Bovine output lifts leather production

The Japan Leather Industry Association (JLIA) presented its 2017 industry results at the International Council of Tanners AGM in Hong Kong last March. An overview of the latest industry data shows an overall increase in leather production last year.

A rather discreet player in the leather sector, Japan's tanning production was overall positive in 2017, increasing +6.8% compared with the previous year according to figures published by JLIA.

The recent meeting of the International Council of Tanners (ICT) in Hong Kong last March gave a glimpse into the key recent results of the leather sector worldwide as offered by the different country representatives; an opportunity to present their figures.

The data reveals how 2017 was an overall positive year for the local tanning industry, which saw production increase by +6.8% year-on-year to reach 10.9 million sq m. Bovine leather, excluding calf and kip, stands out as the largest production segment, accounting for 85% of the total, and itself enjoying a +7.5% increase over 2016. A high percentage of leather, at least for western standards, consisted of pigskin leather, accounting for 8% of the total, but continuing its long-term slide which saw it lose -21% of production volume since 2013. The remaining 7% circa is made up of calf/kip leather, sheepskin and goatskin leather, of which the latter saw an eye-catching +26% increase over 2016 albeit in low volumes. See table 1.

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Table 1 | Japan finished leather production 2013-17 (000 sq m)

Leather type	2013	2014	2015	2016	2017	Comparison 2013 & 2017
Calf & kip	277	270	222	277	253	-8.7%
Bovine	9,179	9,606	9,150	9,179	9,320	+1.5%
Sheep	287	210	361	287	220	-23.3%
Goat	195	163	122	195	244	+25.1%
Pig	1,098	1,653	986	1,098	884	-21.3%
Total	11,036	11,902	10,841	11,036	10,901	-1.2%

Source: JLIA

Table 2 | Imports of raw, tanned and finished leather* in 2017

Material type	Quantity, area or value
Total cattle raw hide imports	442,000 pieces
Domestic raw hide consumption	649,000 pieces
Total wet-blue hide imports	3,205,000 sq m
Calf and kip imports	17,000 pieces
Imports of finished leather (auto)	7,398 tonnes (US$364 million)
Imports of finished leather (furniture)	60 tonnes (US$2.2 million)

Source: JLIA *only finished upholstery leather was quoted in the figures.

Table 3 | Imports of finished leather products 2017 (leather goods/footwear).

Article	2016	2017	2016/17 comparison
Leather footwear (pairs, inc sports shoes)	36,448,000	35,343,000	-3.0%
Footwear upper (dress, pairs)	16,577,000	15,215,000	-8.2%
Leather goods (No)	30,776,000	31,313,000	+1.7%
Dress belts (No)	14,431,000	13,661,000	-5.3%

Source: JLIA

Imports

The imports of bovine raw materials largely followed the global trends, seeing salted hide imports up +5.2% to 442,000 pieces, and wet-blue imports down -10% to 3.2 million sq m (Table 2). Among the wet-blue sources, it is interesting to note the rise of Mexico, which accounted last year for almost a quarter of the total, against less than 1% in the previous two years. Also clear was the diminished role of Brazil among wet-blue suppliers, going from over 50% in 2015 to just 20% in 2017. With 27% of the total, the U.S. was the third key supplier of wet-blue.

As for the import of finished leather and leather products, the figures highlight how the volume, by weight, of leather destined to automotive was up +3.3% from the previous year, at about 7,400 tonnes worth US$364 million (Table 2). China, Mexico and Thailand were the main suppliers, accounting for approximately 47%, 35% and 14% of the total. Imports of finished leather footwear (35.34 million pairs) and uppers (15.2 million pairs) were down -3% and -8% respectively (Table 3).