes have to give way in the negotiation and I don't like that. On the other hand, these are countries in which it is possible to sell product that we already have in stock, which is always a challenge for chemicals manufacturers in the leather sector. You can learn a lot from these customers about the meaning of business. Their approach to life is reflected in the way they work and it's only fair to say they have sometimes left me open-mouthed, such as the time one customer bought a large quantity of refinishing products that we had in stock, despite the fact that he had no hope of using them in his tannery, which did no refinishing and only processed as far as wet blue.

Turkey

The tenacity, the respect, the values and the diverse ethnic culture of the Ottoman Empire is on display to this day in this fascinating land. Tanneries there have a long tradition and deep knowledge of leather and have often been run by the same families for generations. Without doubt, recent years have not been a golden period for Turkish tanners, who have been affected by the controversial situation of their country and of its government's political choices at home and abroad. It's sad to



The export sales director of leather chemicals group GSC, Diego Cisco.

CREDIT: DIEGO CISCO

see some of the families who have been in the leather industry for generations struggling financially now and being hit hard by the double blow of difficulties in their home country coinciding with difficulties in the wider leather industry.

India

India and neighbouring countries constitute surprising places, in every sense of the word. Every trip I have taken to these countries has thrown up an unexpected situation, something incredible. Some of the most memorable and most formative experiences I have had have been right here, and it's here I have learned the most. On a number of occasions, I have found myself in a tannery trying to make leather in seemingly impossible conditions. But in the end, with the way people there have of solving problems, I was able to complete the task in hand. The intelligence and sharp-wittedness of people in these countries is above the norm. Even when it comes to a dispute over products, they are very sharp and are good at shifting the discussion in their favour, much to the exasperation of the other party.

China

China is definitely the country I have visited the most in recent years. Development and change happen here faster than anywhere else. I won't deny that, even today, in our sector there is a big communication and cultural barrier between China and Europe. There are subtleties involved in the processing of hides that don't line up in China with the methods companies use in Europe, but I have to admit that the quality Chinese tanners produce in the end lacks nothing in comparison to the leather that other countries make.

Recently, I have begun to form the impression that the Chinese government may be less disposed these days towards keeping the tanning sector on home soil. Then I think about the



statistics for meat consumption in China, which goes up and up, as does the number of livestock being raised there. It follows, therefore, that leather manufacturing will continue to be very important in China, not forgetting that the raw hides that constitute the tanners' raw material are a by-product of the cattle slaughter that takes place to supply food and will always be processed rather than discarded and thrown into landfill.

South-east Asia

Thailand, the Philippines, Indonesia, Vietnam and so on are all beautiful countries and even a business trip here is more pleasant than usual. What you experience everywhere is a culture of hospitality and visitors are always well received. The same is true when you visit a tannery. I could add, on a less positive note, that sometimes the people in the leather industry there show something of a reluctance to abandon old ways and try new ones, especially if the change implies more work for them, whether there is an economic benefit or not.

Japan and Korea

What I have learned here is that, as a supplier, once you have been selected and shown that you can add value, you become important to your customers. Tanners in other countries are a long way from sharing this philosophy.

Australia and New Zealand

Unfortunately, these are places that I have not been able to visit yet because I don't have business connections there.

Reflections

It's beyond question that my work has allowed me to see all the important tanning areas of the world. There are perhaps ten others in which I do a small amount of business but which I have not been able to visit, either because the level of business is too small or because it's possible to see customers from these places, for example Sri Lanka and Nicaragua, at industry fairs. Sooner or later I will visit them.

Reflecting on all of this, I would say that the characteristics these customers have in common is a passion for leather, its traditions, its history and, I would dare to say, a pride in belonging to this leather world. It's in the type of tanning processes they use and in the authenticity of the products they make that you can see the outline of these characteristics in the people involved. But we have to be careful not to allow these qualities to lead to an unwillingness to embrace change. In my opinion, many tanners run the risk of falling into that trap.

In a very few years, various business models in a number of sectors have been disrupted. Selling books is one example. Even if the tanning sector avoids upheaval on such a large scale, there is too little awareness among many of my customers of the problems that are on the horizon.

Those who make finished leather are probably at less risk because they are closer to the end consumer and to the dynamics of end-user markets.

Making leather is difficult and it takes a lot of experience to be able to do it well. Nevertheless, with the speed at which information spreads now, there are fewer and fewer secrets every day.

I have seen tanneries that, in just a few years, have been able to revolutionise the products they are offering and they have

succeeded in greatly reducing the quality-gap between them and some competitors, who, in the past, seemed out of reach.

Another important aspect, and one that's often undervalued, is employee training. I've seen companies invest huge amounts in new systems and technology and in increasing production areas, but failing to invest in training their people at the same time. Leather needs an artisan touch and always will do, so it's important to have trained people who can add the right amount of value to a natural raw material that varies immensely.

The future of the tanning sector and of related industries is not in question, but it seems this is not clear to everyone. There are those who are very pessimistic, especially following this latest crisis period. It hasn't helped to have the price of hides going down all the time or to have animal rights campaign groups publishing mischievous material about leather. Then there are the environmental questions surrounding tanneries. Too many people fail to see the importance of the fact that the tanning industry fulfils the role of recycling a waste material that cannot be used for other things. If it were not for the tanning industry recovering this by-product and putting it to good use, it would be disposed of in landfill. This would have an enormous environmental cost and that is something that the world can simply not allow to happen. 🌱

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