



AARON
ITS ALL ABOUT LEATHER

Leading Leather Tannery Overcomes Industry Pressures Through Their Progressive Approach To Sustainability and Digital Transformation

Customer Profile Information

NAME:

Mayank Mishra / Vairavan /
Rajib Ghosh / Ananda Mohan

DIRECTOR

COMPANY NAME:

Aaron Pacific LTD

COMPANY WEBSITE:

www.aaronpacific.com

Material Exchange
Public Digital Profile:

[https://library.material-exchange.com/
show-company-profile/e18336a0-
47cd-4078-a457-eb8c153ffe2b](https://library.material-exchange.com/show-company-profile/e18336a0-47cd-4078-a457-eb8c153ffe2b)



Aaron Pacific Limited is a global leather supplier who is world renowned among international fashion brands for their superior leather products. APL was founded in 2007 with the vision of providing high-quality products to brands seeking sustainable leather materials. APL is headquartered in Hong Kong, with an additional sales office and tannery in China, and two further tanneries in Bangladesh (SAF Industries) and India (AP Exports). APL has proved that through adopting digital technologies to better connect to their customers, they can ensure they are in a strong position to react to market uncertainties.

Building the Brand

Since formation in 2007, APL has stayed true to their initial vision of creating high-quality leather products for leading international brands. APL manufactures and supplies a variety of animal hides and skins including Goat, Sheep and Cow leather products. The attention to detail within the manufacturing process is reflected in their products, culture and leadership as directors take a hands-on approach to ensuring quality and efficiency. APL has now grown to become a leading supplier of leather materials and now provides materials for leading US and European brands such as Michael Kors, DSW, ALDO, Naturalizer, Franco Sarto, NEXT UK, Carlo Pazzolini, Annie Kline, Easy Spirit and Aerosoles to name a few.

“The Digital Material Show helped APL to continue to connect and present our latest materials to brands at a time when physical material meetings were not possible and the shipping of goods was limited.”

Mayank Mishra
DIRECTOR, AARON PACIFIC LTD.

Digital Connections During Uncertainty

At the start of the year, during the height of the marketplace disruption, at a time when insight, connection and inspiration could not be more vital, Material Exchange leveraged their industry-leading Digital Material Library to help brands and suppliers, connect and collaborate in a totally digital way. APL was part of the digital initiative that brought digitalisation to the forefront of efficient collaboration within supply chains. *“The Digital Material Show helped APL to continue to connect and present our latest materials to brands at a time when physical material meetings were not possible and the shipping of goods was limited,”* said Mayank Mishra, Director, Aaron Pacific Ltd. The Digital Material Show lasted 4 weeks, throughout July and August and saw over 250 suppliers present their materials to some of the largest footwear and apparel brands in the world, APL saw this as a cost effective way of continuing to manage and build relationships with new and existing brand customers.

Sustainability, Sustainability, Sustainability

A key buzz word in the industry at present is ‘sustainability’ whether this relates to manufacturing, processes, shipping, conscious consumerism or sustainable development, a recent shift has seen more brands looking for sustainable suppliers with sustainable products to fulfil their own sustainable goals. APL takes a very proactive approach to the sustainability of their products as well as the sustainable development of the business philosophy for the future. As an LWG Certified tannery, APL follows strict guidelines and practices to limit their carbon impact through energy saving measures.

Traditional chrome leather tanning methods are notoriously harmful to natural ecosystems, chrome can be detrimental to water supplies that contain marine life or drinking water; APL limits the number of chemicals used within the chrome tanning process to reduce their carbon impact. In addition, APL follows an in-house developed initiative to reduce unwanted material waste by reusing material sample off-cuts and turning these into accessories or small leather goods. To further support their sustainable approach, APL have now introduced a chrome-free leather range that completely reduces toxic and impactful waste.

“We are at the initial stage of Digitalization. We have digitized some of our material range and are currently in the process of digitising all our materials. We believe digitalization will be an important tool for companies to showcase their products and reach a wider customer base in future.”

Vairavan
DIRECTOR, AARON PACIFIC LTD.

Changing Tides

Moving into the ‘new normal’, the uncertainty from the industry and consumers is changing the way brands and suppliers not only collaborate, but operate. A shift in market patterns and buying habits is creating uncertainty, many brands are reducing their initiatives and programs to combat the changing behaviours. *“The subsequent effect within supply chains is that materials are not being sourced as frequently and new product lines are not being made as aggressively. Cost is another implication on market growth, many products are produced in developing economies and sold to stagnant markets in developed countries, and these dual pressures create pricing conflicts and ultimately lead to smaller margins,”* says Mayank. By digitalising current inventory, this has enabled APL to mitigate cost increases and provide a digital alternative to analogue processes.

Digitalisation in a Changing World

The general consensus among fashion brands and suppliers is that digitalisation strategies have now started to progress quicker than planned, to help prevent further disruption if the market continues to project uncertainty. APL has begun the digital journey by joining Material Exchange. Vairavan says, *“We are at the initial stage of Digitalization. We have digitized some of our material range and are currently in the process of digitising all our materials. We believe digitalization will be an important tool for companies to showcase their products and reach a wider customer base in future”*. APL, as well as many others were greatly affected by the global pandemic, with traditional sales routes unpassable, an alternative solution was needed for collaboration. *“COVID stopped*

all physical movement and thus every company was pressed to find alternative ways to communicate and showcase their products. This was never a necessity before, because traditional methods were operating as normal, there was never a pressing need. But now , everyone needs help to showcase their materials to brands and brands require a means to reach to material sources...This need was fulfilled by Material Exchange, we will now continue to build our business through digital channels,” added Vairavan.

Advice to the Industry

As with all major business decisions that impact the path of the company, digitalisation can be a daunting step into the unknown. However, unlike many other business decisions, there is very rarely a downside to digitalisation. The SaaS platforms like Material Exchange require minimal computing hardware, zero storage capacity and a relatively low initial outlay that is considerably outweighed by the opportunities and possible benefits that ensure a return on investment. *“Digitalization is an additional tool and nothing to be afraid of. Many people feel that their company details and products are no longer secure, this fear must be removed from the mind as the Material Exchange is a highly secure database. Anyone thinking to invest in digitalization, must ensure firstly, all registrations and certificates etc. are up to date and authentic. Secondly, the business should identify the products and articles which are their strengths or leading products, and present these with full attribute details, to make an immediate impact with brand customers,”* concluded Rajib.

“Digitalization is an additional tool and nothing to be afraid of. Many people feel that their company details and products are no longer secure, this fear must be removed from mind as the Material Exchange is a highly secure database.”

Rajib Ghosh

DIRECTOR, AARON PACIFIC LTD.