



## A future focused on innovation

*Tanning group PrimeAsia hosted an open-house event at its tannery in Vietnam in March to celebrate the completion of an expansion project it began in 2015.*

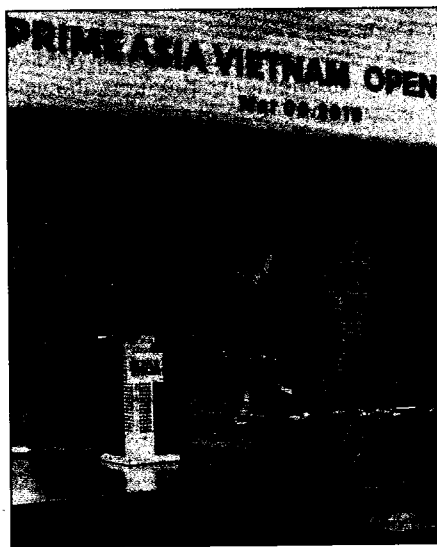
The completed \$40 million expansion of its tannery in Vietnam now provides PrimeAsia with the capacity to produce about six million square-feet of leather per month at its facility in the south of the country, in Ba Ria-Vung Tau province. It represents a 50% increase from the four million square-feet capacity when the project was first announced in 2015. According to Jon Clark, the company's chief executive, this figure could rise to some 7.5 million square-feet in the near future.

### Supply chain hub

He saw this project as being more than just an investment in the company's own business and people but in the businesses of its customers and suppliers as well as ensuring that Vietnam is a "critical, geographical supply chain and business hub" for the industry. PrimeAsia is a major supplier of leather to footwear groups; athletic footwear manufacturing group Pou Chen co-founded PrimeAsia with US leather manufacturer Prime Tanning and has provided support and guidance throughout the expansion project.

Machinery companies with advanced technology have enabled the increase in production and Jon Clark acknowledged their assistance, including Cartigliano, Erretre, Bauce, Hüni and Feltre, who were represented at the event. There has been a significant upgrade in all the processes with what the chief executive termed "breathtaking technology offerings". He insisted that the expansion project was not just about adding capacity, but about adding "smart capacity", achieving improvements in the quality of the leather the facility is able to produce through greater use of automation, while creating a better, safer and more comfortable working environment for the workforce.

Innovations at the expanded plant also include 5,000 square-metres of solar panels that are producing 15% of the



*Jon Clark, Prime Asia's Chief Executive speaking at the event marking the expansion of the tannery in Vietnam. CREDIT: WTP*

total energy requirement at the tannery, enough energy to supply 1,800 cubic-metres of hot water to the production team every day. The proportion of energy from renewable sources that the tannery was consuming before the expansion project was 40%. Now lifted to 65%, the tannery can recycle 75% of the water it uses.

### Questions that matter

PrimeAsia began production in Ba Ria-Vung Tau in 2003 and has, to date, produced 556 million square-feet of leather there. The expansion is very much focused on a future, according to Mr Clark, that will be "filled with advancements, focused on innovation, automation, flexibility, speed, efficiency, science, technology and value". He firmly believes that environmental stewardship, operational sustainability, compliance, and human resources are the questions that matter and these are the areas of business that will determine manufacturing companies' longevity in future. The company sees clear thinking

and talented people as more important than bricks and mortar in its bid to continue to make innovative products for the "world-leading brands" it supplies. The expansion project was not just about adding capacity, as noted, but about adding "smart capacity".

Demand patterns now dictate this need for smartness. Customers come to PrimeAsia now with what Mr Clark refers to as "batch-sized demand", which can sometimes even mean one hide or side at a time. This comes hand in hand with "ever-changing and increasingly challenging compliance demands". The company has doubled its investment in research and development and in sampling. All of this, he says, will help PrimeAsia Vietnam meet the growing demands of its customers in south-east Asia.

### No equivalent, yet

He points out that leather is an industry that, although traditional and based on craftsmanship, has been evolving for centuries already. It still maintains "a special place" in the everyday lives of people around the globe thanks to its unique structure, its flexibility of purpose, strength and beauty. "There has yet to be an equivalent," he says, "and innovation in chemicals and equipment has kept leather relevant. But, as most of us understand, leather as a material is challenged today more than ever before by alternatives, some pretending to be leather, others being true to themselves. These include simply great innovations."

Mr Clark also insists that it is imperative for the leather industry and all of its stakeholders to co-operate in efforts to educate "the consumers of tomorrow" about leather. "Leather and the production of leather are not yesterday's news," he says. "It is a product of today. World-class tanneries with integrity are using technology and science to create a product that fits the expectations of today's world." 🌐