

South African Furniture Initiative

South African Furniture Initiative Digital Newsletter March 2022







MESSAGE FROM THE MANAGING DIRECTOR

The first quarter of 2022 was jam-packed with many exciting and important events for the furniture manufacturing and design industry. We kicked off our first webinar addressing the state of raw materials during our online Raw Material Industry Session on board products.

Our Chairperson, Penwell Lunga, participated in the annual Furniture Design Competition awards that took place at the Proudly South African Buy Local Summit and Expo 2022. Congratulations to the winners of the annual SA Furniture Design Competition of which SAFI is a proud partner. Based on all the entries, furniture design is in good hands for the future. Remember that entries for 2022/2023 are now open with the theme of "Local is Lekker".

I was invited to the FP&M SETA Leadership Skills Summit as a panelist, expanding on the topic "Work Integrated Learning and Learnerships" and the KZN Kwande Festival expanding on the topic "Competitiveness of the local design sector amidst global trends".

We met with one of our 2021 Furniture Sector Forum panelist, Pascal Hlongwane, who exemplifies the outcomes envisioned by the Furniture Industry Master Plan (FIMP). We also took part in a site-visit of the Cape Town City-funded Pilot Furniture Light Manufacturing Support Programme for young entrepreneurs.

SAFI continually works hard to bring the Industry any opportunities for market access; please take note of the events taking place in the next quarter, including the Manufacturing Indaba where our members qualify for a 5% discount, the Hotel & Hospitality Show as well as the Decorex Cape Town.

Best wishes for the next couple of exciting months, and above all, stay safe and take care.

Bernadette Isaacs Managing Director

WINNERS OF THE FURNITURE DESIGN COMPETITION ANNOUNCED

The Department of Trade, Industry and Competition (dtic), recently announced the winners of the 2021 Furniture Design Competition, while simultaneously launching the 2022 competition with the theme "Local is Lekker".

The design competition, running annually since 2014, is part of efforts by the department to expedite and support skills development in the furniture industry. It is hosted in partnership with the South African Furniture Initiative (SAFI), Proudly South African (PSA) and industry stakeholders.

According to the Chairperson of SAFI, Penwell Lunga, developing and nurturing of the design skill are key in the ongoing Furniture Industry Master Plan (FIMP) that seeks to improve competitiveness in the sector.

"By contributing to the development of the design skills in the sector and to create a database of designers that the industry can tap into, I can safely say we have built a database of more than 200 designers," Lunga said during the prize-giving ceremony at the recent Proudly South African Buy Local Summit & Expo.

The winner in the manufacturing category was Laurika Brümmer from Earthworld Architects & Interiors, known for its bespoke and uniquely designed spaces.

According to Brümmer, speaking at the PSA Buy Local Summit after the winners were announced, she is passionate about designing furniture that is easy to manufacture and can be assembled by a low-skilled workforce, thus creating jobs.

"There is so much opportunity for innovation in the furniture industry and we would like to be catalysts," she said. "We are interested in creating modular, flexible furniture pieces that can adapt to personal preference."

The Chief Director of Agro-processing at the dtic, Ms Ncumisa Mcata-Mhlauli says the COVID-19 pandemic has been a big influence in this year's theme, namely "Home.Office.Space".

"While the pandemic is often viewed in a negative light, its positive influence as a disruptor should not be underestimated. In a matter of months, it has rapidly changed decades of traditional ways of working and thinking, and we thought it fitting that it should inspire designers this year," she said.

In keeping with this year's theme, Brümmer said they created an "Office in a Box". This single furniture piece can be used in many convenient ways, among other things to create storage, use minimal space, and it contains usable critical features to make working from home less complicated.

The second spot in the Manufacturers category went to Sesana-Sesana Studios, while MADIIC Design Studios took third place.

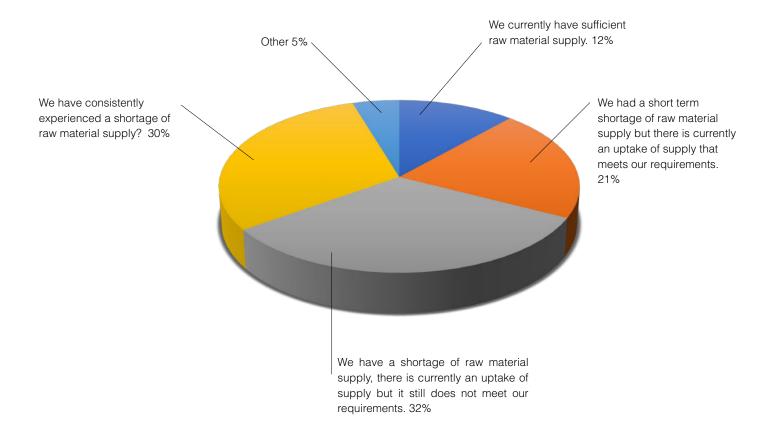
A Judges Special Award, which is a new category added this year, went to Ms Tlhologello Sesana of Sesana-Sesana Studios – a company owned by twin sisters.

Ms Sesana said their design ethos is that design has a critical role to play to help communities confront history, shape new narratives, collectively heal and project new possibilities for the future.

"This has been a great opportunity for my sister, Letlhogonolo, and for me to contribute to an exciting brief to showcase our skills outside the normal everyday parameters. It is humbling for us to receive the recognition. We see it as a win for the entire Mabopane community where we come from," she added.

The student category was won by Sibusiso Mwandla from the UKZN





SAFI hosted an online interactive Raw Material Industry Session focusing on board products earlier this year. Industry manufacturers and suppliers were able to get feedback on the raw material survey conducted by SAFI, as well as give their inputs and recommendations for short-term solutions.

Sectors that took part in the survey included manufacturers of lounge furniture (30%), kitchen (16%), case goods (20%), office (21%), bed & mattress (8%) and school furniture (5%) across the country.

According to Bernadette Isaacs, MD of SAFI, the feedback on the company's position on key raw materials supply indicated a historical and current shortage.

"Only 12% of the respondents indicated that they have sufficient raw material supply, while the rest indicated shortages ranging from a consistent shortage to a recent shortage, but currently enough for the short term," she said. "Respondents also indicated specific supply issues, including quantity of supply (37%), quality (10%), pricing (28%), lead time (22%) and other (3%).

Many factors affecting the furniture industry and market were discussed, including the pandemic, a lack of sustained electricity supply as well as increased shipping costs. To find out more, a 60 minute recording of the session is available here: https://www.youtube.com/watch?v=E_FQTTIA-3k

PRESIDENT RAMAPHOSA **URGES EVERYONE TO BUY** LOCAL

During the recent Proudly South African Buy Local Summit and Expo, President Cyril Ramaphosa once again urged South Africans to buy locally manufactured products, thereby highlighting the importance of supporting our local businesses and the positive impact this can have on our economy.

By buying locally made goods, we make a meaningful contribution to the growth of our economy and to job creation," he said in a pre-recorded video. "The pandemic revealed the great capacity we have here in South Africa for innovation and the adaptation of manufacturing."

The three-day summit proved to be very successful with many meaningful presentations and discussions taking place. Topics ranged from practical solutions for business challenges, how to create a profitable business to coaching and mentorship opportunities. All sessions were recorded and can be watched again by going here:

https://buylocalsummit.co.za/expo-programme/

As part of the summit, the 2021 winners of the dtic Furniture Design Competition were also announced as per page 3 in this newsletter.



Mashimbye, strongly believes that buying local creates jobs.

PG BISON SUCCESSFULLY COMPLETES EMKHONDO

PARTICLEBOARD LINE

EXPANSION

PG Bison has successfully commissioned its latest expansion project with the installation of the higher capacity dryer and fibre preparation facilities at its eMkhondo (Piet Retief) manufacturing facility in Mpumalanga.

The commissioning marks a major milestone for PG Bison and for the wider decorative panel industry in Southern Africa, as it provides additional capacity to a market that has been exposed to increased demand in recent years. The eMkhondo plant has increased its particleboard output capacity by 37% to 1,000m³ per day, bringing its capacity in line with PG Bison's Ugie board plant.

With a cost of R560 million, the project consisted of a complete replacement of the entire fibre preparation line, with new technology and higher capacity. This included installing a state-of-the-art Büttner energy plant and dryers, screening equipment, a new flaker, and new conveyor systems.

PG Bison has consistently invested in local manufacturing, having committed R2.5 billion to capital investment projects in the past two years. The most recent investment will culminate in the construction of a new medium density fibreboard line, scheduled for commissioning in mid-2024, also at the eMkhondo site.

According to PG Bison CEO, Gerhard Victor, these expansion projects employ the latest global technology, will improve the global competitiveness and position the company for growth, both in the local and export markets.

"We are committed to local manufacturing and to meeting the increased demand for our products. Our investment supports the Furniture Industry Master Plan, a government and private collaboration aimed at rebuilding the furniture industry in South Africa," Victor said. "We are really proud of what our in-house project team has been able to achieve with this project. Despite several project challenges created by COVID-19, the plant was commissioned within budget and a week ahead of the targeted start-up date."



YOUNG ENTREPRENEURS DESIGN NEW OPPORTUNITIES THROUGH CITY-FUNDED PROGRAMME

Alderman James Vos, Cape Town's Mayoral Committee Member for Economic Growth, visited Northlink College in Belhar recently to meet the young entrepreneurs participating in a City-funded Pilot Furniture Light Manufacturing Support Programme.

Project, managed by the South African Furniture Initiative (SAFI), the pilot programme is designed to specifically cater to the needs of furniture businesses operating in townships.

"The healthy development of small businesses is vital for communities and the broader Cape Town economy. For this reason, I take great pride in the City's support for initiatives that make a genuinely positive impact in the ventures of Capetonians," Alderman Vos said.

As part of the programme, participants receive technical and business knowledge training. They learn to hone their skills on commercial tools such as table saws and bench press drills and are guided through areas such as selling their goods online.

The SAFI partnership is an example of the City's efforts to rebuild manufacturing industries from the ground up.

According to Bernadette Isaacs, Managing Director of SAFI, these programmes form part of the Furniture Industry Master Plan's (FIMP) vision to grow the local furniture manufacturing industry.

"In the current economic climate, localisation and supporting the local value chain is key in the industry's potential to become a major contributor to the country's GDP," Isaacs said.

The Pilot Furniture Light Manufacturing Support Programme is one of several such initiatives funded by the City for informal traders, enterprises and start-ups.

The City's Business Helpdesk has a calendar of around 30 skills development sessions for Capetonian entrepreneurs that cover

topics ranging from costing and pricing of products, to tendering and business improvement strategies. The Helpdesk, which is also known as The Business Hub, has a dedicated team answering queries by phone, email, and in-person at their Cape Town CBD office and during community activations.

The metro government also works closely with partners to facilitate further programmes that make life easier for businesses.

These are.

The City funds the Productivity Efficiency Programme facilitated by Productivity SA wherein small businesses receive an onsite assessment and then detailed guidance on how to improve operations;

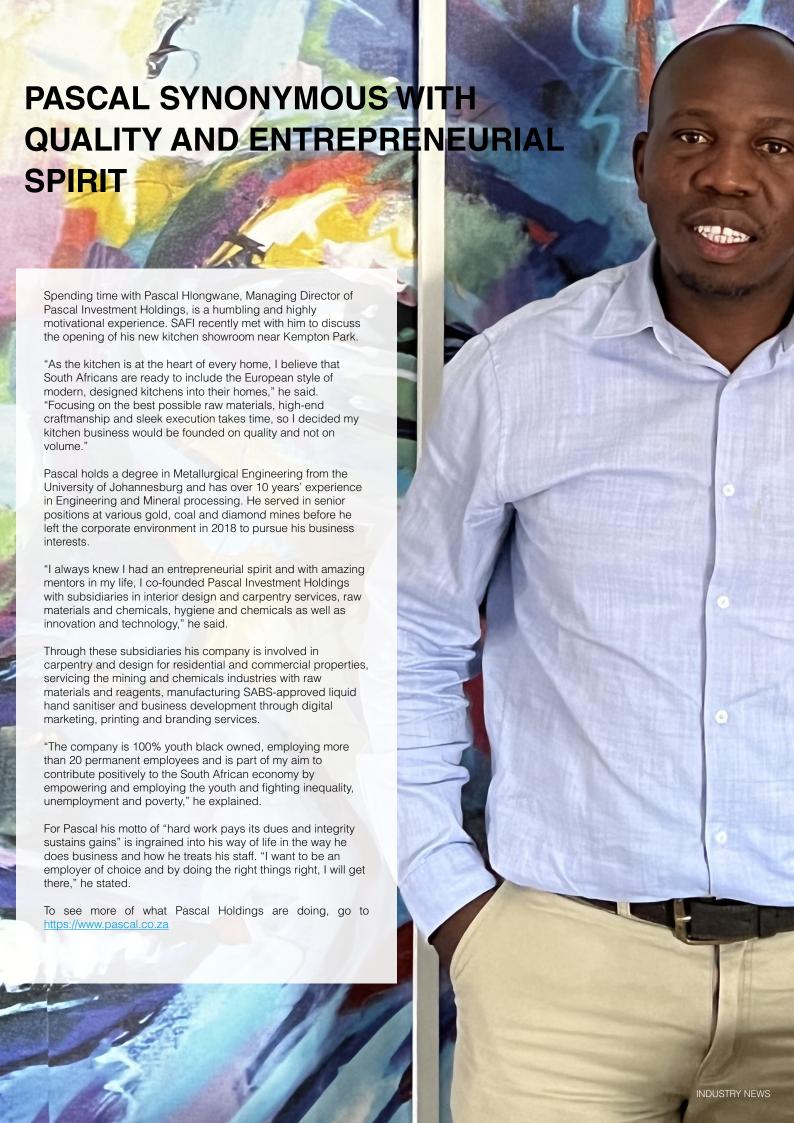
The Smart Supplier programme which prepares businesses for engaging with buyers in the private sector;

The Business Mentorship Programme where young entrepreneurs are mentored over 10 months by experienced business owners;

Business Development workshops facilitated by the SA Renewable Energy Business Incubator for aspirant Green Economy entrepreneurs.

"By providing support systems for small businesses, we are building an economy of confidence and care because these platforms will encourage more aspiring entrepreneurs to set up shop in their areas, which will stimulate supply, create jobs, and generate growth where they live," Alderman Vos concluded.

For more information on these business support platforms, visit The Business Hub or contact the team on business.support@capetown.gov.za or 021 417 4043.



The Hotel & Hospitality Show will be held from 19th until the 21st of May 2022 at the Sandton Convention Centre in Johannesburg. It forms part of a dedicated portfolio of events proudly serving the hospitality industry across the Middle East, Africa and Asia. The Hotel & Hospitality Show has delivered four years of providing opportunities to the hospitality and hotel industry with growing industry support from leading associations.

SAFI is a proud strategic partner of this event that delivers industry leaders and provides access to information on industry updates, thus providing the hospitality industry with a 360-degree view of the market.

The Hotel & Hospitality Show hosts a series of webinars, podcasts, interviews and newsletter releases throughout the show campaign. The purpose of the digital offering is to provide accurate and relevant content on the industry, latest trends and innovative solutions as well as insight into how the industry is evolving in the lead-up to the event.

The 3-day expo ensures digital access to credible content and connections for professionals unable to attend the live event.

Click here to book a stand or read more about it: https://www.thehotelshowafrica.com.





CONFERENCE AND EXHIBITION 21 – 22 JUNE 2022

Sandton Convention Centre, Johannesburg, South Africa

The 9th annual Manufacturing Indaba will be taking place at the Sandton Convention Centre from the 21st until the 22nd June 2022. If you're looking to grow your manufacturing business and you're keen to explore new opportunities in the market, the Manufacturing Indaba will provide you with access to new clients and business.

Delegates will be able to view all the participants and arrange one-on-one meetings with the B2B Connect Programme, meet



key stakeholders from both government and the private sector, as well as learn about the latest government incentives on offer that can help your manufacturing business.

There will be much, much more on offer. To find out how to exhibit your products and services, to register or to profile your brand through sponsorship, click here and quote "MISAFI2022" to access a 5% discount https://manufacturingindaba.co.za.

The FP&M SETA's Mandatory and Discretionary Grant funding windows opened on the 15th January 2022 and will close on the 30th April 2022 at midnight. Discretionary grant applications aligned to the FP&M SETA Sectoral Priority Interventions List (SPOI) and the Economic Reconstruction and Recovery Plan (ERRP) will be prioritised.

Eligible organisations must submit their applications online via the FP&M SETA Integrated Management Information System. User manuals, detailed instructions and more info are available on the website here: https://www.fpmseta.org.za/inner.aspx?section=6&page=18











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