



Quality Shoes—made in Germany

What do consumers think of when they hear or see the phrase 'Made in Germany'? Quality, reliability, efficiency and high technical specification will be among the first. There is, however, another factor to consider that is somewhat more difficult to define. This can perhaps be best described as 'desirability of ownership'. This is the feel good factor that products made in Germany offer to the consumer. It is the satisfaction one feels through owning a product made by globally recognised names such as Mercedes, BMW or Porsche in regard to automobiles or Bosch and Braun for consumer goods. All of these epitomise the quality and desirability of German goods.

AN UNUSUAL LOCATION

When discussing well-known names in German manufacturing, the region of Lower Saxony may not immediately spring to mind; big open skies and cold Baltic winds blowing across farmland dotted with wind turbines but, where are the big names? In the small town of Sulingen, about 50 kilometres south of Bremen, there is a company which has quietly established a reputation as a supplier of high quality men's shoes, that are most certainly, 'Made in Germany'.

Lloyd Shoes continues to defy popular wisdom by choosing to manufacture its products in Germany whilst so many competitors have relocated to the Far East.

The company was originally founded in 1888 as H.F Meyer in Bremen and only moved to Sulingen in 1942. This decision made the small rural town in the district of Diepholz one of the few centres of shoe production in North Germany. Today the company

is one of Sulingen's largest employers and the last important footwear producer in Lower Saxony.

A new brand name was sought the 1920s that, by being somewhat out of the ordinary, would attract customers in foreign markets. In the end, the name Lloyd was chosen and registered, and this branding can still be found, almost unchanged, on the unique heel insert of every Lloyd shoe.

SUCCESSING GLOBALLY

The philosophy behind maintaining production in Germany is interesting. The company believes that the 'Made in Germany' label remains an invaluable asset and is regarded as one of the main reasons behind its continued success with the growing numbers of upper-middle class consumers in China and India. Although the total number of such consumers is still relatively small in both countries, they place quality and exclusivity far higher than pure cost.

Lloyd has therefore come to realise that it is only through combining the very highest quality materials with the most efficient production methods that it can face up to the challenges of the global market and, that only companies with vision and very clear objectives will be able to operate successfully there, while at the same time creating sustainable long-term European jobs.

FACTORY OF THE FUTURE

In recent years, pressures of cost have caused many German companies to either close down or relocate to lower cost locations elsewhere in the world. Although this has occurred

WHAT'S IN A NAME: LLOYD

Examining upper leather



Forepart lasting



across the whole spectrum of industry, it has been a particularly prevalent in labour-intensive industries such as shoe manufacturing. In the past 25 years the German shoe industry has lost almost 40,000 jobs.

In the face of increasing competition and, with almost every second pair of shoes being produced in Asia, Lloyd did consider moving its operations abroad when it needed to build a new factory in the late 1990s. However, it also realised that by combining the very highest quality, infinite versatility and total customer orientation with a highly-skilled workforce, the company could maximise the value of the 'Made in Germany' seal of quality.

With this in mind, the company invested heavily in what it likes to call a factory of the future in order to ensure quality and efficient production. At the same time, it also set about providing a fully comprehensive training programme for all of its staff in order that they could make the very best use of the new technology. In addition, semi-autonomous work groups would be set up within the production lines. This has proved invaluable, as it increased the pride and involvement of the workforce in each crucial stage of manufacture and created a loyal and stable workforce.

Although the €20 million factory is equipped with the latest machinery—often modified to meet Lloyd's specifications—many additional processes are still performed by hand. Whilst everything that can be automated has been, people and solid craftsmanship still have a place. Modern machinery is expensive but, if worked for 20 hours per day, the investment becomes worthwhile. Replacing shift work with semi-autonomous work groups has also helped to raise productivity and keep the company competitive.

Some sections of the workforce were initially sceptical of new ideas that challenged established processes and experience. They were won over by a series of workshops and training sessions, and by asking staff to assist in identifying problem areas and challenges for the future. The company in fact invested over €4 million in the training and development of its workforce as it was seen as a vital part of the overall plan. It would appear to have paid off, as production has risen steadily to around two million pairs per year.

THE BEST LEATHER

Whilst it may have invested in the latest technology, traditional aspects of shoemaking remain highly important, so the leather that Lloyd uses in its shoes is some of the finest available. In the never ending quest for quality, it buys about 60-70% calfskin and 20% veal—primarily aniline and semi-aniline—plus some goat and sheep. No corrected grain or side leather is used. Approximately 60% is sourced from European suppliers such as Italy, France, Poland and Spain, with the remainder coming from India, Indonesia and the Far East.

Leathers are selected against precise specifications and samples processed and tested before being adopted for bulk ►

production. A physical inspection is then carried out on every single bulk skin when it is marked with a punched quality seal before going into production. The use of such high quality leather has meant that sourcing certain lines is becoming more difficult as tanneries close down and raw materials cease to be readily available. A good example is the Baby calf previously obtained from Poland. It is now no longer available and has proved difficult to find elsewhere at the required quality.

This poses a problem for Lloyd. It believes that many tanners fail to understand how the footwear industry has moved on and do not appreciate the need for 100% quality in all aspects of any order, not just in terms of material, but on-time delivery and frequently just-in-time. Price for Lloyd is not the main decider; quality and reliability are far more important.

The search for new materials goes hand in hand with the development of new shoe designs. While a certain leather might suggest a shoe type, it is more often the shoe design which demands certain leather properties. The central design department—also located in Sulingen—with the support of international designers, develops up to 500 prototypes per season, of which about 150 find their way into production. Although all new models must conform to agreed standards, the aesthetics of particular leathers still count, as does overall quality.

QUALITY IN MANUFACTURE

This pursuit of quality is paramount to the whole Lloyd operation. Every single shoe is inspected during and after each individual operation. If a fault is detected, it is corrected there and then before being allowed to proceed further, preventing any faulty shoe being passed on to the next work group. Each group is therefore responsible for the delivery of perfect shoes to the next, which helps to eliminate final rejects as well as allowing rapid identification of problems and providing an overall improvement in quality.

Internal ISO procedures go a long way in helping trace mistakes and are an essential part of the quality process. This meticulously approach to quality control is applied throughout the whole production process. Therefore, only finished shoes that justify the Lloyd brand ever leave the factory. This is a very high standard indeed, given that each shoe consists of up to 150 parts

Hand jointing



Final examination



assembled in up to 120 part-manual and part-automatic operations. It is this attention to detail and quality however, that has ensured the company's survival.

In the future Lloyd faces new challenges as consumers demand a wider range of fashionable, high quality footwear. As long as they continue to enjoy the security of a well-established brand name and its 'Made in Germany' label, it appears well placed to cope with the future. As they say at Lloyd, "Good shoes belong to a good life,"... and if they are made in Germany, so much the better. 🌐