



*A  
Toast  
to Our  
Performance*



20|21

A TOAST TO OUR PERFORMANCE



# The Year in Review

The past year was marked by many achievements. The Singapore Furniture Industries Council (SFIC) played a key role helping furniture industry players leverage emerging opportunities and grow their businesses.

To ensure that the industry rides the wave of growth swiftly, the SFIC has remained steadfast in implementing the initiatives that come under the six major thrusts of the Furniture Industry Capability Upgrading Programme (Furniture ICAP) launched in 2003.

The strategic thrusts are:

- Grow and expand business globally
- Raise design standards
- Establish a Furniture Learning Institute
- Establish an International Furniture Centre
- Develop immediate measures to help industry players
- Develop and maintain industry growth profile

In addition, the SFIC embarked on the Local Enterprise and Association Development (LEAD) Programme in March 2006. The programme, which is a multi-agency initiative

supported by SPRING Singapore and IE Singapore, aims to implement a \$16 million plan over the next three years to help the local furniture industry sustain its strategic advantage and enhance its competitive edge in the international marketplace.

The approved initiatives under the Singapore furniture industry's LEAD Programme will focus on three key areas – nurture a high value-added workforce, develop more design-centric companies and create a synergised industry network to capture a bigger global market share.





## THRUST 1 GROW AND EXPAND BUSINESS GLOBALLY



### **International Furniture Fair Singapore 2006/23rd ASEAN Furniture Show (IFFS/AFS 2006)**

IFFS/AFS 2006, which took place from 1-5 March, once again proved to be an excellent business conduit for the international furniture trade fraternity in Asia, boasting a record 17,838 trade visitors and 505 exhibitors from 113 and 29 countries respectively.

Spanning over six halls at the Singapore Expo, on-the-spot orders generated by exhibitors reached a record high of US\$240 million while the follow-on sales was estimated at US\$2.1 billion. The event also garnered an estimated US\$32 million

in economic spin-offs for Singapore, especially in the tourism and MICE (Meetings, Incentives, Conventions and Exhibitions) sectors.

Consolidating its leading stature as one of the world's 'must-see' furniture trade shows, the International Furniture Fair Singapore Pte Ltd (IFFS Pte Ltd) - a subsidiary of SFIC - will be launching the World of Woodworking Machinery (WOWMAC) in conjunction with IFFS/AFS 2007. The new show component will showcase the latest furniture manufacturing technology, machinery components, supplies and services. Together with WOWMAC, the IFFS/AFS will become the largest annual trade show in Singapore.



### **Overseas Fairs, Business Missions & Business Matching Programme**

To help member companies penetrate emerging markets and tap new business opportunities, SFIC stepped up members' participation in trade fairs and missions. Besides internationally acclaimed fairs such as imm Cologne (Germany) and Index Dubai (UAE), SFIC also embarked on business missions to Italy, USA, Malaysia and Vietnam during the year.

The Council was also instrumental in facilitating business deals for its members throughout the year via its business matching programme. Such efforts were further complemented by the Singapore Furniture Directory, updated and published biennially as a resource guide for international furniture trade players on the Singapore furniture trade. The export-

oriented guide continues to be an effective platform for Singapore furniture players to build brand and industry visibility, establish strategic partnerships and expand their businesses globally. The latest edition of the resource guide, Singapore Furniture 2007-2008 Directory, will be available end 2006.

### **Overseas Industry Cluster**

Given our small domestic market and limited resources, SFIC members were actively encouraged to venture abroad to build their presence regionally and globally over the last twelve months. Leveraging the relatively lower operational cost in neighbouring countries such as China, Indonesia, Malaysia, Thailand and Vietnam, many industry players had set up manufacturing facilities in these countries while maintaining Singapore as their HQs for knowledge-driven activities such as

marketing, design, branding and product development.

To help SMEs establish a foothold overseas, SFIC promoted the formation of industry clusters or consortia in targeted markets. The Singapore Furniture Industry Park in Kunshan (China) is an excellent example of what industry players can achieve overseas through collective strength and collaboration.





## THRUST 2 RAISE DESIGN STANDARDS

During the year, the SFIC carried out a number of initiatives to encourage more companies to adopt design as a strategic tool in their businesses as well as cultivate an expanded pool of furniture design talents. The ultimate goal is to leverage design as a sustainable and strategic advantage to anchor the industry's growth in the competitive global market.

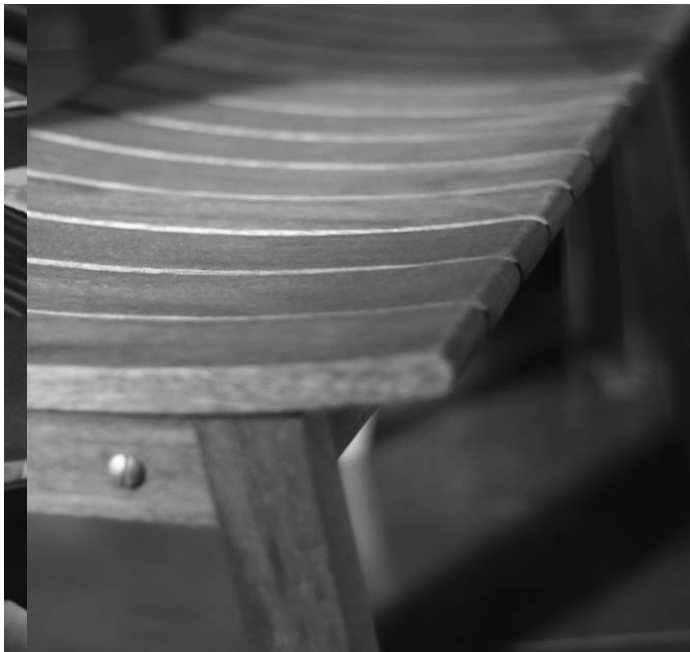
### Furniture Design Award (FDA) 2006

FDA 2006 received strong international support with a total of 365 entries from 14 countries. The high participation rate bore testament to the industry's recognition of the competition as an ideal platform to harness design gems, talent spot young

blood and launch careers of budding designers.

### 2nd Furniture-Lifestyle-Innovations-Perspectives (FLIP!) Challenge

The *FLIP!* Challenge aims to inspire the younger generation to think out of the box, design and innovate within the physical limit of a piece of furniture. The 2nd *FLIP!* Challenge received 54 entries from seven local arts and design institutions, an overwhelming 50% increase as compared to the previous year. For the 2nd *FLIP!* Challenge, participants were tasked to create functional furniture and works of art out of conventional wooden garden chairs for a particular group of personalities, while retaining the seat function.





**FDA and FLIP!  
Challenge Finalists’  
Showcase**

As a part of SFIC’s design outreach efforts, the works of the FDA 2006 and 2nd FLIP! Challenge finalists were exhibited during IFFS/AFS 2006 as well as at the Esplanade and Singapore History Museum. These public platforms played a significant role in cultivating the appreciation of the arts

and design among the masses and helped nurture young blood for a fulfilling career in design.

**Designer  
Co-Development  
Programme**

The Designer Co-Development Programme, which comes under the furniture industry LEAD Programme, aims to leverage the annual FDA to identify outstanding

young talents and reward them with a one-year employment contract with leading furniture companies in Singapore. SFIC and these companies will jointly fund the salaries of the selected designers for 12 months and place them on an intensive mentoring programme that leads eventually to the commercial production of their works.

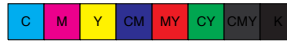


**Design Entrepreneur Development Programme**

SFIC also announced in March 2006 a new Design Entrepreneur Development Programme to allow young designers to gain exposure, experience and confidence to make their foray into the international market. Aptly known as “PLATFORM”, the Programme aims to provide local and foreign promising young furniture designers and entrepreneurs with the unparalleled opportunity to showcase their prototypes, kick-start their design careers and find fruitful partnerships with global manufacturers at IFFS/AFS, starting 2007.

**Furniture Design Forum 2006**

To ensure that the Singapore furniture industry thrives in a conducive design-oriented environment, SFIC has been relentless in its efforts to promote design excellence in the furniture industry and to cultivate a pervasive creative culture in Singapore. The 4th Furniture Design Forum was one fine example among others, where a panel of five acclaimed designers and accomplished entrepreneurs from Australia, Hong Kong, UK and USA shared their insights on designing successful products and design trends. The full-day event was well attended by over 250 local and international participants.



### **International Furniture Design Advisory Panel**

To help catapult the Council's design initiatives to greater heights, eight distinguished local and international design personalities were appointed as members of the International Furniture Design Advisory Panel.

The SFIC also convened its 2nd Design Roundtable in March 2006 to tap the panel's inputs to chart the continuous growth of the industry through design.

### **Design Partnership and Support**

The success of the various SFIC design-centric initiatives was also attributed to the extensive support rendered by the various government and trade agencies such as DesignSingapore Council, IE Singapore, SPRING Singapore, Designers Association of Singapore, Interior Design Confederation (Singapore), and the Singapore Institute of Architects.

The Esplanade, Singapore History Museum, HTL International Holdings Ltd, Sitra Holdings (International) Pte Ltd, Trans-link Exhibition Forwarding Pte Ltd, IFFS Pte Ltd as well as many other sponsors also played a part in the Council's push for design excellence as a key driver of national competitiveness in Singapore.







## THRUST 3 FURNITURE LEARNING INSTITUTE

Launched in 2004, the Furniture Learning Institute (FLI) aims to improve each employee's value-add in the industry. At the FLI, suitable curricula are constantly being developed for industry practitioners to continuously upgrade themselves.

To further strengthen the training infrastructure, FLI also collaborated with the Singapore Workforce

Development Agency (WDA) and aligned its training programmes to include frameworks such as WDA's Employability Skills System and Workforce Skills Qualifications in Retail.

Currently, FLI offers a total of 10 customised and certifiable training programmes for the Singapore furniture industry.





## THRUST 4 ESTABLISH AN INTERNATIONAL FURNITURE CENTRE

The International Furniture Centre (IFC) is a key component of both the Furniture ICAP and LEAD Programme. It aims to establish Singapore as a premier furniture hub providing total solutions to the global market.

Conceptualised as a part of JTC Corporation's master plan to revitalise Sungei Kadut, one of Singapore's oldest industrial estates, the IFC will serve as the epicentre of the furniture hub which will also boast a premier furniture street of quality trade and export-focused furniture companies together with a linear green mall and supporting industries to attract investments from regional furniture industry players and trade visitors.

Currently, Sungei Kadut is home to the largest concentration of furniture companies in Singapore. Under Phase 1 of the transformation plans, SFIC

has identified an existing building to kick-start the IFC project. IFC will comprise showrooms for local and overseas exporters; as well as offices for trade players.

Slated to be operational by mid 2007, SFIC will draw on the strong governmental support and its more than two decades of industry experience in managing IFFS/AFS and The Furniture Square to value-add to the IFC project.

When opened, IFC will also be well supported by surrounding furniture and related companies in Sungei Kadut to provide a convenient, synergistic, one-stop and year-round trade platform for the international furniture trade players. Ultimately, IFC aims to be a conduit to dynamically grow local furniture export businesses and to become the centre for trade exchanges, learning and innovation.





## THRUST 5 DEVELOP IMMEDIATE MEASURES TO HELP INDUSTRY PLAYERS



To ensure that the Furniture ICAP and LEAD Programme would be of immediate relevance to industry players, SFIC also explored real-time relief measures to assist members in areas of need, develop their capabilities, better manage their business and add value to their products and services.

Under its 2nd SFIC Member Assistance Scheme, up to a

total of \$1.3 million was set aside from the SFIC coffers to help members expand and upgrade their business operations.

SFIC also collaborated with the Specialists Trade Alliance of Singapore and relevant authorities on pertinent issues to facilitate a more conducive business environment for local furniture contract manufacturing players.



## THRUST 6

### DEVELOP AND MAINTAIN INDUSTRY GROWTH PROFILE

#### Formation of Strategic Alliance

Recognising that companies within the Singapore furniture industry have similar needs, SFIC has been working closely with relevant government agencies, statutory boards, trade associations and companies to develop and promote new initiatives that are beneficial to SFIC members and the industry.

On the national level, the SFIC, for the past year, had been an effective bridge between the government, statutory boards and trade bodies to ensure that the industry's views were heard when new legislations were being formed.

SFIC is represented in the Singapore Manufacturers' Federation, Singapore Chinese Chamber of Commerce and Industry,

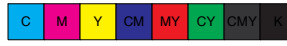
Singapore Association of Convention and Exhibition Organizers and the Specialists Trade Alliance of Singapore. On the regional level, SFIC continues to represent Singapore in the ASEAN Furniture Industries Council.

#### Other Industry Networking Activities

Annually, SFIC organises several networking activities to create opportunities for industry players, government and media representatives as well as business associates to build rapport and establish closer business relations. These activities in the last twelve months included:

- Designers' Cocktail Networking Sessions
- Dinner & Dance
- Golf Tournament
- Lunar New Year Luncheon Celebration





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