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## Design first, business will follow

By Lynn Ng



In 1976, an Italian named Eugenio Perazza decided to strike out on his own to build his furniture business under the Magis name when he became disillusioned with his boss' preoccupation with commercial success by producing imitations of best-selling furniture made by other people.

Thirty-one years later, Magis has become an internationally-renowned brand that employs innovative designs and cutting-edge technology to manufacture furniture and household items from step-ladders and door-stoppers to bird feeders and kennels.

In fact, some Magis products are so lauded for their designs that they are displayed in museums such as The Victoria and Albert Museum in London, Das Museum Für Gestaltung in Zurich and The MoMa in New York. *The Financial Times* has also ranked Magis among the 10 leading Italian design companies.

The runaway success of Mr Perazza and Magis is certainly an inspiring one which every CEO and company would do well to emulate. This is especially true for the Singapore local furniture industry, which is slowly making a come-back after being relegated to a sunset industry in the 90s.

The Singapore Furniture Industries Council (SFIC), which is the industry body for local furniture companies, has also singled out design as the way to go to ensure survival in the 21st century.

SFIC Design Development Committee Chairman Simon Ong also stressed this point when he spoke last Friday at the 5th Furniture Design Forum, an annual SFIC event: "Globalisation has intensified competition and moved design up the value chain to be the driver of business, instead of efficiency and productivity."

Companies must look towards integrating design into the core business function as the way to maximise profits, he added.

And since the theme of the forum was "Design-Led Business", it was most fitting that Mr Perazza was present at the forum to share the secret of his business success with the audience of more than 100 industry players and students – make design the value creator.



Magis' Dog House

"What is design? It is not so much producing an object but creating something that speaks and adds value," said Mr Perazza.

"And what makes good design? Good ideas, just like a good book needs to have a solid plot to ensure a good read," he explained.

"The strength of a company lies in its ideas," he added.

Meanwhile, Mr Stefano Giovannoni, award-winning designer and founder of Giovannoni Design who was the second keynote speaker at the forum reiterated the point by giving his own insight, saying: "Design creates business because it can upgrade the product."

Both Mr Perazza and Mr Giovannoni also advised the audience against blindly following trends. They should instead find their own direction in design and pursue it. After all, both men have been true to their values by placing design at the core of their business and prizing product design over sales and profitability.



Magis' Step

It is worth noting that their first major projects were hardly valued when they were launched. When it made its debut in 1984, Magis' first acclaimed product Step – a folding ladder for households – was greeted with contempt by industry players who felt it should be sold at hardware stores instead, while Mr Giovannoni's claim to fame, the Bombo stool, scarcely caught any attention when it was launched in 1997.

Today, Step and Bombo have become the model products for ladders and stools that they have been copied shamelessly by countless copycats eager to have a share of their success.

However, some local players still question the viability of adopting a design-led business model for the Singapore market. They feel that many consumers here are still not as knowledgeable about design and that the latter tend to perceive local and regional brands to be inferior to international ones.



Bombo stool

A young entrepreneur in the business of supplying furniture to offices who declined to be named told INSIS.COM that it is still too early at this stage for the majority of local companies who cater mainly to the domestic market to concentrate solely on design, citing stiff competition and Singaporeans' lack of appreciation of design.

According to the *SFIC 2006 Annual Report*, there were 681 manufacturers, 580 wholesalers and 828 retailers in the local furniture trade as of 2005. Only about 16 percent of the manufacturers have ventured overseas to set up manufacturing plants in the region so far.