





Overview of Leather Industry

- A prominent sector in Indian economy in terms of employment generation and export earnings
- Is among the top ten foreign exchange earners for the country
- Strong production base - Annual production about US \$ 7.5 Billion
- Annual export 2010-11 – US \$ 4868 million in 2011-12
- 3.00% share in global leather trade of US\$ 137.96 billion (2010)
- Value-added finished products presently constitute 80% from a mere 7% in 1956-57
- Nearly 70% production takes place in Small and Medium Enterprises (SMEs)-
About 42000 units registered under SSI

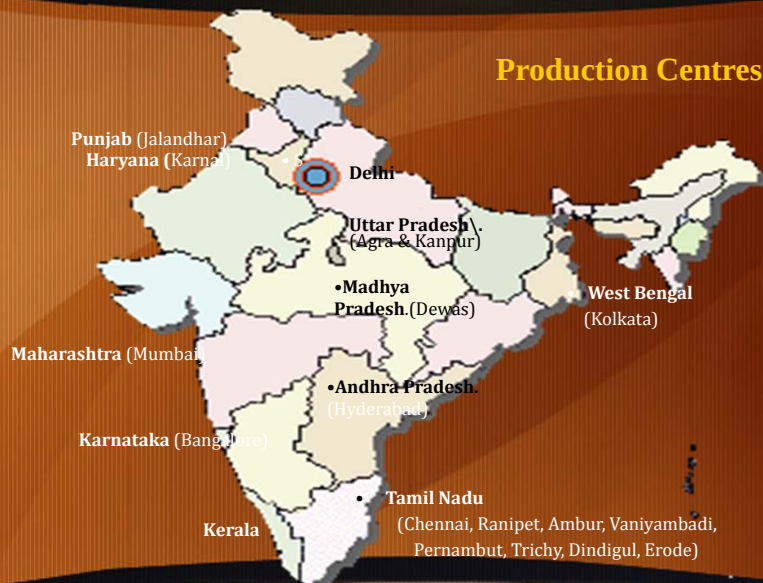
Overview of Leather Industry

- About 2.5 million workforce – Rural & semi-urban areas
- Women constitute 30% of the work force in the organized units
- Increasing importance to occupational safety and work environment
- Is bestowed with an affluence of raw materials, with India endowed with 21% of world cattle & buffalo and 11% of world goat & sheep population.
- Has strong tanning base and produces 2 billion sq.ft. of leather annually, meets about 10% of the global requirement of leather.
- Is the second largest producer of Leather Garments with an annual production capacity of 16 million pieces and the third largest exporter

Overview of Leather Industry

- Is the fifth largest global exporter of Leather Goods & Accessories including Saddlery & Harness with an annual production capacity of 63 million pieces of leather articles, 52 million pairs of Industrial gloves & 12.50 million pieces of Harness & Saddlery items.
- The target of the Government of India for the leather sector to achieve an export value of USD 14 billion by 2016-17, growing at a Cumulative Annual Growth Rate of about 25%.
- On the whole, the Indian leather industry has very good prospects on the export front.

Production Centres in India



Annual Production Capacities

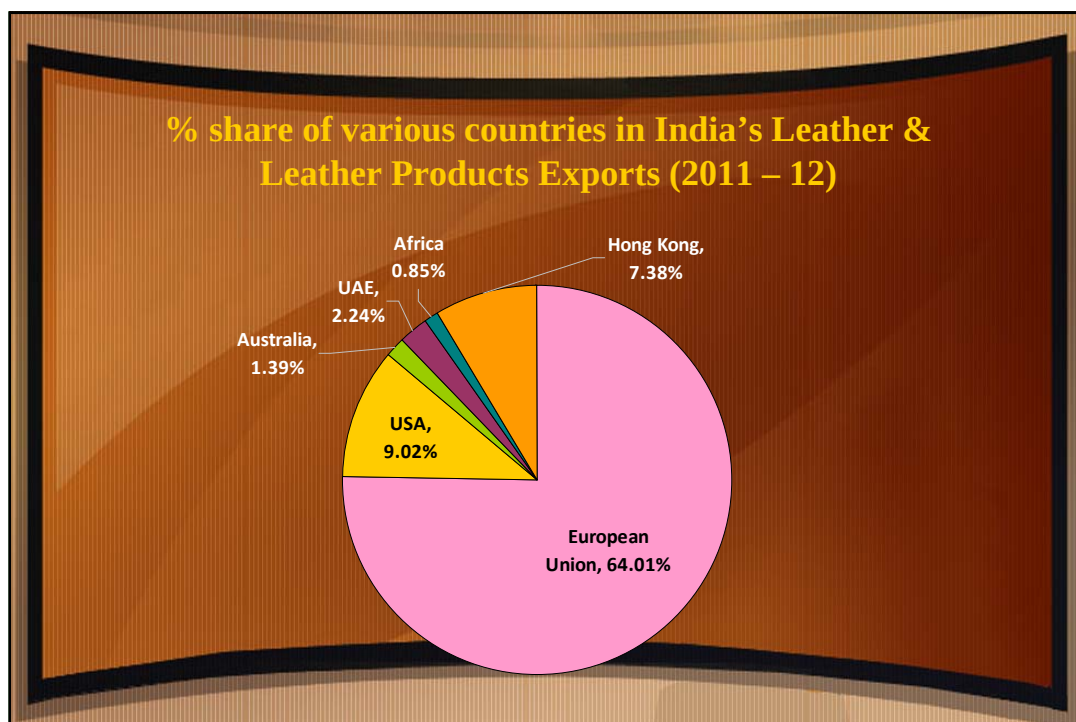
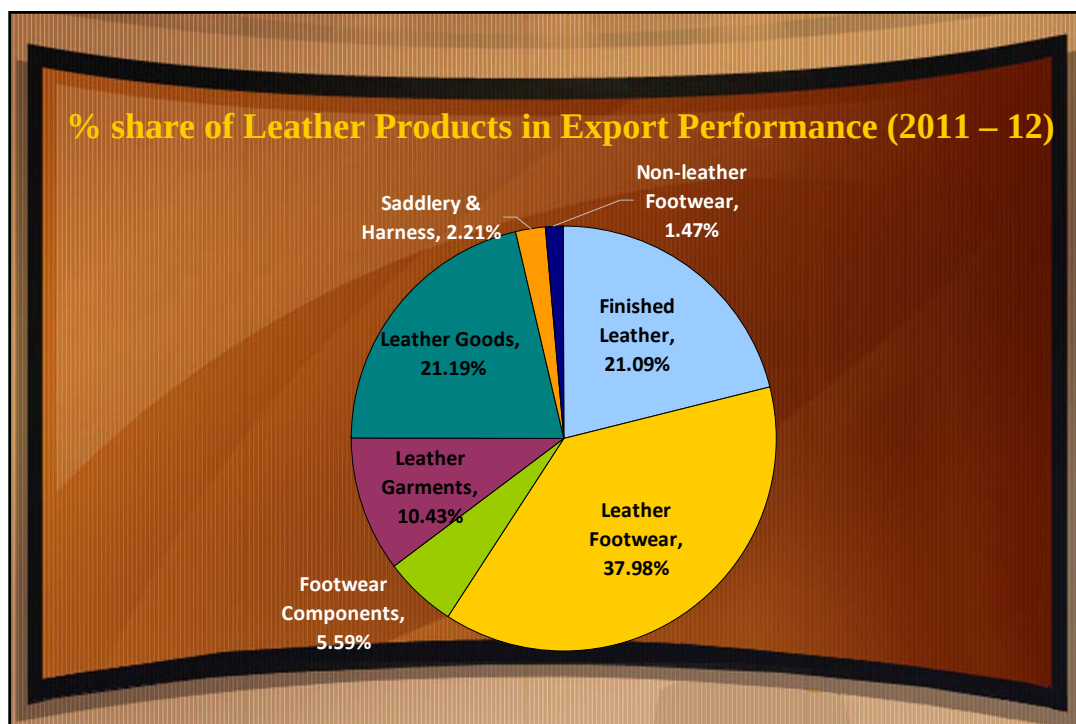
ITEM	CAPACITY
Hides	65 Mn pieces
Skins	170 Mn pieces
Leather Footwear	909 Mn pairs
Leather Shoe Uppers	100 Mn pairs
Non-Leather Footwear	1056 Mn pairs
Leather Garments	16 Mn pieces
Leather Goods	63 Mn pieces
Industrial Gloves	52 Mn pairs
Saddlery & Harness	12.50 Mn pieces

India's export of leather and leather products for Five years

(in Million US \$)

Product	2007-08	2008-09	2009-10	2010-11	2011-12
Finished Leather	807.19	673.37	627.95	841.13	1023.21
Footwear	1489.35	1534.32	1507.59	1758.67	2077.27
Leather Garments	345.34	426.17	428.62	425.04	572.54
Leather Goods	800.46	873.44	757.02	855.78	1088.09
Saddlery & Harness	106.18	92.15	83.39	87.92	107.60
Total	3548.51	3599.46	3404.57	3968.54	4868.71
% Growth	15.99%	1.44%	- 5.41%	16.57%	23.68%

Source: Directorate General of Commercial Intelligence & Statistics, Govt. of India





Global Trade Scenario – Major Players 2010

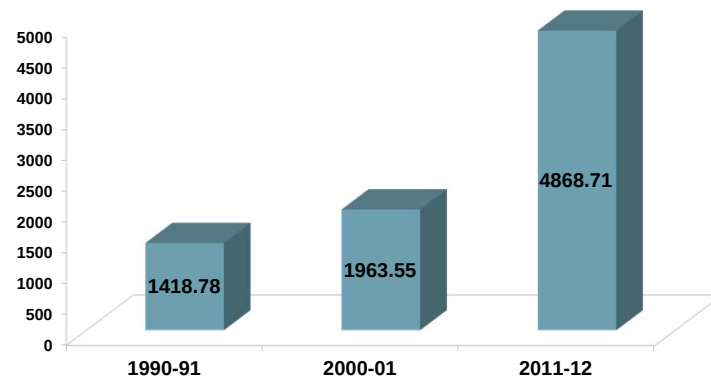
WORLD IMPORT – 137.96 billion USD

Country Share (%)

China	29.90%	India	2.79%
Italy	12.86%	Indonesia	2.03%
Hong Kong	7.51%	Romania	1.23%
Vietnam	3.76%	Thailand	1.05%
Germany	3.90%	Taiwan	0.81%
France	3.66%		
Brazil	2.49%		
Belgium	2.90%		

Indian Leather Industry – Opportunity on exports

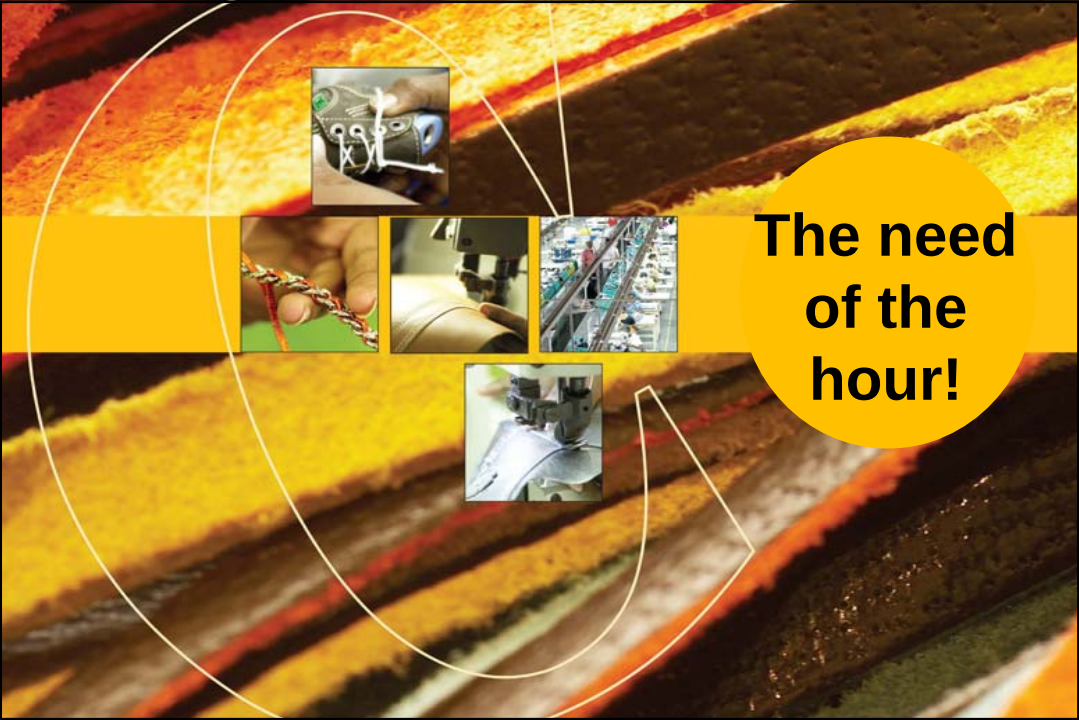
Exports in Million USD



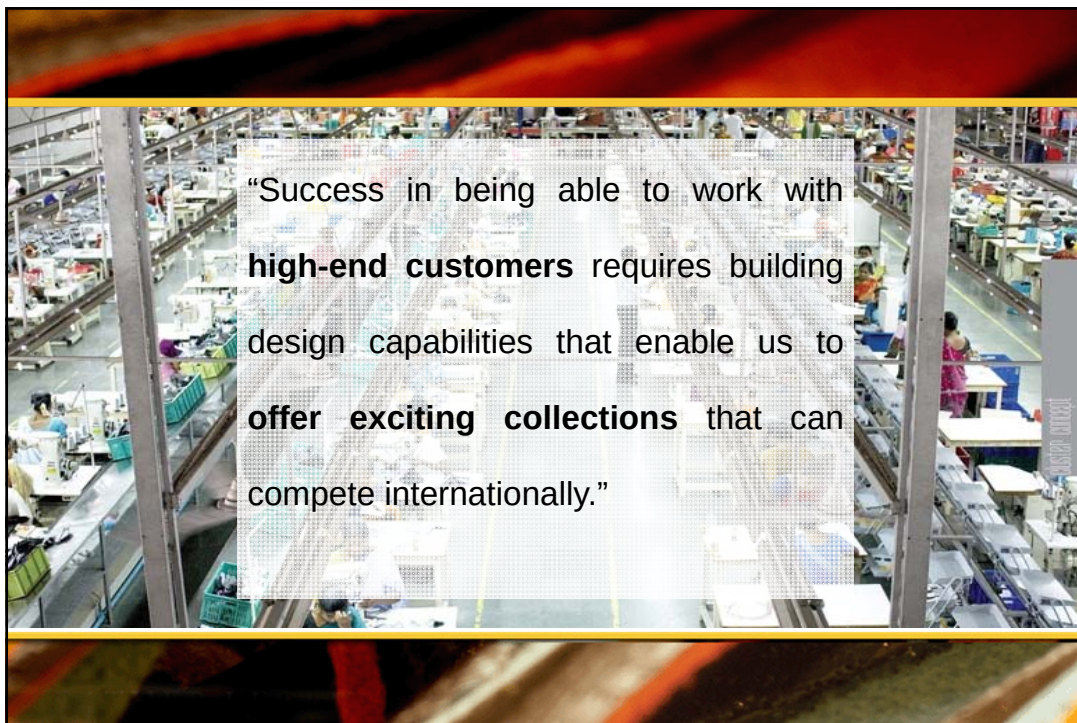




- ❖ **Leather** has emerged as a **fashion product**.
- ❖ Colour, texture and other highlights add to the fashion values of creatively designed leather products. These add significantly to the value realization from leather products.
- ❖ “To emerge as a strong global player in the world leather trade, all efforts to take proactive measures to be ready with the fashion leathers when the fashion does emerge, is crucial.”



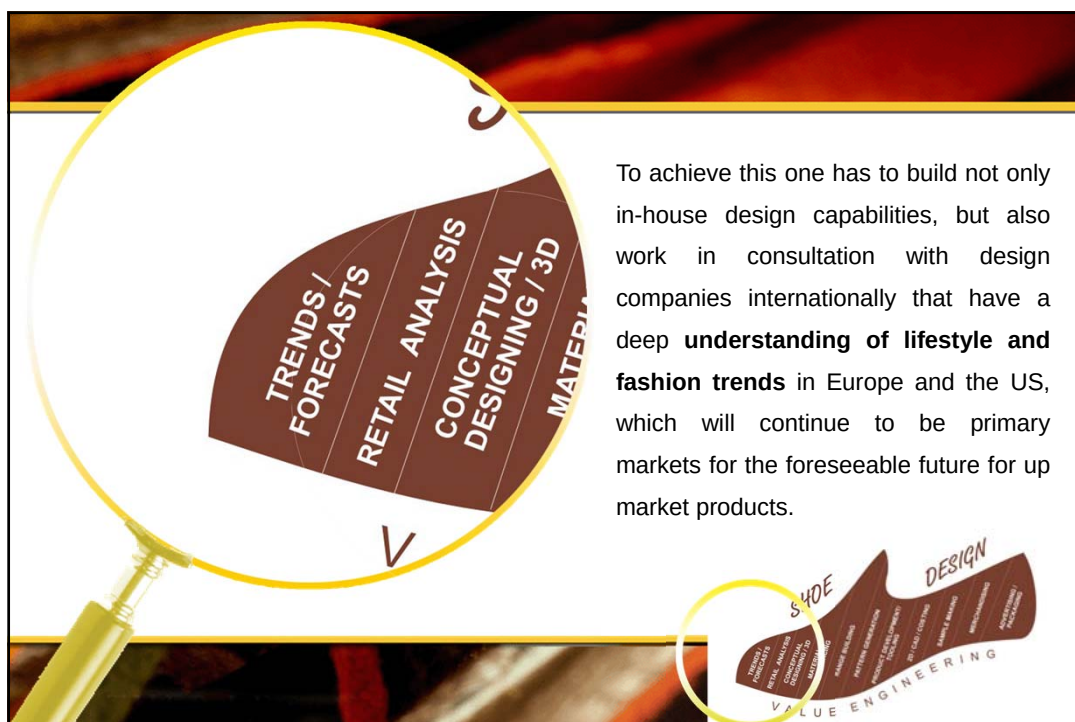
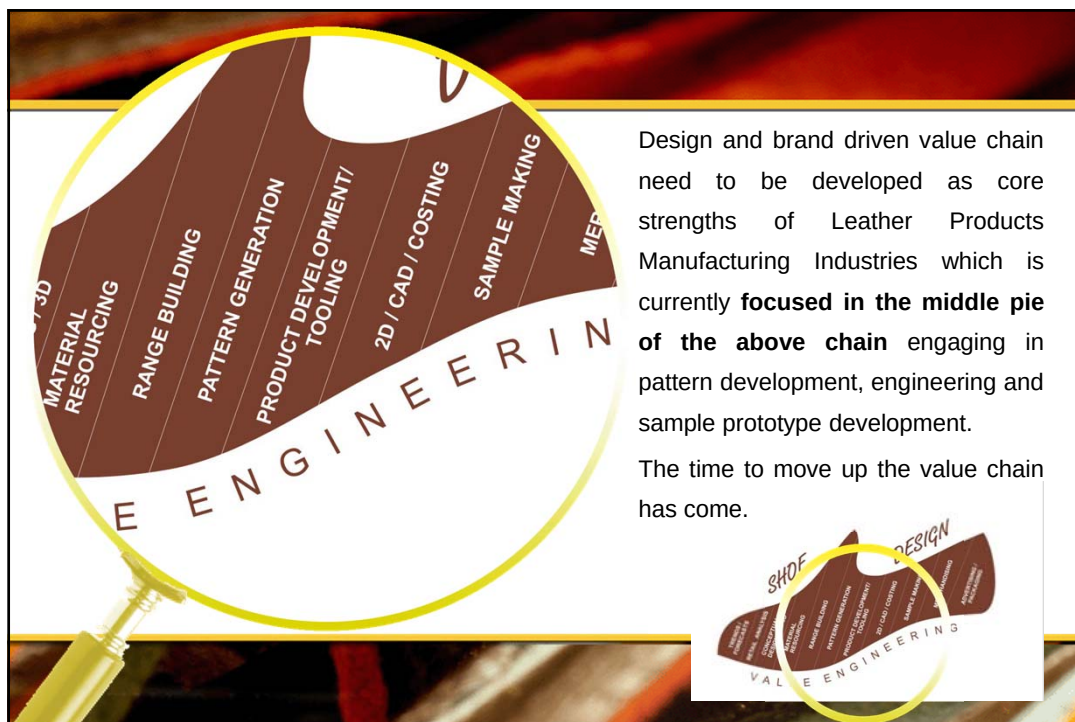
The need of the hour!

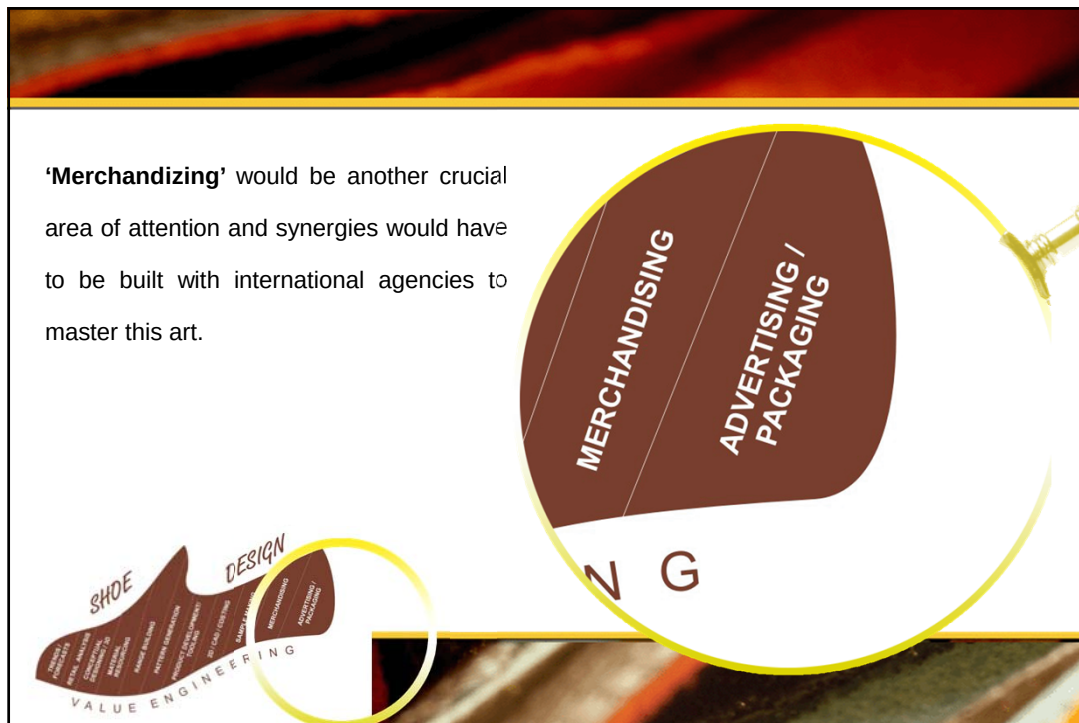


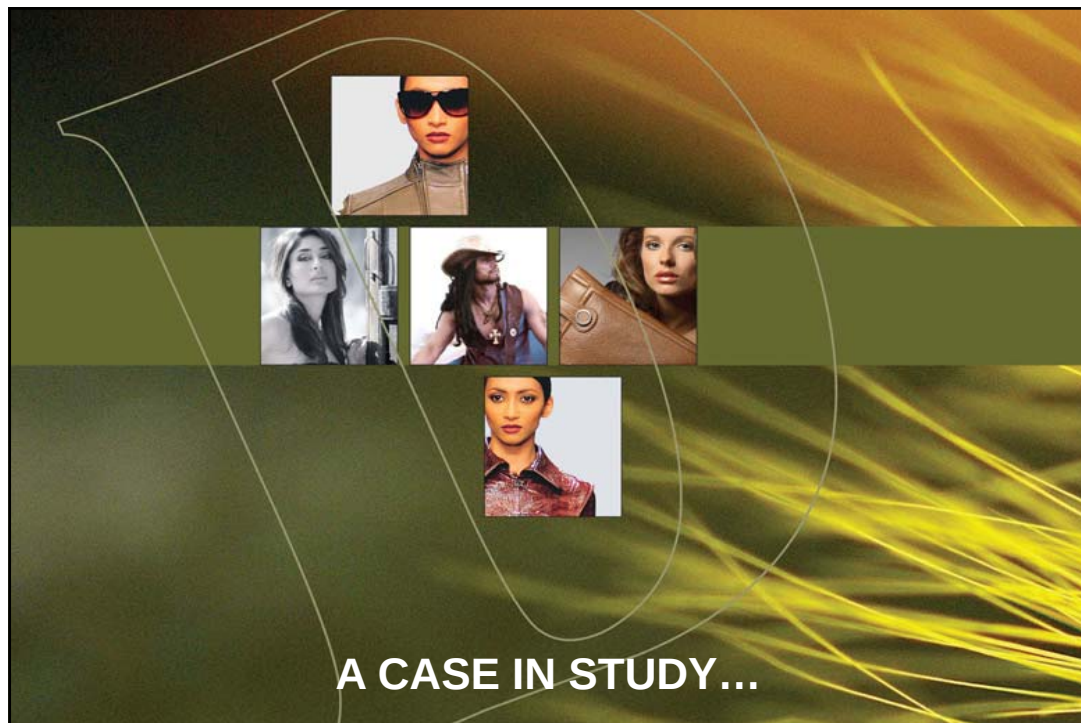
How can this be achieved ?



From 'concept' to 'market' encapsulating the stages of SHOE Engineering in a value chain.







Travel of India in 'fashion forecasting' for leather

Travel of INDIA in 'fashion forecasting' for leather is an initiative to bring to the fore the ability of the Indian Leather Industry to take proactive measures in fashion forecasting and design development by providing a scientific leather product development focus in the areas of colour forecasting, range building, design and retail analysis.

The outcome envisaged is to strengthen the Indian leather product design capabilities which would be reflected in product quality enhancement.



How have we 'WALKED' our 'TALK' ...?

From being a mere resourcing partner in the early 90's to being able to deliver the right product for the right market and the right season, TODAY; the Indian Leather Industry has travelled a long way.



Winning Colours



Getting **one Indian colour** into the **MODEUROP Colour Card in 1994** was a matter of prestige. **Today**, we have almost **70% - 80%** of the colours chosen, featuring from Indian proposals. The challenge and opportunity today is to capitalize on the winning colours and translate them into fashion products.

What is MODEUROP ?

- MODEUROP is an International Institution founded in 1960 in Zurich / Switzerland by the most important institutions of the leather and footwear industry.
- MODEUROP forecasts fashion and trends in Leathers, Colours and Materials for the International market, three seasons ahead.



India at MODEUROP !



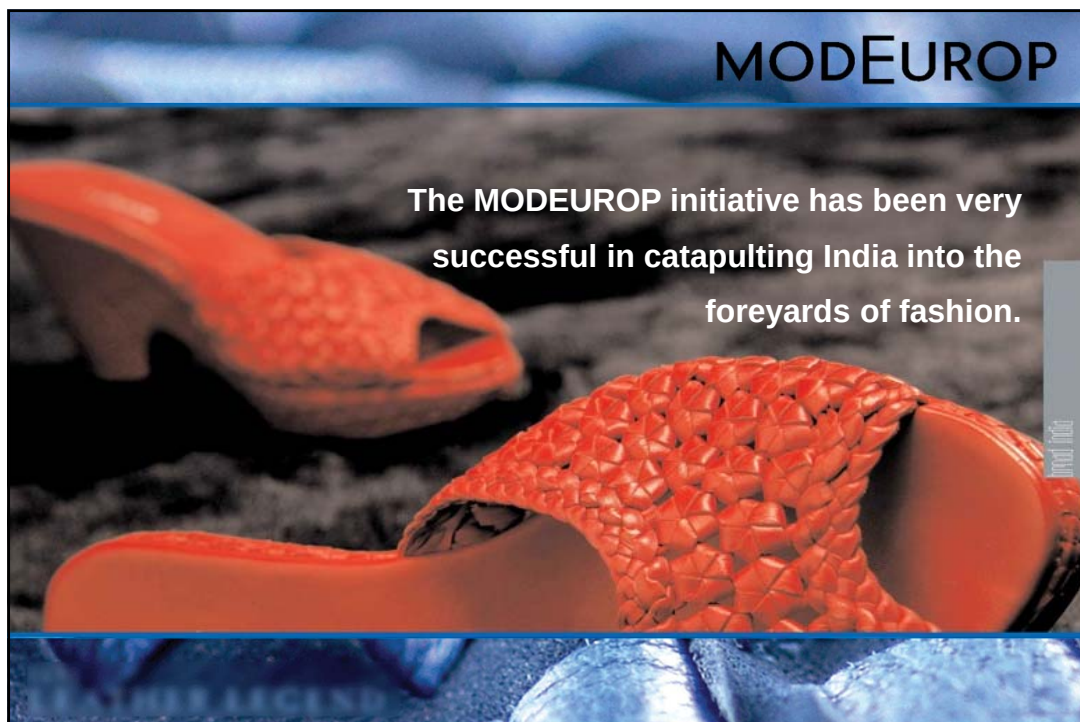
India is a member of
MODEUROP since 1994.
CLRI and CLE jointly
hold the membership.

what happens in
MODEUROP

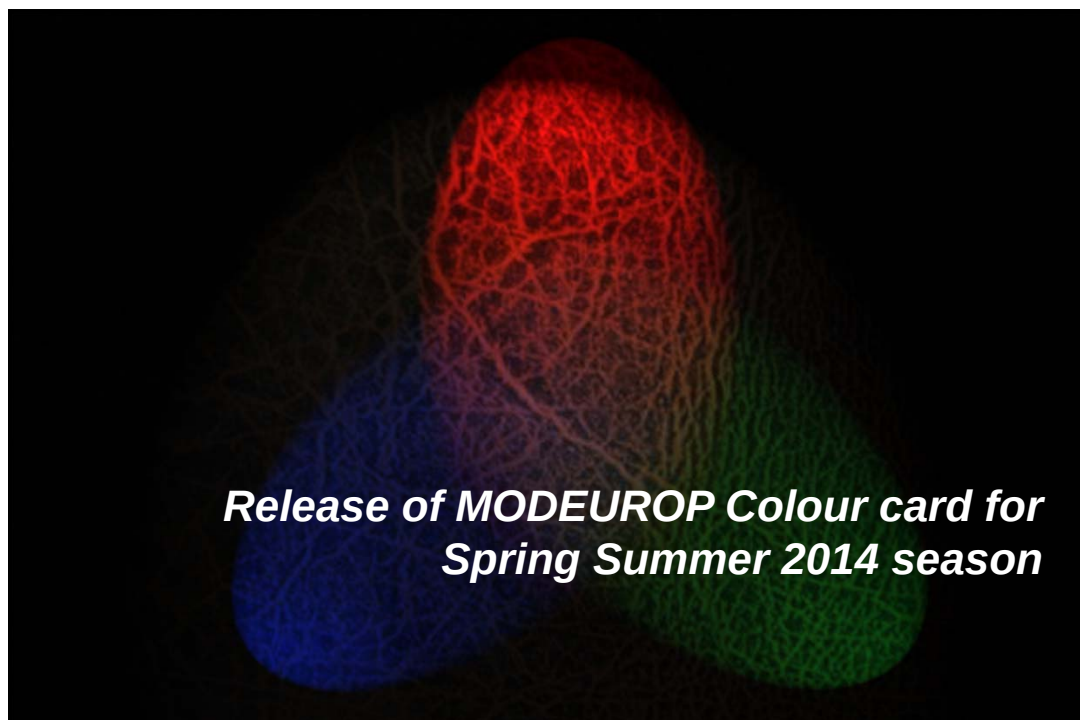






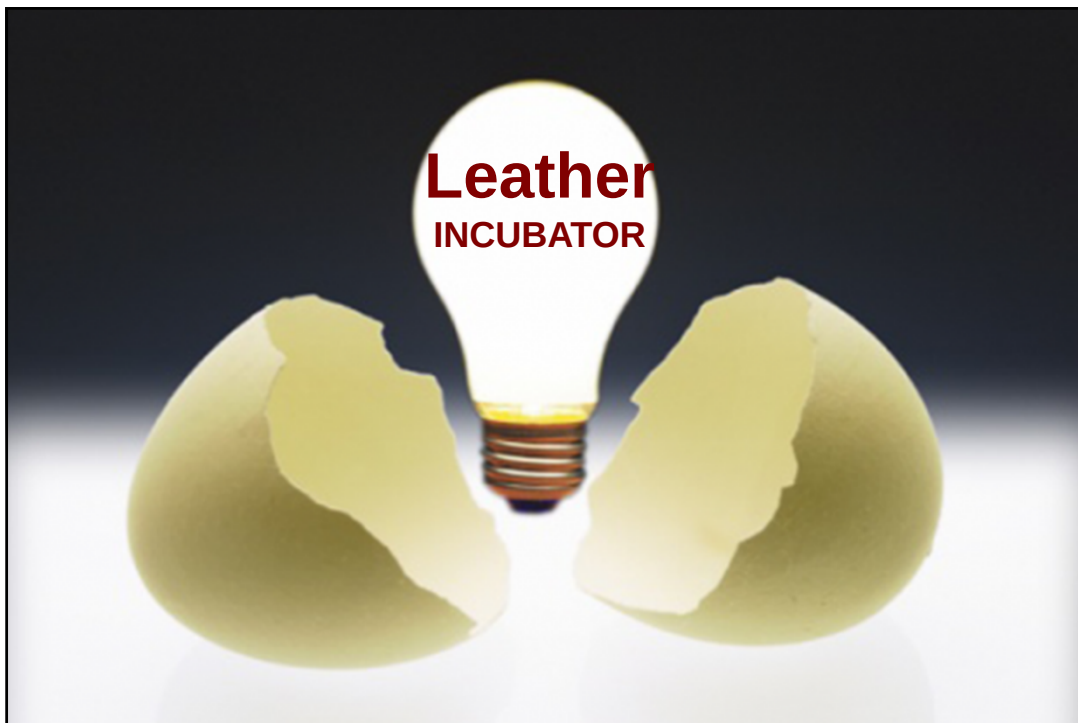


- **GLOBAL COLOUR SHADE CARD** is first released in India giving a tremendous lead time over the competition.
- The potential of INDIA was recognized and it was conferred with the **Presidency of MODEUROP** recently.
- The official MODEUROP Colour Cards are now '**Made in India**' with suitable acknowledgements to the contribution of CLRI/CLE as well as to the contributing tanners; thereby enhancing the marketability of Indian Leather in International markets.


 The image shows a MODEUROP Colour Card for the Autumn/Winter 2010-11 season. It features a grid of color swatches in various shades of brown, tan, and orange. A circular disc with the same color palette is also visible. The text 'MODEUROP FASHION POOL IM DSI' and 'COLOUR CARD AUTUMN/WINTER 2010-11' are printed on the card.




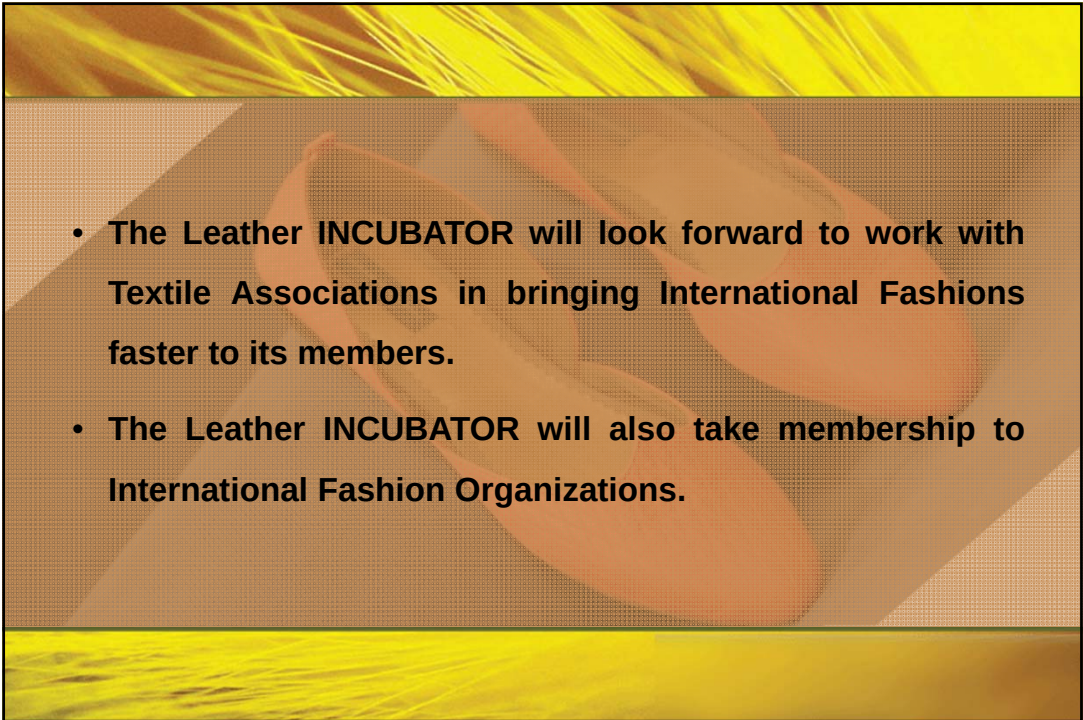




The mandate of 'The Leather INCUBATOR' is to nurture a culture of developing new leathers based on the seasonal demands, so that the designs and concepts metamorphose into newer and niftier products or services capable of being marketed and sold. The outcome is creation of a new class of world-class LEATHERS.



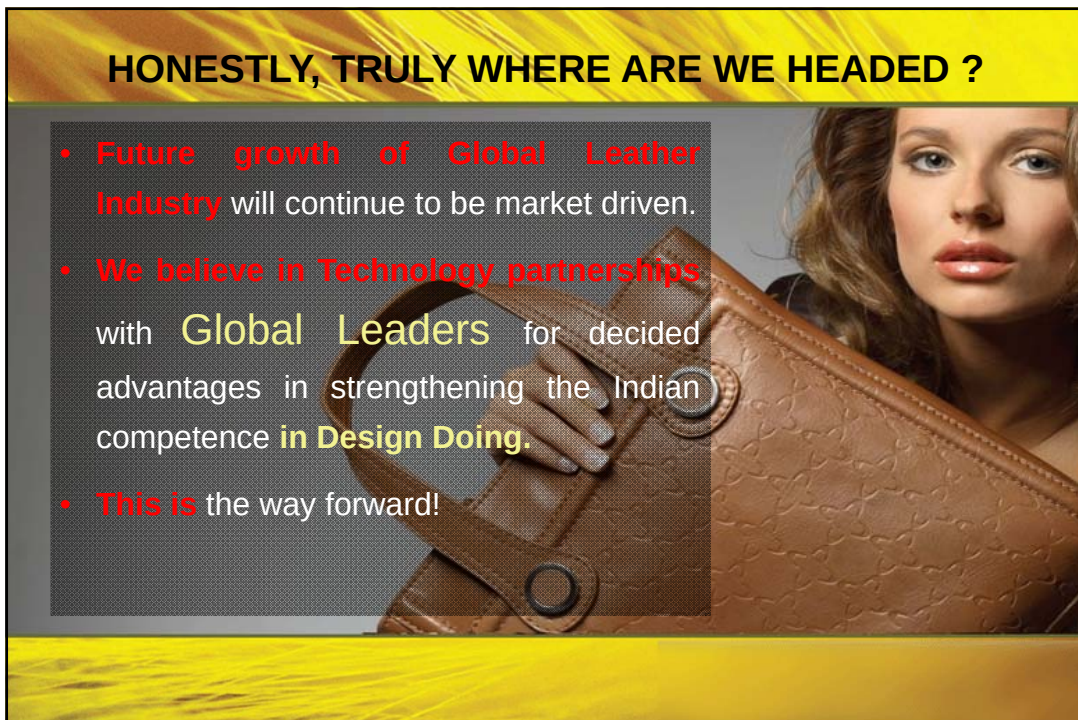
The Leather INCUBATOR will use primarily the experience in Leather Design & Trends from Italian Leather Designers and International Chemical Companies and with counterparts from India with expertise in the field.

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- The Leather INCUBATOR will look forward to work with Textile Associations in bringing International Fashions faster to its members.**
 - The Leather INCUBATOR will also take membership to International Fashion Organizations.**



The Leather INCUBATOR will strive to serve the members of the Indian Leather Industry through:

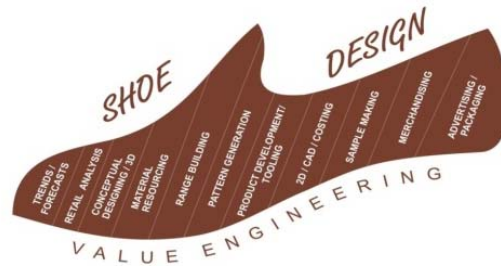
- User Requirements Engineering
- Contextual Inquiry and User Research
- User Interface
- Interaction Design
- Surface Design and Texture Visualization
- User Interface Design Inspection
- Design Process Audits
- Design Training
- Design Capability Building and Institutionalization
- User Experience Design Consulting



HONESTLY, TRULY WHERE ARE WE HEADED ?

- **Future growth of Global Leather Industry** will continue to be market driven.
- **We believe in Technology partnerships** with **Global Leaders** for decided advantages in strengthening the Indian competence **in Design Doing**.
- **This is** the way forward!

**Research - Academia - Industry synergy
is a prime driver of Design Doing**



Through “Fashion Forecasting” & “Value Engineering”

INDIA would gain a major edge over the competition.

*... and we will be among nations in the foreyards of **DESIGN**
DOING!*

With every good wish to one and all !



Think Leather

Think India