

singapore
mozaic:
singapore furniture's finest

The Next Leap

Spearheaded by the Singapore Furniture Industries Council, the collective brand name, Singapore Mozaic, which encapsulates all the positive attributes of furniture offered in this part of the world, sets the sails right for Singapore in the global arena. Already, its first batch of brand ambassadors has been well received at the furniture fashion mecca – Salone Internazionale del Mobile.

By Ong Hong Tat

Singapore's furniture industry today employs in excess of 14,600 people in Singapore and was valued at SG\$3.4 billion (US\$2.5 billion) in 2007. It is an industry that increases in output by an average of 15 percent per annum, twice that of the global average forecasted in CSIL Milano's World Furniture Outlook 2007. The stage is set for a bold idea to become reality: with word of an industry brand circulating since early 2006, the industry finally witness a brand name that is to collectively signify and promote furniture offered by some of the best Singaporean firms.

With a new branding initiative spearheaded by the Singapore Furniture Industries Council (SFIC), the brand name, Singapore Mozaic, is borne. It is an industry programme strongly supported by SPRING Singapore as well as International Enterprise (IE) Singapore, both government agencies promoting industries and development. The B2B brand aspires to distil the essence of Singapore furniture as well as reinforce attributes of the Singapore furniture industry.

The Singapore Mozaic brand brings together a collection of successful Singapore furniture companies that offers a diverse portfolio of consumer, business and specially crafted products.

Experienced management, superior adaptability to market demands, excellent service and an open, honest ethos are characteristics that the Singapore furniture industry stands for and are also what the brand hopes to drive home. Singapore Mozaic represents the best Singaporean furniture companies and will be a source of reassurance for overseas collaborators working with our local companies. Ultimately, it wants to be a mark of excellence for Singapore furniture companies.

Launched on March 9, 2008 by the Minister for Information, Communications and the Arts, Lee Boon Yang, at the opening ceremony of the International Furniture Fair Singapore (IFFS)/ ASEAN Furniture Show 2008, the brand brings under its umbrella a group of successful Singapore furniture companies. The pioneer batch of 28 Brand Ambassadors comprises of

local furniture industry heavyweights such as HTL, Lorenzo, Koda, Sitra Holdings, Barang Barang and Cellini Design. To qualify as a Brand Ambassador and benefit from the Singapore Mozaic branding, companies are expected to 'live the brand'. These companies must be Singapore-registered, with at least 30 percent Singaporean equity stake, a SFIC Full Member, have own products and brand name as well as possess strong corporate fundamentals and adopt good ethical business practices.

More than the sum of its whole, Singapore Mozaic also wants to address misperceptions that the Singapore furniture trade is a 'sunset' industry. Singapore's furniture industry is on track to achieve its targeted two percent share of the global furniture market by 2015. Singapore currently holds only 0.7 percent of world market share for furniture.

SFIC: Captain Of The Ship

An industry-led branding exercise, Singapore Mozaic is chiefly funded by IE and SPRING Singapore. "It's a substantial sum but most of it was money well spent. Brand development, as well as in-depth market surveys, is part of the considerations before launching the brand. As an industry, we have to prove what we have in order to secure the support of statutory boards. I always believe that we have to be a promising ship, regardless of size. That makes it easier to ask for funding," said Simon Ong, chairman of SFIC's Design Development Committee.

According to SFIC's press releases, Singapore Mozaic is to "provide a framework for the consistent articulation of Singapore's furniture companies' core value propositions to key partners around the world". Traditionally, every single company would endeavour individually to push their products to overseas markets. "For medium and smaller companies, it will be more challenging to flourish internationally, hence we hope that these companies can leverage on the umbrella that the [Singapore] Mozaic brand will provide, through collective marketing and a unified image," Ong said.

With the advent of Singapore Mozaic, it allows the industry to consolidate their marketing efforts. "Unity is strength, with support from agencies such as SPRING and IE, we are more able to project a unified and consistent brand message to the world," said Ong. In today's market realities, manufacturing competencies are no longer sufficient to drive growth; brand competitiveness will give local companies and the industry an added edge.

The challenges facing the Singapore furniture industry are also the driving forces behind Singapore Mozaic. Due to Singapore's relatively high costs of labour and operation, Singapore's furniture industry cannot hope to compete on price. Neither does it want to: "The industry is going into a higher value-added direction, with more emphasis on design and innovation. OEM is old news, we are going into ODM and OBM," said Andrew Ng, President of the SFIC.

"We are convinced that such a binding together of already successful furniture companies will allow us to better compete in the global market and strengthen Singapore's leading position as a hub for international trade in Asia," said Ng, in an interview with *The Edge Singapore*.

In an interview with *The Business Times Singapore*, Ong, in his capacity as Managing Director of Kingsmen Creatives, a Singapore listed interior design and retail furnishing firm, said: "Design and brand management is still very new in this part of the world, you need branding to take that step away from price competition. Singapore firms will not be able to compete with regional rivals on price alone; a common industry brand will help local firms be more competitive in overseas markets."

On design and the push for a design-led industry, Ong mentioned that Singapore Design Council (SDC) will come in to help as part of the branding initiative. SDC plays a supporting role when Singapore Mozaic is working on design-related matters. Since SDC is not part of the founding partners of Singapore Mozaic, SDC will only come into the picture on design initiatives. For example, "During the Singapore Fashion Festival, SDC and Singapore Mozaic are almost co-branding and cross marketing: apparel and furniture designers worked hand in hand to launch a fashion show. We were very pleased with the kind of foundations built, and is in-line with the aims of SFIC to change the perception of the furniture industry from a sunset to a more lifestyle industry," said Ong.

Although the brand is not solely about design and innovation,



L-R: Simon Ong; Andrew Ng; Lee Boon Yang

it is one of the key thrusts that local companies need to embrace. Over the past decade, design awards like the Platform, Singapore Furniture Industry Award and Furniture Design Award have been used together with other initiatives as tools to spur the industry towards a design culture. With Singapore Mozaic, they hope to bring it to a higher level.

"Platform encourages and helps designers to go into the business after their pieces win awards in shows like IFFS. We call it the Platform

because it really provides them with a stage to further their involvement in the furniture industry," said Ong.

Clearly the industry is headed in the right direction. At the recent Salone Internazionale del Mobile in Milan held from April 16 to 21, 2008, Singapore Mozaic was allotted show space at the prestigious fair. "It is not easy to get space at the Milan show and we are happy that our efforts and promise as an industry has been recognised," said Ong.

The Salone Internazionale del Mobile in Italy is one of the global trendsetters with immense influence in design. Industry players as well as designers and trade people interested in exciting and promising trends gather at the annual pilgrimage. At the show, Singapore Mozaic provided a framework for the exhibiting companies.

"The idea was to bring forth the best in Singapore furniture without undermining the individual identities of the exhibiting companies," said Ong. Ong likened Singapore Mozaic to Star Alliance, the premier code-sharing programme between international airlines, except that in this case, Singapore Mozaic functions similarly for the furniture industry to advance the interests of members without detracting their unique strengths.

According to Ng, response to Singapore Mozaic was positive at the Milan show. "We received more than a thousand enquiries at the fair, and some of the brand ambassadors had on-spot orders. Some visitors still had the notion that Singapore was in China, and they were very surprised at our operations and said that we were very internationalised industry players. Milan has brought a lot of new possibilities," said Ng.

Ng is confident that Singapore Mozaic will be allocated booth space for next year's event; the SFIC has been in discussion with Cosmit (iSaloni's organiser) for a larger and better-located booth for the next edition. "We are working closely with the organisers and with the help from various stakeholders and also government agencies like IE Singapore

and SPRING, I am optimistic that Singapore Mozaic will be present at the next edition," said Ng.

IE/SPRING: Wind Beneath The Sails

The furniture industry is one that both IE and SPRING are keen to grow, through different focuses: whilst SPRING focuses on helping companies enhance capabilities, IE helps companies enter markets overseas. Kee Ai Nah, Director (Retail & Furniture) at SPRING Singapore said: "SFIC has been very responsible, committed and focused on what they want to achieve; we are happy at the way the partnership is progressing. I foresee they will be able to take a management and coordination role being a well-organised association".



Kee Ai Nah, Director (Retail & Furniture),
SPRING Singapore

SPRING provides mostly co-funding options for bulk of Singapore Mozaic's activities. Through cost sharing, SFIC, IE and SPRING work together. Kee explained, "SPRING is deeply involved in the brand. Even though we play a supporting role, we will not disappear. We will continue to have dealings with SFIC to identify sectors in the furniture industry that can benefit from Singapore Mozaic and how

SPRING will fit into the picture."

Speaking on the ways that SPRING can help Singapore Mozaic and Singapore's furniture industry as a whole, Kee said: "We don't have tailor-made solutions because there is no one-size-fits-all. What we have are different opportunities for companies, or in this case, an industry to get funding through our various assistance programmes. It is a collaborative approach."

She added, "SPRING is rather intrusive in helping the industry, we can go in on an industry level, or we can also go into the individual companies to drill down what they need and how SPRING can provide funding. We work with them on the whole upgrading chain from concept to implementation: we penetrate into the industries and companies to really get things going."

Flexibility in funding brings adaptability and agility in the ways that SPRING can work with Singapore Mozaic. "We decide what we want to do, then we find ways to fund it," said Kee. Adopting a needs- and goals-based approach, SPRING will then decide on what is appropriate funding. "There are various ways we can help SFIC to fund its initiatives but we need to investigate how we can provide funding through our many funding mechanisms. However we cannot fund certain things, like operational costs," she added.

IE Singapore, on the other hand, is the government agency that oversees the promotion of Singapore-based companies and international trade. Tan Li Lin, Director, Corporate Group

(Lifestyle and Business Services), holds the industry brand in similar high regard. She said, "IE Singapore sees Singapore Mozaic as the international brand identity for the Singapore furniture industry."

To Tan, this branding encapsulates all the positive attributes that buyers have come to expect when they conduct business with Singapore companies. It provides them a unified platform to showcase Singapore companies' collective strengths to overseas buyers. According to her, plans to transmit the brand values under the overarching Singapore Mozaic brand in major overseas exhibitions, road shows and in marketing plans are ongoing.

With expressed confidence from IE and SPRING Singapore, Singapore Mozaic has started on a strong footing. With the proper support in funding and ideas, the brand looks set to grow by leaps and bounds.

Singapore Mozaic's Brand Ambassadors

1. Abitex Designs (S) Pte Ltd
2. Air Division Pte Ltd
3. Barang Barang Pte Ltd
4. Buylateral Group Pte Ltd
5. Cellini Design Center Pte Ltd
6. Design Tray Interior (S) Pte Ltd
7. Dionic (S) Pte Ltd
8. Eurosa Furniture Co (Pte) Ltd
9. Four Star Industries Pte Ltd
10. Getz Bros & Co (S) Pte Ltd
11. Harvest Link International Pte Ltd
12. Home of Homes Furniture Pte Ltd
13. HTL International Holdings Ltd
14. Kingsmen Projects Pte Ltd
15. Koda Ltd
16. Lorenzo International Ltd
17. MLC Marketing Pte Ltd
18. Nobel Design Holdings Ltd
19. Outdoor Living Pte Ltd
20. Richin Furniture Décor Pte Ltd
21. Seng Kwong Furniture Company
22. Sitra Holdings (International) Ltd
23. Star Furniture Industries Pte Ltd
24. Suncoast Sitra Pte Ltd
25. TAK Products & Services Pte Ltd
26. The Home Merchant Pte Ltd
27. The Life Shop Pte Ltd
28. Urban Foundry Pte Ltd

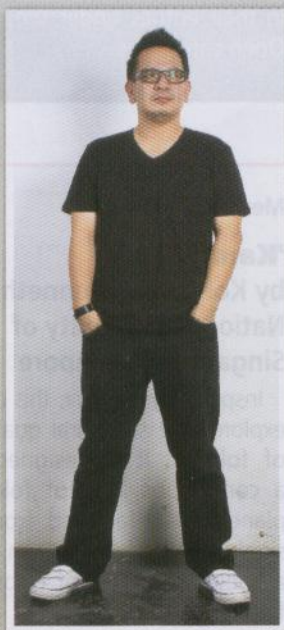
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A Reversal Of Fortunes

Even for Air Division, a furniture designer/retailer and Red Dot Design Award winner, the Singapore Mozaic initiative has made a valuable difference in its efforts to grow export-wise.

By Nicole Liang

Widely recognised as one of the most design-centric furniture designer-retailers from Singapore, Air Division Group has recently succeeded in breaking into the German and Danish markets. It also already has a franchise retail outlet in Jakarta, Indonesia. Notwithstanding this, the group still decided to join the ranks of Singapore Mozaic, as part of its growth plan to expand its export segment. Established in 1999, its first overseas shipment started only four years ago. Today, export takes up at most eight percent of the group's business. It hopes to see this ratio double to about 15 percent within the next two



Nathan Yong,
 Managing Director

years and is confident that export figures will account for 20 percent of total revenues eventually. It sees Singapore Mozaic as a viable launch pad towards this goal.

"Air Division has kind of established its local retail base here in Singapore and the next natural course would be expanding its reach on the international front. With the connections and sheer presence of a national brand in Singapore Mozaic, being part of the initiative to promote quality works will certainly accelerate our export-business growth. It will allow us to gain entry in markets that if, on our own, will take much longer," said Nathan Yong, Managing Director of the company.

Yong speaks from experience, on the difference between striking it out there alone and collectively with a well-organised and effectively managed Singapore Mozaic team. Air Division had exhibited independently before at the Salone Internazionale del Mobile in 2005, but this time was a "total reversal of fortunes", Yong said on his recent return from the show: "With the aid of Singapore Mozaic, we were able to leave the logistics to the organisers and concentrate

on our presentation. Concurrently, with the maturity of our experiences in international markets, we were wiser with the selection of our furniture presented at the event. We felt this really made a difference for us".

In addition, with four in-house brand names and a pronounced brand image, Air Division certainly "lives the brand" and lives up to the Singapore Mozaic requirements of an ODM and OBM. Each brand category (Air Private Label; Plankliving; Royce; and Funktion) caters to different markets.

Said Yong of these brand names and Air Division's corporate image: "Air Division is a premier furniture design company that produces well-designed, high quality furniture at fair pricing. Air Division's well-crafted furniture balances aesthetics with functionality and its understated simplicity allows it to blend effortlessly into any modern home. We do not dictate with our furniture but more importantly allow it to become part of a home that its owner can savour and enjoy".

It is easy to see that Air Division's products are designed and made with the end-consumer in mind. It now has three retail outlets in Singapore with another franchise in Jakarta, Indonesia with a total combined area of nearly 1,765 sq m. This differentiates it from other manufacturing-only furniture labels that sell to distributors, wholesalers or retailers. Nonetheless, Yong emphasises that export should carry the same weight and attention as its retail and franchise divisions. "Our export business is not as pronounced as we are still gaining insights into this difficult segment and finding our niche in the competitive global market. So far, we have been able to garner good contacts in Europe, North and South America as well as Africa," Yong says.

On the company's recent success in the design-demanding German and Danish markets, Yong said: "Our manufacturing plant is guided by the best tradition of wood artisans, and our design adhere to the fundamentals qualities of good design, handling luxury with intelligence. The result is a collection of furniture that serves with honesty, that grows and matures with grace, and that will stand the test of time. We think this is a universal reason for good existence, and that is why countries that have a good understanding of design and what it can bring to our daily life will always be interested in our works".