CHAPTER V

CASE HISTORIES OF ENTREPRENEURIAL INNOVATION
LATE MODERNIZERS AND LAGGARDS

The previous chapter contained brief case histories of the early modernizers in the sample taken from the tanner exporters of North Arcot with respect to their backgrounds and modernization of their units. This chapter contains brief case histories of the late modernizers, that is, those who made finished leather after 1975, and the laggards, that is, those who had not made finished leather even by 1980.

The Late Majority

T.K. Shameem

T.I. Shameem tans sheep at Vaniyambadi. He controls a firm that was founded by his father-in-law over thirty years ago. Before he took over control in 1975 it was managed by an uncle who was not in favour of finishing leather. Within a year of assuming control Shameem was able to finish leather. However, the firm had machinery installed by its founder for E.I. tanning in 1950.

Shameem has passed Pre-University examination and is assisted by the founder's son, a B.Com. They have
appointed qualified technicians for finishing leather. In 1975 Shameem made a visit to foreign countries to study the export potential for the finished leather he would make.

A.M. Safiulla

A.M. Safiulla is a highly religious Muslim tanner of Visharam who was tanning at Ranipet. His father and grandfather were farmers. He had only elementary education and was employed in a tannery quite young. At 31 years, he started his own firm in 1947 and gradually became a large E.I. tanner of buffalo hides and calf skins. He had installed imported machines for E.I. tanning of hides in 1966.

His three sons by his first wife were matriculates and they had formed a new firm in 1973 when they separated, and they now finish hides. Safiulla himself continued in his own firm and first made finished leather by job work for export in 1974. He found the proposition to make finished leather good and had all the necessary equipment installed in his own tannery to finish leather, before he died in 1976 at the age of 60. He has only two minor children by his second wife and his unit is now used for job work. He disliked bank borrowing and had used his own funds to buy the tanning and finishing machinery. He had made one foreign business visit and had performed the Haj pilgrimage, before he made finished leather. He had founded and was running an Arabic school at Visharam
and was the trustee of a mosque there.

M. Sambandam

M. Sambandam Mudaliar belongs to Arcot near Ranipet and is a first generation tanner. His father was, however, an employee of a tannery at Pallavaram where Sambandam studied upto 9th Standard. At the age of 14 he joined a leather firm as its godown keeper and became its accountant. By 1952 he started trading in leather. He was for a few years from 1955 in partnership with T. L. Govindaswami Chettiar, who is in the early majority in our sample, tanning hides and later started his own unit at Ranipet. He has with him four sons as partners now. The eldest joined him in 1963 after passing his Pre-University examination. The second boy is B.Sc. in Mathematics, the fourth is a B.Com. and the fifth, B.Sc. Chemistry. The third, a B.Sc. Zoology died in a scooter accident in 1979. The boys look after all the technical work in tanning and finishing. The firm introduced machines for E.I. tanning in 1974 and started finishing leather in 1976 after the first son's visit to U.S.A. and Europe to get closer to buyers and to know in detail about their needs.

Sambandam is the vice-president of the Ranipet Tanners' Association since 1973.
A.Md.Ismail

A.Md.Ismail of Visharam is also not a hereditary tanner. After some elementary education he joined a raw skin merchant at Bangalore as an assistant, and in 1948 at the age of 45 he entered into partnership with Khizar Hussain (an early adopter in our sample) to tan hides at Ranipet. He started his own firm in 1962 along with his sons. The firm developed into a large exporter of E.I. hides and calf skins. His sons by his first wife later separated and one of them, Ahmed Basha (in the early majority in our sample) finished leather earlier than Md.Ismail. With Ismail now are his sons by his second wife. They include three matriculates, a P.U.C., a B.Com. and an L.Tech. Md.Ismail had toured U.K. and Italy on business in 1972 and again in 1975 along with the eldest of these sons and they started leather finishing by 1976. They also have a qualified technician on their staff.

Md. Ismail is the President of the Ranipet Tanners Association since 1976 and the firm spends a considerable sum of money on advertising.

P.N.Rallan

Purushottam Nath Rallan is a refugee from Sialkot in Pakistan. He is a Hindu of Khatri caste and the third of four sons of a financier who after coming to India during
India's partition became a leather merchant. Purushottam
joined the Institute of Technology at Madras and got his
Leather Diploma. Joining in partnership with a skin trader
Radhakrishnan he tanned skins on job work basis at Madras
in 1954 and then at Ambur in 1960. He then tried E.I.
tanning on his own at Agra in 1964 without success. He
took a tannery on lease in Ambur and mechanized it in 1975
and made finished leather in 1977 with the help of qualified
technicians. He tans goat predominantly but also some sheep
and hides. He was a close friend of the late B.M.Das the
first director of the CLRI and regularly consults the Insti-
tute's scientists since 1964 on technical matters.

He is an active member of the Lions Club and is in
the managing committees of Punjabi educational institutions
in Madras city.

T. Abdul Gaffar

Abdul Gaffar belonged to a farming family of Valathur vil-
lage near Ambur. He had six years of schooling at Gudiyattam
before he worked in the general store of his uncle. During the
world war he was supplying stores to the military at Avadi,
Madras and later started exporting lungis to Burma in
partnership with a friend. The two friends joined with a
third who was a leather merchant to farm a partnership
business, tanning leather at Madhavaram, Madras. In 1957
he formed a partnership business with another leather merchant at Madras and did job tanning and leather export. In 1975 he started building a finishing unit in Ambur but died before the building was completed. His four sons are running the business along with his partner. Two of the sons had middle school education, one is a matriculate and the fourth had one year at college.

Gaffar as well as his partner had visited Europe and U.K. in 1965 and Japan in 1968 as merchant exporters. The firm started finishing leather in 1977 and have two L.Tech. technicians. Two of the sons are CLMI trained. The firm finishes goat skins mostly and sheep skins sometimes.

**P. Abdul Qayoom**

Abdul Qayoom of Vaniyambadi tans goat skins. After studying for B.Com. he joined a local tanner as an apprentice. Then, along with his elder and younger brothers started his own merchant export business in 1968. In 1972 he started sheep tanning in Vaniyambadi in a rented tannery. In 1974 they bought their present tannery and installed machines therein. In 1978 they found their buyers requiring goat skins only and switched over to goat. In 1979 the unit started making finished leather.

In 1970 Qayoom made a business tour of Japan. In 1972 his elder brother Shukoor went with the LEPC delegation
to Western European Countries. The brothers had greatly benefited by consulting CLRi Scientists. The firm has no L.Tech. or B.Tech. in their employment but manage with a CLRi trained B.Sc. (Chemistry).

S. Md. Yahya

Md. Yahya of Visharam comes from a hereditary tanning family. He is a matriculate and had been an active sportsman and debater at school. He was a member of the Visharam Panchayat in 1970.

Yahya's father was tanning at Ranipet and Yahya was his first son. He joined his father in tanning in 1952. At the father's death, his brothers took over the tannery and Yahya joined his father-in-law's firm as partner while retaining his export business, in 1969. The latter firm has started to make finished leather. Yahya located his own tanning unit in a rented tannery at Katpadi and is on the lookout for a suitable location at Ranipet. The unit at Katpadi is managed now by his son. He now devotes most of his attention to his father-in-law's firm which is at Visharam.

Yahya has visited the Paris Fair in 1977 and toured Europe in 1979.
P. Khaleelur Rahman

P. Khaleelur Rahman is now a sheep tanner of Vaniyambadi. His father and grandfather were raw skin merchants. After some elementary schooling he joined a tannery in Bangalore in his 13th year and was there for over 15 years as employee. In 1954 he formed a partnership with a friend to deal in skins at Bangalore. In 1957 he started tanning at Bangalore. In 1962 he shifted his tanning operations to Vaniyambadi and became a large E.I. tanner of sheep skins. But only after his third son-in-law, an I.Tech. joined his firm did he venture to make finished leather. In 1980 he started it on a small scale. His son is only a matriculate. He has been, however, in regular contact with CIL scientists ever since he started tanning at Bangalore. He still makes mostly E.I. and semi-chrome crust for export.

He is strongly against government restrictions on the export of E.I. and chrome tanned leather. He founded a Small Tanners and Exporters Association in 1980 to fight for the interests of the small tanners which he alleges have not been looked after by the existing organizations like the LEPC or the SiSMA. One of the questions put to the respondents in the study was what they would do if the government imposed quotas on the export of finished leather also. While all the others said that the government would not do so now
or that they would make leather goods, Khaleelur Rahman alone said that it would be another wrong step and that he would fight against it. He wants the government not to define semichrome crust as semitanned leather and either impose quotas on it or refuse to pay cash incentives on it. After 1973 many tanners export this variety under the name semichrome natural suedes and are enjoying all the benefits that the export of sophisticated finished leather would get.

Khaleelur Rahman's argument is that without building adequate infrastructure you cannot blame small tanners for not modernizing their tanneries quickly. He is one of the promoters and the vice-president of the Cooperative Service Centre at Vaniyambadi which has been set up in 1979 exactly for the purpose of helping the small tanner who cannot afford to buy all the machinery necessary to make good quality finished leather to have those operations for which such machinery is required done on a job work basis there. Khaleelur Rahman is in the Executive Committee of the Vaniyambadi Muslim Educational Society, a director of the local house mortgage bank and secretary of the Vaniyambadi Tanners Association.

He had gone on Haj in 1966 and visited European countries in 1979 and Singapore in 1979. He is religious and traditional in his personal life and outlook.
M.M. Inayatullah

Inayatullah of Ambur is the last son of a bark merchant. He graduated in chemistry and was employed as leather purchasing agent of an English Company at Madras for ten years before he entered tanning. He was in partnership with his brother for 3 years in tanning and then started his own firm to tan goat and some sheep at Ambur. He has an M.B.A. as his managing partner. He acts as buying agent for a London buyer of skins. He had a foreign tour of U.K., Continent and the Middle East in 1976 and makes finished leather on a small scale since 1977.

The Laggards

M.Md. Ismail

M.Md. Ismail of Pallikonda and V.Md. Basha of Pernambut are partners of a firm which tans cow hides and cow calf skins since 1965 at Pernambut. They have purchased machinery with bank credit for E.I. tanning and have already installed it. They had placed orders for machines for finishing hides and hoped to start the operation as soon as the recession in the industry since 1979 is over. They have been consulting CLRI technologists about the mechanization. Md. Basha's son is now in B.Tech. and he would be the technician of the firm then.
The partners are also the founders of a new Small Tanners Association at Pernambut and promoters of the cooperative service centre for finishing leather which is to be set up at Pernambut. The new Small Tanners Association was started by small tanners of Pernambut in protest against what Ismail described as the lack of objectivity and progressive thinking of the elite who are now opinion leaders of the industry in Pernambut.

The firm has exhibited their products in the leather fairs in 1973 but the partners have not travelled abroad.

B.A. Ahmed Basha

B.A. Ahmed Basha, also of Pernambut, aged 64, is yet to make finished leather, but he has mechanized E.I. tanning of hides. He is a hereditary tanner who has studied up to 8th standard. Three of his sons are graduates, in Economics, Commerce and Chemistry respectively. He started tanning in Bangalore in the 40's and moved to his native place, Pernambut in 1951. He is one of the progressive group in his town and was the first president of the newly formed Small Tanners Association. He may make finished leather after the Cooperative Service Centre comes up in Pernambut. He has travelled abroad twice in 1952 and in 1970 both times for Haj.
Haji K. Md. Chouse

K. Md. Chouse is one of the elite among the Pernambut tanners. Along with two other E.I. tanners he forms the traditional opinion leadership of the industry. He is the typical 'no changer' and would not consider finishing leather under any circumstances. He has absolutely no exposure to science and technology. His firm has not participated in any leather fair, nor has he visited any foreign country except Arabia for his Haj. He uses pit tanning and has no machines at all in his three tanneries.

Chouse is the lost son of a petty merchant of Ambur and joined a Pernambut tanner after passing S.S.L.C., and became a tanner on his own in 1961. He has been a large scale tanner exporter of cow hides and cow calf skins. His son-in-law is a CBNI trained B.Com. and his son a matriculate, but they have no say in decision making in the firm whatever. Chouse is now 56 years old and is very religious. He is the president of the Vellore Arabic College and the secretary of the Pernambut Education Society.

M. Rasheed Ahmed

Rasheed Ahmed is a traditional tanner of Vaniyambadi. His father was a leading tanner exporter of the town in the sixties. Rasheed graduated in Politics and now controls a firm established by his uncle a little before the death
of Rasheed's father. Rasheed took over the firm in 1970 on the basis of a family settlement. Then he was 32 years old. He is very religious and dislikes borrowing for interest. He had borrowed from banks during the first three years but regrets it. In 1973, however, he stopped tanning and was a merchant exporter of goat skins till 1976. He now gets skins job tanned for local sales and acts as commission agent for leather.

Rasheed is the first son of his father by the second wife. He has travelled to Arabia in 1962 for Haj.

S.M. Rahmatulla

Rahmatulla of Vaniyambadi is a commerce graduate. He is not a hereditary tanner. He lost his father when he was eight. He has no ancestral property. After B.Cow, he joined a tanner exporter of Vaniyambadi as office assistant. Reposing confidence in his ability to correspond with foreign buyers he started merchant exporting and was quite successful. In 1970 he started tanning with a local tannery owner as partner. The partnership failed after five years. Rahmatulla now job tans sheep and goat skins for export. He considers leather finishing too risky. He wants to do E.I. tanning as soon as he gets a good tannery. He has made no foreign visit but had exhibited his products in the Paris Fair in 1973.