

The Need For Identity

Despite mounting competition in the global furniture market, Dato' Dr Tan Chin Huat, managing director of Malaysian International Furniture Fair, sees room for expansion for Asia's furniture industry. By Wong Tsz Hin



Growing material costs, driven in part by stricter control on timber extraction, and price suppression due to the prevalence of cheaper product alternatives have created mounting competition within the global furniture market.

Developed countries like the US, Canada and other European nations are forced to trim and narrow their manufacturing operations to wood products with higher profit margins as a cost-balancing act. While some may perceive this as the diminishing of a once lucrative trade, Dato' Dr Tan Chin Huat, MD of Malaysian International Furniture Fair (MIFF), sees it as an opportunity for Asia's furniture industry to flourish.

"For production, there is still a lot of room to grow because higher costs of manufacturing in the west and US will force them to drop certain productions." Dato' Tan explained. Productions that are no longer commercially viable for western countries to sustain will be passed on to nations in better positions to gain.

Asia can benefit from this with its lower manufacturing cost and established furniture industry. Two decades ago, Malaysia only accounts for 10 percent of the global furniture production in Asia, the figure is now at around 40 percent with plenty of room for growth. Substituting developed countries in competitive production segments will be a crucial area for progress.

New Market Focus

The furniture industry may have suffered a setback in 2009 due to the economic recession, however, demand has recovered in 2010 and is expected to rise further in 2011. Asia's furniture industry needs to loosen its grip on the false presumption that global trade refers specifically to export to western countries if it wants to become a

dominant player in the market.

The focus should shift towards neighbouring eastern countries like China and India, two huge markets with growing appetites for furniture products. Russia, India, China and Pakistan constitute about 66 percent of the world population and South-east Asia alone has a population of 590 million people. The east possesses enormous marketing potential.

In order for the region to spearhead towards the frontier of the global furniture trade, the industry must be able to continue to offer competitive pricing and establish an identity in its products.

Competitive Pricing

Price flexibility can be achieved through technological research and development. Malaysian government organisations





SIRIM and Malaysian Timber Industry Board have been developing alternative materials using waste products such as rice husks. Although at present, these materials are still relatively expensive to make, their production costs are expected to decrease drastically once they enter mass production stage. These materials not only fit in with the latest industrial trend of going green, they also offer a touch of uniqueness to the products.

National Identity Of Products

Besides achieving low selling price for furniture products, furniture makers from respective countries should aim to create a national identity in their products. Companies should recognise their nations' strength and personalities, and embed them into their furniture designs both interiorly and exteriorly.

Dato' Tan noted that once you are able to build an identity and have people acknowledging it, it is already achieving the aim of branding. The establishment of national identity entails enterprises to move from original

equipment manufacturing (OEM) operations to original design manufacturing (ODM) operations. This will empower them to conceive creative designs that are coherent with the features of the identity.

Another essential requirement is the introduction of designers into the manufacturing process. Furniture design and production cannot remain as separate components handled by different entities. Many furniture makers place emphasis on practicality and forego the aesthetic element which is vital for building identity.

Ideation Awards

The Ideation Awards was created with this in mind. The objective of this competition is to expose young designers to the furniture making process, from conception to workable prototype production, in hope of enticing them to pursue a career in this industry. Furniture design has not been a conventional career choice for design students mostly due to the lack of understanding of this sector. The competition would be a platform for them to learn and gain interest.

Dato' Tan has a positive outlook for the future of Asia's furniture industry. He predicts that Asia will continue to expand and take over productions from developed countries in North America and Europe due to cost. The infusion of young and talented designers will help increase the appeal and recognition of furniture. The industry is in a privileged position to prosper, but the push forward will hinge on its ability to maintain low cost production and build an identity of its own. **FDM**



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