Eurostars project brings leather industry back to Europe

The Eurostars TaniXing project allowed a small company to create a new leather-tanning agent for luxury and high-end brands. Together with partners from Germany and Spain, it has built from scratch a supply chain to deliver a ‘Made in Europe’ product in a sustainable way. The patented new technology has already won over luxury car producer BMW and might be the start for a revival in a whole industry.

Over the last few decades, leather production, a European speciality, has largely relocated its activities to Asia, attracted by cheaper labour costs. Dr. Heinz-Peter Germann, formerly the director of the Lederinstitut Gerberschule Reutlingen (LGR), has experienced first-hand this decline. His institute, host to an over half a century old engineering school, was closed down in 2011. ‘Our case is not isolated,’ says Dr. Germann. ‘The whole sector has shrunk considerably in Europe.’

At the time, the institute was part of the European TaniXing project, a research project funded by the Eurostars Programme, the first European funding programme to be specifically dedicated to small businesses in high-tech. The project was led by a German start-up called N-Zyme BioTec. N-Zyme BioTec’s manager, Dr. Stefan Marx realised that he could not let down the LGR, a key contributor to the project’s completion. He decided to hire the Institute’s lead scientists and technologists, with Dr. Germann becoming N-Zyme’s head of innovation. N-Zyme BioTec also bought most of the material owned by the Institute and used it to open the company’s own research branch: the Innovation Centre for Leather and Collagen. ‘For me this was essentially an investment in N-Zyme BioTec’s future,’ he explains.

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The researchers involved in the TaniXing project came up with an alternative tanning agent, developed in Germany, and based on a by-product of olive oil production in Spain: ‘a typically European product,’ Dr. Germann likes to remind us. ‘Our Spanish partners, Monteloeder and NDN, were critical to the project’s success,’ explains the engineer, as one leather market expert puts it: ‘As Asian wages slowly catch-up with Europe, leather-goods producers also consider the advantages of keeping manufacture and design close together; there are real chances for a comeback of leather production in Europe, but what is lacking is an integrated supply chain.’ According to Dr. Germann, that is precisely what the TaniXing project is all about, each of the partners in the project having a precise role in moving the product from supplier to customer.

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Doing business through technology
Spain is the first producer of olives worldwide, so they had the expertise. A German research foundation, TTZ Bremerhaven, and N-Zyme BioTec tested in parallel the different ways of producing the olive-based tanning agent, while the German Leather Institute acted as a prime contact with the market and worked on the integration of the process within the leather production model.

Luxury line

N-Zyme BioTec have already finalised a contract with its first client: a subcontractor for BMW. The car manufacturer’s new electric vehicle the BMWi, is pushing the concept of green transport as far as possible, all of the car’s components are manufactured in the most ecologically-sound way. For the car’s leather seats and dashboard, BMW choose to use the tanning agent developed during the TaniXing project.

To many other luxury brands, leather is a staple, and sourcing raw materials and local production is an important part of a luxury brands’ image. The likes of Hermes and Louis Vuitton want to be seen as symbols of an archetypally European refinement, which is why some of the best established names in the sector have expressed their interest in the new tanning agent. Besides BMW, N-Zyme BioTec is in talks with a watchmaker, a handbags retailer and a seating furniture designer.

For high-end brands, another selling point is a leather product’s small environmental footprint. Nike has widely expressed its commitment to stop sourcing leather from producers whose methods are damaging to the environment. And they are many. About 80% of tanning agents worldwide are based on chromium, a heavy-metal extracted from mines, mainly located in South Africa. Other agents rely on fossil-based resources and large-scale forest exploitation. Attempts to develop sustainable alternatives have so far failed to deliver products of good quality and are used for the tanning of low-cost goods. The TaniXing agent however ticks both boxes for quality and environmental-friendliness.

A born entrepreneur, Stefan Marx is now pushing his business forward. ‘Our next step will be to further develop and integrate into the production chain new sustainable leather processes, along with the founding of a new company focussed on marketing’ he explains. Marx is currently in talks with private investors wanting to support the new company. Dr. Germann also has his very own vision for the company’s future: ‘Thanks to this project we managed to sustain innovation in leather manufacturing, but you will also need a young generation of leather technology students if you want to really bring this industry back to Europe.’

Project participants:
Germany, Spain

Budget: 0.9 MEuro
Duration: 36 months

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