

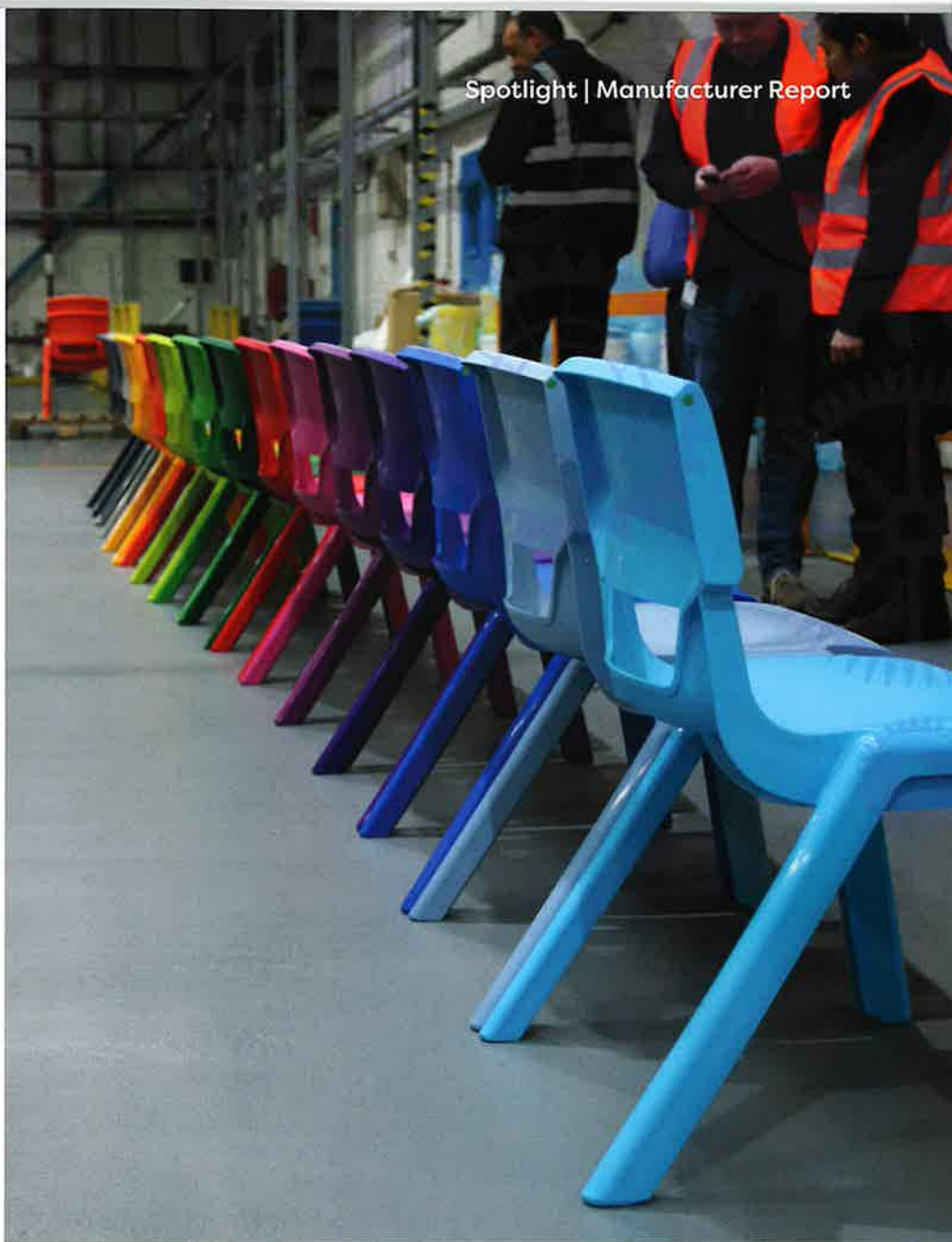


KI

Founded in 1941, KI (Krueger International, Inc) remains employee-owned and has grown to become one of the world's largest, most respected furniture manufacturing groups. KI's EMEA headquarters and showroom in Central London are supported by an established network of manufacturing facilities and distribution partners across the UK, Europe and the Middle East.

The manufacturing sector was the catalyst for enormous social transformation during the first industrial revolution. Now, as the fourth industrial revolution (4IR or 'industry 4.0') takes off, it seems the tables have turned. In a world that demands agility, flexibility and collaboration, manufacturers are having to reinvent themselves to stay competitive. Traditionally, manufacturers were overhead-heavy, with fixed production processes that relied on producing high volumes of products over a long period to help reduce high capital expenditure. Now, technology allows us to redefine the concept of mass production and 'minimum order quantities,' making customisation realistic, affordable – and expected – at a much smaller scale.

Technology and innovation don't just affect what we produce. They impact how, and why we produce it. Reducing environmental impact and creating circular economies can't be side-lined anymore, by anyone along the value chain. New software enables far greater optimisation of materials and process when producing flexibly. New materials, enhanced production processes, sophisticated logistics and buyer expectations are all playing a role in reshaping manufacturing for the 21st century. The production line still exists, but it no longer resembles Charlie Chaplin in 'Modern Times,' punching out the same widget over and over.



It has always been true that 'one size doesn't fit all,' but it has never been easy to deliver it. Striving towards this has long been a core tenet of KI's manufacturing philosophy. This is reflected in our ongoing investment in design innovation rather than traditional manufacturing facilities. In Europe, KI has a distinct advantage of being supported by a large parent company, yet we maintain the agility of a local producer, with the benefits of having a diverse supply chain. Enjoying the best of both worlds, this allows us to work with multinationals as well as being relevant locally as a partner for co-creation, rather than simply a supplier of furniture.

Our in-house design and engineering team's combined expertise leverages our investments in product modelling and specification CAD infrastructure, in order to better develop new products and bring them to life. Whether working alongside a customer on a specific project or developing a new line of products, the team has access to our established network of manufacturing

The Figures:



HQ: Green Bay, Wisconsin



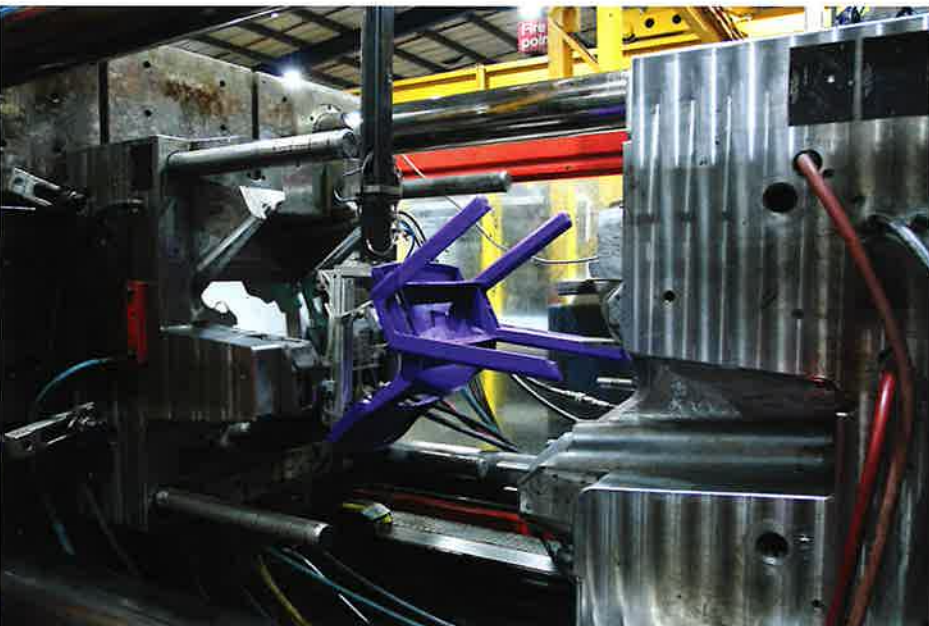
Current staff: 3,000 approx.



CEO: Dick Resch
Group Managing Director EMEA:
Jonathan Hindle



2017-2018 T/O: £650m approx.



“
*Advances in 3D printing
 and laser cutting, for
 example, have made rapid
 prototyping and small-batch
 manufacturing possible*
 ”

partners all over the world – not just our parent company's extensive facilities in the USA. Advances in 3D printing and laser cutting, for example, have made rapid prototyping and small-batch manufacturing possible. Improved material yield and waste reduction save cost and reduce environmental impact. The flexibility of our dynamic supply chain allows the team to form new partnerships with companies, offering the latest innovations as and when they arise, quickly and cost-effectively, without the need for us to make expensive capital investments.

This model of manufacturing is very much the norm in aerospace, automotive and consumer electronics – it is about time the furniture manufacturing industry caught up. The British furniture industry in particular must do so for a number of reasons. 'Buying British' should not be dismissed as nativism; it makes a lot of business sense, too – especially if the appropriate investments in technology, skills, innovation and infrastructure are made to support it. It is this investment that will drive competitive advantage, rather than lower labour costs. Even in traditional outsourcing destinations, rising wages are eroding their competitiveness so they too will be quickly looking to adopt more progressive ways of manufacturing.

What's more, longstanding arguments against offshoring still stand – having a robust manufacturing base close to customers helps alleviate supply shocks and currency fluctuations. Importing products adds shipping costs, increases carbon footprint, and compromises day-two service and support. This is particularly pertinent in the context of circular economies, which are becoming an important consideration for many buyers. Without this capability, KI would not have been able to deliver on extensive refurbishment programmes, such as last year's project with PwC to support their agile workplace strategy. Through efficient logistics and manufacturing processes, we were able to repurpose over 2,000 lateral file storage units into lockers – minimising environmental impact whilst helping PwC make significant cost savings compared to replacing the units with new furniture. ♦

TOP 25 MANUFACTURERS

If you're anything like us, you love a good list! Here, we've listed the Top 25 North American and Top 25 European office furniture manufacturers.

Although our research has been pretty thorough throughout this report, we cannot guarantee 100% accuracy with the figures - but we hope it gives you some understanding of the standings and, indeed, the size and scale of this vital sector of the market.

Please note that these positions and turnovers were realised in 2017 and may well have changed since then.

Source: Office Republic's 'The 50 biggest office furniture manufacturers in Europe and North America', September 2018.

Company Name USA & Canada	Revenue in Million €	RANK	Revenue in Million €	Company Name EU
Steelcase	2,614	1	474	Vitra
Herman Miller	1,964	2	432	Kinnarps
Haworth	1,673	3	320	Poltrona Frau
HNI	1,414	4	318	NowyStyl Group
LA-Z-Boy	1,113	5	292	Ahrend
Knoll Inc	888	6	206	VS
Global Furniture Group	862	7	196	USM
Kimball	577	8	190	Sedus
KI	560	9	158	Senator
Teknion	431	10	151	Bene
Flexsteel Furniture	404	11	150	König+Neurath
OFS	431	12	143	Flokk
Humanscale	215	13	138	Dauphin Group
Virco	189	14	137	Interstuhl
AIS	146	15	129	Martela
Jasper Group	131	16	129	Lienhard Office
Kewaunee scientific corp	119	17	116	Majencia
Exemplis	94	18	112	VDB Group
Bush Furniture	86	19	108	European Furniture Group
CF Group	86	20	107	Profim Sp.zoo
Group Lacasse	86	21	106	Assmann
Trendway	86	22	97	Isku
Tennsco	73	23	96	Bisley
MTS Seating	67	24	95	Wilkhahn
Inscape	64	25	95	Topstar