



# PROBLEMS AND PROSPECTS OF LEATHER GOODS EXPORT FROM BANGLADESH

THESIS

SUBMITTED FOR THE AWARD OF THE  
MASTER OF PHILOSOPHY

IN

MARKETING

BY

**Mirza Muhammad Zarowar Khan**

REGISTRATION NO. 451/98-99.

M.Phil.

UNDER THE SUPERVISION OF

**Prof. Dr. Md. Anwarul Islam**

DEPARTMENT OF MARKETTING  
FACULTY OF BUSINESS STUDIES  
UNIVERSITY OF DHAKA  
DHAKA, BANGLADESH  
FEBRUARY 2003

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## Acknowledgment

Leather goods holdout a promising future for Bangladesh in the world export market. It is highly necessary to take up broad-based measures in order to preserve the sophisticated quality and global standard of leather goods of Bangladesh and these call for extensive researches in this field. But a matter of great regret that Bangladesh has little opportunities for researches and investigations as she is lacking in required facilities, up to date data and necessary appliances.

While conducting this research programme I left no stone unturned in identifying the problems and prospects regarding the leather goods export from Bangladesh. I am ever so much indebted to my reverend teacher Dr. Md. Anwarul Islam, Professor, Department of Marketing, University of Dhaka, who helped me in all respects through out the research programme with his scholastic and erudite suggestions.

In addition, I would like to record my heart felt gratitude to Mr. M. Fakrul Alam, Editor, Bangladesh Leather, Mr. Md. Aslam Parvez, Manager A & F, Karim Leathers Ltd., Mr. Mihir Lal Roy, Assistant General Manager, Dhaka Hide and Skins Ltd., and Dr. P. Bala, Assistant professor, Bangladesh College of Leather Technology, without whose help I could not have finished this work in time.

*Supervisor,*  
*Md. Aslam*  
*26.02.03*  
*(Prof. Dr. Md. Anwarul Islam)*

Professor  
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*Z Khan*  
*26.02.03*

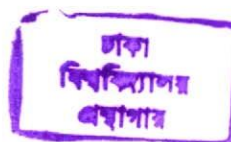
Mirza Muhammad Zarowar Khan



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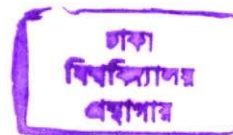
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## Preface

The last decade of the 20th century has seen a radical change in the world market system, such a large-scale change within such a time space can not be found to have taken place in the annals of modern economy. Many new markets have surfaced during this time. The rising economic trend and the promotion of trade and commerce in Eastern Europe, CIS, China, Indonesia, Korea, India, Mexico, Chili, Brazil and Argentina have furthered more the Idea of world market. The marketers are posed with newer challenges in meeting the demands of the consumers thanks to the rise in their buying affordability.

Bangladesh is a developing country. She is lagging much behind in terms global trade and commerce because of the growing political unrest, inefficient leadership, negligence of duty, lack of foresight as well as pervasive corruption which have blurred her past tradition and rich history in the arena of global business. Many of our products including leather goods are in great demand in the world market, though.

Considering these, There should be more researches in these arenas, I have called forth all my energy and endeavour while conducting my research captioned "**Problems And Prospects Of Leather Goods Export From Bangladesh**" and finally claim to have succeeded in my effort. I have tried to put forward all my research findings as well as its outcome in due order in this dissertation.

There are eleven chapters in all where I have elaborated upon different aspects of Introduction, Leather, Manufacturing methods, Leather goods, Export Business from Bangladesh, Leather goods Export from Bangladesh, Problems, Market variation, Competitive positions, Potential positions and Conclusion.

*Mirza Muhammad Zarowar Khan*

## Executive Summary

The salient feature of today's global marketing process is that the marketer have to attach newer items in the changing competitive structures to equate with the volatile nature of the global market. On the back drop of the growing globalization trend, the different companies are indispensibly pushing themselves to a situation where competition are rampant among the suppliers, buyers as well as the consumers even in their own soil.

Therefore on the back-drop of the global market cenerio, there should be large-scale study relating to the expansion of export bases of leather goods on foreign lands. This dissertation paper aims at looking into all the aspects of "Problems and Prospects of Leather Goods Export From Bangladesh." Utmost importance has been attached to the steps followed in Marketing Research.

The Study has found that Despite huge Possibilities, Bangladesh seems, have reached a point of no-return regarding export of Leather Goods. Five companies, namely Karim Leathers Ltd., Dhaka Hide and Skins Ltd., Apex Leathercraft and Fashion accessories Co. Ltd. and Picard Bangladesh Ltd. are associated with the export of Leathers Goods in Bangladesh. The above-mentioned companies export only leather bag, leather purse and leather hand glove from the different items of leather goods. These items are exported to mainly Italy, Germany, France, Japan, Holland, Brazil, Singapore, Maxico, European Union & U.S.A. Bangladesh earned an amount of US \$ 3.88 Millions during the last fiscal year 2001-2002 which is .06% of the total export earnings of the country.



## **Justification Of The Study**

In achieving the desired result, the companies have to be extra-careful in dealing with pricing, promotion and distribution of products and services which they produce for the foreign consumers. Regarding this, marketing plans are to be materialised in a totally different set up of the global market

The companies do have to confront many new and sometimes odd and diverse problems then. To grapple with those uncertainties the companies do need to resort to varied strategies and techniques. Competitions, legal barriers, govt. control, weather, fickle consumers and numerous other uncontrollable elements stand in the way of smooth marketing plans and desired outcomes.

For all these reasons, extensive researches and investigations should be carried out in order to address the barriers blocking the promotion of export of Leather Goods. This research conducted by me would be of immense help to the leather goods exporters of Bangladesh in providing them with necessary data/information thereby playing a vital role in promoting the export of leather goods.

## ***Objectives Of The Study***

- A) To identify the problems of leather goods export in the overseas markets.***
- B) To determine the causes of the market variation of leather goods in the international markets.***
- C) To identify the competitive position of leather goods in the world market.***
- D) To identify the potential position of leather goods in the global market.***



## Scope Of The Study

1. Leather Research Institute, BCSIR, Dhaka
2. Bangladesh College of Leather Technology, Hazaribagh, Dhaka-1209
3. Export Promotion Bureau, Dhaka, Bangladesh.
4. Export Credit Guarantee Department, Sadharan Bima Corporation, Dhaka-1000.
5. Bangladesh Finished Leather, Leather footwear and Leather goods Exporters' Association, Road # 2/A, H#61, Dhanmondi, Dhaka.
6. Bangladesh Leather, 124, Hazaribagh, Dhaka-1209.
7. Karim Leathers Ltd. 180, Hazaribagh, Dhaka-1209.
8. Dhaka Hide & Skins Ltd. 147, Hazaribagh, Dhaka-1209.
9. Apex Leathercraft & Fashion Accessories Co. Ltd. 223/Kha, Tejgaon, Dhaka-1208
10. Picard Bangladesh Ltd. Head off. Sky Lark Point, Dhaka-1000
11. Helena Enterprise Ltd. 59/60, Gazamahal, Hazaribagh, Dhaka-1209

## Methodology Of The Study

### 1. Research Design:

**Descriptive Research Design: Descriptive Research** A type of conclusive research which has as its major objective the description of something- usually market characteristics or functions

Source: Page-87, Naresh K. Malhotra, Third Edition.

### 2. Data collection method:

a) Primary data :

- i) Survey
- ii) Observation
- iii) Field work
- iv) Telephone
- v) Interview and communication
- vi) Questionnaire preparation

b) Secondary data:

- i) Book, Journal, Newspaper, Magazine
- ii) News Media, Radio, Television, Movie etc.

**3. Sample size :** The sample size is 10% of the size of population.

### 4. Method of selecting Sample:

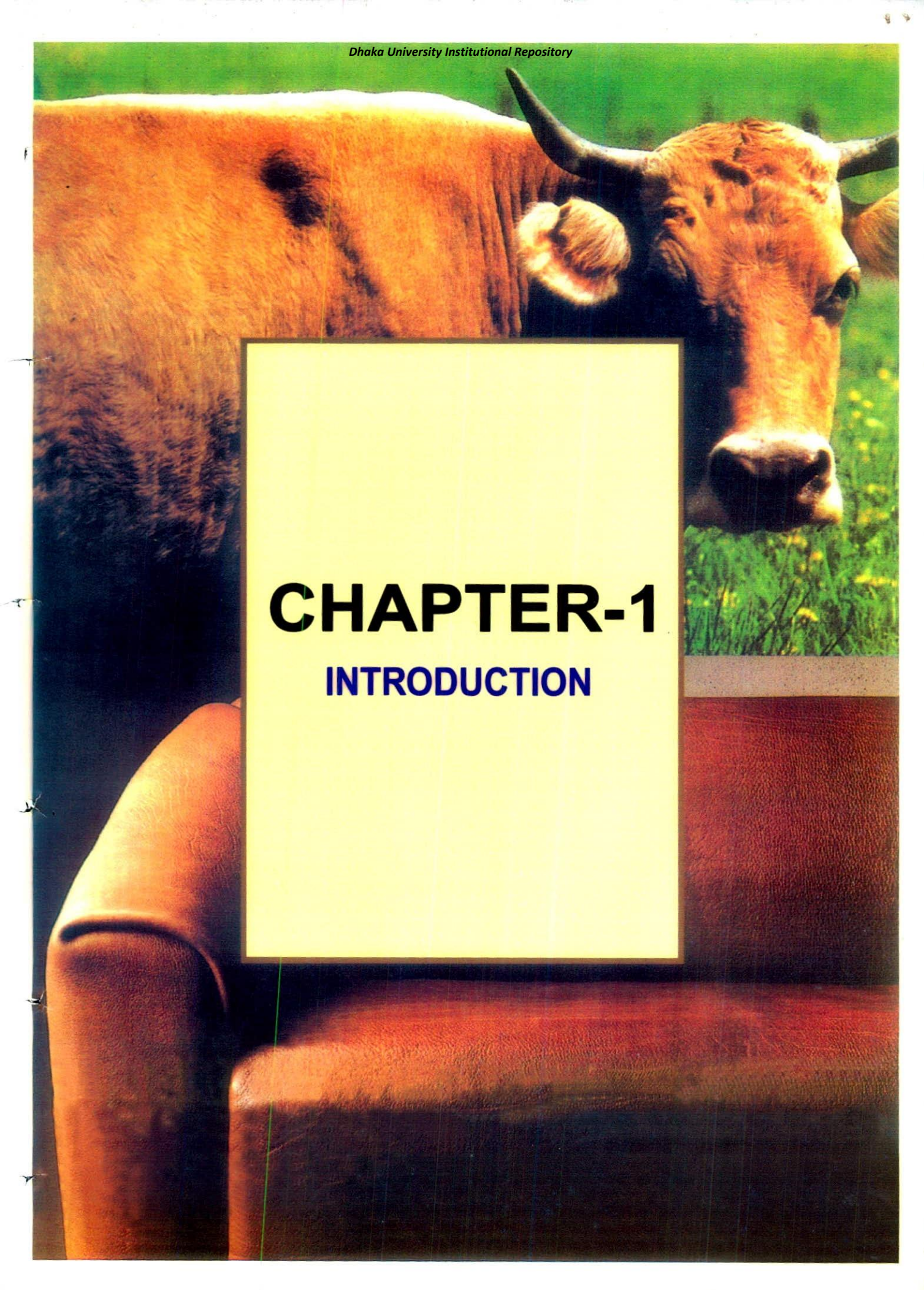
a) Random sampling Methods:

- i) Simple Random Sampling
- ii) Stratified Sampling.
- iii) Systematic Sampling
- iv) Multi-Stage Sampling

b) Non random sampling methods:

- i) Judgement sampling
- ii) Quota sampling.
- iii) Convenience sampling





# **CHAPTER-1**

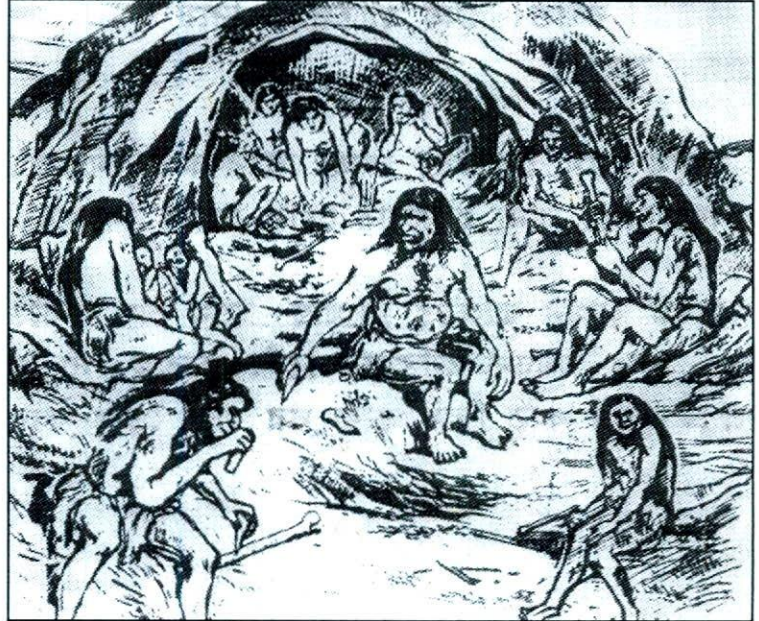
## **INTRODUCTION**



## INTRODUCTION

The use of leather goods is as old as the human civilization. During the age of palaeolithic the people used stones for their various purposes.

They would prey the beasts by the stone made weapons. They would live on the meats of the beasts. After tanning the hides and skins of beasts, they would made clothes, mats, tents, belts, water bearing pots,



spears, bows etc. and various bats for keeping weapons, cushions for the back of ass, horse, elephant and the load bearing animals. They would make neck belts for the dog and various praying animals. Gradually the human civilization began to flourish. On the other hand, the wide demand and goodwill of leather products began to increase. In course of time, the production of the leather products began to come out as trade. As a results, leather products began to use and flourish. At present in the modern world, it has been used as a daily needs for the human being. It has played the vital role in the civilization and culture.

“Nothing like leather” is an old adage and a true one. No substance equals it for the construction of articles for personal use. Its attractiveness, its adaptability, its flexibility, resiliency, and general we resisting properties have earned for it the centuries’ old reputation-nothing like leather.



The making of leather goods is to-day a considerable industry, conducted in most of the principal cities of Europe and America. It is an industry which had its beginnings in the early civilizations. Specimens of ancient work are preserved in the museums, many having been recovered from the tombs of the early kings of Egypt. The industry has progressed through the ages down to the present day, with every indication that it will continue for centuries to come. This points to the fact that articles constructed of leather as receptacles for personal belongings are indispensable to the human race, and for general convenience and durability are not replaceable by articles made of other substances.

Substitutes for leather are in immense vogue just now. This, however, is not because the substituted materials are superior, but because the supply of leather is limited, owing to its being in the main a by-product of the cattle-raising and meat industry, and its market value comparatively high. Consequently, to meet the demand for the articles, manufacturers have had to make use of substitutes. But leather goods are always in demand, and induce a feeling of pride and respect on the part of the owner which is seldom entertained for the substitute.

The making of leather goods is a craft which in its better forms requires a high degree of skill and application on the part of the worker. The demands made upon its different branches depend to a large extent on the prevalent trends of fashion in dress, on the current methods of transport and travelling facilities, and generally upon the manners and customs of people. Each year brings new designs and styles to the forefront, though occasionally one sees a revival of a past age.

In manufacturing processes, however, no great change has been evolved, nor can this be expected in an industry in which the manufactured articles are so diverse and everchanging. The introduction of a machine to simplify manufacture has at intervals cre-



ated some reorganization of method, but with these exceptions leather goods are still made at the work bench by men and women skilled in their employment.

Probably the greatest change in manufacturing methods of recent years has been in the organization of labour. The practice in the larger factories, especially those producing the cheaper varieties of goods, is to institute the team (or part work system in which the actual work involved on one article is progressively distributed between perhaps five or six persons, each doing a separate process, as against the older method of one person making the article completely with the possible exception of the necessary stitching. The latter operation has usually been performed by individuals specially trained for the work.

Much can be said for both the part work and the single-handed system of manufacturing. An operative who confines his efforts to one particular process becomes skilled at his job in a shorter period than one who handles the complete article. On the other hand, the part worker can hardly be expected to take the same interest in the finished product as one who is entirely responsible. The choice of method must be dependent on quantity, for it may be found uneconomical to divide among a group of workers the work involved in a small number of dissimilar articles.

The various processes common to the manufacture of most varieties of leather goods have been explained at some length, with the object not only of helping the apprentice learner who intends to make the trade a means of livelihood, but also to help the part worker, who at present may be concerned only with one or two processes, to become familiar with the earlier or subsequent operations involved in the production as a whole. The satisfactory completion of any piece of work made by the united efforts of several persons may depend to a very large degree on those engaged in early operations or processes. The incorrect or imperfect carrying



out of some operation in an early stage of manufacture is almost certain to result in an expenditure of additional labour and time in later processes; or it may prejudice the finish and appearance, or it may engender some weakness-the article consequently not giving the service and satisfaction expected of it.

Whilst considerable attention has been devoted to details of construction, it should be remembered that leather itself is a very variable substance, differing from skin to skin. Some leathers are soft and supple, others harsh and stiff; thin leathers, thick leathers, firm leathers, stretchy leathers, all are met with, and so it is difficult to lay down hard and fast rules.

The form of treatment must often be modified according to the particular article being made and the kind of leather employed. Here the thoughtful worker who can visualize the results of his efforts, has the advantage. Often it is possible to try out effects before proceeding, as, for example, one may place two materials together and test their combined stiffness prior to a decision. Forethought when dealing with unusual leathers and materials is a highly useful attribute.

It should also be borne in mind that leather in the state in which it is received by the leather goods maker is a finished product. Leather manufacture to-day is scientifically conducted and the standard of finish is of a very high order. Most fancy leathers are very beautiful and the material is valuable and so it is necessary that leather should be handled with care, with the knowledge that once blemished it is seldom possible to restore it to its original appearance. This emphasizes the importance of cleanliness, the necessity of keeping the work in hand unsoiled, and brings us to the consideration of speed, that is, the pace at which many of the constructive operations are carried out.

Apart from economic reasons, it is a definite advantage in the interests of good work to carry out all operations without delay and par-



ticularly to avoid unnecessary handling of the parts or of the finished article. Much use is made of adhesives if not leather goods manufacture, and it is often necessary to complete a lengthy process before an applied adhesive becomes dry. Recoating the surfaces with more adhesive to complete the process is in some cases impossible, and, even when practicable, often results in poor adhesion apart from the extra work involved. Naturally the ability to handle a task quickly is not immediately acquired. Skill comes by practice. But much can be done to this end if the student or worker will think ahead and prepare tools and accessories in advance so that there is no loss of time when the process is started. The aspirant to successful leather goods manufacture should train himself (or herself to use head as well as hand in making an article, to endeavour to visualize the result of treatment of materials, and to carry out the various operations, not hastily, but thoughtfully and as expeditiously as possible, guarding against mistakes and keeping the article clean.

Experience has shown that goods which for one reason or another have been delayed during manufacture are seldom equal to those which have passed through the various stages quickly. A worker loses interest in an article which hangs about (it being quite natural to appreciate quick results) and the article suffers by being put aside or handled unnecessarily.

Leather goods manufacture is a decidedly interesting occupation, one which has an appeal to workers of both sexes, an industry which can impart the feeling of pride in craftsmanship to those engaged in it. Furthermore, to those who have an aptitude for design, it is a craft in which personality can be expressed to a considerable degree, as in the higher arts.

The story of leather industry of Bangladesh is not a new chapter but it is a part of the ancient Bengal leather industry. Hides and skins of Bengal have been treated a very old exporting products. It depends on the weather and the natural wealth, greatly.



During the old age Bengal was also agricultural chiefly. Like land domesticated animal was treated as wealth. Rearing animal was included in agriculture. Among the domesticated animals cow, goat, sheep, elephant also were regarded main. A lot of hides and skins were produced from these animals. Based on these hides and skins the ancient leather industry was established. After fulfilling local demand, the rests of leather and products would be exported to out side of Bengal. Various regions of India and out side of India, leather and leather products would be exported to Nepal, Bhutan, Tibbet and various countries of the world, and its trade had been spread far and wide.

Hides and skins are very old economic goods of Bangladesh. It has got very important role play in the existing exporting listed products of this country. In terms of earning foreign exchange leather has got 5th place. Being agricultural country, cattle, Buffalo, goats, sheep are domesticated here at a large scale. After all, home industries required hides and skins and foreign exporting demanded hides and skins are supplied from this countries. Being export products marketing of leather and leather goods can claim for its better consideration.

It is found from the analysis of the history that During the British rule Bengali hides and skins merchants would export hides and skins through the Kolkata port . Then hides and skins were exported only after primary processing scheme. In this process hides and skins were protected from being rotten.

After the partition of India in 1947 many officers of Indian Bata shoes company came to east Pakistan. At that time the centre place of hides and skins industry was Kolkata and kanpur. Only East Bengal was the best raw material workshop. In 1951 R.P. shaha along with some moneyed persons set up a temporary tannery at Narayangonj at first. At the primary stage, hides and skins were processed with mixing general chemical in the big bowl physically.

In this stage, the quantity of production was low and it was low standard.

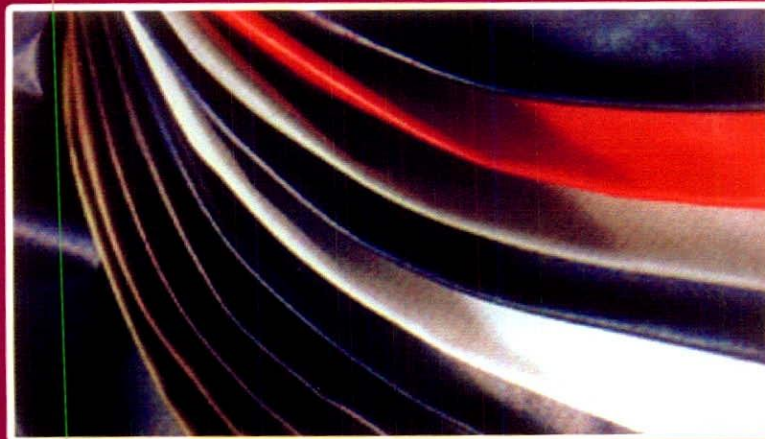
On the other hand, those who came from India, were majority technicians. It was quite impossible on the part of them to spread hides and skins industry. For economic developments the Government looked at this industry. As a result in the middle of the fifties hides and skins industry had been recognized as an acceptable industry. At that time some capitalists thought that it was more profitable to purchase hides and skins from this country to sell in west Pakistan. They stopped some tanneries of west Pakistan and set up tannery in East Pakistan. In order to treat raw material of well furnished hides and skins products they set up some hides and skins industries in western region.

In 1960, Pakistani hides and skins merchants set up modern tannery in this country. In this way tannery programme has been treated as industry. After Bangladesh liberation war, non Bengali merchants left 30 tannery. These tanneries had been declared ownershipless. The Government took over their management. Various problems faced this tannery. Next chemical industry held its management. The management of three tannery had been made over to freedom fighter trusts. Both the managements became unsuccessful. As a result, its management was handed over to private ownership. At present hides and skins industry are being run by private ownership. It is found out that negligency of some officers and higher officers damaged this Government industry.



# CHAPTER-2

## LEATHER





## LEATHER

LEATHER: The outer coverings of animal bodies, which are to be processed and conserved in such a way that it will be non-putrescible, stable and keep qualities is called leather. So that they can be used in our daily life.

Skin/Hide+Tanning=Leather.

The substance known to us as leather is actually the preserved form of the natural Hides & Skins of animals. The putrescible, readily decaying tissue which composed the skin during life is converted by mild chemical processes into a permanent durable material, retaining many of the characteristics of the original Skin, the product being strong, flexible, permeable and elastic.

These characteristics have made leather the extremely useful substance employed universally in the service of man, a material which can with comparative ease be fashioned into the myriad articles for which it is adapted in modern life.

Being originally a natural product, the characteristics of strength, flexibility and elasticity are found to vary in different skins. In fact no two skins, even when taken from animals of the same age and species, are exactly alike, any more than two human beings are identical. Nutrition, general habits of life and condition of health when slaughtered all have an effect, be it ever so slight, upon the quality of leather produced from animal skins. The variation in character of leather obtained from skins of different species of animals is of course very great, young animals of small species providing us with soft fine leathers and fully developed animals of the larger species supplying the stout, durable, heavy classes of leather. Every kind of skin, whether from animal, reptile, bird, fish, or even human being, can be converted into leather, some varieties being more useful than others. In the leathers ordinarily produced



from animal skins there is a wide choice of material available for manufacture, ensuring little difficulty in selecting a grade of leather suitable for any specific purpose.

It has been stated that no two skins are identical, and in consequence it cannot be certain that articles cut from different skins will give exactly the same degree of durability or other anticipated property. Much effort is expended by the leather manufacturer in sorting and matching skins, and articles cut from a bundle of skins will be, for practical purpose, identical, but it is essential that the same portions of the individual skins be used as there is considerable variation of character in different parts of an individual skin of leather.

Portions cut from the same skin will be found to be different in strength, flexibility, porosity and elasticity according to the part utilized. This is due to structural difference in the natural skin, and though this presents a difficulty when a number of similar articles are required from one skin, on the other hand, it provides a greater selection of material in the individual skin. This is an advantage when certain parts of an article are required to be softer or more flexible than others, but presents a difficulty when a number of pieces are to be cut, each to be identical in resistance to wear and stretch, as is so often required in other applications of leather. For example, with equipment and surgical appliances only certain portions of skins approximating in structural composition can be utilized.

It is also within the power of the leather manufacturer to influence the natural characteristics of skins by slightly varying the treatment during and after the process of conversion into leather, so making it harder or softer, firmer or more flexible and so on, and enhancing or subtracting from the natural properties according to the requirements of the prospective purchaser. He also has at his disposal many different processes of making leather, each producing a dissimilar type.



In view of this, one realizes another aspect of the saying "Nothing like leather" for no manufactured material can be so inconstant. But what is more important, no other material can provide the user with such a choice of character and suitability for any particular need, from the construction of light, dainty articles to others intended to withstand tropical climates said to be a wonderful substance.

## CLASSIFICATION OF LEATHER:

*Leather is of two principal varieties. Such as:*

i) HEAVY LEATHER: Heavy leathers from the outer coverings of the larger species of animal bodies which are known as hides. The hides are usually of plainer finish and are employed mainly for the solid leather goods manufacture.

ii) LIGHT LEATHER: Light leathers from the outer coverings of the smaller animal and reptile bodies which are known as skins. The light leathers are highly finished and form the raw material for fancy leather goods manufacture.

According to procedural steps leathers are classified into four classes. Such as:

i) PELTS LEATHER: After completing pickle process ( a processical step to convert hides and skins to leather) on leather, leather changes into special condition. It is called pelts leather. It is not in usable condition.

ii) TANNED LEATHER: When the hides skins are to be processed in such a way that it will be non-putricible, stable and keep qualities then they are called tanned leather. The form of tanned leather is given bellow:

a) WET BLUE LEATHER: After completing of Cr-tanning(a processical step to convert hides and skins to leather) on leather, leather changes into special condition. It is called wet blue leather. It is not in usable condition.

iii) CRUST LEATHER: Further treatment on wet blue leather, after completion of the certain stage such as dyeing, fat liquoring, drying etc we get crust leather. We can use this leather to manufacture goods.

iv) FINISHED LEATHER: Crust leather is converted to finished leather after further processing. Finished leather is used as raw metarial in the leather goods manufacturing industries. Bangladesh exports huse quantity of finished leather to overseas markets every year.

#### STRUCTURE OF HIDE AND SKIN:

An outline of the structure of animal skin and of its conversion into leather should be of interest to those engaged in the manufacture of leather goods though it is not desirable to enter into the chemistry of leather and the many detailed processes involved in the manufacture since a number of excellent works are available on the subject. Much research has been made into leather manufacture and those engaged in the industry deserve great praise for the beautiful and highly finished products evolved from the frail and delicate fabric forming the original living skin.

All skin consists of several layers, two of which must be specially mentioned, an outer, thin, protective covering known as the cuticle or epidermis and beneath this a much thicker layer actually composed of other closely embodied layers together known as the cutis, corium or true skin. When the human skin is grazed, scratched, or sunburnt the epidermis is readily seen as a dry outer coating, the true skin underlying appearing moister and of a deeper tint.



The epidermis is of no value in leather manufacture and is removed in an early process. It is the corium or true skin which is treated, eventually to become leather. The corium is of fibrous structure, bundles of fibrous being tightly, felted together or interwoven in irregular fashion, and the microscopic spaces or interstices between the fibres being filled with other constituents, together with sweat glands, hair sheaths, and tiny muscles.

The fibrous structure is more closely interwoven on the top side of the skin, gradually diminishing in density through the substance to the under-side which contacted the flesh. It is this structure which imparts strength and firmness to the finished leather according to the density of the fibres and, with regard to flexibility, according to whether they are of harsh or limp quality. Thus we find that leather from the skins of young animals is strong (not easily torn) and pliant, but, owing to the fibres being softer, it does not possess the durability of skins from older animals. Leather from skins of fully developed animals is firmer, presenting more resistance to wear, but when of equal substance has not the lateral strength of the former, the fibres being harder or more brittle.

Variation in fibre density also explains the difference in characteristics of portions of leather cut from the same skin. In those parts of the skin which are more exposed during life the structure is closer and thicker, so affording the animal greater protection against the elements, while the skin covering the under-side of the animal is thinner and more elastic to permit of respiratory and other distensions and movements of the body due to organic functioning. Such variation is much more noticeable in animal skins than in the skins of other living creatures. The fibres composing the skin are readily seen in a torn section of finished leather.

**TANNING:** Tanning is a process of converting putrescible outer coverings of animals to non-putrescible leathers with definite physical, chemical and biological properties, so that they can be used in our daily life and industries.



After the removal of the epidermis and hair by an early process of leather manufacture, the skin is converted into leather by a process of tanning.

There are two distinct methods of tanning being available. Such as:

- a) The vegetable tanning process: Vegetable tanning consists of treatment of the limp, flaccid, raw skin with extracts obtained from certain forms of vegetation. It has been employed from the earliest times.
- b) The chrome or mineral tanning process: The chrome method employs a salt of chromium to isolate and render the fibrous structure permanent. It is a development of the past century.

Leather produced by these methods is considerably different in character, the vegetable tannage producing a close, "full," but not necessarily harsh textured leather, while chrometanned leather is of a more springy nature and rather empty in substance owing to the spaces between the fibres not being filled with surplus tanning matters as with vegetable leathers. Each type can be recognized by its interior colouring unless this has been obscured by heavily dyeing, the substance of vegetable-tanned leather being of a light fawn tint, while that of chrome-tanned leather is a pale bluish-green.

Semi-chromed leather is that produced by subjecting pelts which have been partly vegetable tanned to a chroming process, thus combining some of the characteristics of each type of leather in the finished product.

Subsequent to tanning the skins are finished in various ways, some being left quite plain others dyed and finished plain, whilst still others are dyed and then have a grain or design worked or embossed upon them. The skins are then available as raw material for the leather goods manufacturer.

**TAWING:** Another method of producing light types of leather from skin is known as tawing. This must not be confused with tanning, as the resultant product is chemically different from tanned leather, nor is it permanent to the same degree. In tawed leather the skin fibres are impregnated with salt and alum to produce very white soft leathers and with oil and albumen to produce coloured soft leathers. Such treatment preserves and retains the fibres in their original state but they are not chemically changed as in tanning processes. If the impregnation employed in tawing is extracted, not a very difficult matter, the material reverts partially to its original condition and becomes liable to decay and putrefaction, but a tanned leather cannot be converted back to its original state.

By the process of tawing skins, leather is obtained which is much whiter in colour and finish than that produced by either of the tanning methods, and by a somewhat different application of the same method the high-grade extremely soft leathers are obtained. It must be understood that this process is usually applied only to small kinds of skins intended for fancy leather goods and that it is not common to treat heavy skins in this way.

A rough guide to the tannage of leather is as follows:

Cut a piece of leather about 3 in. X 1 in. and mark its shape and size on a piece of paper. Immerse the sample in boiling water for, say, three minutes. Then remove and examine for shrinkage and feel.

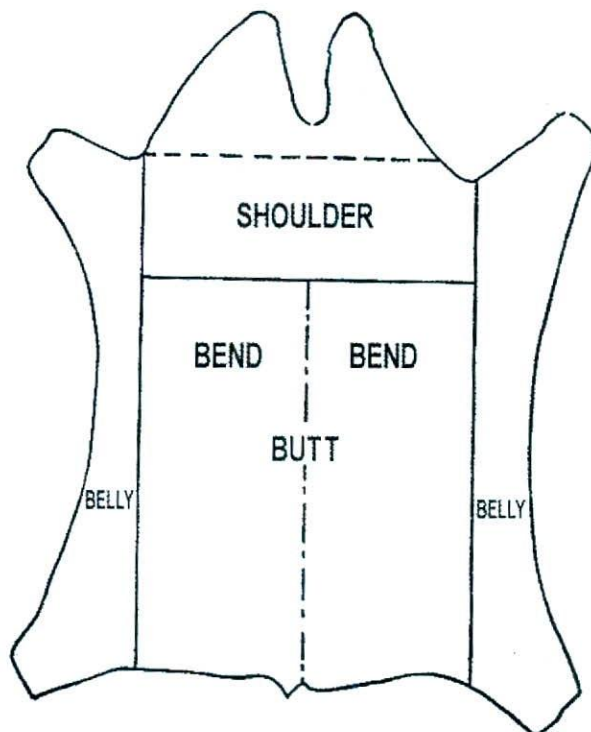
Fully-chromed leather shrinks least, semi-chromed usually but not always contracts to a greater degree, while vegetable-tanned and tawed leather shrinks most.

In feel, fully-chromed leather retains some of its flexibility, semi-chromed tends to become thin and rubbery and vegetable-tanned and tawed leather becomes harsh.



Another test can be effected by noting the temperature at which shrinkage commences. For this purpose a fragment of leather measuring 3 mm.X 30 mm. is fastened to a thermometer with its flesh side next to the bulb and the main part in contact with it. The thermometer is immersed in water and the water then heated. The temperature is noted at the point when the leather tends to curl away from the bulb. Tawed leather shrinks at an approximate temperature of 60 C. vegetable-tanned at from 700 to 800 C., semi-chromed at 900 C. and full-chromed at a rather higher temperature. These figures are approximate.

**DIVISION OF HIDE AND SKIN:** Commercially the supply of material for leather manufacture is divided into hide and skin. The finished leather disposed of under the same names, whole hides and sections of hides, being principally the raw material of the solid leather goods section and skins of all kinds being appropriated to the fancy section. Various divisions of Hide & Skin are stated below:



Method of division

a) **Butt:** The butt is the prime portion of the hide and skin extending on both sides of the backbone from the shoulders to the buttocks. This section is firmest in structure and of least stretch. Butts are employed for the finest solid leather cases, but owing to their limited area it is more usual to make use of the whole hide and skin for the construction of large trunks. This portion of the hide and skin, after tanning and filling with oleaginous or fatty compounds such as cod oil and Russian tallow, a process known as "currying" is also used in solid case work for heavy straps, handles, and strengthening parts. Straps must be cut in a direction from head to tail, this being the direction of least stretch, and not across the butt for this corresponds to the girth of the animal in which the skin is naturally more elastic.

b) **BENDS:** The butt is sometimes divided down the centre by the leather manufacturer, so forming two similar portions called bends. These are much used for the soles of boots and shoes but seldom for solid case work.

c) **SHOULDER:** The part of the hide and skin representing the shoulders and neck of the animal is not of such even structure as the butt. The neck end is often ribbed through the constant movement of raising and lowering the head during life. It is of lower value and employed for small solid leather articles and strengthening parts.

d) **BELLIES:** Bellies are the inferior parts of the hide and skin, being thinner and looser structure. They are generally levelled and finished to provide one of the materials for the small case section of solid leather goods and for the cut edged class of small fancy leather goods.

e) **SIDES:** Another method of dividing hide and skin, usually after tanning, is to cut from neck to tail along the position of the spine, the two halves so formed being known as sides.



f) NECK AND SHANK: The expressions neck and shank are the areas adjacent to the neck and legs but not separate sections.

g) FLANKS: The flanks are the areas at the sides of the hide or skin.

h) GRAIN SIDE: The top surface of all leather is referred to as the grain side.

i) FLESH SIDE: The underneath or back is the flesh side.

**HIDE:** *The outer coverings of big domestic animal bodies like cow, buffalo, horse etc. are called hides. These are large in size, thicker in substance and heavier in weight than skin. Above 25 lbs in the wet salted condition are classed as hides.*

Hides are the natural coverings of the larger species of animal bodies and the main supply is from the ox, heifer, and cow. Buffalo and horse hides are sometimes converted into leather for special requirements but huge quantities of the former group are supplied for leather for leather manufacture by cattle raisers after the animals have been killed for consumption. Hides of full size approximate to 50 or 60 square feet in area and are of irregular shape, the skin of the head, legs and tail being trimmed off and either separately tanned or, more usually, disposed of for the purpose of making glue, gelatine, and cold adhesives. As the centre portion of the hide is much stouter and firmer than the sides or flanks it is customary for the tanner, when the demand is for areas smaller than the whole hide, to cut the hide into sections prior to tanning. This considerably simplifies the tanning and finishing processes, the cut portions being of more convenient size for handling. It also provides purchasers with material of more or less even character and substance according to their requirements.



The different types or classes of whole hides, as distinct from the cut sections referred to, used for solid leather goods manufacture are:

**HEAVY LEATHERS:** Heavy leathers from the outer coverings of the larger species of animal bodies, are known as hides. These leathers are usually of plainer finish and are employed mainly for the solid leather goods section. The different types of hides are given below:

**A) PORTMANTEAU HIDES:** Portmanteau hides are the true solid leather, the hides being bark-tanned, a slower form of vegetable tannage producing a high grade of heavy leather. They are usually finished natural, that is undyed, and are heavily rolled during manufacture. They are the stoutest type of leather employed for leather goods, the thickest parts ranging from 4 mm. to 6 mm. in substance, reducing to 2 mm. or 3 mm. at the flanks. This variation in substance makes it necessary for the leather goods manufacturer to arrange the cutting of his articles so that the parts where greatest strength is required correspond to the stouter parts of the hide, the thinner portions being built up with a reinforcement, preferably of leather. Portmanteau hides can be obtained levelled or "shaved" down to a uniform substance, but it will be realized that to reduce the whole hide to perhaps half the substance of the thicker parts would remove much of the leather content and the constructed article would not be so durable.

**B) RAW HIDE:** Raw hide is a material which became very popular in recent years for the making of light-weight travel goods, its parchment-like finish imparting a distinctive appearance to those articles for which it is suitable. It is, as its name indicates, an untanned hide, the fresh hide being subjected to the early processes necessary for the removal of the hair, after which it is levelled and then stretched and dried instead of passing to the tanning process for conversion into leather. It is in this state semi-transpar-



ent, but an application of chalk solution is applied to the back to enhance its light colour, this finish being described as "natural" as no dye is applied. Raw hide is seldom really white or translucent over its entire area. Certain parts have a mottled appearance and in some hides patches of light brown tinge are evident. Those of dark or uneven colouring are considered of secondary value.

Compared with tanned hide it is much thinner in substance, as would be expected from dried hide, the fibrous structure contracting so that no air cells exist as in ordinary leather. In consequence it is inclined to warp and twist on the application of moisture or of adhesives of a moist nature. For the same reason it is susceptible to atmospheric change and being tough and strong difficulty is often experienced in preventing distortion in articles made from it.

It is the usual practice to coat the finished goods with cellulose or other varnish to minimize the ill-effect of exterior dampness or moisture.

Recent experiments on the part of raw hide producers have been to fill the to fill the substance with white wax and grease compositions so producing somewhat the thicker but softer and more pliant material, waterproof throughout its substance, and avoiding the troublesome tendency to warp and draw. Greased leathers, however, are difficult to adhere but where this can be overcome the new raw hide is much superior to the older harsher variety.

It cannot be said that raw hide is of greater durability than tanned hide because its toughness is outweighed by its thinner substance and, being harder and less resilient, the corners and exposed edges wear through more quickly. It is employed in leather goods manufacture for articles of the trunk and suit case type made on the turned-edge principle or with welted edges, that is, where the right-angled edges of an article are bound with strips of raw hide stitched through. Owing to its thin substance, it is not suitable for cut-edged goods.

C) BAG HIDES: Bag hides are full-sized hides of level substance which have been softened in the final stages of their manufacture instead of being rolled and compressed as other hides for solid case work. Travelling bags require to be made in a firm leather which will not show a broken appearance on the surface after the turning process involve in their manufacture and the hides are specially prepared to ensure this objective. Some are surface dyed in a light fawn shade, usually described as “London colour,” or in other shades of brown and finished with a “long” or “cow hide” grain. Bags of this particular finish are often sold as “cow hide” bags. Other bag hides are similar to upholstery leathers but of plain finish and dyed in standard colours of blue, maroon, green and brown. Other grains and finished are available but those specified appear to be the most popular at present.

D) CASE HIDES: Case hides are a class of finished hide specially prepared for the manufacture of articles of the suit case type and other small solid leather goods. They are usually of plain finish and of smooth semi-polished surface, and stained in various shades of tan and brown. Their substance is usually 1½ mm. to 2½ mm. according to the purchaser’s requirement.

GRADES: Case hides are of three distinct grades. Such as:

- i) FULL GRAIN.
- ii) BUFFED.
- iii) SPLITS.

LAYERS: Case hides have three layers. Such as:

- i) TOP GRAINS: Top grains being the upper most layers.
- ii) FIRST (OR MIDDLE) SPLITS): These are the secondary layers.



iii) SECOND (OR FLESH) SPLITS): These are layers nearest to the flesh side.

The top grains and first splits are of level substance, their thickness, moreover, can be regulated by adjustment of the splitting machine, but the flesh split is of uneven substance owing to the natural differences in skin thickness already noted. These layers or splits after further treatment are tanned. The top grains, which are the finest material (the fibrous structure composing the skin being strongest and densest on the grain or outer surface), are examined for superficial defects, and those which are free from blemishes, scratches and scars proceed through the finishing processes and emerge as full grain hides; these first-grade hides command the highest market price.

**BUFFED CASE HIDES:** Those top grains which under examination are found to be slightly blemished are subjected to a light buffing process, with a fine emery abrasive, on the grain side sufficient to remove the undesirable markings. These, when finished, are known as buffed case hides. The slight removal of the grain surface ensures a clear, faultless appearance to the finished article, so satisfying a fastidiousness evinced by many purchasers of leather goods, who disregard the fact that the necessary abrasion of the grain surface is detrimental to the durability of the article.

**HIDE SPLITS:** Hide splits are inferior to full grain and buffed hides; second splits naturally being of the poorest quality. The effect of splitting is to cut through the interwoven fibrous structure of the skin, and the top surfaces must be treated with a filling composition to cement together the cut fibres. When rolled and finished hide splits have an attractive level appearance, but when articles made from this material are put into use the applied dressing breaks up and the surface becomes rough and furry. Stitched edges break away owing to the weakness of the leather, and the general resistance to wear is poor in comparison with full grain and buffed case hides.



**ANILINE-DYED HIDE:** The description “aniline-dyed hide” can be correctly applied only to full grain and buffed hides that have been stained or dyed with aniline dyes. It distinguishes hides finished in this manner from hides and splits which have been treated with pigmentary and cellulose finishes to produce a level surface and colour.

**KIP:** Kip is a leather of the hide variety but of smaller size than that obtained from European and American breeds of cattle. It is the tanned skin of a fully developed but diminutive species of cattle common to certain tropical countries. Large quantities of partially tanned kips are exported from the Indian port of Calcutta and Madras. The area approximates to 30 square feet and the leather is used largely for the cheaper grades of small solid leather goods.

**CALF KIPS:** Calf kips are the skins of your animals of the same variety.

**SKIN:** *The outer coverings of small domestic animal bodies like goat, sheep etc. are known as skins. Besides the outer covering of wild animal and reptile bodies are called skins. Such as-tiger skin, crocodile skin, snake skin etc.*

**LIGHT LEATHER:** Light leather from the outer coverings of the smaller animal and reptile bodies, are known as skins. The light leathers are highly finished and from the raw material for fancy leather goods manufacture.

The different types of skins are given bellow:

**A) PIGSKIN OR HOGSKIN:** Pigskin or hogskin of considerable popularity recognizable by its distinctive natural grain or marking of triangular groups of three tiny holes visible in the butt portion of the skin but indecipherable in the flanks. The markings correspond to the bristles, the coarse but sparse hair coat of the pig. It is a



leather which is very uneven in texture, the structure being very dense in the centre part whilst the flanks are soft and loose. Individual skins contain a larger percentage of inferior leather than any other animal skin, those of sows being worse than of hogs. Pigskin is a very durable leather, its natural grease, when not entirely extracted, contributing to this characteristic. It is usually finished in light fawn (London colour), tan and brown shades. When such colours as red, green, blue, and black are required the skin has to be degreased to a greater extent in order that the dye will strike through and colour evenly. This results in a drier leather which is not so serviceable. Artificial graining are not usually applied to pigskins, the natural grain being in most demand, but inferior skins and splits (which are often taken from pigskin) often have a pigskin grain imprinted by machine, the inferior skins so treated being sold as assisted pigskins.

B) PECCARY PIGSKIN OR PECCARY HOG: Peccary pigskin or peccary hog is the skin of a species of wild pig much smaller than the domestic pig. The skins exhibit the position of a small horn between the shoulders and the bristle markings are in straight groups of three instead of triangular formation. The leather is usually soft dressed and is used to a small extent in fancy leather goods for tobacco pouches and similar articles.

C) GOAT SKINS: Goat skins provide a large proportion of the fancy leather used. They are imported from most of the European country, and from Africa and India, in the raw state and also in a partially tanned condition. They vary considerably in their quality, size and character according to their country of origin, European domestic goat skins being of fine texture and the skins of wild goats from more sparsely inhabited places being of coarser quality. Goat skins are mainly divided into two classes. Such as:

1) MOROCCO: Morocco is the name now given to practically all grades of goat leather, though until recently only the best skins



tanned with sumac were recognized as morocco, other qualities being deemed goat leather. The finest sumac-tanned productions are now known as fine or best morocco, the other principal grades being Cape moroccos (from South African skins) and East Indian moroccos exported from Calcutta and district. Morocco has three classes. Such as:

i) **BEST MOROCCO:** Best Morocco is strong and pliant, having a durable grain surface which is sufficiently elastic not to crack when folded. It is an even-textured leather constituting one of the best materials available for fancy leather goods. Cape morocco is heavier and not of such smooth surface, and it is much employed for the exteriors of the larger types of travel goods, for which purpose it is very suitable.

ii) **EAST INDIA VARIETIES:** East India varieties form the cheaper grades of morocco and are used extensively for hand bag work. The skins are comparatively small, approximating to 6 or 7 square feet, but it is a leather which is very adaptable and easily worked. Morocco leather is dyed in all colourings and finished in many styles of graining, for example, cross grain, long grain, hard grain, and pin grain, these grains being worked on the skin by a hand process of folding and rolling in different directions. Heavier graining, such as seal grain and Levant grain, are embossed by machine presses employing an engraved plate, while inferior skins which are unsuitable for either process have a grain imprinted by a roller type of machine. This leather is the cheapest variety, and the leather is solid as printed goat or printed morocco.

iii) **PERSIAN MOROCCO:** Another type of so-called persian morocco is made from persian sheep, the skin of a hair or low wool sheep, and is a leather of fine soft texture, of good grain surface and possessing more elasticity than usual, so rendering it specially suitable for curved shape work, 4 to 6 square feet.



2) **BLACK BENGAL:** It has been domesticated in Kustia, Jessore, Faridpur, Dhaka and through out Bangladesh. The skin of this type of goat is regarded super fine standard. Fancy articles and instruments of music have been made of this kind of skins. In the world market it has got demand and status.

D) **SHEEP SKIN:** Sheep skins are the most extensively used class of light leather. The supply is plentiful, huge quantities of skins being exported from the Australian and New Zealand sheep farms and home supplies being also considerable. It is the cheapest kind of leather obtain able but in quality it is inferior to other leathers, being uneven in fibrous structure and deficient both in tensile and grain strength. Sheep skins are divided into three classes. Such as:

i) **ROAN:** Roan is sumac-tanned and is a close imitation of best morocco. When dyed, grained and polished it closely resembles morocco similarly finished, but in wear the difference in quality is soon apparent owing to the weakness of the grain surface.

ii) **BASIL:** Basil is hardly a fancy leather; it is a vegetable-tanned form of sheepskin, of plain surface and usually finished natural, i.e. undyed. It is used to some extent for the linings of solid leather goods but has other applications outside the industry.

iii) **FULL SHEEP:** Full sheep, as the name indicates, is of full substance. It is supplied in all colourings and in plain or grained finishes. Hand graining is inapplicable to sheep leather because of its loose and variable texture, but all kinds of ordinary grainings and fancy embossings are imprinted. Being a cheap variety of leather it is largely used as a basis for the imitation of better leathers, and certain finishes are known as pig-grained sheep, crocodile-grained sheep, seal-grained sheep, and so on.



E) SKIVER: Another form of sheep leather is skiver, which is the upper or grain layer of a sheepskin which has been split in the wet state before tanning. It is much thinner than other sheep leathers and is used extensively for interiors and linings. In the production of skiver the skin is divided only once. The lower or flesh split is not so often used for tanning into leather, but is more often separately dressed by an oil-tanning process into wash leather (the so-called "chamois" leather), and into a cheap variety of suede known as "fleshing" or "fleshers".

Skivers are supplied in the various finishes as noted for full sheep. Paste grains are those which have been grained in cross grain design, glazed on the face and coated on the back with a paste or size solution, thereby stiffening the leather and giving a bolder appearance to the grain.

F) SUEDE: Suede is a rather elastic term applied to many qualities of leather which have been finished with a fluffed or velvety surface and employed for outsides and linings of hand bags and other fancy leather goods. It is, in its better qualities, of fine, smooth surface, cheaper grades having a coarser appearance although soft to the touch. The effect is obtained by raising the extremities of the fibre structure to form a heap or pile. The cheap class of full substance suede is produced from vegetable-tanned sheepskins. A soft kind of tannage is used and afterwards the skins are levelled to an even substance, the process being known as "shaving". They are then dyed to the required colouring, softened and fluffed to a suede surface on the flesh side. Thus the flesh side becomes the right side of the finished skin. Skins which are scarred or superficially damaged on the grain are generally utilized for this purpose. Better quality suedes are manufactured from sheep and lamb skins by substituting the tawing process for tanning, again finishing on the flesh side. This produces a suede of good substance, strong and suitable for outsides of articles though the surface is inclined to be loose.



“Degrains” are suedes in the preparation of which the skins have been degrained, that is, the grain surface has been buffed off. These are also finished on the flesh side but the production is more supple and thinner, providing a really good living material for hand bags and the smaller types of travelling bags. They are superior to the suede “fleshings”, the by-product of skiver manufacture, which are a cheaper grade of lining material. Best quality suedes are made from kid, lamb, and certain other small young animal skins by the tawing process. For this class of leather the grain surface of the skin is buffed off and eventually the top surface and not the flesh side becomes the face or finished surface. The resulting suede is fine, smooth and “tight”, a much more durable leather, and it is used principally for the exteriors of best hand bags and other articles for evening wear. Outside the industry it is made into high-grade gloves. Antelope, an expensive and beautiful leather of this class, is manufactured in this way largely from the skins of young reindeer.

G) SEAL SKIN: Of the leathers other than those provided by the skins of animals which are reared for food, that obtained from the skin of the seal is in considerable demand. Seal leather comes from the species known as the hair seal. It is one of the more expensive leathers, very even in composition over its entire area, durable and flexible, of strong grain but not stretchy or elastic. It is considered to be stronger, weight for weight, than any other leather provided it has not been weakened in preparation or dyeing. Its inner substance resists the knife owing to the tough hair sheaths in its structure, and it is therefore more difficult to work than most leathers. In the skin it is readily recognized by its shape, differing from the roughly rectangular shape of skins from quadrupeds. It is remarkable for its absence of inferior flank leather, but skins from older animals often display ribbed markings at the neck portion. Seal leather is dyed in standard colours and the usual grain finishes are rough or bold seal, in which a globular pattern is worked up by hand, and fine or pin seal, which is understood to be the natural grain, though this is usually improved and made more distinct by a hand operation. A variety known as shark seal has a deeply embossed irregular grain on stout skins.



Seal skins are often split and the secondary layers are dressed and finished for other purposes. These are marketed as “ seal splits”.

H) REPTILE SKIN: Certain of the larger kinds of reptile skins are regularly manufactured into leather for the leather goods industry, these being principally crocodile and alligator, lizard, python or boa constrictor, and water sake (otherwise karung). The chief features of reptile leathers are their distinctive grain or natural marking caused by the arrangement of the scaling or segmentation of the skin. In lizard and snake leathers a shading or pigmentation of the skin in certain parts forms in some varieties a definite pattern. The skins are of dense fibrous structure and when converted into leather are very durable though of little tensile strength. It may be noted that owing to the hardness of the grain surface and general lack of resiliency, turned edges are case with leathers of a softer nature. various kinds of reptile skins are given bellow:

(I) CROCODILE SKIN: Crocodile (including alligator, which is obtained from a similar reptile differing slightly in length of jaw and tail formation) is used to a greater extent than other reptile leathers as the skins may be obtained from “baby” sizes measuring 8 in. across the body to exceptional skins of 40 in to 50 in. in width. Hence a large cutting area is possible for large articles where required, and intermediate sizes are available, thus suiting the scale marking or grain to the article, The skin protecting the upper jaw, head, and back of the reptile is covered with horny protuberances, and when flayed this portion is discarded. Usually only that part of the skin covering the under-side is converted into leather, though a demand exists for small “ horn back” crocodiles for hand bag work.

Crocodile in the finished skin is recognizable by its shape or conformation the three main sections being the jaw or snout, body, and tail respectively. Each section is of a different though irregular pattern and people accustomed to handling crocodile skins can deter-



mine the section from which a particular article or part of an article has been cut by the shape of the scaling. In the extremities of the tail the edges of the scales overlap slightly, a feature which is understood by some people to distinguish real from imitation crocodile, but overlapping does not occur over the greater area of the skin. Crocodile can be more readily distinguished by its hard and firm grain surface, its irregular scale marking and the absence of a "repeat" pattern which occurs when the design has been embossed on an inferior leather. Large quantities of skins are exported from the United States of America, the reptiles abounding in the delta of the Mississippi River, and also from Brazil, Africa, and India. Those from India are known as "muggers" and are shaded on the flanks, an undesirable feature in light and medium colourings but not noticeable in dark shades and black. Crocodile skins are tanned by the vegetable process, and are also supplied semi-and full-chromed. The chroming tends to improve the appearance of the finished skin by setting up the scales, so giving the leather a bolder appearance against the flatter effect of vegetable tannage.

(II) LIZARD SKIN: Lizard skins provide an attractive leather, thinner than crocodile and more flexible owing to the smaller pattern of the scaling. Their maximum size is about 18 in. in breadth and they are shorter in length as compared with crocodile. The head and tail sections are of small area. The skins have a pigmentation forming an irregular pattern on the head portion and a shading in the body, the flanks being light.

A species of lizard native to Java and the surrounding islands has in addition a series of ring-shaped markings in rows across the body. These are the most expensive variety and are marketed as Java or ringed lizards. Other skins from Africa and India are of plainer type, some being known as oval grains, a rather coarse graining, and others as fine grains. Most lizard skins are vegetable-tanned and Javas are both vegetable-tanned for polished finish and tawed for soft undyed dull finish. In the latter finish the dark por-



tions of the skin assume a pale grey to blackish tint and the light parts appear white.

(III) CHAMELEON SKIN: Chameleon is a cheaper variety of lizard skin neither so attractive in pattern nor so durable, but it is much used for hand bags, the popular finish being a light grey polished surface. The shading is less distinct than in other lizards and the individual scales are roughly rectangular in shape in contrast to the rounded scales which predominate in other species.

(IV) PYTHON SKIN: The skins of the python or boa constrictor and anaconda are used for leather goods, these being the largest kinds of snakes and the leather of suitable substance and good area. Exceptional skins measure up to 30 ft. in length, but the breadth is narrow and seldom exceeds 12 in. in the largest skin. The natural markings are particularly attractive. Again pythons from Java are superior, the markings being very sharply defined. In those from Africa and India the pattern is less distinct and the edges blurred. Python is recognized by the diamond or zig-zagged coloration extending over the length of the skin.

Anaconda is not so popular but is equal to python in general characteristics. The marking takes the form of oval-shaped patches of a dark shade. Both types are supplied by leather manufacturers in soft tawed (black and white) finish, and tanned, dyed, and polished forms.

(V) WATER SNAKE SKIN: Water snake or karung is another snake leather of practical size but of thinner substance than other reptile leathers of corresponding area. It is a strong leather, the marking consisting of irregularly shaped patches of darker pigmentation. In the larger sizes the scaling has tiny points to the tips making it slightly prickly to the touch in the ordinary polished finishes. Leather manufacturers have produced another type of finish in which the scales have been buffed to remove the spiny surface, the



skin being afterwards dyed and dressed to a dull or mat finish. in this from, although not of such attractive appearance , it is a strong supple leather suitable for limp articles. The small sizes of karung are not of much value to the leather goods maker owing to their thin substance.

Other varieties of lizard and snake skins are frequently offered by exporters and dealers in reptile leathers. Many of these are strikingly marked but are mainly of small size and correspondingly thin substance. They are cheap and can be utilized for some articles by joining together. Their lack of substance is, however, detrimental to their employment, for whatever reinforcement is used to make up the deficiency in leather, this eventually weakens and the skin surface assumes a broken appearance.

The animal and reptile leathers dealt with are those principally used for leather goods. It is not intended to be a conclusive list for, as it is possible for any kind of skin to be converted into leather, any produced leather may be made into leather goods. But the determining factors which make the production of any class of leather worth while are that a sufficient and readily obtained supply of the raw material is available, that produced leather is of reasonable size, shape, and substance, and that it can be made up without difficulty, conditions which are fulfilled by the leathers specified. There are certain other leathers which, owing to their markings and other special features, obtain a measure of popularity in the fancy leather termed "novelty" leathers.

(VI) GUI SNAKE SKIN: It is found in pools of the various districts of Bangladesh. Its skins are regarded very super standard. Various costly and fancy articles are made of this type of skins. In the world market it has wide demand with great reputation.

(VII) OSTRICH SKIN: Ostrich is a skin of this class, a strong leather revealing in a portion of the skin the markings of quill feather sheaths.



(VIII) EMU SKIN: Emu and cassowary skins are similar but have not achieved the same degree of popularity.

(IX) FISH SKIN: Certain fish skins are marketed, such as ray fish, sometimes termed shagreen, and barosa, the name given to a fish skin of finer grain. These are not true leathers but are the tough outer layers which have been dyed and dressed. They are often too harsh and brittle to be made up by the usual methods and are therefore employed as panels joined to softer types of leather.

(X) SHARK SKIN: Shark skin, in which the tough outer layer has been stripped off and the substance tanned, has also been marketed. The dried outer skin of small sharks and of the sole is used for match strikers in some small fancy leather goods.

(XI) SEA LEOPARD SKIN: Sea leopard is another novelty leather obtained from a certain fish, the leather having dark patches resembling the spots of a leopard; it is a durable leather but thin and of small area. Another remarkable leather, made from the stomach lining of cattle, has a curious interlaced web-like pattern.

(XII) FROG SKIN: Frog skins of large species are to be had in leather form, and are suitable for purses and similar small articles.

In conclusion, persons unaccustomed to handling leather and leather goods should be careful not to classify leathers according to their graining or finish. The term "grain" is used by the leather manufacturer in a double sense, first as denoting the actual top surface of the skin and secondly as a name for the pattern or design worked or imprinted artificially on to the top or grain surface. The natural grain or skin marking of haired animal after the leather has been stretched, rolled, and finished is almost indecipherable to the unassisted eye, and to give pattern to these skins when required a grain is applied. In consequence, novices are inclined to associate particular grainings with definite classes of leather, thus classing



leathers with a pigskin grain as pigskin, those with a cross grain as skiver or, it may be, as roan or morocco, those with a fine pin grain as seal, and so on.

It should be remembered that similar grains are to be seen on totally different classes of leather. In some cases the pattern is a definite imitation of the natural grain of a superior leather, in others it is common to different kinds of leather. Skivers, roans, and best and cheap moroccos may all have an identical grain artificially applied. It is often difficult to distinguish these leathers in the newly finished article but the effect of wear on the grain surface, at the corners and edges, will sometimes indicate the class of leather. If the back of the leather can be seen this is helpful and the thinner substance of skiver can be detected in this way. To the mechanic any doubt as to the origin of a piece of leather is usually dispelled by splitting a portion with a hand knife, as the interior substance of most standard leathers can be recognized by their appearance, texture and resistance to the knife.



# CHAPTER-3

## MANUFACTURING SYSTEMS





## MANUFACTURING SYSTEMS

It is collected in the tannery after taking off the Hide & Skin from the animal. The collected Hide & Skin of the tannery is refined after several process. Finished leather is made after tanning through several processing of the refined Hide & Skin. Finished Leather is Used as raw materials in the leather goods manufacturing industry. various types of fashionable daily necessary leather goods are produced in the leather goods manufacturing industry after applying various methods. The methods of producing leather goods from the finished leather are stated below:

1) REINFORCEMENTS: In the construction of leather goods it becomes necessary, with few exceptions, to introduce additional material between the outside and lining of an article in order to strengthen all over or only in parts the outer material or to add substance or impart rigidity to the leather.

A particular leather may be too soft or limp for its intended purpose, so necessitating a foundation or stiffening. Or the leather may be inferior in quality, in which case it is built up and strengthened by the application of a secondary layer of other material. Again the article may gave an attachment, such as a handle, which imposes a strain on the part to which it is attached, so requiring additional strength at that place.

Such applied materials are known as reinforcements, and although leather itself is used as an interior reinforcements, the term applies more specifically to those supplied in sheets or rolls as plywood, fibre hoard and other pulpboard, paper and fabric, which are manufactured , with the exception of plywood, especially for the purpose. Fabric is often used in combination with the other materials for added strength. These reinforcements are all of lower value than the leather to which they are applied, and although in many instances they are indispensable they are undoubtedly used to a



greater degree in the manufacture of cheaper grades of leather goods to take the place of actual leather substance.

2) LINING MATERIALS: The lining materials employed for leather goods may be roughly separated into three groups, namely, those of leather, those of plain and fancy cotton, and those of more ornamental design and finish manufactured from real silk and rayon. Materials of each group are use for all classes of leather goods both large and small, thus adding to the infinite variety of articles which exist.

large leather travel goods are lined with leather, cotton, or the more expensive fabrics, and their is a cotton, or the more expensive fabrics, and these is a similar choice of lining materials for the intermediate and small fancy leather goods at the other end of the scale according to specific requirements or taste. No one class of leather goods can definitely be said to be lined with a particular material. In addition some leather goods are unlined, the lining being dispensed with not for economy but for enhance serviceability or perhaps for considerations of weight. Again, some purchasers of leather goods have an impression that a lining hides away inferior materials used in construction – which is unfortunately true in many cheap productions – and so exhibit a preference for unlined articles. However, linings are necessary in the bulk of leather goods in order that interior pockets and fitments may be attached and so that compact articles of practical utility can be produced. Incidentally , linings do effect an economy in cost as in any instances an outside leather is extended by the addition of a piece of lining material to form a pocket, a practice not possible in an unlined article, in which case the leather would have to be carried right through.

3) ADHESIVES: There are a number of adhesives available to the maker of leather goods, the chief of these being different forms of paste and glue, rubber solution, and cements of the fish glue type,



each possessing varying qualities of tenacity, elasticity, mobility, and penetrativeness. Tenacity is the adhesive strength or power of uniting surfaces of the same or different materials. Elasticity is the degree of pliability of the adhesive when dry; an adhesive which cracks or pulverizes when joined materials are flexed is non-elastic. Mobility is the spreading quality of an adhesive, the degree of ease with which it can be applied in a thin even layer over a reasonable area of material. Penetrativeness is its power of entering into the structure of the material to be adhered.

4) THE WORK BENCH: The making of fancy leather goods is carried out in work rooms in which each operative engaged in the actual making up of articles is allotted a certain amount of bench space. This space varies according to the class of goods usually made, large goods workers requiring more room than those engaged on small work. A bench space of  $3\frac{1}{2}$  ft. in length by  $2\frac{1}{2}$  ft. in depth is a suitable minimum. Space should not be cramped, but on the other hand, it is unnecessarily large, untidy habits are developed and instead of the work in various stages of production being kept together in neat piles, the parts become strewn about, possibly entailing much additional sorting out and consequent delay. Orderly habits at the bench are essential if a good standard of work is to be achieved, and a reasonably restricted bench area helps in this direction.

5) PREPARATORY PROCESSES: In the making of fancy leather goods there are certain processes involved which are common to the production of all types of articles whether large or small, and a measure of skill should be gained by the study and practice of each of these before the learner attempts the making of complete articles. These processes are cutting, parting or skiving, turning over, and creasing.

6) CUT-EDGED ARTICLES: Cut-edged, alternatively known as raw edged or solid, edged, light leather articles are a cheaper grade of fancy leather goods which have a considerable market owing to



the comparatively low cost consequent on their simplicity of manufacture. Purses, paper money cases, wallets, certain types of cigarette cases; season ticket, contract, licence and card cases; wrist watch straps; sheaths for match boxes, mirrors, scissors, manicure instruments and similar small articles carried in the hand bag or pocket are made in cut-edged style, together with some larger articles for stationery, correspondence, manuscript and music.

For the successful making of cut-edged goods, a firm, close-textured leather is essential. Goat leathers, certain grades of calf, pigskin, seal and reptile leathers fulfil the required qualification, while, for cheap grades, hide bellies, kips and the middle splits of pigskin and seal are used.

7) **STIFFENED ARTICLES:** Stiffened fancy leather goods are those reinforced with sheet pulpboard, such as strawboard, cardboard, or other material of a similar nature. The majority of articles belonging to this classification are of the category known as large work, few examples being found which are intended to be carried in the pocket. The principle underlying their manufacture consists of turning over the edges of both outside and lining materials on to separate reinforcements and finally assembling these parts with glue or other strong adhesive. The method of construction permits the securing of the extended edges of gussets, bans, straps, or other interior parts between the adhered surfaces, so building up the article with adhesive and eliminating either entirely or to a considerable degree the necessity for stitching.

8) **TURNED-EDGED ARTICLES:** The making of semi-limp and of limp turned-edged work differs only in the inclusion of a paper reinforcement in the former to compensate for a deficiency of leather substance or to make the article a trifle more rigid than it would otherwise be. Articles of skiver leather generally require a reinforcement of sugar or blotting paper, while for similar articles



of a more substantial leather the paper would be unnecessary but might be replaced by a fabric interlining. Fabric reinforced articles are classified as of limp construction, together with those in which no reinforcement of either kind is incorporated.

The making of semi-limp turned-edged goods is simpler to the beginner, the reinforcement providing a foundation and ensuring a more uniform standard of work; soft materials are always more difficult to manipulate to definite outlines. For this reason the following examples are described in the semi-limp method of construction, but they can be made in limp method of construction, but they can be made in limp style by omitting the paper from all parts except tabs, straps, frame borders and the like or by replacing the paper reinforcement by a suitable fabric should this be desirable.

9) MOULDED GUSSET WORK: To provide expansion and capacity to pockets of rounded shape fitted to both cut-edged and turned-edged leather goods a type of gusset known as a moulded gusset is used. The gusset leather can be moulded or shaped to the curvature of the article or pocket by one of three methods. Large numbers of coin purses are fitted with gussets of this kind, and the style is occasionally embodied in the design of band bags and other leather goods.

10) MOULDED WORK: Moulded work is the descriptive name applied to a class of fancy leather goods in the construction of which a foundation is produced by gluing successive layers of strong paper to a lining arranged about a wood block. The wood block is of the shape and size of the intended contents of the required sheath or case and the paper layers are moulded to the shape of the block by pressure applied before the adhesive has set. In this way flatsided, cylindrical, or other shaped foundations are constructed which, when covered form articles of an extremely durable and protective nature.



11) BUILT-UP WORK: The construction of certain articles of fancy leather goods incorporates a foundation made by gluing pieces of sheet pulpboard together at the edges to form a tray or container. A lid of the same material is fitted to close the case. The sections of pulpboard are cut to definite sizes and are "built up" to form the foundation to the article.

The method of construction is a ready means of making up small flat sided containers for trinkets, pins, studs and similar article, and is particularly useful when containers of a special size are required at short notice,. It is also largely used for playing card cases, such as bridge sets, for sewing or needlework cases and for "vanity" boxes. The latter is a flat type of leather-covered case with interior compartments for cosmetics and a handle for carrying similar to the hand bag. Cases for one or more perfume bottles may be built up, and providing the bottles are of square or rectangular shape it will be found a quicker method of constructing a foundation than the moulding method.

Quite strong articles may be made by the built-up method, although the rigidity of a wood foundation cannot be expected. The construction is not regarded as sufficiently rigid for articles having a base area of more than about 12 sq. in. unless divisions are fitted. Divisions support and strengthen the outsides of built-up foundations and allow the practical limit of size to be proportionately increased.

12) BOX WORK: Box work is the name applied to a section of fancy leather work which consists of the covering and lining or wood boxes of many types and designs intended to contain jewellery, manicure instruments, important papers, writing materials, toilet requites, or other articles.

13) HAND BAG WORK AND PURSES: Ladies' hand bags are a class of leather goods involving the employment of a metal frame



either for enclosing the entire contents of the article or to enclose an interior arrangement of pockets. Framed purses are also included in many designs of hand bags and pochettes. The term pochette is applied to the smaller types of hand bags in which the large frame is replaced by a leather flap to close the article.

14) MACHINE PARING: The bulk of the parting or skiving necessary for fancy leather goods making is performed by machine in modern factories, machines of the cylindrical knife type being most popular. For some classes of goods the reduction of leather substance by the machine alone is sufficient for the subsequent making-up processes. In other grades of articles the machine operation is followed by a short hand-paring treatment in which the hand knife is used to effect the further reduction necessary for turning over rounded corners and for generally touching up the machine-pared parts. The feather-edging and fine-edging of the leathers is usually carried out with the hand knife.

# CHAPTER-4

## LEATHER GOODS





## LEATHER GOODS

**DEFINITION:** According to the Bangladesh College of leather technology, the products manufactured by leather are called leather goods. Such as travel kits, leather belts, bags etc.

According to the Bangladesh finished leather, leather footwear and leather goods exporters association, the products which are manufactured by leather are called leather products. The association had classified the leather products into four sections. They are stated below:

(I) **FINISHED LEATHER:** Crust leather is converted to finished leather after further processing. Finished leather is used as raw material in the leather goods manufacturing industries. Bangladesh exports huge quantity of finished leather to overseas markets every year..

(II) **LEATHER FOOTWEAR:** The all kinds of footwear which are manufactured by leather are called leather footwear. Such as: Ladies leather footwear, gents leather footwear etc.

(III) **LEATHER GARMENT:** Leather garment is made of leather. It is called leather garment. As leather jacket.

(IV) **LEATHER GOODS:** World kinds of products which are manufactured by leather excluding leather footwear are called leather goods. Such as: Leather bags, purse, leather hand gloves etc.

Leather has at all times been indispensable to the human race. Its earliest applications were for clothing, tents and coverings, the out-sides of coracles and boats, bottles and containers for liquids, manuscripts, sandals, harness, etc., and cut roughly to shape, it has even been used as coinage. In modern times it is put to multitudinous purposes, for example, for making boots and shoes, gloves, leather

clothing, machinery belting, military equipment, upholstery, book-binding, and surgical appliances. In one form or another it is discovered everywhere and it seems that mankind can hardly do without this useful substance.

The term "leather goods," however, is applied and generally confined to articles made mainly of leather and intended for the containing of personal belongings, such as the smaller things one finds it necessary to carry in the pocket or in the hand and the articles required when visiting or travelling. Some other forms of leather goods are purely decorative, and yet others are designed for the writing table or office desk.

A vast range of articles is covered, from tiny cases for book matches, pins and needles, and so on, to travelling trunks measuring perhaps 40in. in length. Probably no other industry includes such a wide variety of articles which, apart from the basic material leather, differ so much in the components and supplementary materials used and in their styles and methods of construction.

It is therefore necessary in order to manufacture economically, that leather goods generally should be classified or separated into groups of articles of similar kind. The industry to-day is sectionalized in this way to a very great extent, some manufacturing concerns confining their efforts entirely to one line of goods although it must be pointed out this does not limit their activities to one pattern. A glance at the ladies hand bag section, which is largely conducted in this way, will prove that there is almost unlimited variety even in one class of goods.

#### CLASSIFICATION OF LEATHER GOODS:

The chief factors which operate in the division of manufacture into sections are primarily the kind of leather used and the machinery necessary for manufacture. Leather goods are of two principal classes. Such as:



1) FANCY LEATHER GOODS: Light leathers from the outer coverings of the smaller animal and reptile bodies which are known as skins are highly finished and form the raw material for fancy leather goods. Such as: Hand bag, small goods etc.

2) SOLID LEATHER GOODS: Heavy leathers from the outer coverings of the larger species of animal bodies, which are known as hides are usually of plainer finish and are employed mainly for the solid leather goods. Such as: travelling bags, large trunks etc.

This indicates the first separation of leather goods into fancy and solid leather articles. The use of skins for the former and hides for the latter must not be taken too literally for light hides are sometimes used for cheap varieties of fancy leather goods and heavy skins are frequently made into articles under the heading of solid leather goods.

The machinery necessary for the manufacture of fancy leather goods usually consists of parting or skiving machines to reduce the substance of leather parts, a guillotine for cutting reinforcements, a variety of light stitching machines, small machines for fixing metal fastenings, eyelets, etc., and possibly machines for the polishing and plating of highly finished leathers. Where quantity production of cheaper articles is engaged upon, these are supplemented by clicking presses and press knives for cutting material to definite shapes and size, machines for folding and solutioning edges, bag framing machines and gold blocking pressed to emboss decorative effects on articles. The machinery export is usually able to provide a machine for a particular process where quantity justifies.

The solid leather goods manufacturer requires power presses for cutting out and for blocking heavy leather parts to shape, splitting machines for reduction of leather substance, strap cutting and punching machines, buffing machines for the finishing of edges, scoring and grooving machines, heavy stitching machines for “flat”



stitching and edge “closing”, gluing and rolling machines ,machines for fixing metal components, and perhaps a spraying plant for applying colour and cellulose finishes to goods. The selection of plant is dependent upon the quality of the articles to be manufactured.

Stocks of supplementary materials such as reinforcements and lining material, metal parts and other details necessary for the fancy and other sections, are very different and in few instances common to both.

Similarly, the personnel skilled in leather goods production is divided into two main groups. The mechanic who can honestly describe himself as a fancy and solid leather goods maker is extremely rare. For the fancy section of the trade, in addition to men, numbers of female operatives are employed for the making and machine-stitching processes, whereas for the solid section a larger proportion of the work is performed by men, particularly in the making of the heavier types of goods and where the stitching of stout material by hand is involved.

Thus we have two main classes of leather goods which are distinct in themselves and which for reasons of economy in capital expenditure for stocks and plant and of differences in the type of labour required for each are best manufactured apart.

Both fancy and solid leather goods manufacture are further separated into sections in order to better organize and simplify production, to reduce costs, and to obtain the higher standard of workmanship which results from the familiarity and skill acquire by repetition. In the making of fancy leather goods, although the variety is greater than in solid leather goods, classification can be restricted to three divisions, namely, small goods, large goods, and hand bags. Each class employs specialized labour, known in the trade as “small workers”, “large workers”, and “hand bag makers”



respectively. The latter operatives are also variously known as “bench hands,” “paste fitters” (a term taken from the shoe manufacturing trade), and “framers” (specialists in attaching frames to hand bags).

**FANCY LEATHER GOODS:** *Light leathers from the outer coverings of the smaller animal and reptile bodies which are known as skins are highly finished and form the raw material for fancy leather goods. Such as: Hand bag, small goods etc.*

The description of various kinds of fancy leather goods are given below:

A) SMALL GOODS: Small goods or small cases work in the fancy leather section includes articles which are usually carried in the pocket or hand bag such as purse, paper-money cases, card cases, letter cases, wallets, spectacle cases, tobacco pouches, and cigar and cigarette cases.

B) LARGE GOODS: Large work consists of articles of fancy leather used when travelling, to equip the writing desk and dressing table and for display. Some of these are various forms of jewellery cases, handkerchief, pyjama and tie cases, travelling rug and cushion cases, blotters, stationery racks, writing cases, manicure cases, and photograph frames.

C) HAND BAGS: Hand bag work, which covers the many different styles of ladies’ hand bags, is now regarded as a distinct section of fancy leather goods owing to its remarkable expansion during the past quarter of a century. Originally hand bags were within the category of small goods, being a development of the purse and chatelaine, the latter being a large type of framed purse hung to the waist belt in a past fashion. Hand bag work embraces the making of the popular everyday type of small bag, the larger types measuring 10 in. to 14 in. in length, sometimes known as shopping bags, and the more elaborate evening bags of fine soft



leathers and rich fabrics fitted with ornamental frames. Hand bags are divided into three classes. Such as:

i) **SMALL ORDINARY BAGS:** Hand bag work, which covers the many different styles of ladies' hand bags, is now regarded as a distinct section of fancy leather goods. Originally hand bags were within the category of small goods, being a development of the purse and chatelaine, the latter being a large type of framed purse hung to the waist belt in a past fashion.

ii) **LARGE BAGS:** Large hand bags are made on similar principles, the frames being stouter, less ornamental, and often fitted with lock and key. Some types have capacious pockets on each side of the framed compartment and handles fixed to the fronts or outside of the pockets instead of to the frame itself.

iii) **EVENING BAGS:** Evening bags are made principally by the stitched and turned method. The frame in most cases is the important feature of this type of bag as it is often of precious metal of intricate design ornamented with gems. Consequently the bag design is comparatively plain although the material used may be costly. Many types are attached to the frames by hand-stitching. This indicates that the making of evening bags is a delicate but not a particularly difficult section of hand bag work.

Apart from the classification of fancy leather goods into three groups in this way, subsections are formed according to the method of construction, and here the terms "cut-edged" and "turned-edged" are applied to articles within the classes of small and large goods. Articles intended for similar purposes are constructed by both cut-edged and turned-edged methods, and to describe or classify these adequately, reference to this feature is necessary.

For example, a wallet can be made by assembling a number of pieces of leather cut to suitable size and outline and stitching them together at their outer edges. Made in this way it would be known



as a cut edged or “solid” edged article. On the other hand, some of the parts may be cut with margins at their edges which, after being reduced in substance and treated with adhesive, are turned over on to an interior portion, so forming a “turned” edged case. Here again, specialization occurs, some manufacturers concentrating their efforts on the production of cut-edged work; for the types of leather employed, the methods of preparation and construction are different from the manufacture of turned-edged work. Not there are certain limitations in the class of leather goods which can be satisfactorily constructed on cut-edged principles, and consequently the variety is not so great.

The degree of reinforcement applied to leather goods is also a factor in the classification of articles. In this way leather goods are divided into three classes. Such as:

- i) LIMP LEATHER GOODS: Some goods are made without any internal stiffening or reinforcement, no paper or pulpboard being incorporated. This class is known as the limp leather goods section, just the leathers and lining materials forming the article. Most pocket goods are made in this way and also some of the larger types.
- ii) SEMI-LIMP LEATHER GOODS: Other articles for various reasons have a paper or stiff fabric material applied as a foundation between the leather and lining, so imparting a degree of firmness but not detracting from the flexibility of the case and goods made in this way belong to the semi-limp or semi-stiff class leather goods.
- iii) STIFFENED LEATHER GOODS: Still others are built up on a foundation of stout pulpboard, so making the completed article quite stiff, the resultant product coming under the heading of stiffened leather goods.



These classifications of limp, semi-limp and stiffened articles are applied to flat types of small and large fancy leather goods, the majority of small goods being made either limp or semi-limp and of large goods either semi-limp or stiffened. Hand bags or the most part are made on semi-limp principles.

Apart from the flat types of articles, many styles of fancy leather goods take the form of stiffened containers fitted with lids or coverings so as to enclose completely the intended contents. These are not classified as stiffened goods but according to their method of construction are separated as follows-

Moulded work is the class of goods, of the container type, in which the foundation is made by gluing successive layers of stiff paper around a block of the required shape and size, the "moulding" thus formed being subsequently covered. This is a method by which foundations for cylindrical and other curved shapes as well as square-cornered and flat-sided case can be conveniently made. Moulded work is a form of construction very suitable for light but strong protective cases for fragile articles such as bottles, cigars, and cigarettes and for purposes where the flat or collapsible types of fancy leather goods are inapplicable.

Light articles of the box type are made on a foundation of sheet pulpboard, the pieces being cut to definite sizes and "built up" to form a box, then strengthened with fabric and afterwards covered with leather and lined. This method of construction imparts the name to the class of goods, i.e. built-up work.

Box work is the name applied to a section in which cases are prepared and then covered with leather and lined according to requirements. There is a wide range of articles in this section for small stud boxes, jewel boxes, manicure instrument boxes, and "beauty" boxes for toilet preparations to dressing cases of quite large size, the wood foundation making the construction of such articles practicable.



Box work and built-up work are subsections of large fancy leather goods and are made by the group of operatives known as “large” workers. Although the wood shells or foundations for box work are nowadays more often made by skilled wood-workers, a knowledge of simple wood-working and the equipment for it should be possessed by the “large worker engaged in this class of goods. Moulded work is within the province of both small and large goods makers according to the size of the required article.

These section of cases, though of a rigid type of construction, must not be confused with stiffened work, the latter consisting of flat and folding types, the interiors where necessary being provided with gusseted pockets for the reception of the contents.

From the foregoing may be gathered the lines on which small and large fancy leather goods are classified- first in relation to size and then with reference to constructional details, e.g. cut or turned edges, reinforcement, whether it is limp, semi-limp, or stiffened, and finally with reference, if applicable, to the special classes of box, work, built-up or moulded work. For example, a case for paper money is a pocket article of small work classification of either cut-edged or turned-edged construction. It would be made in limp style for obvious reasons unless some special feature necessitated an incorporated stiffening over all or part of the case. A cigarette case is another pocket article. It may be of cut-or turned-edged limp style. If the latter, it may be fitted with a frame, in which event it would be designated a “framed” cigarette case, or it may be constructed of moulded principles. A blotter cover is an article of large goods, either cut –or turned-edged, and limp, semi-limp, or stiffened, the latter style of construction not applying if cut-edged. A manicure case may be of limp (either cut-or turned-edged, stiffened, or box type. Jewel cased may be limp, box type, or built up, but never of stiffened construction. So we find that articles intended for similar purposes are manufactured in quite different styles, and to classify these adequately it is necessary to consider their constructional details and features. This also emphasizes the need



for careful description of articles to be made. It is not sufficient to say “ a morocco letter case” or “a pigskin blotter” since without further details probably a hundred different articles fulfilling such a description could be produced.

**SOLID LEATHER GOODS:** *The heavier types of leather goods coming within the category of solid leather goods, as with fancy leather goods, may be resolved into three principal sections or classes. The first of these embraces the large articles made on foundations of various reinforcements, such as solid leather cabin and overland trunks, suit cases, shoe cases, hat cases, and the like. Wardrobe trunks are perhaps the largest type of travel goods, but although made by firms engaged in leather goods manufacture, these are seldom made of leather and have little leather if any in their construction, their foundation being of wood usually faced and bound with vulcanized fibre, the corners and edges being further strengthened with metal components. The description of various solid leather goods are given bellow:*

i) **LARGE TRUNKS AND CASES:** Solid leather trunks are in their best qualities made entirely of stout leather comparable with sole leather without the addition of inferior reinforcement –as the term “solid” leather implies – and the making of such articles and their stitching by hand is very heavy work. Suit cases and similar travel articles are sometimes constructed of solid leather, but in order to attain lightness of weight and a more attractive appearance, other qualities are made by using a thinner leather known as case hide and the at-present very popular raw hide, together with a reinforcement of pulpboard or plywood. Dressing case exteriors are also included in this section, and in addition to hide, animal skins, such as pigskin and morocco, and the reptile leather, crocodile, are frequently employed. As in fancy leather goods, the terms cut-edged and turned-edged apply, for although solid leather cases are always constructed with out edges, other articles of this class are made either cut or turned-edged according to the type of leather or other requirement.



While there are other leather goods of this group not especially mentioned, it can be recognized that the section comprised travel goods of rigid construction ranging roughly from 18 in. to 40 in. in length, the various parts forming the outsides being hand-sewn together, and applied leather and metal parts often being riveted on in addition, to ensure greater resistance to wear.

In view of the reference to solid leather trunks, the term "solid leather goods" perhaps needs further definition. For manufacturing purpose the entire range of leather goods apart from those made from fancy leather are classified as solid leather goods, but of the latter only those made from a particular grade of stout leather, namely oak bark-tanned hide, are described correctly as solid leather trunks, suit cases, etc. Those made of other leather are properly described as of hide, raw hide, cow hide, crocodile, pigskin or morocco s the case may be.

Another section of solid leather goods which is convenient to separate in modern factories is formed by the smaller kinds of more or less rigidly constructed articles such as brush cases, collar boxes, attache cases, certain kinds of music cases, despatch cases, telescope, binocular, and field glass case, etc. These goods are made from hide principally, and the hand-stitching necessary is generally executed by female workers who are adapted to this lighter type of work, which in the best grades, requires very fine and evenly laid stitches. In the cheaper qualities much use is made of a recently developed machine for the stitching of edges, and for flat surfaces heavy machines of the ordinary type are employed in place of hand-stitching.

ii) SMALL CASES: Small goods or small cases work in the fancy leather section includes articles which are usually carried in the pocket or hand bag such as purse, paper-money cases, card cases, letter cases, wallets, spectacle cases, tobacco pouches, and cigar and cigarette cases.



iii) TRAVELLING BAGS: Travelling bags form another section of solid leather goods. These are probably though not in their present styles, the oldest type of travel goods, certain types of travelling bags being in vogue long before the advent of the suit case and attache case. The development of air travel has brought about a renewed popularity of travelling bags, their lighter weight, collapsibility, and different style of opening giving easier access to their contents under certain conditions. This class of goods is constructed of sorter grades of hide, the leather being rendered more flexible but not less tough by the tanner to make it suitable for the purpose. The bag pats are hand- or machine-stitched at the edges on the wrong side, and are afterwards turned inside out, a frame of other fastening device being then fitted to the opening. The forerunner of travelling bags was the Gladstone bag, a style in which a frame was applied to the top and the full depth of the sides permitted the bag to open into two halves. A smaller type still moderately popular is the brief bag in which the frame extends only partly down the sides. Another older type of travelling bag which is still in considerable demand is the fit or square-mouthed bag, the frame when opened providing a rectangular space which gives full access to the contents. Kit bags of this type are made in sizes from 18in. to 30in in length.

Most modern forms of travelling bags have sliding fasteners of a heavy variety fitted to their opening edges in place of a frame. The saving of weight in consequence is considerable and the field of design is widened. Many of these bags are marketed under name registered by their manufacturers but the principle of construction is the same, the stitching of the seamed edges being actually within the finished bag and so protected from direct wear. The better qualities are hand-sewn and the cheaper varieties stitched by machine.

These three sections of solid leather goods, viz. large trunks and cases, small cases and travelling bags, have certain features



common to all, the type of leather being alike but not the grade of finish in every instance. The hand-stitching which is necessary in some degree to all these articles, and the riveting together of leather parts and metal strengthening pieces, provide a similarity of constructional processes. Yet they are sufficiently different in other respects to warrant their separation into the groups specified so that their separation into the groups specified so that their manufacture can be efficiently and successfully carried out.

Each section embodies a wide range of leather goods varying in design, size, colour, and finish and their separate manufacture is advantageous in limiting capital outlay for stocks and plant and enabling a higher standard of workmanship to be attained by familiarity with a particular class of goods.

Whilst no attempt has been made to enumerate all the articles of fancy and solid leather goods which are made and sold, reference to the types given should indicate the section to which almost any particular article belongs. The actual line of demarcation between sections is necessarily indefinite. One cannot say that an article 6 in. long belongs to small goods and that a similar article 1 in. longer is classified with large fancy leather goods. The method of construction would in most cases decide its correct classification.

Again there are certain lines of goods which do not fit in with the general scheme of classification. These are sometimes made wholly or only partly of leather, as for example golf bags, a type of goods having a solid leather base, leather trimmings and a canvas foundation; "soft-top" cases, articles of the suit case type made of the stitched and turned principle, the side portions being subsequently reinforced; satchels, camera cases, umbrella cases, and similar articles made principally of canvas but having leather-bound edges and trimmings; and plaited watch straps and ladies' waist belts. These articles are included in leather goods but are not

strictly within the recognized sections of fancy and solid leather articles. In practice they are usually produced by specialist firms or be special departments of larger concerns.

#### LEATHER GOODS MANUFACTURED IN BANGLADESH:

Several types of leather goods items are manufactured in Bangladesh. Such as: Money bag, key bag, Bag, Key ring, Card and Pen holder, Wallet, Cigarette case, Seat cover, Conveyer belt, Washer, Shoes, Mobile cover, Purse, Hand gloves, Hand bag etc.

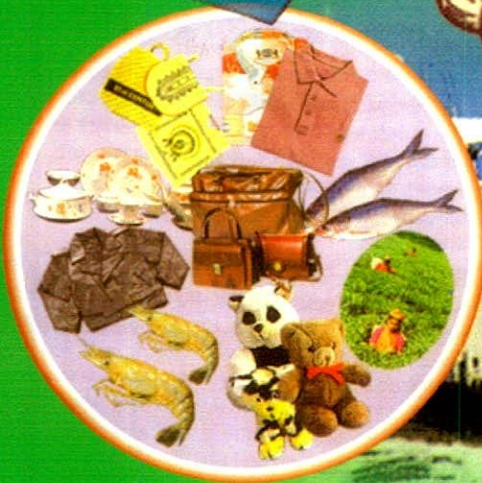
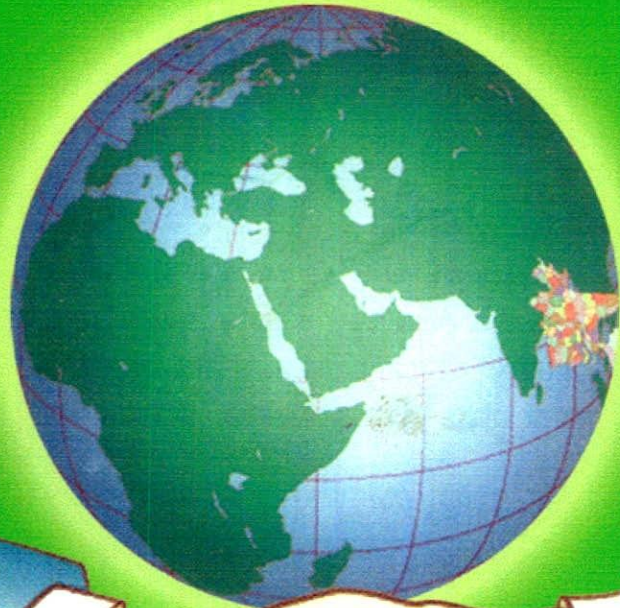
#### LEATHER GOODS AVAILABLE IN WORLD MARKET:

Multiferious types of leather goods items are marketed in the world market. Such as: Money bag , Key bag, Bag, Key ring , card and pen holder, wallet, Cigarette case , Seat cover, conveyer belt , Washer, Shoes, Travel kits, leather belts, shoe components, hand bag, Tie case, gloves, Hat and cap, Pencil holder, Telephone index, passport pad holder, souvenir items etc. and all types of leather goods items.



# CHAPTER-5

## EXPORT BUSINESS FROM BANGLADESH





## EXPORT BUSINESS FROM BANGLADESH

1) EXPORT BUSINESS: When a country sells her products to other countries, it is called export business. Export business is the main feature of the International business. Generally every country produces more products, after consumption she earns foreign exchange by selling her balanced products to other countries. She sells her own products to other country which is called export business.

2) EXPORT FROM BANGLADESH: Bangladesh is an independent state of the Asian continent. In respect of area she is a small country but regarding economy she is a developing country. It has an international business tradition and well prosperous history.

For ever Bangladesh was a main agricultural country. In spite of economic life, from the ancient time, as like as agriculture, industry and business have got important place. In the kowtillaw's economics Bengal cotton had been praised. Cotton made clothes of Bengal used to be exported trough out India and out side of India.

In the olden time clothes, leather , pottery and metal industry of Bengal were treated as main industry. The made products of this industries would be exported to various regions of India and different countries of the world. Sreepur and Soptagram had commercial ports for copper industry. In the sea path, products such as nut and spyces would be exported to cylon, sumatra, Jabpip, Bornio. Moslin clothes and various trees would be exported to the foreign countries. On the way of Himalayas thes would be traded between Bengal and Nepal, Bhutan, Tibbet. With the wide spread of industry and commerce Bengal made wonderful progress.

Once Bangladesh had a tradition in respect of international business. Instead of much potentiality, for want of better planning and essential research and development, at present in comparision with other countries Bangladesh has been backward in exporting.



In spite of difficulties, Bangladesh has proceeded forward in terms of export business. New products have been included in export business. Export is made to the new country. Bangladesh shall revive her lost glory in course of time. Bangladesh would be able to reach her targeted position in the world market.

3) EXPORT SYSTEMS: In order to export Bangladesh will have to follow some definite systems. The systems of export are stated below:

A) RECEIVING ORDER: Letter of order is received from the exporters at first. This letter of order may be two kinds as:

i) OPEN LETTER OF ORDER: In this letter, only the name of products with description is stated not elaborately.

ii) DEFINITE LETTER OF ORDER: In this letter, the price of products such as weight, quantity, quality, sending system, time of sending etc. in details is stated elaborately.

B) GOVERNMENT PROCURING EXPORT PERMIT: Exporters shall have to procure export permit. Such as in most of the country foreign trade is controlled by the Government.

C) ACCEPTING LETTER OF ORDER: After receiving essential permit, if the exporters consider it favourable then they will inform the importers in black and white.

D) OPENING LETTER OF CREDIT: After receiving letter of order, the exporters in order to get export goods value will instruct to the importers to open letter of credit in the bank in favour of the exporters. According to this instruction the importers will send opening letter of credit to the exporters. It is clear that if importers do not pay the payment of the exporters, according to the terms and condition of opening letter of credit connected bank is legally compelled to meet up the value of exporters.

E) BOOKING OF EXCHANGE RATE: The exporters cause loss due to change of foreign exchange rate. The exporters sign pact to the connected Bank to determine the value of exchange. Generally current value is determined as a rate of exchange value.

F) PROCUREMENT OF GOODS: In this stage exporters procure goods instructed by the importers.

G) CHARTER PARTY: For sending goods the exporters sign a pact with the shipping company or its agents relating to the shipping fare. It is called charter party.

H) INSURANCE: In order to avoid accident the exporters insure goods with the Navy insurance company during transport period before loading goods in the ship.

I) CUSTOM'S CHECKING: Before shipping the exporters show the description of the export goods to the customs' officer. After satisfying the customs' officer determined custom duty. Clearing the customs duty the exporters get gate pass for shipping the goods.

J) SHIPPING: Shipping products may be made either by dock authority or the exporters themselves. If it is made by the dock authority a receipt will be made by dock authority or the exporters themselves make shipping arrangement, the receipt will be made by the captain of the ship.

K) SENDING INFORMATION: The exporters send a letter to the importers relating to the receiving of goods on probable date. Receiving this letter, the importers become happy.

L) SENDING DOCUMENTS: After this, the exporters send all documents relating to the importers through the bank to insurance dock shipping receipts etc.

M) PAYMENT: The importer accept the bill of exchange made by the exporter and send to the exporter through the bank. The exporter can cash the bill of exchange within a scheduled date.



N) CLOSING TRANSACTION: At the last stage, the importer sends a letter to exporter after satisfying exports goods. In this way, closing transaction is made. If any defects is found in the payment it will be settled by the local business society or chamber of commerce.

4) CHARACTERISTICS OF EXPORT BUSINESS: Every country of the world exports various products in order to her demand and for economic development. The value of exported products are to be paid by foreign exchange. The main source of foreign exchange is exporting . Every country of the world specially developing countries streched on her exporting. The export business of Bangladesh depends on some limited products. The main features of export business from Bangladesh are stated below:

A) SHIPPING PROBLEMS: There are limited ships under Bangladesh shipping corporation. It is very few compared to our demand. As a result, for exporting product we shall have to depend on foreign shipping company. Transporting problem made it impossible to promote exporting. For the problem of transport foreign buyers do not depend on our country.

B) HIGH SHIPPING FARE: Insufficient shipping of Bangladesh, exporters shall have to depend on the foreign ship. Shipping fare being comparatively high our exporters face great difficulty to compete with neighbouring countries.

C) LACK OF CAPITAL: In our country about 90% to 95% business men suffer from lack of capital. Export bank, insurance institution manage their business by means of taking loan money. They cannot make products fully. The programme of the Bangladeshi ambassador office and Trade centre is not enough. As a result, acceptable exports are not widely spread.

D) INSTITUTIONAL WEAKNESS: It is exported from Bangladeshi products by Govt. and private sectors. Export development is not developed because nationalized institutions do not work efficiently and worthily.

E) BLACK MARKETING: In order to gratify own interest many business men export goods to the neighbouring countries. Products black marketers are interested in the principle of business of the neighbouring countries. It is our bottle neck to increase the exports of Bangladesh.

F) DETERMINATION OF STANDARD PROBLEM: Generally outdated export products are not standard level. The standard of one product differ from another. The standard of products are not determined actually through export product markets may be settled but it is not widely spread.

G) QUOTA SYSTEM: The Quota system of importers created much problem in our garments exports. In the previous years Bangladesh earned a lot of money from this industry. At present this industry has been running in great uncertainty.

H) WANT OF MARKETING KNOWLEDGE: It is known to all that the actual marketing programme depends on real marketing knowledge. Most of our merchants are new and inexperienced. It is natural that they have no modern technical knowledge. They cannot introduce technical method for want of actual marketing knowledge. As a result, our exports face very difficulty.

I) PRODUCT QUALITY: Most of our export's products are low quality. The lower standard products cannot face the foreign competition.

J) TENDENCY OF ANCIENT TYPES OF EXPORT'S PRODUCTS: Our exporters are fond of adopting copy and interested in exporting previous type products.



K) IN LIEW OF PRODUCTS APPEARANCE: Jute and jute made goods are regarded main in our exports items. Jute is used in making packet. At present in the international market synthetic fibre as a substitution of jute has been invented as a result, the demand of jute has been decreased at a high rate. It is impossible to increase exports products until and unless actual challenge may not made towards the present situation.

L) MONEY INFLATION: Our money inflation has been prevailing since the liberation movement. Due to money inflation the cost of production has increased our products are very weak in the world competitive market in respect of determination of price value.

M) DISHONEST EXPORTERS: For the dishonest exporters our exports are faced, great difficulty but our goodwill has been vanished . These activities our exports have been greatly damaged.

N) LACK OF WIDELY PUBLICITY: There is no good system of publicity in foreign country in respect of creating demand of our products. Such as: There is no publicity in the international newspapers regarding our exports products. As a result foreigners know nothing about our exports products.

O) THE WANT OF EXPERIENCES OF EXPORTERS: Our exporters have got low experiences because:- Up to 1971, Non Bengali had got monopoly over the business. Want of experience our exporters cannot do well in business technique. Lack of their experiences our exports have been greatly hampered.

Infine:- In order to establish economic structure, we shall have to increase the path of exports promotion.

5) EXPORT FROM BANGLADESH (DURING 2001-2002): Bangladesh is lagging behind in respect of export trade. The income from export business is much less than the amount of

expenditure of import. The amount of income from export business during 2001-2002 is 5986.09 Million US \$. The amount of expenditure of import during 2001-2002 is 8500 (EST.) Million US \$. During 2001-2002, Waven garments , knitwear, frozen food, jute goods, Raw jute, leather, leather goods, leather footwear, chemical products 'Agri' products, Tea are regarded main exports items of Bangladesh.

6) EXPORT BY MAJOR REGIONS DURING 2001-2002: From the very beginning of ancient time, Bangladesh exported to the various regions of the world. In these period various regions of India, Bangladesh would export to the Nepal, Bhutan, Cylone, Tibbet, Sumatra, Jabadip, Bornio etc. Next Bangladesh exports have been spread to Arab, Persia, China, differents countries of Asia and up to Europe and Africa. During 2001-2002, European Union, America, Asia (excluding middle east), middle east, Africa, East Europe, Oceania region and others countries are the major export regions of Bangladesh.



# CHAPTER-6

## LEATHER GOODS EXPORT FROM BANGLADESH





## LEATHER GOODS EXPORT FROM BANGLADESH

The global consumption of leather products has been rising over the past few years, particularly in the last decade. The growth rate in production of such leather products, however, may be limited by the fact that the global supply of leather has been more or less stable over the past few years, so with rising demand, the unit value of these products has been on the rise.

The transition of the global industry can be highlighted through REON analysis which identifies the Robust, Eroding, Obsolete and New players in the industry.

### THE ROBUST:

China and India: For low cost, mass volume production.

Brazil: Benefits from a large domestic raw material supply, competitive labour and proximity to the US market.

Italy: The uncontested leader continues to lead from the front through design, know how, innovation, brand image and high productivity enhanced by its currency.

### ERODING:

The Asian Dragons(S. Korea, Taiwan & Hongkong) : Government policy, increasing labour costs and shortages as well as the general trend towards more “White Collar” industry, has pre-empted the emise of the leather industry in these countries. Furthermore, rising living standards have created stricter environmental regulations which have driven up costs for the leather industry.



## OBSOLETE:

Japan, USA & Germany: Local leather industry in these countries has already been reduced to very high-end and specialised producers. Even in Japan, Tariff/Quota protection is being systematically dismantled, allowing free imports, resulting in decline in local production. The possibility of new breakthrough technology for this industry to offset the very high labour and pollution costs in these countries is very low. Furthermore, these markets are characterised by high saturation levels.

## NEW:

Eastern Europe: Leather industry in Eastern Europe has a long history from the communist era and is characterised by very large production capacities. Today their advantage lies in proximity to Western Europe and comparatively lower labour costs.

Thailand: The industry is beginning to decline due to rising labour costs and shift towards more technology driven industries. However, sports shoe and leather goods production capacities remain very large.

Bangladesh & Vietnam: Abundant, competitive labour, low levels of environmental regulation implying lower costs, long term growth opportunity in domestic market.

However, Bangladesh has a comparative advantage in its local supply of abundant, quality leather.

As the labour cost is increasing in the newly industrialised countries like South Korea, Taiwan and Hong Kong, they are gradually shifting their production bases to the labour rich developing countries. Leather industry in the most advanced countries like Japan, USA. and Germany can no more compete in the interna-

tional market because of their high labour cost. As such, the mass production industry has become obsolete in these countries. Developing countries like Bangladesh, Vietnam and Thailand are now gradually becoming a factor in the global leather scenario. The major force that is driving the industry to the developing countries is apparent – low labour cost – as the industry is labour intensive. As the possibility of any breakthrough in technology to drive the industry back to the technology rich advanced countries is very low, the leather industry in the developing countries is certain to grow.

Leather industry is an old industry of Bangladesh. Beginning from the ancient period up to today, this industry has been lasted with its same characteristics. On the other hand so long the human civilization has been advanced, the potentialities of the leather industry of Bangladesh has been increased. In the present globalization era the potentialities of the leather industry of Bangladesh has been advancing towards its final stage.

The leader made products of Bangladesh has got its wide demand in the world market. In the world market the total marketing environment regarding leather made products has been regarded favorable position in respect of leather industry of Bangladesh.

In spite of this, the condition of leather industry of Bangladesh is almost ancient stage. In ancient time, the leather industry trade had been started. This industry has been running in the position changing slight. In the modern industrialization, its less development can not be called development in comparison with the commercial revolution.

The performance in Bangladesh with respect to export of leather goods (apart from shoes), has not been so mentionable. Only a few manufacturing units are engaged in this area. Most of them are not so mechanized as such during some studies, it has been observed that one of the big constraints, the present small



manufacturers have been facing, is inadequate interest of the finished leather products with respect to export though local L/C or transferable L/C etc. This situation, of course would be minimized if the volume of business in the export of leather goods would increase substantially.

The other important aspects of the constraints is that leather goods manufacturing units are facing (even Leather Footwear Industries) is insufficient incentives given by the Govt. to the entrepreneurs. It may be mentioned here that an incentive of only 10% is allowed to Leather Footwear Industries and Leather goods industries in respect of their export performance.

This issue can be appropriately addressed taking into consideration the incentives being provided by the neighbouring countries (India, Pakistan) in leather sector as a whole.

Since 1991-1992 Bangladesh has started exporting leather goods. Export earnings from leather goods were negligible from 1992-73 to 1990-91. But it has increased considerably since 1991-1992 and has reached around .245 Million US \$ in 1991-92.

Bangladesh currently exports leather goods to Europe and Japan. Possibilities of exporting to North American and other markets are high if Bangladesh can overcome its structural problems. Bangladeshi leather products are currently being exported to Italy, Germany, and USA. New markets will have to be explored in order to expand the sector. Bangladesh can now make leather goods of international quality which are sold in the markets of Europe and Japan. But the capacity to produce leather goods is still minimal. Increasing the production capacity will allow greater access to the markets of USA and Ec.

The leather industry in Bangladesh has a position of pre-eminence in the economy as it is characterised by its massive potential for employment, growth and exports. The sector provides employment to a large number of population who are engaged in tanning and finishing of leather and in the production of leather goods , mainly at the disorganised “cottage” industry level.

The current leather goods export industry in Bangladesh is characterised by a small number of organised, modern, mechanised factories exporting on a regular basis to markets such as Japan, Germany and Italy. However, there is no concerted marketing or production approach, as exists in neighbouring countries such as India, Thailand and Indonesia.

In spite of tremendous and upward potential of leather goods in global market, due to lack of Government patronization, lack of proper planning and want of strong marketing facilities the ancient traditional leather industry has been back worded position.

At present, only three items of leather goods from the leather industry of Bangladesh are being exported with limited shape to the world market.

**Exported Items:** Only three items of leather goods are exported to the foreign market from Bangladesh. Such as:

- i) Leather bag.
- ii) Leather Purse.
- ii) Leather hand glove.

**Exporters:** The name of the companies which export those three items of leather goods to foreign market is given below:

- i) Karim leather Ltd.



ii) Dhaka Hides and skins Ltd.

iii) PICARD Bangladesh Ltd.

iv) Apex Leathercraft Fashion and Accessories Co. Ltd.

**Present Export Markets:** The name of the country to which these three items of leather goods are exported is given below:

i) Italy

ii) Germany

iii) France

iv) Japan

v) Holland

vi) Brazil

vii) Singapore

viii) Mexico

ix) European Union

x) USA.

**Performance of Leathers & Leather products sector:** The total figures of the leathers and leather products export from Bangladesh during 1990-2002 are given below through a table:

Export performance of leathers & leather products sector in last one decade 1990-2002

Year	Taka in Crore.	In Million (US\$)
1990-91	483.54	137.13
1991-92	566.66	148.85
1992-93	616.27	158.63
1993-94	765.18	192.02
1994-95	903.77	225.33
1995-96	986.31	241.15
1996-97	945.52	217.07
1997-98	1081.46	233.75
1998-99	1072.25	223.49
1999-2000	1,072.25	249.93
2000-2001	1,668.50	290.68
2001-2002	1,449.62	252.51
Source: Export Promotion Bureau.		

Table : 1

Note: After 11th September 2001 incident, the world leathers & leather products market become very slow and the unit price have reduced at least 13%

Note:

Total sft of Leather Exported in 1999-2000 : 195.051 million sft.

Total Sft of Leather Exported in 2000-2001 : 211.60 million sft.

Total Sft of Leather Exported in 2001-2002 : 184.12 million sft.



**Earnings from Leather and leather products( 1990-2002):** The total export income of leathers and leather products of Bangladesh during 1990-2002 are shown in the following table as per their heads:

Total Export as per their Heads (1990-2002)

Year	Leathers (Million US\$)	leather footwear (Million US\$)	Leather goods (bags, purse and gloves etc.) (Million US\$)	Total (Million US\$)
1990-91	134.29	2.84	-----	137.13
1991-92	144.46	4.14	.25	148.85
1992-93	147.91	9.54	1.18	158.63
1993-94	168.17	14.94	4.33	187.14
1994-95	202.08	12.54	6.33	220.95
1995-96	211.70	19.13	6.96	237.79
1996-97	195.26	17.78	3.81	216.85
1997-98	190.26	38.02	5.47	233.75
1998-99	168.24	50.30	4.95	223.49
1999-2000	195.05	46.26	5.67	246.98
2000-2001	253.93	33.66	3.12	290.68
2001-2002	207.33	41.29	3.88	252.51
Source: Export Promotion Bureau				

Table : 2

**Total export during 2001-2002 :** Last 2001-2002 financial year the total export income of Bangladesh was 5986.09 Million US\$. Among them, the leathers and leather products export income was amount to 252.51 Million US\$. Among them only leathers export income was 207.33 Million US\$. Leather footwear export income was 41.29 Million US\$. Leather goods export income was 3.88 Million US\$.

The Total export income of leathers and leather products of Bangladesh during July 2001- June 2002 is expressed in percentage in comparison with the total export income of the country by the following table as per its heads:

#### Percentage Expression

Items	Percentage of total export
Leather goods	.06%
Leather footwear	.69%
Leather	3.46%
Leather & leather products	4.22%
Others	95.78%

Table : 3

The Total export income of leathers and leather products of Bangladesh during July 2001- June 2002 was 4.22% of total export income. leathers export income amount was 3.46% of total export income. Footwear export income was .69% of total export income. leather goods export income was .06% of total export income.



**Total export of leathers & leather products during 2001-2002:**  
The total export income from leather and leather products of Bangladesh during July 2001- June 2002 was 252.51 million US\$. The total export income of leathers and leather products of Bangladesh during July 2001- June 2000 is expressed in percentage by the following table:

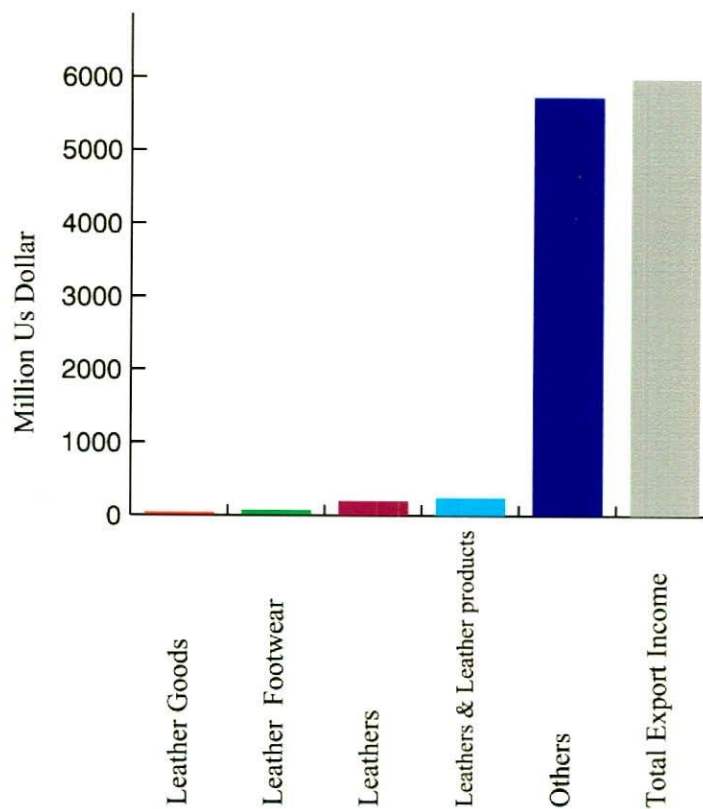
## Percentage Expression

Items	Percentage of total export
Leather goods	1.54%
Leather footwear	16.35%
Leather	82.11%
Leather & leather products	100%

Table : 4

Leathers export income was 82.11% of the total leathers and leather products export income. Leather footwear export income was 16.35% of the total leathers and leather products export income. Leather goods(leather bags, purse and leather hand gloves) export income was 1.58% of the total leathers and leather products export income.

A histogram of July 2001- June 2002 Bangladeshi leathers and leather products export income in comparison with the total export income of the country is given below:

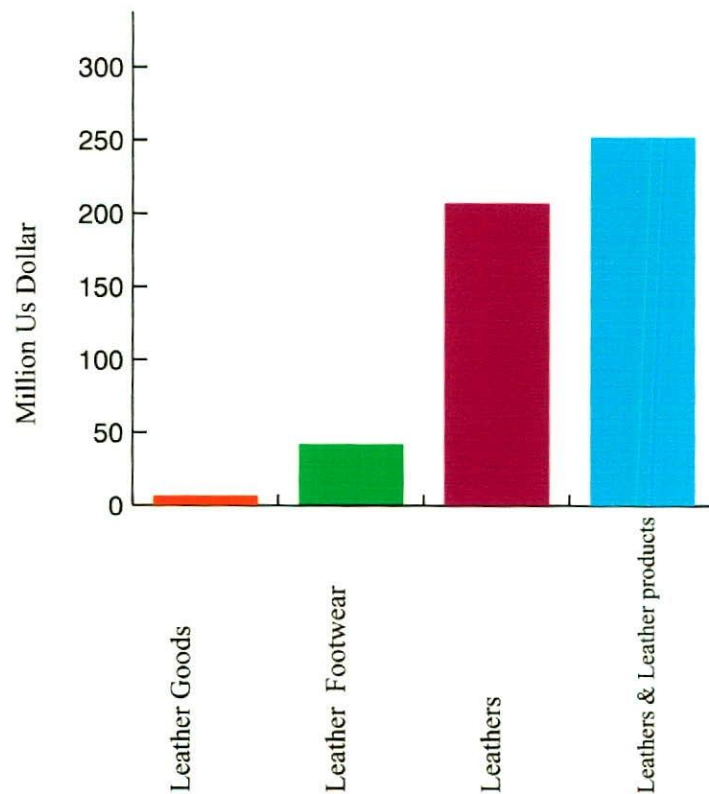


Commodities	Indication	Million Tk.	Million Us Dollar	% of Total
Leather Goods	Orange	226.40	3.88	0.06%
Leather Footwear	Green	2409.27	41.29	0.69%
Leathers	Red	12097.71	207.33	3.46%
Leathers & Leather products	Cyan	14733.96	252.51	4.22%
Others	Dark Blue	3345 54.39	5733.58	95.78%
Total Export Income	Grey	349288.35	5986.09	100%

HISTOGRAM 1 (2001-2002)



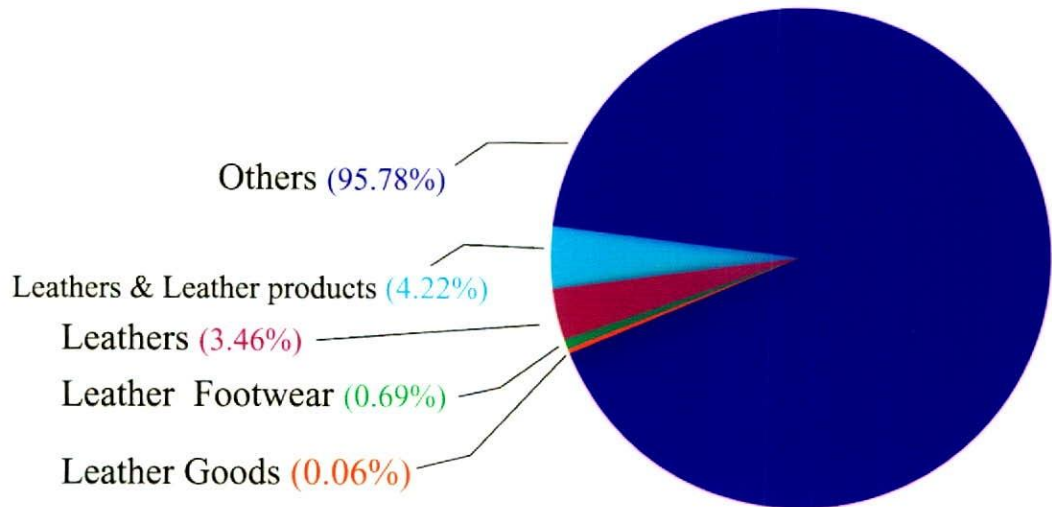
A histogram of July 2001- June 2002 Bangladeshi leathers and leather products export income is given below:









Commodities	Indication	Million Tk.	Million Us Dollar	% of Total
Leather Goods	<span style="color: orange;">█</span>	226.40	3.88	1.54%
Leather Footwear	<span style="color: green;">█</span>	2409.27	41.29	16.35%
Leathers	<span style="color: maroon;">█</span>	12097.71	207.33	82.11%
Leathers & Leather products	<span style="color: cyan;">█</span>	14733.96	252.51	100.00%

HISTOGRAM 2 (2001-2002)

A pie chart of July 2001 – June 2002 Bangladeshi leathers and leather products export income in comparison with the total export income of the country is given below:

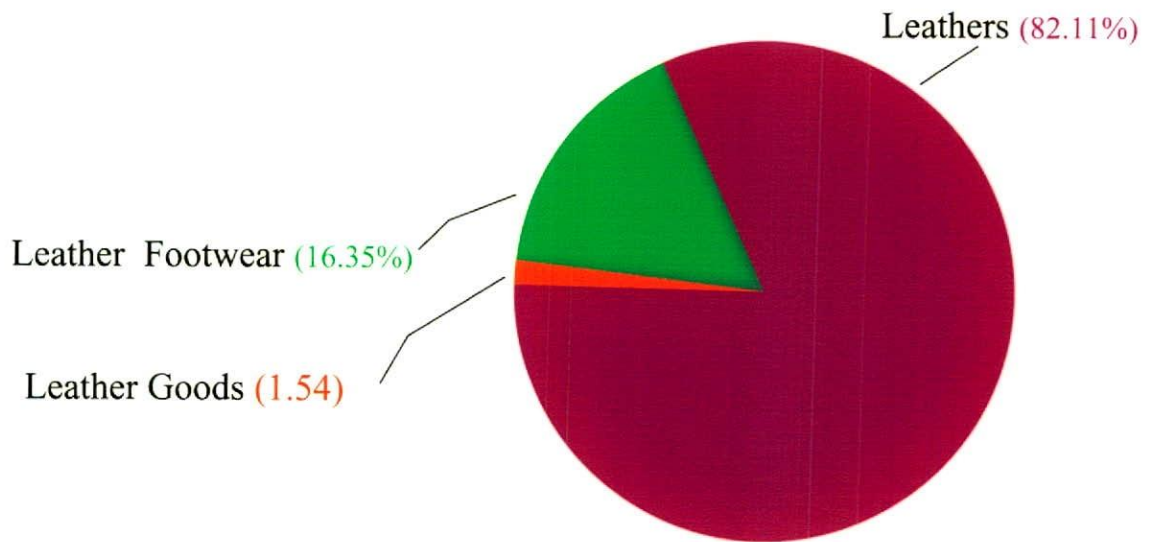



Commodities	Indication	Million Tk.	Million Us Dollar	% of Total
Leather Goods		226.40	3.88	0.06%
Leather Footwear		2409.27	41.29	0.69%
Leathers		12097.71	207.33	3.46%
Leathers & Leather products		14733.96	252.51	4.22%
Others		3345 54.39	5733.58	95.78%
Total Export Income		349288.35	5986.09	100%

PIE CHART 1 (2001-2002)



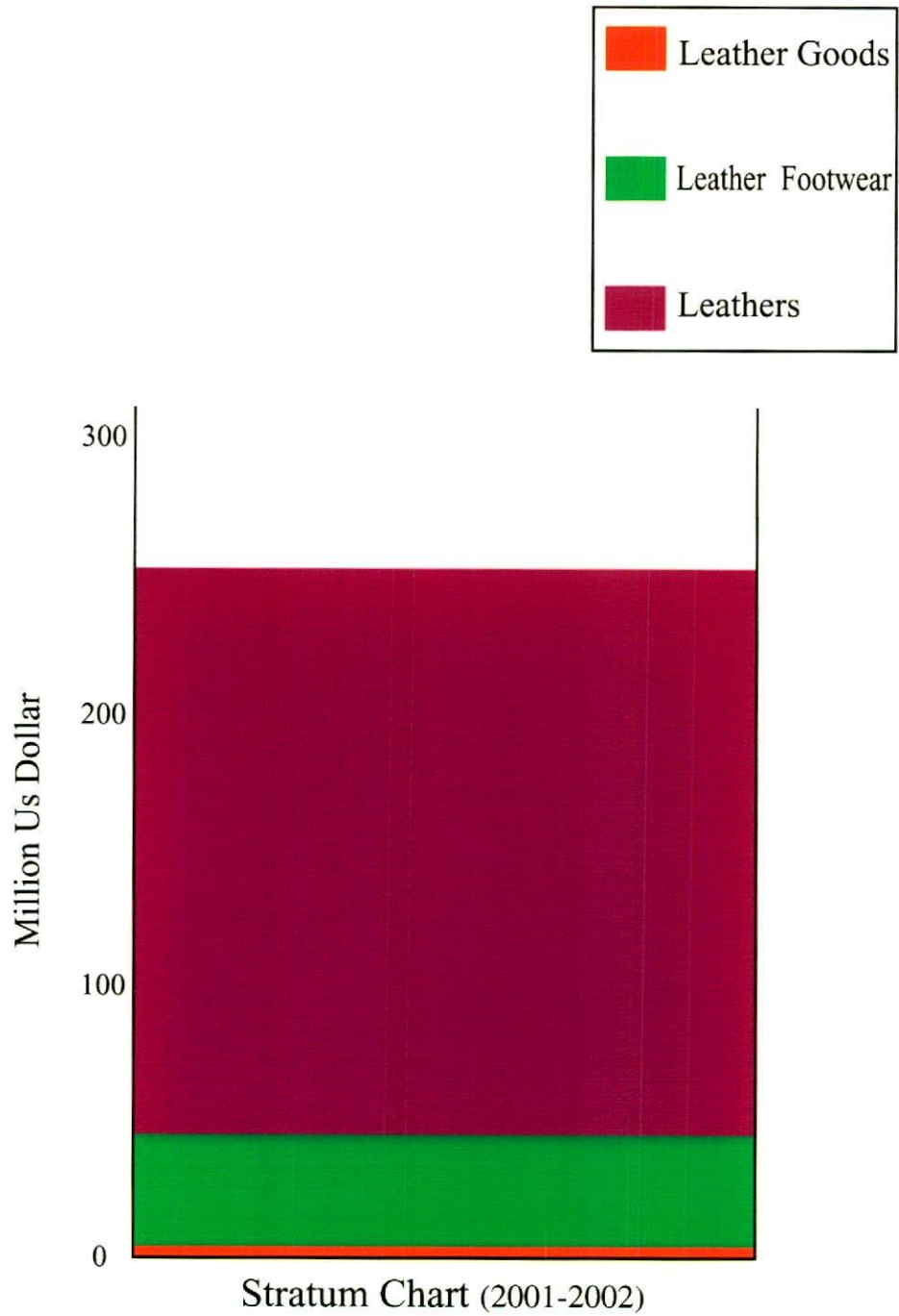
A Pie chart of July 2001 – June 2002 Bangladeshi leathers and leather products export income is given below:



Commodities	Indication	Million Tk.	Million Us Dollar	% of Total
Leather Goods		226.40	3.88	1.54%
Leather Footwear		2409.27	41.29	16.35%
Leathers		12097.71	207.33	82.11%
Leathers & Leather products		14733.96	252.51	100.00%

PIE CHART 2 (2001-2002)

A stratum chart of total Bangladeshi leathers and leather products export income during 1990-2002 is given below:





A pictograph of Bangladeshi leathers and leather products export income for July 2001- June 2002 is given below:

Million Us Dollar



Leather Goods

3.88



Leather Footwear

41.29

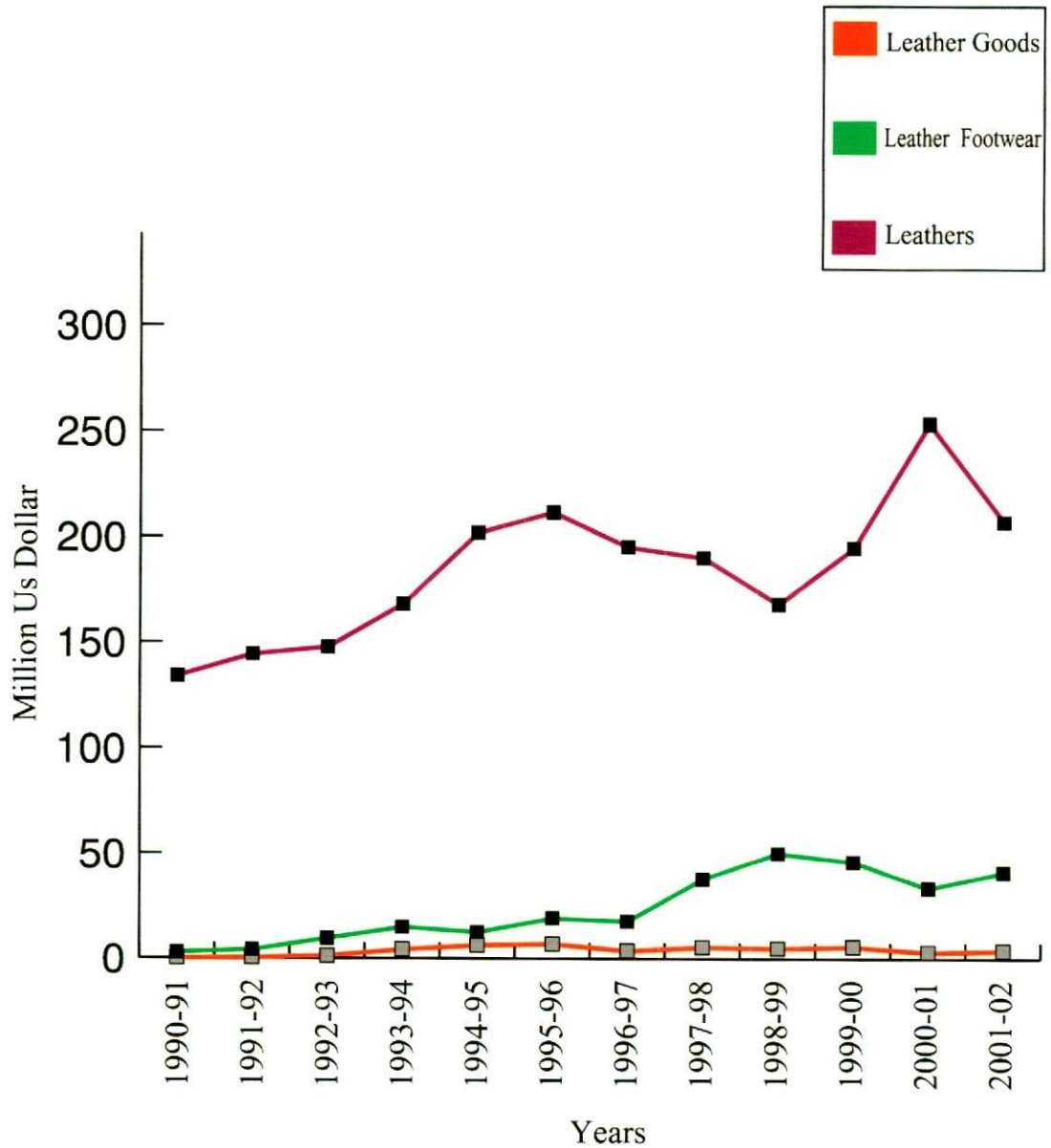


Leathers

207.33

Pictograph(2001-2002)

A line chart of Bangladeshi leathers and leather products(leather bags, purse and leather hand gloves) during 1990-2002 is given below:



**Line Chart(1990-91 to 2001-02)**



# CHAPTER-7

## PROBLEMS



**Bangladesh College of Leather Technology (BCLT)**





## PROBLEMS

1. RAW LEATHER SUPPLY SYSTEMS: Geographically Bangladesh is included in moderate country, for this reason, her leather of animal is regarded very super standard. For the want of preservation, evaluation by the middlemen, traditional system of sale and purchase, every year a lot of leather has to lose its dignity. Not only this, it is also damaged.

A) Raw leather collection: Raw leathers are collected from the far regions of the country which are supplied to the leather industry. In true sense, the owners of tannery do not adopt any definite system for purchasing raw leather. In this field, every company follows its own system. On the other hand, raw leather seller party cannot maintain authentic rules. They sell their raw leather at their sweet own will. The leather industry of Bangladesh has got three aims and objects for the collection of raw materials. Such as:

i) General purchase: Animals are slaughtered daily every nock and corner of the country. The leather of them are sold in the weekly hat. After purchasing these raw leathers, the business holder of this category store these. Next they sell them to the tannery. Posta is the biggest leather trading centre. A lot of leathers have been sold and purchased there. From this place the owners of tannery purchase leather in the whole year. In the year the leather industry of Bangladesh is required for total demand for leather is amount to 220 million squire feet.

Among this 180 million squire feet raw leathers are found inland of the country, 90 million squire feet raw leathers have been collected by purchasing them throughout the year. Rest 90 million squire feet raw leathers are collected by them being purchased during the Idul Azha, Idul Fitre and shabe-barat. Rest 40 million squire feet raw leathers are imported from foreign country.



ii) Occasional purchase: During Idul Azha, Idul Fitre and Shabe-barat, the raw leathers of Bangladesh in comparison with Europe may be superior in respect of the three categories such as thickness, fibre formational structure.

The animals are slaughtered on the different occasion their leathers are superior to those raw leathers are found during whole year. During this period, raw leathers are purchased and sold continuously. In this time including Dhaka, throughout the country raw leather buyers sit here and there.

At that time the companies according to their demand can purchase raw leathers. The different social institutions, religious institutions such as Madrasha, mosques, orphanage can collect raw leather and sell them at a bit to the tannery owners. The total amount of raw leathers are found during the whole year; 50% of them are supplied in this time.

By the above mentioned two ways, 180 million square feet raw leathers are collected. For the reason of environment the domesticated animals of Bangladesh are lower standard. In Bangladesh, animals are not domesticated on the way of modern and scientific system. Sufficient foods are not fed to them, better treatment and medicines are not supplied to them. As a result, their size, thickness and fibre structure are not standard.

Besides this, animals are not slaughtered in modern method and senatorial environment. As a result, their leathers are damaged in various way. Above mentioned amount to raw leathers are collected, for the want of preservation 20% to 30 % raw leather are generally damaged. The adverse influences are spread over the manufacturing process of exportable leather goods.

iii) Import of raw leather: Every year leathers are imported from foreign country in order to fulfill the demand for raw leathers which



are required by the leather industry of Bangladesh. The leather industry of Bangladesh is deficated 40 milion squire feet raw leathers for its annual demand for raw leather industries. Every year the leather industry of Bangladesh has to depend on import of foreign raw leather to meet the demand for raw leather. The foreign leather selection and grain patterns are not standard. Besides this, in order to import, Bangladesh has to bear high tax and duty. We shall have to face various problems regarding to get down goods. This reaction has been influenced on the export leather goods trade.

B) Concentration: Domesticated animals are slaughtered in the various regions and villages of the whole country scatteringly. Raw leathers of these animal are kept in indisciplined way. These raw leathers should be concentrated through efficient marketing operations in the central whole sale market. It is called concentration. For want of efficient marketing management raw leathers are not possible to concentrate. As a result the standard quality of raw leathers are not restored. The adverse influence is spreaded on the international standard quality leather products.

C) Equalization: After the concentration of raw leathers equalization is needed on the basis of quality and quantity of raw leathers. It is called equalization when both the demand and supply of raw leathers are equal. In some fields time may be considered as the base for equalization of raw leather. Raw leathers are collected from different places. Their quality standard may not be same standard. Raw leathers should be concentrated in a central wholesale market and should be properly perform it's equalization. For want of efficient marketing management equalization is not possible of the concentrated raw leathers. It is impossible to produce finished leathers due to lack of proper concentration and equalization of raw leather. It is very bottleneck in leather products export.

D) Dispersion: After concentration and equalization of raw leathers according to demand, raw leathers should be distributed among the leather industries . For want of efficient middlemen for proper con-

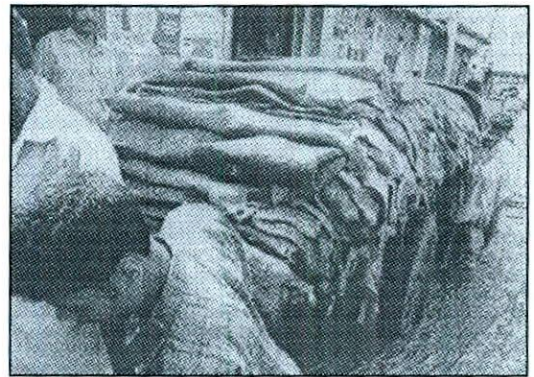


centration and equalization, transportation, proper dispersion is not performed. As a result, exportable quality leather goods manufacturing processes have to face many problems.

E) Standardization: After the proper concentration and equalization of raw leathers their standardization should be performed. The standardization of raw leather is performed on the basis of their unique characteristics. The standard quality is determined through standardization of raw leathers. Without standardization determination of the basic standard quality of raw leather is not possible. As a result, the proper gradation of raw leather is hampered. It is caused a great problem to restore the standard quality of raw leathers.

F) Grading: It is needed to classify the raw leathers in different grades after determination of their standard quality through proper standardization in the central wholesale market. There is no scientific methods of determination of the standard quality of raw leathers through proper standardization in Bangladesh. As a result, appropriate grading of raw leathers is not performed. In course of time, it creates much problems in producing exportable quality leather goods.

G) Transportation: For transporting raw leathers modern, sanitarium, environment friendly, safety and special transporting system should be needed. But in Bangladesh there is a without covering, open, unscientific, insanitarium boats, van, trucks are used in transporting raw leather. As a result, The standard quality of raw leathers are not preserved well. It caused much troubles to produce exportable quality leather goods for international market.





H) Warehousing: In order to create seasonal utility of raw leathers it is needed warehousing. For the warehousing of raw leathers scientific, modern and special store house is needed. But in Bangladesh, there is no scientific, modern and special store house for warehousing of raw leathers. Raw leathers are preserved in an unscientific ordinary store house. As a result, the standard quality of raw leathers began to vanish. Some time raw leathers are damaged. It caused much troubles to produce finished leathers which are used as the raw materials in exportable leather goods manufacturing factories. These are the great problems in the exportable quality leather goods manufacturing industries of Bangladesh.

I) Weather: The weather of Asian continent is different than that of Europe and America. A lot of dusty is found in the weather of Asia. There is not dusty in the weather of Europe and America. It is impossible to restore standard quality of leather goods in the dusty weather of Bangladesh. As a result, the European and American buyers do not like the leather goods of Bangladesh.

J) Stock lot: There is no proper management to control the stock lot. A proper management should be made to control the stock lot of the tanneries. This management should be running from the very beginning of preservation of raw leathers up to its finished period. Total quality control means maintaining the real standard quality of raw leathers through applying chemical, Machine operation, leather handling manpower utilization. This programme is possible for the proper management team work. These are very want. For these reasons, the exportable quality leathers goods manufacturing industries of Bangladesh has been seriously damaged quality control.

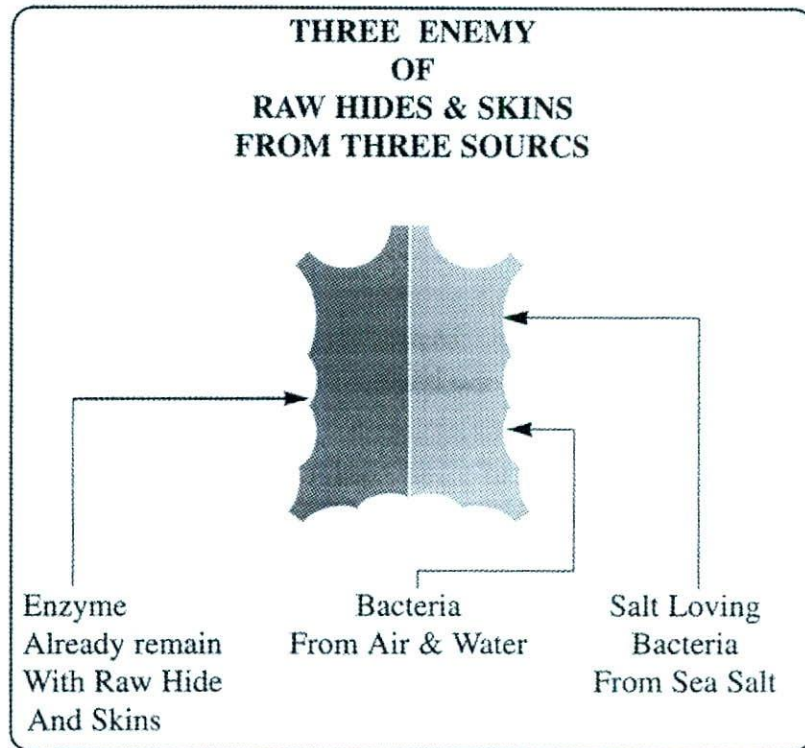


K) Costing: It is very difficult to select the raw leather by looking on the surface skin hair. There is no authentic system for selling and purchasing of raw leathers. Raw leathers are purchased on the basis of the future and present policy of the tannery owners. There is no similarity between the price of raw leathers and the price of the finished and crashed leather. As a result, the tannery holders have to damage temporary. Not only the owners of tannery bear the burden, but the money lenders, labourers and banks have to face this difficulties. This adverse influence also spread over the exportable quality leather goods manufacturers. A cost analysis about raw leathers are stated below in a table:

<u>Cost Analysis</u>						
Particulars	Million Tk.					
	Cost(Tk.)		Sales Price (Tk.)		Proffit/Loss	
	Crust	Finished	Crust	Finished	Crust	Finished
<b>Rawhide</b>	300	300				
<b>Chemical Cost</b>						
a) <b>Wetblue</b>	20	20				
b) <b>Retanning</b>	30	30				
c) <b>Finishing</b>	-	30	351.5			
<b>Total Chemical Cost:</b>	50	70		450		
<b>Operating Cost:</b>	40	50				
<b>Wages &amp; O.H</b>						
<b>Others: Packing/</b>	25	25				
<b>TransportCommission</b>						
<b>Total Cost</b>	415	445			(-)63.5	(+)23.1

Source: Bangladesh finished leather, leather footwear and leather goods exporters association.

L) PUTREFACTION: There are three enemy of raw hides and skins from three sources:



(i) Enzyme already remain with raw hides and skins: In the normal temperature, freshly flayed hides and skins are particularly susceptible to attack by enzyme/microorganism, resulting in decomposition of the collagen protein, destroy of epidermal layer and hair follicle etc turns the natural quality of raw materials from superior to inferior.

(ii) Salt loving Bacteria from Sea Salt: The most common salt loving halophilic bacteria like *Micrococcus roseus* and others can reproduce, even in the salty environment during the curing process, causing sticky grain, red pigmentation and other post mortem defects.

Under normal storage conditions, red and purple heat bacteria take a relatively long time to grow. However at the higher temperature



(30-40 C) growth of such bacteria will be more rapid. The warm, humid conditions favoured by red heat bacteria are also favoured by non coloured spoilage bacteria, so if salt concentration is not high enough, putrefactive bacteria may also be present.

(iii) Bacteria from Air and Water: The bacteria coming from air and water also start functioning on raw hides and skins in the delay in salting. The most non professional raw hides preservation practice normally done, specially during Eidul Azha period and the favorable atmospheric temperature and moisture content in the air, actually creates an ideal condition for microbial attack. Decay sets in relatively quickly, generating an unpleasant odor, even destroy the hair roots and loosening of hairs and finally reduce the overall quality of the raw materials.

As soon as hide or skins is removed from the carcass, it is susceptible to bacterial attack. The delay in curing and poor quality salt use are the main cause of putrefaction in Bangladesh. The bacteria penetrate in to the skin via exposed flesh surface where they can rapidly multiply. Under ideal conditions a single bacterium can divide every 20 minutes and, therefore within 24 hours will have multiplied to give a population of 4,000 million. The proteolysis enzyme, which they produce, can cause untold damage to the hide and skin. Some typical problems in leather, which can be caused by putrefaction, are:

- (i) Grain damage
- (ii) Weakness in the fibre structure
- (iii) Looseness
- (iv) Staining
- (v) Chrome Soaps
- (vi) Spue
- (vii) Uneven dyeing



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In addition putrefaction can weaken the delicate grain surface and



make it more susceptible to the rigours of normal leather production, leading to chemical damage and physical abrasion.

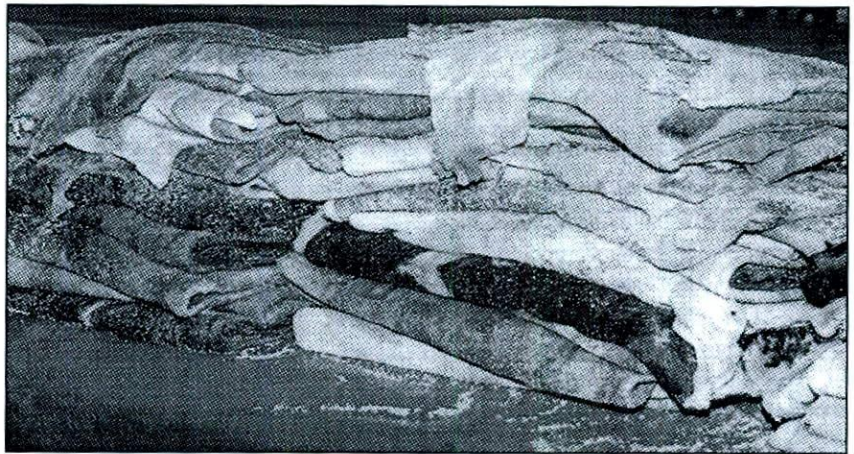
The cause of putrefaction in raw hide and skins:

Soon after flaying the hide is moist, warm and full of protein- and ideal breeding ground for bacteria. The longer the conditions prevail, the more putrefactive damage will occur. Some common cause of putrefaction in hides and skins are:

- (i) A delay between flaying and curing / Processing.
- (ii) Insufficient salting / use of poor quality salt like sea salt.
- (iii) Poor penetration of salt due to heavy flesh and fat.
- (iv) Poor storage condition like in warm condition.
- (v) Prolonged storage under warm conditions.
- (vi) Soaking with out any preservatives.

M) PRESERVATION: The present situation in the preservation of raw hide and skins is mostly unscientific and due to ignorance raw hide merchants are not aware about the modern and correct preservation system of such raw materials in such hot tropical climate. In India/Pakistan they always use khari salt (Mine Salt) for the preservation

of hides and skins, which naturally contains specific chemical ingredients like magnesium sulphate, sodium sulphate including sodium chloride etc. hence khari salt is very much



*A view of well preserved raw cow hides, processed with newly developed hide curing salt*

hence khari salt is very much



effective against microorganism and mostly suitable for the short term preservation of raw hides. Moreover the hygroscopic nature of khari salt is very poor hence traditionally khari salt is known as a very much suitable salt for raw hide preservation.

N) RAW STOCK: There are numerous defects, which reduce the value of hide and skins and consequently of the leather made from it. Bangladeshi hides and skins are finest in terms of grain quality. The major proportion of good quality hides comes from the northern parts of the country. Leather defects can be broadly classified as ante-mortem, post mortem and processing originated. The raw hides or skin always has been expensive part of leather making process. At this moment the raw stock prices are continuously increasing and squeezing the tannery's margins. There is also extra headache of getting quality raw hide and skins, the proportions of good grade raw hide is reducing. One-quarter to one third of all hides processed at tanneries is defective. Upto 65% of these defects occur in the pre-slaughter state of production. Defects of hide and skins can be classified under different heading such as:

a) Hide defects:



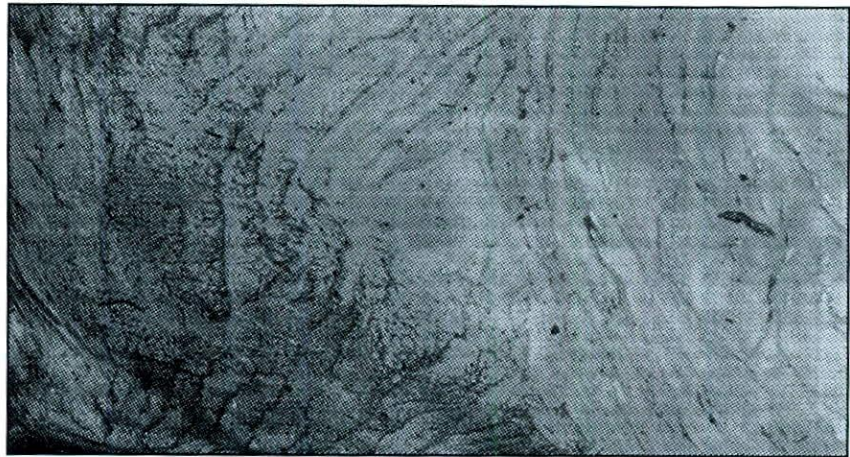
*Hides with Ticks*

- (i) Species differentiation
- (ii) Breed influence



- (iii) Sex and age differences
- (iv) Climatic and dietary effects
- (v) Genetic disorders
- (vi) Veininess

b) Diseases & Parasites:



*Flay Cut on Hide*

i) Scars and open lesions.

c) Farm & Slaughter induced damage:

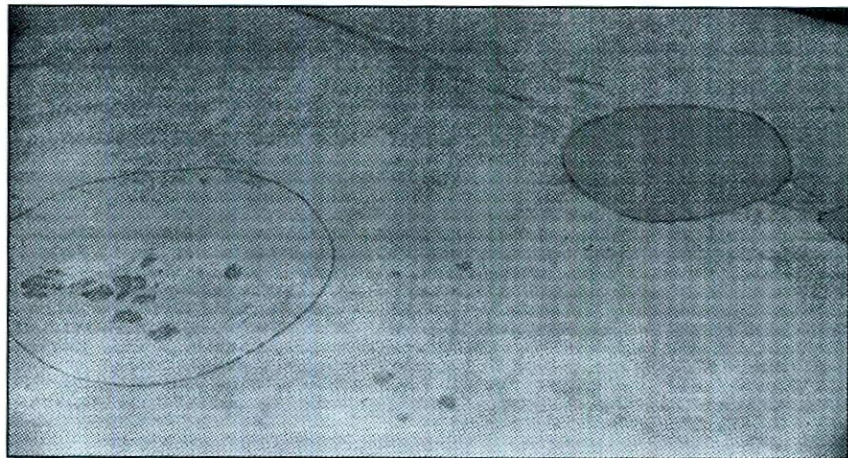


*Open Share damage on hide*



- (i) Brands
- (ii) Bruises
- (iii) Scratches
- (iv) Goad/prod damage
- (v) Harness sores
- (vi) Surgical incisions
- (vii) Transport damage
- (viii) Abscesses
- (ix) Urine and manure damage
- (x) Wire damage, etc.

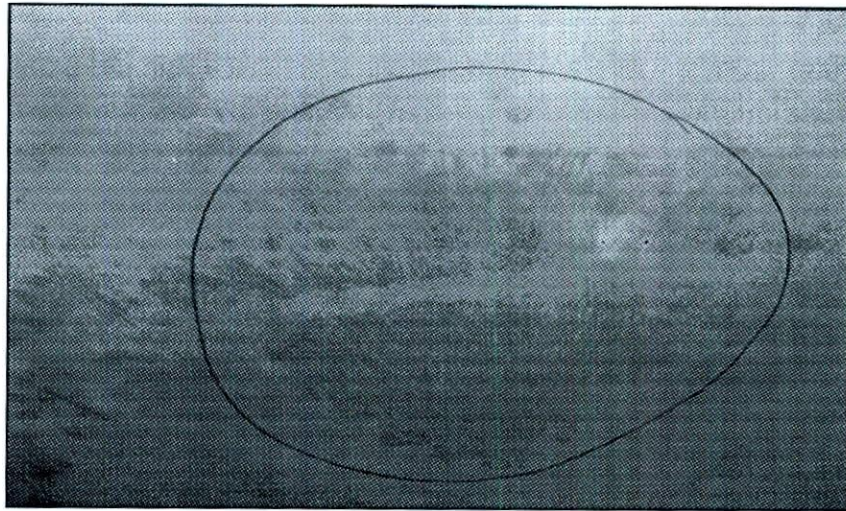
d) Preservation damage:



*Damage seen on leather due to hair slip*

Damage caused by insects and rodents during raw material storage  
Microbiological damage incurred during the soaking process.  
Heat damage (grain peeling, gelatinization, and blistering).  
Brine draw, drawn grain, Discoloration, raw streaks, chemical damage, metal corrosion etc.

## e) Finished Leather Defects:



*Damage seen on leather due to faulty preservation*

- (i) Uneven coloration
- (ii) Fading
- (iii) Bleeding
- (iv) Bronzing
- (v) Cracking
- (vi) Spue formation.

2. ENVIRONMENT POLLUTION: Leather industry is a multifarious environment polluting industry, as well as the fifth largest export earning sector. The total export income under leather sector during the year 2001-2002 amounted to 252.51 million US \$. The whole leather sector employees are more than about 50,000 work forces but it is specially marked as polluter of the environment. The importers of Bangladeshi leather and leather products such as European union, USA, Japan and different international trade bodies are now laying importance on the environmental issue. For export oriented industries, such issues are gradually becoming a reality. A law is expected to come into force in 2005 making an environment-friendly production system compulsory. Enforcement of the proposed legislation is expected to drive industrial products, harmful to the environment, out of the world export market.



Therefore the need to free the Bangladesh's leather industry from environmental hazards for sustaining in the global export market have now become inevitable. As a result of environment pollution air, soil and surface water are tremendously effected. Such as:

i) Air pollution: Raw leathers are transported without covering, by unscientific, insanitorium and unplanning vehicles. Besides this, sometime raw leathers are kept under open sky. As a result, bad smells are spread and various germs of various diseases are borne by flies spread out . In this way, air is polluted .

ii) Soil pollution: After purifying of the raw leathers of the tanneries, spoiled chemical water is thrown in the land. As a result, soil is polluted . On the hand, soil is polluted by the polluted water of tanneries.

iii) Water pollution: The basic raw material of leather goods industry are hide and skins, the outer covering of animal bodies. The putrescent raw hides and skins are converted into durable, supple and comfortable product called leather by chemical treatments and mechanical operation for manufacturing consumer items like various types of leather goods.

The leather goods industry by its processing nature consumes a large quantity of water, being 30-40 litres per kilogram of raw hide or skins processed and various types of chemicals, depending upon the process employed and the type of leather produced.

Most of this used water is discharged as waste water with impurities hide/skin decomposed organic matters and unutilized toxic and other polluting chemicals employed. This industry has unenviable reputation all over the world for being one of the highly pollutant obnoxious and hazardous manufacturing industry and most of the leather producing countries of the world has legal limit values for discharge of tannery effluent to the surface water.



Leather industrial sector witnessed notable growth in the developing countries of South and East Asia during the 1980's. This was due to continuing decline of this sector in the industrialized countries of the world, caused mainly by the burgeoning wage bills and stringent environmental regulations. At present, about 50% of global leather production takes place in eight South and East Asian countries. Though expansion of this sector brought in the much needed foreign exchange and more new jobs to the developing countries, particularly of South and East Asia, inadequate safeguards resulted in progressive environmental degradation in the tannery belts of many of these countries. Air, Soil and ground water resources were affected, resulting in a huge public outcry. Lack of adequate technical knowledge, insufficient legal framework and unsatisfactory, enforcement mechanisms, besides of course shortage of financial resources, were factors impeding efficient environment management. The very survival of the industry was threatened, with resultant loss of jobs, if immediate measures were not taken to help the industry meet the environment challenges.

3. RESEARCH AND INVESTIGATION: The development of research infrastructure and acquired appropriate technology in leather goods industry sector is very expensive. The research facilities in this sub-sector are very limited. BCSIR has recently established "Leather Research institute" to run research and development activities but its operational level remain far below due to various reasons. Activities of leather research institute (LRI) should be strengthened further to provide necessary support to the leather goods industry.

4. REPUBLICAN ASPECTS: In the field expansion of industry and export trade of a country state patronization has the vital role. For the expansion export market of leather goods of Bangladesh, state patronization is limited. There is a possibility of expansion regarding leather goods export of Bangladesh, but for want of state



patronization, it has been backward. There are many difficulties are behind leathers goods export trade. A short picture of it is stated below:

A) Bureacratic Complexity: In order to perform the proper export programme, state permission is essential. For the leather industry various types of chemical and helpful materials are to be imported from the foreign country. Besides this for the export and import trade, Govt. permission is sought, various types of transfer certificates are taken from the Govt. In order to have the above mentioned documents, the exporters and importers of Bangladesh are harassed by the subordinates of Govt. As a result, leather goods exports have been disturbed.

B) Illegality of monetary institutions: During the purchasing of raw leathers, the owners of the leather industry are compelled to take loan from the bank. In order to avoid risk they have to buy insurance policy. The exporters are assured of guaranting loan for exporting loan. Through the bank the exporters have to open L.C. for importing chemical and helpful materials from the foreign country. State bank and Govt. monetary institution are held responsibility to perform these duty: In order to perform these duty state bank and Govt. monetary institution commite delay and irregularity to perform their duty, the exporters are harassed by them. As a result, leather goods export of Bangladesh has been disturbed.

C) Irregularity of port authority: During the shipping of exportable leather goods and getting down imported chemical and helpful materials the port authority neglects their duty . They distrub the exporters. It hampers the leather goods export trade.

D) Irregularity of customs department: The customs department show illegality towards the Bangladeshi leather goods exporters during time of leather goods export and chemical and helpful materials import. They harass to the exporters. It is a great obstacles towards the expansion of leather goods export trade.



E) Political party subscription: The exporters have to subscribe to the various political parties of Bangladesh. As a result, their monetary transaction became very adverse. It is also noted as a difficulty towards expansion of leather goods export market.

F) Water scarcity: Tanneries are required a lot of water for refining green leathers. This water is supplied by WASA. But this WASA cannot supply water to the tannery properly. There is not Govt. special water supply management for them. As a result, the tanneries have to suffer much. The green leathers refinement is disturbed. It caused much troubles for leather goods export trade.

G) Gas scarcity: A lot of gas is required for refinement of green leathers. Insufficient gas supplied to the tannery by the gas company, the tannery is not supplied gas when they need. For this matter the Govt. does nothing to the tannery. So the tannery has to suffer much. Refinement of green leathers is disturbed. As a result, leather goods export trade is disturbed.

H) Electricity scarcity: For the refining of green leathers and manufacturing of export quality leather goods is essential. The tannery has got no management of electricity production. PDB supply electricity to the tannery . It is not enough as demand. PDB does not supply electricity to the tannery regularly. PDB sometime keeps stopping electricity when the tannery needs mostly. The Govt. does not take any special management for the tannery. The tannery suffers much for want of electricity. The refinement of green leathers and the production of the export quality leather goods both are seriously disturbed. For this, it caused troubles to leather goods export trade.

I) Diplomatic activities: There is no trade counselor in Bangladesh Ambassador's office in foreign country. If there was a counselor they could publicity about Bangladeshi leather goods in the foreign market. They could seek foreign buyer for leather goods. They



could inform the Bangladeshi businessmen about the foreign buyer's fashions, taste, liking during staying in overseas market. They could help to the businessmen in various ways. For want of counselor of Bangladesh in foreign country, foreign trade relation is not possible in world market. This is a great problem to flourish leather goods export trade.

J) Democratic vulnerability: Democratic instability has been prevailing in the country for a long period. Export oriented leather and leather product industries, like other sectors are facing losses due to democratic instability prevailing in the country. Permanent impasse, hartal and blockade in Chittagong port, two days weekly holidays got the leather exporters to after a second thought in the matter for survival. This causes between foreign buyers and leather goods traders become unbusiness like and even tough to exist. Leather is one of the export oriented industries of the country. Export oriented leather sector earned foreign exchange worth 252.51 million U.S.\$ during the year 2001-2002. On the other hand, gradually increasing success in export of leather products has inspired to go for more export of leather products. Many facilities have been created to take efforts for uses the services of unemployed educated man powers in export oriented leather products industries by imparting proper training.

The pictures of export which in our hand is a matter of gradually increasing deficit. Bangladesh is going to be turned into an import based country. Under such circumstances there is no other alternative export promotion. But the prevailing democratic instability is greatly damaging the efforts of export promotion activities.

K) Heavy tax & duty: The present rate of import duty for leather products' components is 62.5% (inclusive of vat and other charges). This level of duty is existing for last 10 years. It's really funny. It's quite impossible to compete with the foreign producers in the export market after paying such high percentage of import



duty on the imported leather products' components. NBR offered the industries to enjoy the bonded warehouse facilities, but it's really impossible for the small, medium and new entrepreneurs to create this facility for themselves because the official and unofficial costs involved with the process is very high and there is no regular guaranteed buyer for all the exporters.

L) Import of leather products: For the industries who have bonded warehouse facilities may sale 10% of their total productions (allowed by the govt). Probably they are rejected by the overseas customers. But the import of leather products from Burma, Thailand and India has increased in such a way that it has becomes quite impossible to sale the export rejection in the local market. Whereas Bangladesh is importing the export rejections of those countries spending valuable foreign currencies, which is a direct cause of loss for the export oriented leather products companies.

M) Miscellaneous: The instability of country's situation, terrorists, black marketing, insecurity of life caused much troubles in leather goods export.

5. MANUFACTURING HAZARDS: Bangladesh is among the most prospective countries who export it's leather goods to world market. But bangladesh has been facing hard competition in the international markets in making a room for her leather goods. In other to survive in this competitive market Bangladesh needs to produce a variety of global standard Leather goods. But absence of essential appliances, Advenced Technology and Skilled technicians, she is facing multifurious problems in manufacturing diversifed global standard leather goods. These problems have been dealt with elaborately below:

A) Finished leather supply problems: This problem is very comprehensive for the factories who have no tannery of their own.



Some tannery units including Bay tanneries ltd. Lexco Ltd. Apex tannery Ltd. and Dhaka hide and skin Ltd. are presently supplying finished leather to export oriented leather products factories in principle. The problems faced by the tanneries in selling of finished leather to the entrepreneurs of leather products factories are given below:

i) Certain demand of leather products factories is so scanty that it is not possible to produce that demand separately for them.

ii) The leather products factories employ such unskilled people for the purchasing of finished leather that they easily commit mistakes.

iii) Most tanneries cannot supply finished leather for leather products in time causing delay in export.

iv) Quality problem: Correct colour, softness and elasticity of leather as per specimen are not usually found.

v) The grading of supplied finished leather found lower than expectation. As a result, the exportable leather products do not seem very attractive to the buyer/importer.

vi) Tanneries fix higher prices for the finished leather. At these prices they can not export. As a result priced of exportable leather products becomes uncompetitive.

B) Lack of efficient technicians: Efficient technicians are required in the leather goods manufacturing industry of Bangladesh to developed the standard quality of the products for competing with the competitors in the global market. There is no alternative of introducing the efficient technicians in the leather goods manufacturing industry in Bangladesh to upgrade the standard quality of leather goods to compete with the competitors in the world market. But there is no good initiative to introduce the efficient technicians

in the leather goods manufacturing industry in Bangladesh. This is a great problem to flourish leather goods export business of Bangladesh.

C) Infra-structure problem: The initial steps to enter into the international leather products market is to participate in international leather products fairs with proper preparation. Arrangement of Bangladesh pavilion may be made for marketing in international leather products fairs in Germany/Italy under the overall supervision of export promotion Bureau. Apart from that participation should carry in many activities including advertisements in foreign leather products magazines etc.

D) Inefficient production management: Many industrial entrepreneurs of newly constructed export oriented leather products factories are not chalking out any production scheme due to lack of efficient production management.

E) Working capital problem: Leather goods manufacturing industry is a vast capital consuming industry. For lack of essential quantity of working capital Bangladesh has been backward in the exportable leather goods manufacturing industry. Before investment of working capital, Banks/Financial institutions want to see the export L/C and payment of the due installments of term loan for sitting up of the factories. In such case, a co-ordination between the management of banks and the entrepreneurs of leather products factories is greatly required.

F) Products & Culture: A product is more than a physical item: it is a bundle of satisfaction (or utilities) the buyer receives. This includes its form, taste, color, odor and texture.



The values and customs within a culture impute much of the importance of these other benefits. In other words, a product is the sum of the physical and psychological satisfactions it provides the user.

Its physical attributes generally are required to create the primary function of the product.

The meaning and value imputed to the psychological attributes of a product can vary among cultures and are perceived as negative or positive. To maximize the bundle of satisfactions received and to create positive product attributes rather than negative ones, adaptation of the nonphysical features of a product may be necessary.

In Bangladesh due to lack of proper marketing knowledge the aspects of products and cultures are ignored. This is a great problem to flourish in the global market for leather goods.

G) Global standards: A lack of global standards is another problem in global sales of leather products. Bangladesh has to give attention to two major areas of concern in this regard for the leather goods exporters: one is a lack of common standards for manufacturing highly specialized leather products, and the other is the use of the global system of measurement. In the leather products industry, the vast differences in standards among countries create enormous problems for expansion of the export business.

H) Packaging Component : The packaging component includes style features, packaging, labeling, trademarks, brand name, quality, price, and all other aspects of a product's package. As with the core component, the importance of each of these elements in the eyes of the consumer depends on the need that the product is designed to serve. Packaging components require both discretionary and mandatory changes. In Bangladesh due to lack of proper marketing knowledge this aspect is ignored hampering the export business of leather goods.



I) Core Component: The core component consists of the physical product – the platform that contains the essential technology – and all its design and functional features. It is on the product platform that product variations can be added or deleted to satisfy local differences. Major adjustments in the platform aspect of the core component may be costly because a change in the platform can affect product processes and thus require additional capital investment. However, alteration in design, functional features, flavors, color, and other aspects can be made to adapt the product to cultural variations. There is no suitable system for look after this aspect in the leather goods manufacturing industries in Bangladesh.

J) Maintaining quality: Global competition is placing new emphasis on some basic tenets of export business of leather goods. It is reducing time frames and focusing on the importance of quality, competitive prices and innovative of leather products. The power in the marketplace is shifting from a seller's market to customers, who have more choices because there are more companies competing for their attention. More competition, more choices, put more power in the hands of the customer, and that, of course drives the need for quality. Gone are the days when the customer's knowledge was limited to one or it best just a few different products. Today the customer knows what is best, cheapest, and best quality. It is the customer who defines quality in terms of his or her needs and resources.

Quality can be defined on two dimensions, market-perceived quality and performance quality. Both are important concepts but consumer perception of a quality product often has more to do with market-perceived quality than performance quality.

Maintaining performance quality is critical, but frequently a product that leaves the factory at performance quality is damaged as it passes through the distribution chain. This is a special problem



for many global brands where production is distant from the market and/or control of the leather product is lost because of the distribution system within the market.

Market-perceived quality was also an issue. Quality is not just desirable, it is essential for success in today's competitive global market, and the decision to standardize or adapt a product is crucial in delivering quality.

In Bangladesh due to lack of efficient production management and want of efficient designer and efficient technician and lack of proper marketing knowledge maintaining of leather goods quality is not properly possible.

K) Innovation problems: The more innovative a leather product is perceived to be, the more difficult it is to gain market acceptance. However, the perception of innovation can often be changed if the marketer understands the perceptual framework of the consumer.

Analyzing the characteristics of an innovation can assist in determining the rate of acceptance or resistance of the market to a leather product. A leather product's (1) relative advantage (the perceived marginal value of the new leather product relative to the old); (2) compatibility (its compatibility with acceptable behavior, norms, values and so forth); (3) complexity (the degree of complexity associated with leather product use); (4) trialability (the degree of economic and or social risk associated with leather product use); and (5) observability (the ease with which the leather product benefits can be communicated) affect the degree of its acceptance or resistance in general, it can be postulated that the rate of diffusion is positively related to relative advantage, compatibility, trialability, and observability, but negatively related to complexity.

By analyzing a leather product within these five dimensions a marketer can often uncover perceptions held the market, which, if left unchanged, would slow leather product acceptance. Conversely, if these perceptions are identified and changed, the marketer may be able to accelerate leather product acceptance.

In Bangladesh within the leather products manufacturing industries these types of marketing mechanisms are totally inapparent.

L) Lack of efficient designer: Exportable leather goods manufacturing industry is a fashionable industry. Fashion is rapid changeable matter. Fashion is radically changing daily in the world. Due to change of fashion, foreign buyer's/consumer's taste, habit and choice have been changing day by day. Due to change of foreign buyer's/consumer's taste, habit and choice they try to have various designable products. There is a lack of expert designer in Bangladeshi leather goods manufacturing industry. Bangladeshi leather goods can not compete with competitive world market. As a result, the export business of the leather goods of Bangladesh is in backward position now.

M) Products Diversification Problems: Due to change of fashion, life style and standard of living of buyers/consumers in the world market, the taste, habit and liking of buyers/consumers have been changed. As a result, the buyers want to buy the leather goods from the diversified products. Bangladeshi leather goods manufacturing industry can not supply to the buyers of the world market according to their liking, because there is a want of technology, designer, capital in Bangladesh for diversification of leather goods. As a result, in spite of possibility, Bangladesh can not forward in respect of leather goods export.



N) Lack of machines & tools: Leather goods manufacturing industry is totally technology based industry. Modern machines and tools are essential for the leather goods manufacturing industry from the very beginning of raw leather processing up to produce export quality leather goods. In the every texture of the manufacturing of export quality leather goods, modern machines and tools are essential. All of these machines and tools are not available in Bangladesh. All of these machines and tools are imported from foreign country. It is very costly to import them from foreign country. On the other hand, the exporters are surpressed by the subordinates of Govt. The owners of the industry do not get these machinery in due time. Besides this, these are very troublesome. It requires a lot of capital to import these. For the lack of capital the owners of the industry can not collect these machinery in due time. For the want of required machines and tools the owners of the leather goods manufacturing industry cannot produce world standard products. They cannot restore balance in the world competitive market. It caused bottle neck toward the expansion of leather goods export trade.

6. **MARKETING PROBLEMS:** The marketing philosophy holds that the key to achieving organizational goals consists in determining the needs and wants of target markets and delivering the desired satisfactions more effectively and efficiently than competitors.

A key to effective marketing is a favorable attitude toward marketing on the part of a firm's top executives. The following statement reflects an understanding of this point: "Marketing begins with top management. Only top management can provide the climate, the discipline, and the leadership required for successful marketing program." We are not saying that marketing executives should hold the top positions in a company. Nor are we saying that the president of a firm must come up through the marketing department. But it is necessary that the president must be marketing-oriented.



As business people recognized that marketing is vitally important to the success of any organization, a new philosophy of doing business developed. Called the marketing ideology, it emphasizes customer orientation and coordination of marketing activities to achieve the organization's performance objectives.

According to the above statements a leather goods exporter must have adequate knowledge about marketing tools and mechanisms for achieving his/her organizational goals and objectives. In spite of this, the leather goods exporters of Bangladesh are totally ignorant about proper marketing knowledge and operations. The deficiencies of leather goods exporters of Bangladesh about various tools of marketing mix are stated below:

A) Global products: The opportunities and challenges for international marketers of leather goods today have never been greater or more diverse. New consumers are springing forth in emerging markets from Eastern Europe, the commonwealth of independent states, China and other Asian countries, India, Latin America-in short, globally. While some of these emerging markets have little purchasing power today, they promise to be huge markets in the future. In the more mature markets of the industrialized world, opportunity and challenge also abound as consumers tastes become more sophisticated and complex and as increases in purchasing power provide them with the means of satisfying new demands for leather goods. A key theme now and in the future in international marketing management is the globalization of markets, with its impact on a firm's strategies and marketing mix.

There is a recurring debate about leather products planning and development that focuses on the question of standardized or global leather products marketed worldwide versus differentiated leather products adapted, or even redesigned, for each culturally unique market. One extreme position is held by those with strong production and unit-cost orientation who advocate global standard-



ization, while at the other extreme are those, perhaps more culturally sensitive, who propose a different leather product for each market.

The trend for larger firms of leather goods is toward becoming global in orientation and strategy. However, product adaptation is as important a task in a smaller firm's marketing effort as it is for global leather products companies. As competition for world markets intensifies and as market preferences become more global, selling what is produced for the domestic market in the same manner as it is sold at home proves to be increasingly less effective. Some leather products cannot be sold at all in foreign markets without modification; others may be sold as is but their acceptance is greatly enhanced when tailored specifically to market needs. In a competitive struggle, quality leather products that meet the needs and wants of a market at an affordable price should be the goal of any marketing firm. For some leather product category groups and some country markets, this means differentiated leather products for each market. Other leather product groups and country market segments do well competitively with a global or standardized leather product but for both, a quality leather product is essential.

Due to lack of proper global leather product development strategy in the leather goods manufacturing industry, Bangladesh cannot compete with the competitors in the global market.

B) Global pricing: Active marketing in several countries for leather goods compounds the number of pricing problems and variables relating to price policy. Unless a leather goods exporting firm of Bangladesh has a clearly thought-out, explicitly defined price policy, expediency rather than design establishes prices. The country in which business is being conducted, the type of leather product, variations in competitive conditions, and other strategic factors affect pricing activity. Price and terms of sale cannot be based on domestic criteria alone.



In general, price decisions are viewed two ways: pricing as an active instrument of accomplishing marketing objectives, or pricing as a static element in a business decision. If prices are viewed as an active instrument, the leather goods company uses price to achieve a specific objective. Whether a targeted return on profit, a targeted market share, or some other specific goal. The leather goods company that follows the second approach, pricing as a static element, probably exports only excess inventory, places a low priority on foreign business, and views in export sales as passive contributions to sales volume. Profit is by far the most important pricing objective. Bangladesh has no sound global pricing policy for leather goods export to the world market. It is a great problem to flourish export market of leather goods of Bangladesh.

C) Global promotion: Advertising, sales promotion, personal selling, and public relations, the mutually reinforcing elements of the promotional mix, have as their common objective the successful sale of a leather goods. Once a product is developed to meet target market needs and is properly distributed, intended customers must be informed to the product's value and availability. Promotion is basic ingredients in the marketing mix of an global company.

Of all the elements of the marketing mix, decisions involving promotion mix are those most often affected by cultural differences among country markets. Consumers of leather goods respond in terms of their culture, its style, feelings, value systems, attitudes, beliefs, and perceptions. Because promotion's function is to interpret or translate the need/want-satisfying qualities of leather goods in terms of consumer needs, wants, desires, and aspirations, the emotional appeals, symbols, persuasive approaches, and other characteristics of a promotion mix must coincide with cultural norms if it is to be effective.

Reconciling the international promotion effort with the cultural uniqueness of markets is the challenge confronting the internation-



al or global marketer. The basic framework and concepts of international promotion are essentially the same wherever employed. Six steps are involved. Such as:

Study the target market(s).

Determine the extent of worldwide standardization.

Determine the promotional mix (the blend of advertising, personal selling, sales promotions, and public relations) by national or global markets.

Develop the most effective message(s).

Select effective media.

Establish the necessary controls to assist in monitoring and achieving worldwide marketing objectives.

Bangladesh has no proper promotional arrangement for flourishing leather goods export business in the global market.

i) Global advertising: Intense competition for world markets and the increasing sophistication of foreign leather goods consumers have led to a need for more sophisticated advertising strategies. Increased costs, problems of coordinating advertising programs in multiple countries, and a desire for a common worldwide company or product image have caused multinational companies (MNCS) to seek greater control and efficiency without sacrificing local responsiveness. In the quest for more effective and responsive promotion programs, the policies covering centralized or decentralized authority, use of single or multiple foreign or domestic agencies, appropriation and allocation procedures, copy, media, and research are being examined.

In the field of leather goods export business of Bangladesh the application of above mentioned global promotional programme is totally absent.

ii) Global sales promotion: Sales are marketing activities that stimulate consumer purchases and improve retailer or middlemen effectiveness and cooperation. Cents-off, in-store demonstrations, samples, coupons, gifts, product tie-ins, contests, sweepstakes, sponsorship of special-events such as concerts and fairs, and point-of-purchase displays are types of sales promotion devices designed to supplement advertising and personal selling in the promotional mix.

Sales promotions are short-term efforts directed to the consumer and or retailer to achieve such specific objectives as:

Consumer-product trial and/or immediate purchase.

Consumer introduction to the store.

Gaining retail point-of-purchase displays.

Encouraging stores to stock the product.

Supporting and augmenting advertising and personal sales efforts.

Bangladesh has no suitable arrangements of sales promotion to promote the leather goods export in the overseas market.

iii) Global personal selling: The first step in managing a sale force is the design of sales personnel. Based on analyses of current and potential customers, the selling environment, competition, and the firm's resources and capabilities, decisions must be made regarding the numbers, characteristics, and assignments of sales personnel for the successful export marketing of leather goods in the overseas



market. But Bangladesh has no appropriate arrangements of personal selling in respect of leather goods export to the world market. This is a great problem of Bangladesh of extending the export market of leather goods.

iv) Global public relation: Global public relations and publicity are the most important method of promotion to promote the Bangladeshi leather goods export trade in the overseas market.

Global public relations is a broad, overall communications effort to influence the various groups' attitudes toward the Bangladeshi leather goods in the world market. Public relation activities typically are designed to build or maintain a favorable image for Bangladeshi leather goods and a favorable relationship with the organization's various publics—customers, prospects, stockholders, employees, labor unions, the local community, and the government in the world market. But there is no suitable arrangement for overseas public relations about the exportable leather goods of Bangladesh. This is a great problem for flourishing the Bangladeshi leather goods export trade.

D) Global distribution: In every country and in every market, urban or rural, rich or poor, all consumer and industrial products eventually go through a distribution process.

The distribution process includes the physical handling and distribution of goods, the passage of ownership (title) and—most important from the standpoint of marketing strategy—the buying and selling negotiations between producers and middlemen and between middlemen and customers.

A host of policy and strategy channel-selection issues confronts the international marketing manager. These issues are not in them-



selves very different from those encountered in domestic distribution, but the resolution of the issues differs because of different channel alternatives and market patterns.

Each country market has a distribution structure through which leather goods pass from producer to user. Within this structure are a variety of middlemen whose customary functions. Activities and services reflect existing competition, market characteristics, tradition, and economic development. In short, the behavior of channel members is the result of the interactions between the cultural environment and the marketing process. Channel structure ranges from those with little developed marketing infrastructure found in many emerging markets to the highly complex, multilayered system found in competitors of leather goods export market. In this field Bangladesh is in quite backward position. It is a great problem for Bangladesh to expansion of her leather goods export market.

**7. LACK OF TECHNOLOGY:** Advanced technology is needed from the very beginning of slaughtering the animals up to the production of leather goods for exporting to the foreign market. But in Bangladesh advanced technology is not introduced in leather goods manufacturing industry. Instead of modern technology primitive method has been adopted in Bangladeshi leather goods manufacturing industry.

On the other hand, competitive countries like India, China, Thailand, Taiwan, Vietnam and Hongkong of Bangladesh through the adopting modern technology in their respective leather goods manufacturing industries. They have achieved standard quality of leather goods. The modern technology is totally absent from the leather goods manufacturing industry of Bangladesh. For this reason, Bangladesh can not compete with the competitors in respect of leather goods export to the world market.



8. CHEMICAL PROBLEM: Leather industry is a chemical consuming industry. Chemical is necessary for processing raw leathers. Among these chemicals only salt, lime and acid are produced in Bangladesh. Rest of the chemicals are imported from foreign country. In order to import these chemicals, the owners of the leather industry have to take risky. They are disturbed by the subordinates of Govt. These chemicals are very costly. A lot of money is required to export them. For the shortage of capital the owners of the leather industry cannot collect these chemicals in due time. For want of chemical raw leather processing is disturbed. In these circumstances, the leather goods exporters of Bangladesh have to face a great problem.

9. ENTREPRENEURSHIP: There is a want of entrepreneurship in Bangladeshi leather goods manufacturing industry. Those entrepreneurs connected with leather goods manufacturing industry have got no entrepreneur's characteristics. They do not run their business for the sake of business. They do not want to be expert business men. They want to be rich men within a night. They are attentive to short monetary safety. They take sum of loan from the bank for investment in the business. But they use their bank loan for construction buildings, dwelling house in Dhaka and big city of the world. They construct trading centre in big city and they earn rent from it. Most of them are illiterate. They have got no sense to be entrepreneur. They are not expert in marketing management. They are connected with illegal business, Black marketing. On the basis of diagnosis and investigation, the entrepreneur of leather goods manufacturing industry may be classified into 4 groups. Such as:

i) First group: The dealings of entrepreneur in this category is good. They exist by virtue of merit. They want to apply new technology. They are connected with communication with foreign country. But they are very few in number. It is difficult to count them.



ii) Second group: This group wish to be promoted higher grade within a short period. They are inexpert in marketing management. They have no own capital at all. The whole capital is bank money. They are dependent with bank wholly. They have no practical knowledge about their employment planning. They pass relying on particular person. If their relying person do good or do bad that will be affected in the industry. In this way, industry may be domed. They are in numerable.

iii) Third group: This group does not like to adopt new technology. They are ready to prevail primitive method. They have no foreign communication at all. They are totally dependent on inland buying agency. They are large in number.

iv) Fourth group: This group are inattentive in industrial production. They do not do anything. They make people do something. They are compelled to lose. They have got foreign communication a little. They are in numerable. Being the extending potential region of leather goods export the condition of the leather goods manufacturing industry of Bangladesh is not good for connecting such type of entrepreneur with the industry.

In these circumstances stated above the condition of the leather goods export of Bangladesh is backward.

10. MANAGEMENT: Efficient and strong management is essential for advancing the leather goods export business of Bangladesh in the global market. The management of leather goods export of trade of Bangladesh is very weak and inefficient. Those who are connected with leather goods manufacturing industry in Bangladesh regarding management they are illiterate. They have no marketing sense. They are very inefficient. They have no connection with new technology. They are not expert in foreign communication. They are not known to modern production system. They do not know the



foreign trade principles. They are dependent on other. The quality of ideal management principles is totally absent in the management of Bangladeshi leather goods manufacturing industry. They are always ready to be rich men and they are busy with achieving their mission. They are inattentive to produce quality leather goods and to increase export. In a word, the export management of leather goods of Bangladesh is inefficient and weak. The weak and inefficient management of Bangladeshi leather goods export trade created a great problem for expansion of leather goods export market.

## Recommendations

1. Slaughtering House : In order to preserve the quality of the hides and skins modern slaughtering houses should be built.
2. Store House : Sophisticated modern store houses are imperative for preserving hides and skins.
3. Technology : Modern and sophisticated technologies should be applied for manufacturing global standard leather goods.
4. Marketing : To compete in the world market, a sophisticated marketing management should be applied.
5. Management : An efficient management is a must for running the businesses of an organisation.
6. Research and Development : Scope for conducting research and development should be extended.
7. Govt. Policies : There should be smooth govt. policies.
8. Entrepreneurs : Competent and enterprising entrepreneurs should be fitted in.
9. Skilled Workers : To Manufacture quality leather goods, the need for skilled workers can not be side stepped.
10. Import of Hides and Skins : Measures should be taken to import duty free hides and skins from abroad in order to ensure the availability of low priced hides and skins.
11. Customs Facilities : Steps should be taken to facilitate the speedy delivery of the imported raw materials, chemicals and accessories from the clutches of the customs officials.
12. Import Formalities : All the complicated formalities regarding import should be eased.
13. Bank Loan : Within the ambit of export policies, exporters should be brought within the net-work of getting loan on easy terms.
14. Cash Incentives : The cash incentives should be jacked up.
15. Bond Licence : Measures should be taken to renew bond licence every two years instead of existing one year deadline along side expediting the renewal process.



# CHAPTER-8

## MARKET VARIATION





## MARKET VARIATION

Lack of knowledge of overseas business practices is a serious deterrent to foreign trading. An even more serious threat to successful international marketing occurs when one does not realize that he lacks knowledge or comprehension and stumbles ahead assuming that other business cultures are similar to his own milieu. Even a company successfully doing business overseas may find that it is paying a stiff penalty for its inadequate information base. Only the most naive and unsophisticated businessman would attempt to sell a consumer product abroad today without trying to understand the ways of foreign customers. Nonetheless, a businessman is still sometimes prone to assume that his business counterparts in other countries share his interests and motivations. Nothing can be further from the truth. The tragedy of this misconception is that the marketer is more likely to deal with businessmen than with consumers in international trade. Since leather products constitute a large proportion of the goods sold in foreign markets, the majority of the sales contacts are with businessmen. Even when selling leather goods, the exporting firm is most likely to deal with businessmen in arranging distribution or production.

Innumerable barriers lie in the way of the international marketer who attempts to sell his leather products to foreign markets. Knowledge of the business culture, management attitudes, and the methods of doing business can remove any of these barriers. One authority of doing business in Japan comments that "without flexibility in his own attitudes in accepting or at least tolerating differences in such matters as ways of wearing, colours of goods, modes of dress, modes of design and basic patterns of thinking the visiting businessman will seldom be able to negotiate a satisfactory conclusion". Barriers take many forms, but it is not unusual to have a circumstance in which one negotiator's business proposition is accepted rather than another's because "he understands us."



Besides removing barriers which may obstruct business transactions, a comprehension of business customs and practices of customer countries can be an important factor in lowering the cost of doing business. Development of overseas executive is in itself an expensive activity; one firm estimates that it costs \$30,000 and takes 24 months to prepare a man for a top management position in Japan. The cost of inefficiency, the cost of lost contracts, and the direct extra expenses that are incurred through lack of understanding cannot be ignored and can change a potentially profitable relationship into a marginal or losing one.

Since 1950s, few of the world's nations have been content with an economic status quo; instead, they want economic growth, increased standards of living, lower poverty levels, and an opportunity for the "good life". The world's economies are on the move and, although not all at the same level or rate of development, most are experiencing some degree of industrialization, urbanization, rising productivity, higher personal incomes, and technological progress. There is rising demand for leather goods the world over from the most underdeveloped country to the most industrialized. Markets are not static but dynamic, developing entities reflecting the changing life styles of a culture - they are becoming different, larger, more demanding. Leather hand gloves is used in Japan, leather jackets in France; supermarkets are displacing the specialty store and market vendor in some countries; and, should present trends continue, "Japan will be the world's most affluent nation by the end of this century." Old stereotypes, traditions, and habits are being cast aside or tempered, and new patterns of consumer behavior are emerging.

Continual and rapid changes are so much the rule in today's leather goods markets that it is essential for change to be recognized and viewed in its proper perspective. An important fact about the transformation of leather goods buyer's behavior is that it is not occurring at a uniform rate throughout the world, nor is the charac-



ter of the change necessarily the same. For example, a recent study of purchase patterns in Europe showed that while Europe's two major economic blocks have prospered during the decade of the sixties, each had different ideas on what to do with their new affluence. Households in the common market countries spent their new-found wealth on labor-saving devices, while families in EFTA nations showed a distinct preference for "products linked with leisure time activities, affluence, or product innovations". Growth is not only occurring in the industrialized western European countries but in other parts of the world as well. In the five years between 1967 and 1972, market growth in Latin America averaged 43 percent and market growth in individual countries was even more spectacular; Ecuador's market grew 72 percent and Mexico's 49 percent, just two examples of substantial growth to be found among the less developed countries of the worlds. Although the growth rates are spectacular, the markets in Western Europe and Latin America are substantially different and need to be understood by the leather goods marketer.

Opportunities for the leather goods marketer are afforded both in the continuous increases in demand in more industrialized countries as well as in emerging demand in less developed countries. Prime opportunities await the leather goods marketer in the decades of the seventies and eighties in the less developed countries where three quarters of mankind lives, if his efforts can be made to coincide with the developmental goals of the host country. Further, in more advanced economies, leather goods buyer's life styles are frequently altered as a country's economy moves from one level of economic development to another; the resultant impact upon market characteristics is often sudden, causing rapid change in degree and/or kind. Failure to keep abreast with these changes, differences, variations and their implications can end in costly disappointment.

Markets are people with needs and wants and the means to satisfy them. Increased wealth in some countries has created new



markets and sparked trend in behavior parallel to the U.S. experience. These new markets and behavior trends are changing the socioeconomic structure of these countries to such an extent that “old ways” are gone forever. There are universal similarities in wants; as income increases, practically everyone desires the good life as characterized by consumer goods. As one researcher noted, in Western Europe, as income increased they went on a buying binge.

At the same time, the leather goods marketer must recognized that separate characteristics of nationality and stages of economic and industrial development determine leather goods consumer behavior to a great extent. Therefore, even though everyone seeks the good life, each group’s interpretation of the good life as reflected in leather goods consumer behavior is anchored heavily in cultural heritage. This is why leather goods consumer behavior in France varies in many respects from leather goods consumer behavior in Canada, even where personal incomes and purchasing power are similar.

# CHAPTER-9

## COMPETITIVE POSITIONS





## COMPETITIVE POSITIONS

In the field of leather goods export business, Bangladesh has held the super competitive position in global market due to occupy the monopolistic advantages of the availability of cheap rated fine quality raw leather, lowest labour cost and various types of cost effective facilities compared to her competitors such as China, Taiwan, South korea, Vietnam , Thailand, Hongkong and India. On the other hand , the competitors of Bangladesh such as China, Taiwan, South korea, Vietnam , Thailand, Hongkong and India in respect of leather goods export business have been held the strong competitive position in the world market against Bangladesh for their advanced technologies and sophisticated marketing operations.

Any product for global marketing, where products of one country have access to another country and consumers have wider choice for purchase of their goods is to be competitive in terms of quality and price. This competitiveness depends upon the supply and quality of raw material and cost of labour. Leather processing and its conversion into consumer goods is highly labour intensive and their competitive strength is largely dependent on labour cost.

The trend of global leather goods business is the shifting of manufacturing bases from developed countries to low cost developing countries for cost competitiveness. This shifting process started from United States of America to war devastated European countries in 1950s and then from Europe to Asian countries like Japan, Taiwan, Hong kong and Republic of South Korea in seventies. These newly established industrialized countries being affected recently by rise in labour cost and export limitation in USA and Europe have been looking for expanding or relocating their production bases to low cost countries like China, Indonesia, India, pakistan, Vietnam and Bangladesh. The large manufacturing firms in advanced countries and Asian developed countries are becoming

wholesale distributors, traders and retailers rather than producers. Sizeable supply of quality raw leather and low labour cost are the advantages of Bangladesh over other exporting countries for competitive production.

1. Raw leather supply: Bangladesh is an agricultural country and hides and skins play an important role in the economy of the country. The annual supply of hides and skins in the country is estimated to be about 180 million square feet comprised of cow, Buffalo, goat and sheep skins. Cow hides and goat skins being majors, share about 63% and 20% of the total supply of the country. Hides and skins of Bangladesh are well reputed in international markets for their fine fibre structure and good grains. The cow hides are smaller in size and thinner in substance and considered to be comparable to European calves and suitably utilized for various kinds of quality leather goods. The goat skins are well known in leather world for their tight fiber structure and are used for high quality of different types of fancy leather articles. Dhaka and Kushtia goat skins are the best in the world and are known to the leather business people by origins. Goat skins of Bangladesh are the ideal materials for supper leather goods. Bangladesh process different types of finished leather for various kinds of leather goods for export.



2. Labour Cost: According to Werner International survey conducted in 1993, the wage rates in developed leather and leather products producing countries are very high, US\$ 23.65 in Japan, US\$ 13.44 in US\$ 5.67 in Taiwan US \$ 3.66 in Korea and US\$ 1.04 in Thailand as shown in below, Compared to US \$0.56 in India, US\$ 0.44 in Pakistan, US\$ 0.37 in Vietnam, US\$ 0.36 in China and US\$ 0.23 in Bangladesh.

COMPARATIVE HOURLY  
WAGE RATES IN THE  
LEATHER INDUSTRY IN  
1993

Country	Hourly Cost in (US\$)
Japan	23.65
Canada	13.44
USA	11.61
Taiwan	5.76
Hong Kong	3.85
South Korea	3.66
Singapore	3.66
Malaysia	1.18
Thailand	1.04
India	0.56
Pakistan	0.44
Indonesia	0.43
Vietnam	0.37
China	0.36
Bangladesh	0.23
Source: Werner International Survey, 1993.	

Obviously, the wage rates have been increased during last 8-9 years, but the pattern more or less is remaining the same and the rate in Bangladesh is still the lowest. This labour cost accounts for about 40% to 50% of the total production cost of leather products in developed countries whereas it is less than 5 percent in developing countries . The rate is still lower in Bangladesh.

3. Cost effective facilities: Various types of fiscal and financial facilities are available in Bangladesh to make leather goods cost effective and competitive to trade in global market. The principals are:

A) Leather and leather products of Bangladesh origin enjoy duty free access into most of the importing countries under GSP Scheme, which account for about 30% to 40% of the value of products in developed countries.

B) Duty free importation of raw materials under Bonded Warehouse facilities or flat rate duty draw back (return of duty paid on imported materials) for processing export items.

C) Duty free importation of machinery and equipment for use in export production.

D) Exemption of custom duty and license fee on the import of raw and pickle hides/skins and wet blue to manufacture of crust and finished leather for re-export

E) Tax holiday for newly established finished leather and leather products exporting industries.

F) 10% cash incentive for export of footwear and leather goods.

G) Income tax rebate on the export earnings of leather and leather products.



H) Reduced rate of premium to cover risks of damage and loss of exported goods.

I) Reduced rate of freight for export of leather and leather products by air.

J) Export credit from Bank to the extent of 90% of the value of leather and leather products against irrevocable letter of credit or confirm contract.

K) No over due interest on export at sight payment basis against irrevocable letter of credit.

L) Credit facilities for manufactures/exporters from export Development fund at easy term and low rate of interest for production, technical services and acquisition of technology for product development and diversification product, marketing mission and participation in fairs for sales promotion, establishment of sales and exhibition center and warehouse in foreign countries and other helps in activities concerning development and marketing of leather and leather products as thrust sector, etc.

M) Duty free importation of samples, etc.

4. Advanced technology: In the world market, for leather goods export trade, China, Taiwan, Thailand, Hong Kong, Vietnam and India compete with Bangladesh. They apply developed technology for manufacturing leather goods. As a result, their products are far better than Bangladesh. For this reason, these countries get competitive merits than Bangladesh.

5. Sophisticated marketing operations: China, Taiwan, Thailand, Hong king, Vietnam and India are the strong competitors of Bangladesh in the global leather goods markets. They adopt sophis-

licated marketing strategy for leather goods marketing in the world leather goods market. As a result, those countries get much competitive advantages than Bangladesh. Bangladesh is failed to compete with those countries.



# CHAPTER-10

## POTENTIAL POSITIONS





## POTENTIAL POSITIONS

Leather goods sector of Bangladesh can be termed as the most potential one and the future of it is very bright because the most essential raw hide and skin are sufficiently available here and the quality of these are of the bests in the world. Our country can earn billions of dollars from the leather goods sector alone providing a pragmatic policy is made and properly implemented in time. Though the country produces good quality of raw hides and skins, leather goods sector of Bangladesh has gone through many ups and downs.

After the emergence of Bangladesh the non-local tannery owners left for Pakistan and their tanneries were abandoned. A tannery corporation was formed by the Government of Bangladesh to run the tanneries. Due to mismanagement and lack of policy guideline the tannery corporation became a national burden causing financial loss for the Government.

Later on the tanneries of the corporation were denationalized and were sold to private buyers. Some of these tanneries were modernized step by step and flourished while some incurred huge financial loss and became bank defaulters. So, the process of development of the leather goods sector of Bangladesh has been abstracted again and again.

Lack of experience in modern leather technology, the product development and ignorance about the efficient marketing management have further delayed the process of development of the leather goods sector of Bangladesh. Dishonesty and insincerity of some tannery owners have also harmed the leather goods sector while they themselves became rich. Multidimensional problems of the leather goods sector have also effected the development of the leather goods industry of the country.



Market of quality leather goods of Bangladesh is very large. But to produce those Bangladesh requires specific quality of leather which is not readily available in the tanneries of Bangladesh. In many cases the tanneries of Bangladesh are not in a position to produce those. Many tanneries are reluctant to produce the quality leather for the local market. When good quality leather will be sufficiently available locally leather goods sector will be developed side by side automatically.

It is very unfortunate that inspite having the scope of earning ten times more by value addition from the leather goods sector Bangladesh is not giving proper attention to it. Leather goods sector can be turned into even a better sector than the garment where about 90% of the fabrics are imported Bangladesh mainly get the stitching charges while in the leather goods sector more than 90% of the raw materials are local, so almost the entire earning from the leather goods sector remains in the country.

Leather goods manufacturing industries are confident in earning many time more in foreign exchange by manufacturing and exporting of leather goods on behalf of the leather and leather products sector of the country if the supportive infrastructures, policy support and proper assistance are provided by the departments and authorities concerned. Leather goods manufacturing industries of Bangladesh are confident because leather is the most potential sector of the country with plenty of scope to flourish. Quality of Bangladeshi leather and leather goods must be improved and the price must be competitive to attract more buyers from the overseas countries.

Leather goods industry in Bangladesh is a highly potential sector. But this could not prosper much because of proper planning and patronisation. Its history and background is vast and vivid which is intended to be explained here in brief.



In addition to leather research institute, recently Bangladesh College of leather Technology has also taken necessary steps to develop the research facilities in the field of leather and leather-products, environmental and chemical analysis, by-products developments etc. BCLT has also taken some research works such as scanning of leather dyes to check the contamination of banned amines, pollution load resulting from tannery wastes in terms of BOD5, COD, TDS etc., solvent free finishing techniques development, nitrocellulose free gloss imparting agents etc. To meet the advance scientific research as well as day-to-day quality check-up following physical, chemical and environmental test facilities are now available in Bangladesh College of leather technology.

1. Foreign Investment: The government of Bangladesh encourages foreign investment in leather sector particularly for production and export of finished leather, footwear and leather goods. For optimum utilization of the economic potentials of its hides and skins. The foreign investments are protected by the foreign private investment protection act 1980 that provides basic guarantee to foreign investment including;

A) Equal treatment in relation to local investment.

B) Guarantee against expropriation or nationalization and right of repatriation of investment and the profits thereto.

2. Foreigner's Facilities: Foreigners can enter into joint venture with local investors or make 100% investment and they are entitled to the following facilities and incentives in addition to the above facilities and incentives provided to the local investors;

A) Royalties, technical know-how, technical assistance fees and their repatriation are exempted from income tax.

B) Tax exemption on interests of foreign loans.

C) Transfer of shares and tax exemption on capital gains.

D) Avoidance of double taxation.



E) Incomes of expatriates working in industries are exempted from tax.

F) Remittance of salaries, savings and retirement benefits of the foreign employees.

G) Work permit for foreign employees.

H) Multiple entry visa for foreign investors and employees.

3. Manpower development: Government of Bangladesh has recently undertaken a programme of reorganization and up-gradation of Bangladesh College of leather technology for training at different levels including supervisory and floor level workers to cater to the needs of industries. A leather research institute has been established recently for technology development, adaptation of technology and to provide services to solve day to day problems of the industries.

4. Decreasing eagerness of advanced world: Europe, America, Japan and the developed countries of the world left leather trade. The main causes are higher wage rate and higher production cost in developed countries. They transferred their production bases to the developing countries. On the other hand, as lower wage rate and lower production cost Bangladesh can sell leather goods at competitive price rate in the world market. As a result, Bangladeshi leather goods possibility is attractive in world market.

5. Business agreement with East: In future Bangladesh have to amend and extent her international business policies. Bangladesh have to make business relation to the East . There are many potential countries in the east which are come to be as the great prospects for the Bangladeshi leather goods in future.

6. Competitive advantages: Bangladesh is consuming lowest wage rate and lowest production cost regarding leather goods manufacturing industry in the world. As a result, now Bangladesh is holding a supper competitive position for leather goods export trade in the global market. So Bangladesh has a great prospects for leather goods export business in the world market.

Average labour cost in Asia & South American countries.	
Country	Hourly Cost in (US\$)
Japan	24.00
Italy	14.00
South Korea/Taiwan	6.00
Brazil	1.50
Mexico	0.80
Indonesia	0.45
China/Vietnam	0.30
Bangladesh	0.20

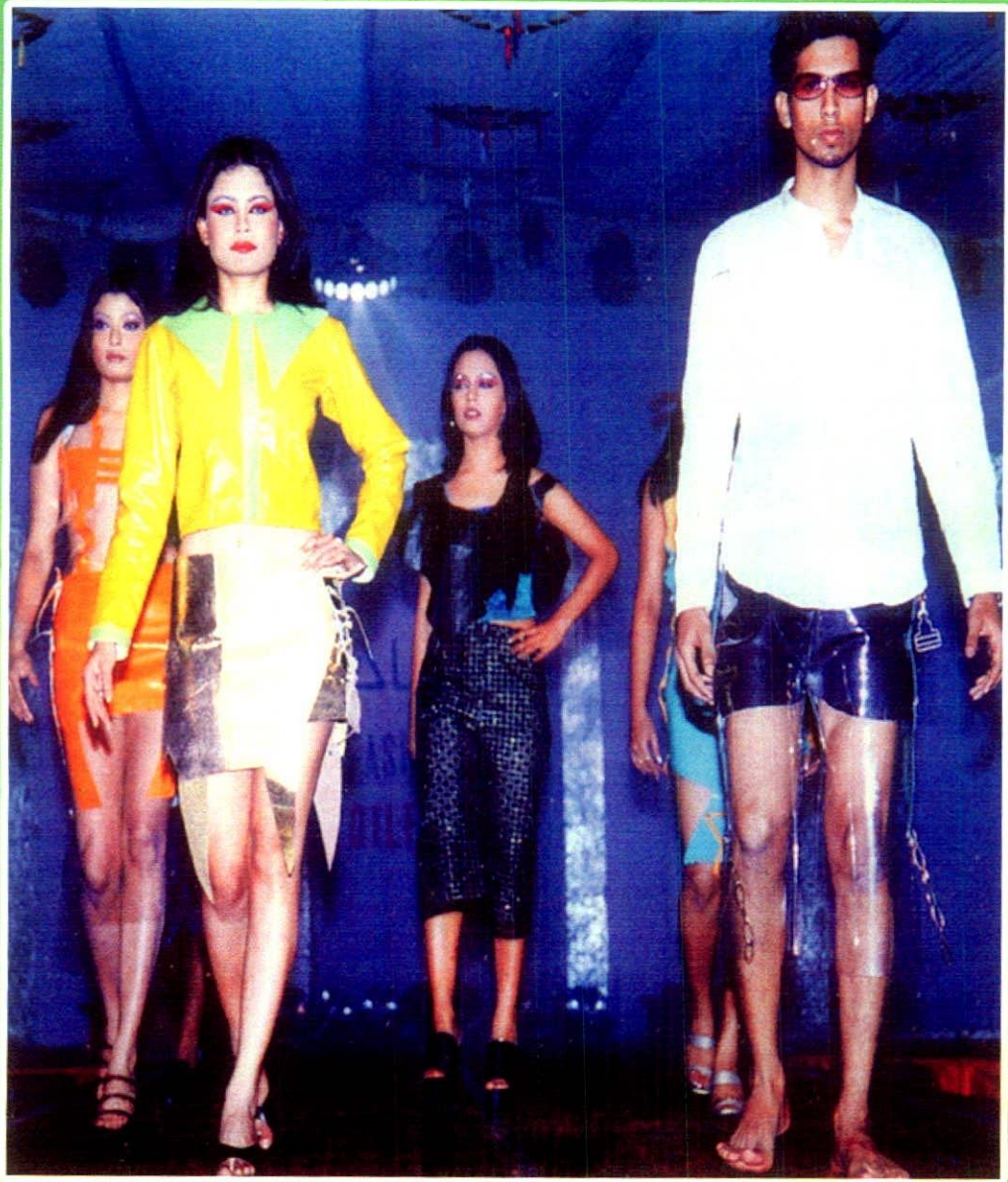
Source: Souvenir- Dhaka International Leather Fair, 2003

The wage rates in Asia & South American Countries are US\$ 24.00 in Japan, US\$ 14.00 in Italy, US\$ 6.00 in South Korea/ Taiwan, US\$ 1.50 in Brazil, US\$ 0.80 in Mexico, US\$ 0.45 in Indonesia, US\$ 0.30 in China/Vietnam and US\$ 0.20 in Bangladesh.



# CHAPTER-11

## CONCLUSION





## CONCLUSION

Leather is a by-product of the meat industry. As long as people continue to consume meat, raw hides and skins will be made available for tanning. Even if in the developed world livestock population should decline due to changed dietary habits, two entire continents mainly Africa and Asia have very low meat consumption due to low per-capita income. As per capita income increases in these two regions more than half the world's population will continue to consume more meat for a long time before the consumption declines again. Therefore any decline demand in the North should be more than compensated by growing demand in the South. Modern cultivation and farming methods are also targeted at optimising yield both in terms of land utilisation and return. Therefore, livestock population levels can be maintained and increased more efficiently, utilising less natural resources. Secondly, as consumption power increases in the East demand for consumer items including fashionable/luxury leather goods is also growing.

Therefore, derived demand for leather will be created to feed the leather goods industry, which have also shifted from the West.

High manual labour content in this industry and the fact that it is not possible to completely automate this process, will keep the industry in labour rich ones. As Western markets approach saturation, markets in China, South Asia, and the NICs are only begin to develop. Access to these markets is easier both geographically and through the creation of regional trading agreements such as South Asian preferential Trade agreement .

As the market leaders of this industry for the last decade realise the gradual phasing out of mass production capacity in their own nations, they must adapt or face extinction. And the process of relocation has already begun in Bangladesh. As production capacity in leather goods is developed in Bangladesh, new jobs will be created, technology will be acquired, and markets will be accessed.



The future of leather, leather goods in Bangladesh is very prospective. The tanneries of developed countries are closing down due to environmental issue. Thus the leather, leather products business are shifting towards least developed countries. Bangladesh has enough raw materials and cheap labor force for the leather sector. Now we need to develop efficient technician and proper research facilities to flourish this sector. It is also been remembered that technologies are upgrading very rapidly. So the industries that rely a great deal on traditional and the practice of age-old methods, a change of in the outlook of those industries are paramount importance. The personnel involved in the industry thus have to be kept abreast of all recent trends and changes occurring in the technology. The partnership that can invoke these changes is the research –academy-industry interaction. This symbiotic relation can in turn grow only if the technology and the society in question move in phase with each other.

Bangladesh with quality hides and skins, the basic raw materials for leather and leather products industries, lowest labour cost in the world and supportive fiscal and financial facilities available can be an ideal location for competitive production of leather and leather goods. Production in Bangladesh is being constrained by limited technical know-how and marketing knowledge. Foreigners with manufacturing knowledge and experience in overseas marketing can invest in leather sector or enter into technical collaboration with local entrepreneurs to take the opportunity of competitive production.

However , despite the potentiality of this sector we are not being able to achieve our desired growth or even continue to compete against exports from neighbouring countries as they are receiving almost 27% subsidy on FOB value, in the form of various incentives such as duty drawback, subsidized airfreight rates etc. In addition they are benefiting from a very well thought out package of indirect benefits such as complete tax holidays on export earning,



soft loans etc. that have helped them achieve almost 35% growth in the leather footwear sector alone last year! We are therefore finding it impossible to remain competitive and retain our market share against these competitors. We are not competing on a level playing field as they are receiving additional benefits from their government which we are not receiving. From April 99- May 2000 our major neighbouring competitors total earning from the export of leather and leather products was USD 1.6 billion dollars. In comparison our export earnings in the same period were not even half that figure!

The leather products export sector can become a major earner of valuable foreign exchange for Bangladesh given the appropriate environment and supports to this nascent sector from the Government. GOB must realize that the international playing field is not level viz-a-viz our neighbouring competitors and as a result they are being able to achieve 30% industry growth rates and become the second largest producer in the world. Their well thought out and focussed policies to maximize competitive advantage for this sector in their country have transformed a primarily unorganized/artisan type industry into a major mechanized employer and foreign exchange earner. We can do the same in Bangladesh, provided we receive a similar boost the emphasis must be on nurturing and developing long term competitive advantage so that the industry can stand on its own feet in the future. Industry is not looking for handouts, but a level playing field.

Bangladesh Finished leather, leather goods and leather footwear exporters Association (BFLLEFA) is the recognized representative body of the leather and leather products export sector in Bangladesh. This body had made an appeal and presentation of the competitive scenario of the global leather industry to the GOB and recommended export incentive of 15% on finished leather, exports and 25% on leather products(leather footwear + leather goods). An export incentive was finally declared in the last budget but of only



10% on FOB value and only for leather products (leather footwear + leather goods) exports, which itself is in the process of implementation. Unfortunately this 10% incentive will not make a major dent in our competitive position where our competitors have gained almost as much through exchange rate devaluations.

This reduced competitiveness of Bangladesh's exports of leather products has resulted in almost all the export oriented leather products (leather goods and leather footwear) factories are sitting idle today. Despite modern machinery and access to leather, they are not being able to compete and this can lead to a decline of this nascent sector, which will create unemployment and the inability to service bank loans.

Therefore industry and GOB must join hands to resolve this crisis that is threatening the very existence of this emerging export earner for Bangladesh and increase the export incentive on the export of value added leather products (leather goods and leather footwear) from 10 % to 25 % of FOB value and provide 15% incentive on the export of finished leather. This will enable our exporters to compete equally with their competitors and achieve similar growth rates in Bangladesh. We firmly believe that with the appropriate support of the Government we can more than double our export earnings from this sector within 5 years and bring about a "Brown Revolution" in the export sector of Bangladesh.

Bangladesh Govt. has intention to relocate the tanning industry of Hazaribagh from a small area to suitable large place, but has no financial capability. There is lack of integration of information on this capability of the Government. The matter is discussed at the cabinet meeting, when placed, and later forgotten. In this manner leather industries of the country are running. This situation should be done away with.

Increasing export earning from leather sector, employment opportunity and issue of environment pollution control by the industries



Expansion Of Technical Education: Leather industry is technology dependent industry. In order to survive at present in the world competitive market leather industry based technology must be developed. For the development of leather industry, modern technology must be applied in the leather industry. In order to produce efficient leather technician our country need leather technical college, leather technical institute and leather technical and engineering university. Those institutions shall be set up in Bangladesh. Those who are awarded technical degree from these institutes, they might be appointed to the leather industry. Then technology will be spread in the country. Human assets will be developed.

Animals Are Domesticated: Domesticated animal planning will be spread and cow, goat, ram farming will be established in the country. Animal production will be increased over all the country. Due to increase animal, green leather production will be increased. Want of raw material for the leather industry will be full filled up. Unemployment problem will be solved. Economic development will be performed.

Meat Industry: Due to increase rate of animal farming. Meat industry will be set up. Problem of insufficiency of food and nutritious will be solved. Foreign currency will be earned by exporting meat in foreign country.

Milk Industry: with the increase of animal resources, there will be more dairy firms throught out the cuntry resulting in the increase of products of milk, ghee, butter, chese and butter oil. By exporting these products to foreign countries, our country will be able to earn huge froeign currercies thus stepping up investments savings as well as incomes.

Raw Material : With the increase of animal Resources in our country the by-products from animal, fur, bones and horns will be used as raw materials in the woollen Industry, Comb Industry and similar Industries, thereby leading to an increase in the products of dif-



# APPENDIX

## Department of Marketing University of Dhaka

M.Phil. Final Year  
Thesis Program

Problems And Prospects Of Leather Goods Export From Bangladesh.

"Questionnaire for Exporters"

This Survey is strictly for the academic purpose.

1. What is the name of your organisation, please?

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.....

2. When did you establish this organisation ? Since when have you set about your business ?

.....  
.....

3. Could you name the products manufactured by your organisation?

.....  
.....

4. Would you please tell me the name of the products that you export abroad? and why?

.....  
.....

5. In which countries do you usually export these products? and why?

.....  
.....

6. Do you ever face any problems as and when you export to these countries?

.....  
.....

7. If yes would you please elaborate on the nature of the problems that come in the way?

.....  
.....

8. What according to your opinion are the roles that Govt. can play in boosting promotion of leather goods export to the foreign markets?

.....  
.....

9. Would you please elaborate on how you marketing your leather goods in the overseas markets ?

.....  
.....

10. Please, refer to the processes that appeared prone to problems, And why so?

.....  
.....

11. What steps do you take in order to promote your leather goods in the global markets?

.....  
.....

12. What is your annual budget for promotion of leather goods in the international markets? Please give your views.

.....  
.....



13. Do you have any web address for promotion of leather goods?

.....  
.....

14. What according to your view, is the condition of leather goods export this year compared to last years?

.....  
.....

15. If you think that the export condition of the leather goods is much worse than last year's, then pin point the reasons, please.

.....  
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16. May I ask for your thoughtful opinion on the market variation of your leather goods in the international markets?

.....  
.....

17. May I again ask for your wise opinion on the competitive position of your leather goods in the world market?

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.....

18. Please give me your well thought-out opinion on the potential position of your leather goods in the global market.

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19. Do you have any pieces of advice to offer regarding how to promote bangladeshi leather goods in the global market?

.....  
.....

20. What prospects do the future hold out for our leather goods in the global market? Please comment.

.....  
.....

Thank you.



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