

Buyer's View: Trio-Line



Blurring the supply chain boundaries

Danish Design has long been understood as epitomising the very best of modern style in a wide variety of household and industrial applications. It goes from the breathtaking Sydney Opera House designed by Berndt Utzon, the stunning functionality of Denmark's Great Belt Bridge through to the classic simplicity of cutlery and household items designed by Arne Jacobsen and Bjorn Wimblad. Any visitor to a Danish home and many Danish hotels will be struck by the classic functionality of the everyday objects in use and this is never more clearly demonstrated than by Danish furniture design.

A new approach to design

It is in the area of furniture where the whole concept of Danish design is possibly at its most familiar to the majority of consumers. The popularity of Danish furniture could be said to have begun in the 1960s when the final escape was made from the restrictions of rationing and drab wartime uniformity. Young designers were sweeping away the fussy stereotypical styles in fashion, architecture and interior design.

New stores such as Ikea and Habitat were becoming established to supply the appetite for the clean lined "contemporary" styles, further demonstrating that the consumer had made a clean break with old established ideas. The clean lines and supreme functionality of Danish furniture immediately struck a chord with consumers and "Danish" was quickly to become the design standard to which most consumers aspired. It soon became apparent that Danish furniture not only looked good but also performed well and the country was soon able to establish itself as a leading player in the furniture industry.

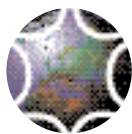
World Leather recently took a look at the current world of Danish furniture on a visit to one of the country's leading furniture makers, Trio-Line of Haarby on the island of Fyn.

Trio-Line was founded in 1984 to manufacture modular sofas, which it continued to produce until 1991 when the company was bought by the parents of the present managing director Bjorn Bahnsen. The direction of the company was then changed to the production of 'relax chairs' which took it through to the difficult

trading period of the 1990s when most of the upholstering had to be sub-contracted in order for the company to survive. Bjorn Bahnsen took over the running of the company in 1999 when it employed 10 people with a turnover of DKr 6 million (\$935,000), and this has now been grown to an annual turnover exceeding DKr 13 million.

The company now operates, as implies its name, in three distinct divisions; as Trio-Line making relax chairs; Bahnsen Collection producing experimental avant-garde designs with the objective of being innovative and challenging. The third part of the company is Trio-Line Production, a major sub-supplier for large well-known Danish furniture companies at the very high end of the market.

Bjorn Bahnsen was previously employed by the Danish shipping company Maersk and lived in China from 1991-98, an experience which gives him an extra special insight into how to work in the Far East. This has already proved to be an invaluable tool in the future development plans for the company as, in common with the majority of European countries, it now finds that costs of home production are ►



rising rapidly. This has led to a look at new ways of producing furniture and the formation of another three-stage division of production in Denmark, Poland in mid-2003 and Vietnam at the end of 2003.

Meeting customers' requirements

The Vietnamese operation will produce large quantities of leather and fabric upholstered furniture mainly for stock, Poland will concentrate on normal production and Denmark will be responsible for special orders, customised requests, claims, urgent deliveries and product development.

The reasons behind this development were put down as the best solution to meeting the major customer requirements of favourable price together with top quality. Bahnsen is well aware of the excellent tradition of very good sewing skills in Vietnam, but this has often been combined with very low margins and very high time pressures leading to low overall quality of finished product. Trio-Line therefore tried the route of going for higher quality at the expense of longer times; it found that it could produce the same quality in Vietnam in six hours as is produced in Denmark in four hours. In the words of Bjorn Bahnsen the company has invested in buying time to produce quality.

Trio-Line has been working with Danida, a support organisation set up to foster co-operation between Danish and Vietnamese companies by helping the developing countries to build up their skills. The present Trio-Line company has been started with just five people but in six months it is expected to grow to 10-15. It will produce larger quantities of the same style furniture and, in contrast to Denmark and Poland will not hold any stock except for black leather. Bahnsen attempted in vain to source the leather in Vietnam but found that the hides were much too small and were produced with processes which were far too polluting. The Trio-Line factory in Vietnam operates to Danish environmental standards including emissions and protective clothing for the operatives. The leather used is therefore sourced in Europe and sent from Denmark already cut into panels for the sewing operations in Vietnam.

Building a partnership ethos

Trio-Line has a number of supply partners for its leather, mainly from



Denmark and Sweden. Its orders range from special colours and effects in single hides up to 100 hides in standard finishes and it finds that its delivery requirement of 1-2 days is almost always met from the Scandinavian partners. The main difficulties with leather were highlighted as the problems of evaluating hide quality to see whether the price could be justified. The Bjorn Bahnsen philosophy is that Trio-Line considers itself to be a strategic partner in the whole furniture producing chain, which starts at the leather or component manufacturer and finishes with the consumer. Bahnsen is increasingly convinced that, in today's commercial world, manufacturing is a chain and if it is to remain competitive the profits generated have to go to all members along all the chain.

Partners and customers are today building more and more long-term relationships and this has convinced Bahnsen of the need to work with open calculations in order to build trust with supply partners. The leather suppliers are seen as crucial parts of the furniture supply chain due to the importance of their material in the finished article and it is imperative that they themselves remain profitable. The tanners met the initial requests for openness of calculations with disbelief but after a period of resistance, the main suppliers appear to be coming round to the idea of transparency.

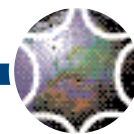
Closing the knowledge gap

Another major influence on the use of leather by Trio-Line is the lack of knowledge of the product by the retailers and their customers, the end users. This is particularly evident in the lack of

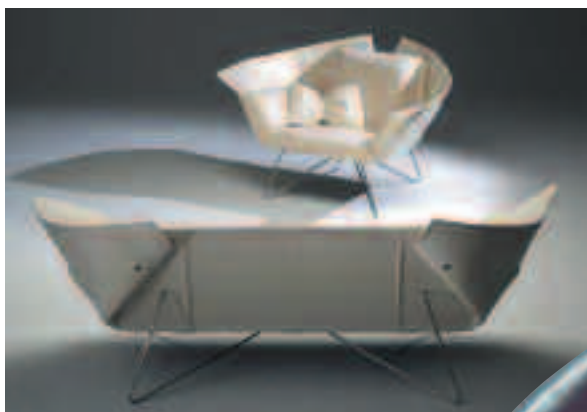


Relax chair
(open & closed).





Cutting tables.



Fold-a-sofa and chair.

understanding of the differences between the three main types of leather used. These are the inexpensive heavily finished hides or splits, semi-anilines and the more expensive full aniline hides. The differences in performance characteristics of these three types are a complete mystery to the majority of consumers as they are all merely "leather" and are all expected to behave in the same manner. Trio-Line sees the solution to this problem as better education of customers by means of information cards and tickets, which point out the differences in performance characteristics of the main leather types. Bahnsen is of the opinion that the leather industry itself should be more proactive in the education of retail personnel into the properties and performance characteristics of leather. The importance of training of their own staff is very well understood by Bahnsen which has organised a series of courses at nearby tanners Elmo Leather A/S Svendborg, previously Swewi A/S.

These courses enable the staff to better understand the processes involved in processing upholstery hides, and particularly to clarify the influences of



Inviting relaxation.

these processes on the vital subject of yield.

Leather is the preferred material for Trio-Line and the majority of its customers, although it does manufacture furniture with textile coverings. The smell, tactile properties and natural appearance of leather are the key properties for high quality furniture.

It is understood that leather is a natural product, even a by-product of the food chain and as such will have surface faults.

The variability of the available raw material is however seen as one of its greatest drawbacks in the production of regular high quality leather. Closed scars are allowed in certain areas of the furniture but heavy scarring is always rejected. Leather selection is done by their suppliers who operate to a previously agreed standard in order to achieve a certain yield. Actual yields are compared and any disputes settled by discussion of the requirements of the delivery. Bahnsen stated that the companies that succeed in selling leather to Trio-Line are very flexible, they listen to their customers and do not always seem to be focused on their own problems. Certain agents were found to be rather better in this regard than some of the larger tanneries.

With very few exceptions, tanners are not seen as particularly active in marketing their product and Trio-Line usually does all its own ticketing and information documentation.

Commitment to innovation

The particular leather properties demanded are a good range of colours, short and reliable delivery schedules with fault-free anilines in the expensive ranges. Fastness properties should be commensurate with the end use requirements of the particular range being produced.

Price is important but does not override the quality parameters of the end product. Bahnsen states that the tanning industry has generally managed to satisfactorily meet these expectations but it has become apparent that the best results are obtained from companies with whom long-term relationships have been forged.

This philosophy has been followed by Trio-Line in its Far East development and they are able to speak to all their main customers in their own language. The company is focused on becoming a total supplier for the industry with the aim of constantly developing new and improved models in close co-operation with customers, external designers and sub-producers. Trio-Line is therefore always looking for innovative designs and ideas and is certainly a fine example of the very best in Danish Design. ●