



This is the final of a five-part series on the Singapore furniture industry

Singapore Mozaic: A brand of unity, for a growing presence

The Singapore furniture industry has banded together in a show of strength and cohesiveness to market local furniture firms internationally.

Positioned as a business-to-business brand, the new industry brand — Singapore Mozaic — aims to enhance global recognition of the quality, design, reliability and value offered by Singapore's furniture companies and enable them to gain greater market share worldwide.

"Unity is strength," says Andrew Ng, president of the Singapore Furniture Industries Council (SFIC), which is spearheading this initiative, together with SPRING Singapore and IE

Singapore. "We are convinced that such a banding 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."

For overseas business partners and buyers, the Singapore Mozaic group of companies — or "brand ambassadors" — are trusted partners with quality design capabilities and an open, principled way of doing business. They are also able to meet the discerning needs of customers, and respond quickly to market trends and demands.

In addition to helping local furniture companies expand their

overseas market share, Singapore Mozaic also hopes to address the misperception that the furniture industry is a "sunset" industry. With the booming property market driving up demand, Singapore's furniture industry is enjoying strong growth and on track to achieving a 2% share of the world furniture market by 2015, up from the current figure of 0.7%.

In the last of this series, we look at Koda Ltd and Sitra Holdings, two of Singapore's furniture companies famed for their well-rounded capabilities. They have been able to stay ahead of the curve by being agile and quick to spot and grab opportunities — both local and overseas.

Sitra

Sustainable development

Founded in 1979, Sitra Holdings is a Singapore-listed, marketing and branding company that specialises in the distribution of brand-centric timber products and outdoor lifestyle furniture. The company now has an annual turnover of around \$55 million.

Sitra Holdings outsources the manufacturing of its products to Indonesia, based on designs produced by its team in Brisbane, Australia.

The company's products are distributed under various brands, including Comcia and decking — a range of high-quality wood-based flooring, fencing and decking products as well as related accessories; and Pacific — a selec-

tion of 280 corporate customers from countries such as Europe, the Middle East, Australia and New Zealand.

With environmental awareness a mounting concern in the marketplace, Sitra is branding itself as a producer of high-quality certified products with renewable, legal and traceable sources in anticipation of and response to its customers' requirements, says chief operating officer Steven Chew.

The company, which sources timber from Indonesia, is now a full-fledged member of the Tropical Forest Trust (TFT) and the Forest Stewardship Council (FSC). It has also been awarded Chain of Custody (CoC) certificates by these organisations.

"We want our customers to know that our products are fully certified and come from legal, renewable and traceable sources," says Chew.

The company fully understands the need to remain agile and flexible. For one, doing business in many different countries helps Sitra to smoothen seasonal demand from individual markets. "Our products are in higher demand during the summer months, so we balance demand from Europe with demand from Australia and New Zealand, for example, in order to have constant revenue for 12 months," says Chew. "Our long-term goal for the company is to manufacture and distribute certified and constantly innovative products and designs that sell."

Chew hails the collaborative efforts of SFIC, SPRING and IE Singapore in launching the Singapore furniture industry brand — Singapore Mozaic — as timely. "Singapore, to the market, is all about reliability and integrity. If you say you are a Singaporean company, people know you are reliable. The Singapore Mozaic brand strengthens this fact.

"Our industry is growing. Furniture exports have grown, and we are not a sunset industry. In fact, we will grow further with a Singapore brand that will help add value to our industry," he adds.

Koda

The furniture trend-setter

Founded in 1972, Koda Ltd is a family-run, Singapore-listed furniture company.

It is also a leading original design manufacturer (ODM) for the industry and possibly the largest dining-room furniture exporter in Southeast Asia.

Well-known for its expertise in product design and workmanship, Koda now exports to more than 250 established customers located in over 50 countries, with annual sales of some US\$60 million (\$83 million) as at June 30, 2007.

From its humble beginnings making wooden ornamental items like jewellery boxes, TV cabinets and folding chairs, Koda now designs and exports its own dining furniture. To complete the product line-up, the company also designs and manufactures matching bedroom and living room furniture.

Managing director James Koh explains that in order to compete as market leaders, Koda has had to constantly review and develop its designs to keep up with current trends. This is a result of the group's design-centric strategy for growth.

"Years ago, when orders for our then standard low-cost products like tables and chairs dwindled, we studied our product range and saw that it looked tired and old-fashioned," says Koh. "We have since learned that furniture is like fashion, with trends changing every five to 10 years and, in order to trade efficiently, we have to be very agile in our product range. We are now known as trend-setters for furniture design in our industry."

To understand its markets better, Koda has dedicated R&D teams in countries where it has manufacturing bases. They work closely with the group's team of in-house and overseas designers to identify and capture the "furniture trend" in each market. "Our challenge is to come up with designs we feel those markets will accept," says Koh.

"We also time the introduction of new design trends into the market carefully, to cap-

ture the big wave of acceptance and not just the small ripples by coming in too early.

"We are always producing new designs and products and our value lies in how fast we get them to market to capture the start of the product lifecycle, thus commanding better pricing."

Koh says SPRING Singapore, SFIC and IE Singapore's efforts to improve the country's image on a global scale through Singapore Mozaic will set Singapore apart from Third World countries and help the company, as well as the industry, tremendously.

"Singapore furniture companies have a strong history and, as we mature, branding becomes



Chew: Our products are fully certified and come from legal, renewable and traceable sources

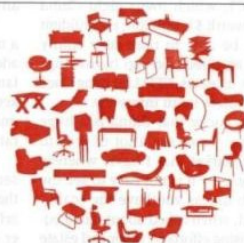
tion of outdoor lifestyle furniture, including products for garden events and hotels.

Sitra distributes its wood-based products and outdoor lifestyle furniture to mid- and high-end retailers, hotels and developers. It



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more important for us as an industry. As long as someone needs a chair to sit on, our industry will never be a sunset industry. It all depends on how we evolve," says Koh.



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