



LHCA president, Stephen Sothmann, wants to drive home the message that hides and finished leather are valuable natural resources. CREDIT: ALL CHINA LEATHER EXHIBITION



What a waste

The Leather and Hide Council of America (LHCA) saw the light of day at the start of 2020 following a merger between the US Hide, Skin and Leather Association (USHSLA) and the Leather Industries of America (LIA). It promised at the outset to serve as a voice for the entire leather supply chain, both in the US and abroad. It has wasted no time at all in living up to this.

Towards the end of the second month of its existence, LHCA carefully prepared an infographic to share with mainstream media organisations, showing that hides are a valuable resource and that millions of the hides the US produced last year went to waste. It pointed out to its media contacts that this wasted material would have been enough to make millions of pairs of shoes and other consumer products that brands, manufacturers and retailers may, instead, have decided to make using plastic-based synthetic substitutes. These plastics have a severe environmental impact, LHCA said, and their use “will not prevent a single food-producing animal from being processed”.

Calculations explained

LHCA puts the number of wasted hides at 5.5 million based on public data from the US Department of Agriculture (USDA) and the US Census Bureau. The slaughter numbers of around 33 million head of cattle in 2019 are published by the USDA and widely circulated (*leatherbiz* publishes weekly figures every Friday). Next, LHCA compared this data with its own figures for the exports of wet-salted and wet blue hides, information it publishes every month using data from two primary public sources: US Customs and USDA. Its total figure for 2019 was 23.6 million hides.

Industry body the Leather and Hide Council of America (LHCA) has calculated that 5.5 million hides generated by the US livestock industry in 2019 failed to reach the leather value chain. LHCA said that “a large percentage”, if not quite all, of these hides went to waste.

It then estimated the number of hides that are consumed domestically in factories and workshops in the US, based on an average of previous years’ data, and came to the conclusion that the total number of US hides that went into leather production, domestically and globally, was 27.5 million. “This means that about 5.5 million US hides, 17% of the total, never made it into the leather supply chain in one way or another in 2019,” says LHCA president, Stephen Sothmann. He adds: “We, of course, have no way of knowing how many of those hides are sitting in warehouses versus how many of them ended up in landfill, but as we all know from anecdotal evidence, it is likely that a large percentage of those hides were discarded as waste.”

This rings true

Comments LHCA has received since publishing the infographic suggest that its figures ring true for leather industry organisations in other countries. “The numbers

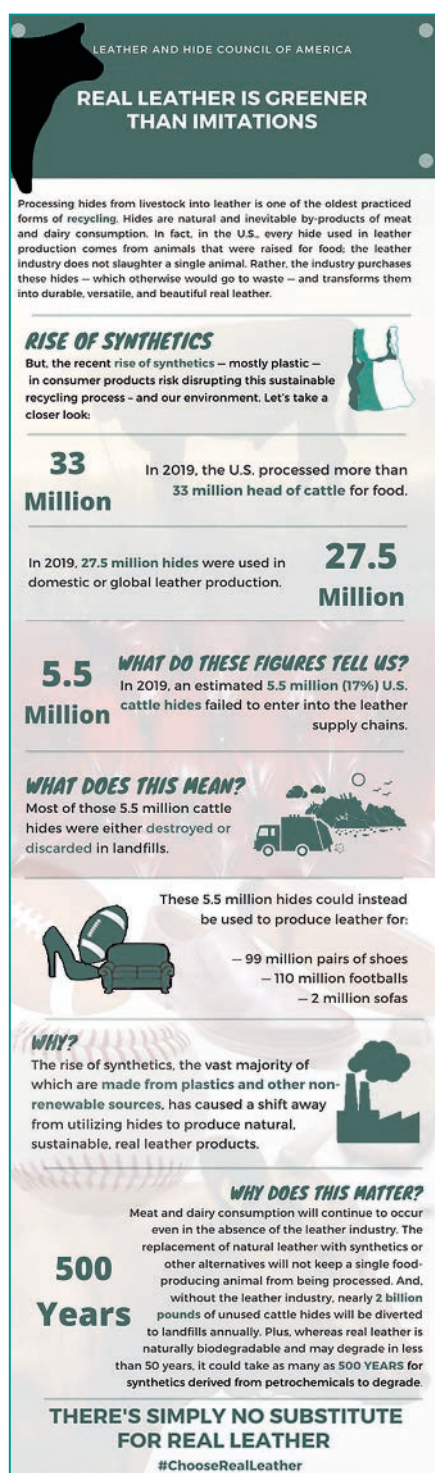
sounded right to them,” Mr Sothmann says. “At first I thought the 5.5 million figure seemed high, but it seems the same thing happened in other countries.” He makes the point that, if this was happening in countries with good infrastructure in place for organised cattle slaughter and the collection, transportation and processing of hides, the situation must have been substantially worse in places where that infrastructure does not exist.

He explains that LHCA surveys of its own members also confirmed its findings for the US. Large companies, which he refers to as “forward-integrated packers”, have their own plants for processing hides at least to wet blue stage. They have the capacity to cope with a situation like the one that arose in 2019, when, in the face of weak demand for finished leather, the value of certain hides fell so low that it made no economic sense to collect them and sell them. “It was the regional processors, the real recyclers, who confirmed what we had found,” the LHCA president continues. “They were the ones who had to tell the smaller packers who supply them that they could not take those lower-quality hides off them.”

Dollar impact

The infographic lists the valuable goods finished product manufacturers might have made with the leather that would have come from the 5.5 million lost hides (99 million pairs of shoes, 110 million footballs, 2 million leather sofas). If it is difficult to put a figure on the amount of money these finished products might have been worth, the hides themselves also have an economic value. Different types of hide from different localities have different values, of course, but LHCA has worked out that the range goes from \$3 per hide at the cheapest to \$10 each at the higher end. This gives a midpoint value of \$6.50. Multiply this by 5.5 million and LHCA’s calculation of the “dollar impact” of just the raw material that went to waste last year is \$35.75 million. Millions of dollars’ worth of material rotted in the ground.

To take this message beyond the industry and “into popular discussion” was the strategy all along in compiling LHCA’s infographic and sending it to media contacts. Tracking tools that the organisation uses show that the message reached thousands of reporters in mainstream, lifestyle and fashion media. Stephen Sothmann did a number



The infographic that the Leather and Hide Council of America distributed to mainstream media at the end of February.

CREDIT: LHCA

of radio of interviews about it and his comments were syndicated across the US. “We definitely had a good reaction,” he says. “However, it would have been better if it hadn’t been for the Covid-19 pandemic. A number of journalists told us it was great information and said they were keeping it and would use it soon in

a less busy news period. That was at the start of March and there has been no such thing as a dry news period since then because we ran headlong into covid-19.”

Fears for this year

Demand for beef in the midst of the Covid-19 crisis has remained strong in the US and slaughter rates have been high, at least as high as those of a year ago, and large numbers of hides are available. That’s to say, these hides would be available if tanneries were able to remain open and transform them into leather and if there were decent demand for finished leather among finished product manufacturers. Sadly, neither condition is true at the moment and reports have begun to emerge, once again, of hides having no commercial value. In the face of this, LHCA says it will intensify its efforts to bring into the public discussion its message that hides have value as a natural raw material that can be turned into leather. And leather has huge value because it is a natural, versatile, long-lasting, strong material that comes from a renewable source, uses up and adds value to waste from other parts of the economy, is conducive to sustainable consumption and is beautiful.

Use of plastic requires justification

All of this is in stark contrast to the plastic materials that, as the LHCA infographic points out, manufacturers of shoes, sofas and other products may have chosen to use instead. It is a powerful and timely message. The importance of plastic in some applications, including personal protective equipment for frontline healthcare workers, has never been clearer, but there is also a strong animus against plastic that we do not need to make or consume, and against ocean pollution in particular. To labour at driving home the message that leather is a better option for many products is good work.

“We are beginning to have these conversations,” Mr Sothmann says. “We want to get this into mainstream consciousness and this is the start of it. We are starting, at least, to see some fashion and sustainability blogs have that conversation. Yes, plastic is good for some very specific uses, but it has a downside and we have to ask, when is it justifiable to use it? For footwear and so on, we have, in leather, a logical alternative and I hope that idea snowballs in the months ahead.” ☺