AS A BY-PRODUCT OF THE MEAT INDUSTRY, hides, skins, and leather production is closely related to demand for meat and dairy consumption; animals are not harvested purely for leather production. The value of cattle hides and skins represents approximately 5-10% of the total market value of an animal, with the rest of the value being for the meat.

The U.S. meat industry generates more than 32 million cattle hides a year, along with 4.7 million pig skins used in leather and nearly 2.2 million goat and sheep skins. The leather industry purchases these hides and skins – which otherwise would be destroyed or go to waste – and transforms them into leather.

According to a 2016 analysis by John Dunham & Associates, the U.S. livestock and poultry industry accounts for $1.02 trillion in total economic output or 5.6 percent of gross domestic product. The industry broadly is responsible for 5.4 million jobs and $257 billion in wages.

More than 26,000 people in the U.S. are involved in the processing of hides and wet blue (semi-finished) leather tanning. This includes those employed at hide plants, tanneries, exporters, agents, and others.

An Export-Driven Industry

The U.S. hide, skin, and leather industry heavily depends on unrestrictive access to foreign markets and robust international trade for viability and continued success. In fact, the U.S. is one of the top raw materials suppliers to the global leather manufacturing industry.

The U.S. exports annually approximately 95% of all cattle hide and wet blue leather products it produces. In the past few years, U.S. hides, skins, and wet blue leather exports doubled in value from $1.39 billion in 2009 to a record high of $2.85 billion in 2014. In 2018, this figure stood at $1.62 billion.

According to U.S. Department of Agriculture data, U.S. exports of wet salted cattle hides in 2018 reached nearly $1.09 billion in value, while exports of wet blue cattle hides totaled approximately $490 million in value. U.S. pigskin exports were valued at $39.9 million.

China, in 2018, was the largest buyer salted cattle hides, with imports valued at more than $582 million, while Italy was the single largest destination for wet blue cattle hides, with imports valued at more than $178 million. Other large export markets included South Korea, Mexico, Thailand and Taiwan.

Thailand was the largest market by value for U.S. pigskins in 2018, with Mexico and Taiwan rounding out the top three destinations.
RESOURCES:

- U.S. Sustainability Alliance
- US Hide Skin and Leather Factsheet
- USDA FAS
- North American Meat Institute