

Year In Review

Against the backdrop of a global economy slowly recovering from the downturn, SFIC has continued to serve the interests of Singapore's furniture industry. Through the creation of new initiatives aimed at developing business opportunities for Singapore furniture companies, the SFIC has helped the industry weather the storm well and provided a strong boost for future development and advancement.

To create sustainable strategic advantages for the Singapore furniture industry, SFIC is guided by six key thrusts.



SFIC's six key thrusts are to:

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



THRUST 1 ***GROW AND EXPAND BUSINESS GLOBALLY***

International Furniture Fair Singapore 2010/ 27th ASEAN Furniture Show (IFFS/AFS 2010)

The annual International Furniture Fair Singapore 2010/27th ASEAN Furniture Show (IFFS/AFS), which was held on 9th to 12th March, attracted a record 17,277 trade visitors from 112 countries this year, up from 15,606 last year. The Fair showcased a mix of the best Asian furniture designs as well as high-quality international displays, which have contributed to its success.

IFFS/AFS 2010 hosted 434 global furniture industry players from 31 countries at a gross



exhibition area of 60,000 square metres. This showcase featured more than 100,000 pieces of the latest designer furniture and furnishings, providing a vibrant marketplace for quality furniture purchases to be made. A total of 93 buying delegations from overseas were among the visitors. Business partnerships forged between buyers and manufacturers at

the Fair led to an estimated USD\$270 million of spot orders, with an additional USD\$ 2.5 billion of follow-on orders expected for the year ahead.

A new overarching umbrella for all design initiatives was also introduced this year. Aptly named D'Space, an abbreviation for "Designer Space", this expanded exhibition zone within IFFS/AFS 2010 allowed buying delegates to view innovative new designs from Singapore, Thailand, UK and USA. Also under the D'Space umbrella was PLATFORM, where young talents were provided with the opportunity to launch new prototypes and forge partnerships for the commercialization of their designs.



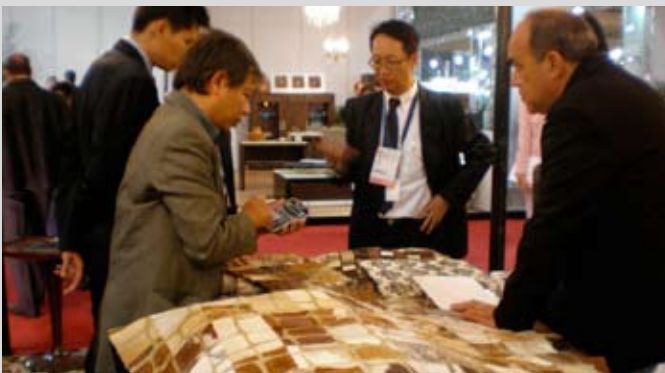
Overseas Fairs/Business Missions & Business Matching Programme

To raise the profile of Singapore furniture within the international furniture market, the SFIC, with the support of International Enterprise (IE) Singapore and DesignSingapore Council, led delegations of local furniture companies to participate at renowned international furniture trade fairs. This included imm Cologne in Germany, Salone Internazionale del Mobile in Milan, Italy, Index Dubai in the Middle East and International Contemporary Furniture Fair in New York, United States of America (USA).



With strong support from government agencies, SFIC also organized business mission trips to Russia and

Brazil to help members gain first-hand knowledge of the market, develop bilateral trade contacts and seek out fresh business leads within these growing markets.



This year also marked the first-ever business mission to the USA to seek growth opportunities in the contract hospitality furniture and furnishings sector. The mission also helped Singapore-based furniture companies increase mindshare among hotel owners and operators based there.

New Exporters Mentoring Programme

The New Exporters Programme was launched in 2007 to provide export support and guidance to young exporters. This year, SFIC further encouraged new exporters by supporting them, under IE Singapore's iMAP programme, to participate in IFFS/AFS 2010.

Overseas Industry Cluster

Since the early 1970s, SFIC members have been encouraged to venture abroad to set up business in countries like China, Indonesia, Myanmar, Thailand and Vietnam where manufacturing costs are lower, while maintaining their headquarters in Singapore for marketing, design, branding and product development support.

Today, Singapore furniture manufacturers have a commercial presence in more than 16 countries across the globe. SFIC has also been successful in promoting the formation of industry clusters - the Singapore Furniture Industry Park in Kunshan, China, for example.

THRUST 2 RAISE DESIGN STANDARDS

SFIC has continued to actively scout for young talents in the local furniture industry with the aim of helping the furniture design industry, where the demand for individualism and uniqueness is key.

Over the years, the SFIC has spent a substantial amount of time and effort in cultivating design capabilities amongst design students, young designers as well as enterprises. This is reinforced by the recent launch of the Design DNA Programme. Short for Develop, Nurture and Accelerate, the Programme is supported by SPRING Singapore and aims to maintain and uphold overall design standards and capabilities of local furniture companies and designers. Through activities such as Furniture Design Award 2010 and PLATFORM 2010, the Design DNA Programme has benefitted many young and talented designers, offering them a global platform to showcase their design capabilities. For some, it is also their first step into a promising career future in the furniture industry.

Furniture Design Award (FDA) 2010

Launched in 1993, the Furniture Design Award (FDA) is held annually in conjunction with the International Furniture Fair Singapore/ASEAN Furniture Show (IFFS/AFS), one of Asia's premier design-led furniture trade shows. The Award aims to uncover budding design talents as well as be a reputable showcase for the unique creations of Asia's best creative minds. Through the years, the Award has become a platform for the exchange of ideas and for networking amongst furniture manufacturers and designers.

This year, FDA 2010 saw a significant 72% increase in



submissions. There were a total of 1,096 participants from 31 countries, as compared to last year's figure of 637. This is a clear sign that more young designers recognised FDA as a reputable and important international launch-pad for their work.



PLATFORM 2010

Held for the 4th consecutive year, PLATFORM continues to be one of the most essential channels for emerging design entrepreneurs who view it as a stepping stone into the international market. Many alumni members of PLATFORM have gone on to participate in other international trade fairs and with their experience gained from PLATFORM, formed successful collaborations with international and local industry players.

PLATFORM will continue to build on the foundations of the SFIC's design thrust by raising the profile of "World Class Designs. Made in Asia. Sold to the World" in the global market.



Held in conjunction with IFFS/AFS 2010, PLATFORM 2010 showcased the trendsetting works of over 26 emerging furniture designers from Singapore, the Philippines and Thailand.



Design Mission

Five design-led companies made their debut at the International Contemporary Furniture Fair (ICFF) in New York City, USA, in May 2010.

This was SFIC's maiden participation and sales expectations were modest. A total of 100 sales leads were collected, mainly from North and South America. A total of S\$323,500 was achieved for on-spot orders, sales under negotiation and sales expected for the next 12 months.

Design Workshops

This year also marked the fifth edition of the SFIC Design Conversation,



featuring award-winning Japanese industrial designer Naoto Fukasawa, acclaimed Thai designer Somchai Thanapolkiat, Susie Tay, founder and CEO of the Life Shop and Ms Kelley Cheng from Singapore Architects magazine and The Press Room & Design Consultancy. The speakers shared their personal experiences and

provided insights into their design processes.

To translate these “conversations” into meaningful results and help establish Singapore's place in design and creativity, SFIC tapped Mr. Fukasawa to work collaboratively with Singapore-based designers to create new design paradigms for Singapore furniture.

The workshop, led by Mr. Fukasawa, challenged local designers to rethink and redefine the Singaporean identity, create viable concept furniture that can then be prototyped and showcased at major international shows.



THRUST 3

ESTABLISH THE FURNITURE LEARNING INSTITUTE

Launched in 2004, the Furniture Learning Institute (FLI) provides customised and certified training programmes, aimed at developing human resource capabilities and competence within the Singapore furniture industry, as well as to raise the professionalism and productivity of the Industry's workforce.

The FLI has worked closely with government agencies in improving the skill sets of industry players and ensuring a constant advancement in knowledge to keep the workforce relevant. 6 years since its establishment, 141 training courses have been conducted, benefitting over 2,000 participants.



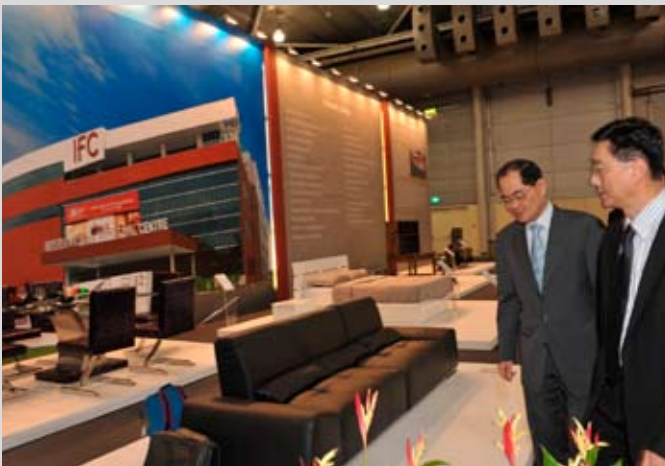
THRUST 4 **ESTABLISH THE** **INTERNATIONAL** **FURNITURE CENTRE**

The International Furniture Centre (IFC) was officially launched by the Minister for Trade and Industry, Mr Lim Hng Kiang, on 13 December 2007. The IFC marked the first step in the masterplan conceptualised by the JTC Corporation to develop Sungei Kadut into a dedicated business, innovation and design district that will serve the world market.

Over the past three years, the IFC has continued to serve the industry well by providing a trading platform to furniture enterprises for

local and global penetration. Currently the five-storey IFC complements the annual IFFS/AFS by giving international buyers the convenience of doing business all-year round, thus playing an instrumental role in realising the industry's vision of making Singapore the furniture hub of the region.

Working closely with JTC and SPRING Singapore, phase two plans are underway to develop a 38 hectare land in Sungei Kadut into an International Furniture Park.



THRUST 5 *DEVELOP IMMEDIATE MEASURES TO HELP INDUSTRY PLAYERS*

With the support of relevant government and trade agencies, SFIC rolled out immediate measures to assist members in their current areas of need as well as during the economic trying time.

In 2009, the SFIC pushed out the 3rd Member Assistance Scheme (MAS),

a financial package to assist its members weather the economic uncertainties. Up to S\$1 million was provided to help eligible members lower business costs, strengthen business capabilities and explore new business opportunities to ensure sustainability as well as facilitate their market diversification efforts.



THRUST 6 **DEVELOP AND** **MAINTAIN INDUSTRY** **GROWTH PROFILE**

Singapore Mozaic

Launched in March 2008, Singapore Mozaic is a unique B2B industry furniture brand that represents the finest in Singapore furniture, bringing together an array of successful Singapore furniture companies that offer a diverse portfolio of quality, well-designed and unique products. There are currently 36 ambassadors for Singapore Mozaic, each possessing qualities synonymous with the strengths of the Singapore furniture industry.

Led by SFIC and supported by government agencies, IE Singapore and SPRING Singapore, Singapore Mozaic encapsulates the essence of Singapore furniture as well as the attributes of Singapore furniture companies:



- Experienced management, skilled workforce and proven infrastructure help generate consistent and progressive solutions
- Unique blend of Eastern and Western business practices, up-to-date design capabilities and versatile production resources
- Anticipate, adapt and respond to customer needs and market conditions
- Reliable, service-oriented, deliver good quality and help our customers stay one step ahead of competition
- Principled, open and honest in adhering to the brand's philosophy

Through its active profiling at renowned International trade platforms, Singapore Mozaic has contributed much to the growth of Singapore's world market share. Overall, the industry has done exceedingly well, reporting an increase in its total export sales from S\$3.2 billion in 2007 to S\$4.9 billion in 2008 and S\$4.7 billion in 2009. Considering the tough economic conditions, this is a creditable performance and represents an increase of 47% from 2007.



Formation of Strategic Alliances

SFIC continues to be an effective bridge between the government, statutory boards and trade organisations. By maintaining high-level relationships and strategic alliances with national bodies, SFIC ensures that the industry's views are heard and considered when new legislations and guidelines are being formed.



SFIC is represented in the Association of Small and Medium Enterprises, DesignS, Enterprise Development Advisory Council, Singapore Association of Convention and Exhibition Organisers and Suppliers, Singapore Chinese Chamber of Commerce and Industry, Singapore Manufacturers' Federation, as well as Specialists Trade Alliance of Singapore. Regionally, SFIC represents Singapore in the ASEAN Furniture Industries Council (AFIC) and holds the Chairman, Secretary General and Secretariat portfolios of AFIC.

Other Industry Networking Activities

SFIC organises a number of annual networking activities to create great opportunities for industry players, designers, business associates as well as government and media representatives. These activities include its Lunar New Year Luncheon, the SFIC Golf Tournament, and the Annual Dinner & Dance.