

## **P r e s s   R e l e a s e**

### **WOLLSDORF LEATHER – the new plant in Mexico**

The United States is increasingly developing into a high-growth market for leather. The situation 4 years ago was quite different as WOLLSDORF LEATHER had not generated any appreciable turnover in this country.

However, revenue in 2019 will already amount to USD 9 million. By 2022, WOLLSDORF LEATHER should achieve a turnover in the US market in the mid-double-digit millions range, according to projections.

From 0 to a double-digit millions amount is, of course, a significant growth rate.

From an economic perspective, this growth rate can no longer be managed from Europe, which is why WOLLSDORF LEATHER decided to invest in Mexico.

#### **Figures and facts about the plant**

Total investment volume: **EUR 40 million**

Phase 1: EUR 20 million – has now occurred

Further EUR 20 m will be invested in the next step.

León, province of Guanajuato, Central Mexico

Construction begin – 01/2018

Site inauguration – 01/2019

Start with about 200 employees

Production area approx. 10,000 m<sup>2</sup>

Leather for the automotive industry

Capacity expansion stage 1:

5,000 - 7,000 hides per week

Capacity expansion stage 2:

15,000 hides per week

Wet White/Wet Blue to finished leather

Cutting facility

(in phase 1, near the leather plant in a rented hall in León/in phase 2, integration in the leather factory)

## **Central development**

Central development in Austria has been expanded and enhanced in recent years. The research and development department in the Styrian city of Wollsdorf has had its hands full as it is optimising the leather production processes for the new plant in Mexico. In recent years, leather was developed in Austria and has now been adapted for Mexico.

## **WOLLSDORF standards worldwide**

For WOLLSDORF LEATHER, it is important to establish the Austrian/European process quality at all sites worldwide.

Of course, the focus in Mexico is on more affordable products, which the market also demands (especially for the Chinese and American market). Nonetheless, WOLLSDORF LEATHER always remains focussed on quality.

Quality assurance already begins when purchasing raw material. The selection process for suppliers is painstakingly meticulous in order to ensure that the company's self-imposed high-quality criteria are fulfilled, which is often a challenge in these countries.

## **Mexico site as "test market" for new machines**

In Mexico, all machines from retannage (wet-end) have been acquired according to the latest state of the art. Tanning and dressing facilities use the latest machine technologies, which allows Wollsdorf to gain experience for the planned expansion in Austria.

Wollsdorf in April 2019

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