

SOUTHEAST ASIA FURNITURE SHOW CIRCUIT – 2011

The standards of the Southeast Asian furniture shows this year varied from poor in some countries to up-market and well organised in Singapore, which is the undisputed furniture design and innovation hub in SE Asia. The greatest show progress was made by Indonesia and the smallest shows were in Cebu and disappointingly in Saigon. A significant number of major manufacturers did not show anywhere. Teak, Oak and Rubberwood were the main species on show, with many other local native species. The fashion for Oak furniture is being sustained by an ever-increasing range of finishes and finishing techniques that are finding favour in many markets. American Black Walnut was very popular in several shows, and Ash is still gaining favour, but Cherry and Hard Maple were noticeable by their absence. French hardwoods are creeping into market share for furniture. Trends include a lot of dark stained and black furniture – often contrasted with white surfaces and metal elements. Asian (Japanese and Korean) buyers were more in evidence than usual and many manufacturers agree that Asian markets are growing strongly. Forward business in furniture markets for 2011 is currently very fragile and none of the shows seemed as busy as in past years, with TIFF experiencing a particularly slow start.

By Michael Buckley / All pictures provided by TurnStone Singapore



Green River Wood & Lumber MFG. SDN. BHD. Acacia & Rubberwood table at MIFF



17TH EDITION OF THE MALAYSIAN INTERNATIONAL FURNITURE FAIR (MIFF)

They certainly talked the talk - the Minister opening the MIFF and congratulating the organiser Datuk Tan Chin Huat for his contribution towards growing Malaysia's export business over the years – and in setting new targets. Whether the buyers walked the walk and bought as much as last year remains to be seen. The mood was optimistic but the evidence of a recovery in Malaysia's furniture export markets was thin.

YB Senator Tan Sri Dr Koh Tsu Koon, Minister in the Prime Minister's Office, opened the show with the proposal that Malaysia should aim to become 8th largest furniture exporter in the world from its current alternating position as 9th or 10th. "From a value of



New range of American Hickory furniture by Hume at MIFF 2011

RM370 million (US\$122 million) in 1995 it has grown by a factor of 20 to RM7.62 billion (US\$2.5 billion)" he said. However further progress would require improved design and innovation, better promotion and marketing and attention to customer service, he added. He also urged that the public and private sectors co-operate with the aim to successfully promote the Malaysian Brand. Malaysia has turned in less than 50 years from 70% primary commodity exporter to 70% industrial manufacturer with furniture now playing a key role.

The fair opened quietly amid concerns as to whether the usual numbers of international visitors would arrive from a politically troubled Middle East. Traffic picked up as more buyers arrived, but several former exhibitors, Koda, Kian, Haleywood, Star Furniture and others were noticeably absent. Many exhibitors however seemed satisfied with visitor traffic. The show appeared to have contracted this year with the usual three venues combined into only two (Putra and KLCC). Australian buyers were well in evidence throughout the show although the European contingent seemed thin. Large numbers of visitors from the Indian sub-continent were looking for everything from raw materials to finished furniture. By contrast, one group of Japanese buyers expressed their disappointment at not being able to locate OEM manufacturers of sufficient quality standards to satisfy the Japanese market. Many Rubberwood producers displayed their collections which, because so much furniture is now dark stained, is now more difficult to identify as such. Some have also introduced hardwood veneer in imported species, particularly Oak, Walnut, Ash and even Cherry to upgrade and increase value on plantation wood frames and MDF substrates. However, new, contemporary designs in wood based furniture were relatively hard to find.

Stand by Stand Review

Hume Furniture introduced several new collections – one in American Black Walnut based on a mix of 1950s US 'retro' and Asian style; an interesting concept, enabling sales in both USA and markets developing in Asia. "We need to develop designs that will sell in both," says Robert Hudgins, Director Product & Business Development. The

company also launched a range of American Hickory/Pecan furniture at this show. CJJ's Benny Poh, by coincidence next door, also launched a striking collection of American Pecan/Hickory "FOREST" series furniture by Danish designer Ann Maria Lyhne with which he made the "first sale of the show". The company uses US hardwood veneers extensively on Rubberwood and MDF substrate and sells mainly in USA, Canada, Japan and the Middle East. New PK Furniture Decor Sdn Bhd, previously known for bedroom furniture, is now selling bedroom, living and dining. Under the brand "GreenandSienna" they introduced an unusual range using reclaimed, solid Brazilian hardwoods with Rubberwood frames and local Malaysian MDF, selling mainly into the USA. EuroSpan Furniture Sdn Bhd has gone in the opposite direction for their change in material, now using about 50% Beech from Germany and 50% local Rubberwood to cater for European tastes where much of its market lies. The company is also selling into the Australian market. The giant Taiwanese-owned Green River furniture group was launching a good looking dining set made in locally grown Acacia wood. This is an example of the ease with which a cheap plantation species can be a shooin to a world market that in many sectors continues to drift towards dark stain and colours and away from the natural wood grains of more expensive species. Acacia lumber is difficult to stain and finish easily and relatively unstable, so some manufacturers are using it only for veneer. The company, which manufactures extensively in Malaysia and Vietnam, also offers the usual range of Rubberwood furniture with Oak, Walnut and Cherry veneers. Johor-based AIK Chee Furniture Sdn Bhd was typical of many manufacturers in that region still using Rubberwood but making efforts to upgrade by veneering in imported wood species. However Dreamyx Furniture Manufacturing Sdn Bhd, making beds, is an example of one manufacturer unashamedly offering laminated Rubberwood without disguise. Charlene Tan, International Trade Executive at Hin Lim, claims to be selling from its plant in the Malaysian State of Penang in 120 markets ranging from USA to Australia. The company uses some American White Oak and Ash veneer in well designed and exciting furniture designs based on

Rubberwood solids. Connie Lim, Senior Marketing Executive, selling up to 170 containers per month of Seng Yip dining and Tomisho bedroom brands to the USA, EU, Australasia, Central America and Africa, was very happy with the visitor numbers. Among the many Chinese exhibitors was Qingdao Zheng Xin Furniture Co Ltd with an extensive range of tables in Chinese Oak, which according to Li Yan did not come across the northern border with Russia. Other companies offering light coloured, natural finished wood, such as American White Oak were few and far between; but Vision Worth Sdn Bhd displayed a full range of shaker-style living furniture aimed at the USA, EU and Australasia. Fernex Sdn Bhd, a Malaysian company manufacturing solely in Vietnam, introduced new collections in American White Oak and Black Walnut, designed in Vietnam and aimed mainly with smaller homes in mind in Europe. Fernex, which also sells in the Australian market, showed some innovative ways to combine white faced glass with solid wood, a common theme at most shows this year. Award-winning firm Benithem Sdn Bhd from Johor, ever searching for the perfect ergonomic office chair, launched their super-comfortable leather covered 'Trendy'. In the audience chair sector, British-owned Ferco Seating Systems had an exciting range of FSC-certified seating using bent beech-faced plywood (not always visible) manufactured in Malaysia and distributed worldwide. Recent local projects have included the Kuala Lumpur Convention Centre, Marina Bay Sands in Singapore and the Grand Theatre in Hong Kong.

MIFF – 2011 Conclusion

Overall, this year's MIFF show demonstrated the vital importance of moving furniture up in value with quality material improvements and veneering over Rubberwood. It emphasised the extent to which Malaysia is now importing raw material to supplement Rubberwood from its local plantation resources, which are under the pressure of a reducing supply and increasing price pressure for a number of reasons. It also showed the extent to which plantation species can currently be more easily exploited as the taste increases for ever darker coloured and even black furniture, at least in Malaysia's key markets. MDF also continues to play a greater role in furniture in Malaysia, as more veneered and foil-faced products emerge, and as painted furniture becomes more popular. There were many examples of highly decorated children's furniture this year. And finally it became clear that Malaysia does need, as the Minister rightly said, to pay more attention to design, branding, marketing, presentation and promotion if it really is to meet his challenge of number eight exporter in an ever more competitive world.