

# THE DOWNLOAD

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## calendar BIFMA EVENTS

BIFMA (the Business and Institutional Furniture Manufacturer's Association) had scheduled the following list of meetings and events at press time. Additional events will be scheduled, so continue to watch for meeting notices on the Internet at [www.bifma.org](http://www.bifma.org).

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January 19, 2004, 1:30 - 4 pm  
Textiles Subcommittee Meeting  
Tassell M-TEC Center, 622 Godfrey SW  
Grand Rapids, MI 49503

January 19, 2004, 2 pm - 5 pm  
Sustainability Subcommittee Meeting  
BIFMA Conference Room  
2680 Horizon Dr. SE, Suite A-1  
Grand Rapids, MI 49546

January 20, 2004, 8:30 am - Noon  
Supply Chain Management Committee  
Tassell M-TEC Center, 622 Godfrey SW  
Grand Rapids, MI 49503

February 2 - 6, 2004  
ISO TC 136 Working Groups 1 & 2  
Meeting in Atlanta, GA USA

February 5 - 7, 2004  
BIFMA Management Conference  
Westin Mission Hills Resort  
Palm Springs, California

February 24, 2004, 9 am - 2 pm  
Government Affairs Committee Meeting  
BIFMA Conference Room  
2680 Horizon Dr. SE, Suite A-1  
Grand Rapids, MI 49546

March 8, 2004, 1 pm - 5 pm  
BIFMA Flammability Subcommittee  
Sheraton Four Seasons Hotel,  
Greensboro, NC in association with  
AFMA Flammability Workshop

March 9, 2004  
AFMA Flammability Workshop  
Sheraton Four Seasons Hotel  
Greensboro, NC

May 25, 2004, 9 am - 2 pm  
Government Affairs Committee Meeting  
BIFMA Conference Room  
Grand Rapids, MI 49546

June 16, 2004, 7:15 - 9 am  
BIFMA Annual Meeting at NeoCon  
Holiday Inn Mart Plaza  
Sauganash Ballroom, 14th Fl.  
Chicago, Illinois

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## Steel Tariffs Lifted, Coalition of Steel Users Victorious

On December 4, President Bush announced that he was completely rescinding the Section 201 steel tariffs effective midnight that day. Representative Vern Ehlers informed an audience at a roundtable on "The Future of American Furniture Making" about the President's decision.



*Representative Vern Ehlers (2nd from right) at a roundtable on "The Future of American Furniture Making" during the Midwest Woodworking Expo in Grand Rapids. Representative Pete Hoekstra is seated beside him (far right) at the panel moderated by Steelcase President and CEO James Hackett.*

A great victory for steel consumers, removing the tariffs provides a big boost to steel consuming industries that have suffered from the economic challenges of the last several years. The decision should also help restore U.S. global leadership on trade.

The decision was heralded as the "right decision for the 13 million workers in steel-consuming industries, the right decision for the manufacturing sector that is just beginning to recover, and the right decision for the overall U.S. economy" by Precision

Metalforming Association (PMA) President William E. Gaskin.

BIFMA has been working through the Consuming Industries Trade Action Coalition (CITAC) to oppose the tariffs. They were scheduled to run through March 2005 but it became increasingly

clear that keeping them in place would have resulted in deteriorating relationships with U.S. trading partners. Based on the World Trade Organization (WTO) ruling that the 201 tariffs were illegal, the European Union, Japan and other trading partners were prepared to

retaliate with more than \$2.2 billion in tariffs on U.S. exports. If the President had not eliminated the tariffs, steel-consuming industries as well as numerous other industries would have been further penalized by retaliatory tariffs.

The announcement spread quickly through manufacturing plants around the country. While it is difficult to predict steel prices, it is clear that termination of the tariffs will mean lower prices than would have prevailed if the tariffs remained in effect.

# Our Mission

**"The Industry Voice for Workplace Solutions"**

*Established in 1973, BIFMA International is a not-for-profit trade association of furniture manufacturers and suppliers addressing issues of common concern. The association's membership of over 245 companies represents over 80% of the value of North American shipments of office furniture.*

*BIFMA's mission is to serve the North American office and business furniture manufacturing industry as an information resource, industry advocate and by offering industry-wide trade development opportunities.*

*BIFMA International provides an effective forum for cooperation and collaboration for the promotion of the industry. Strategic areas of focus include standards development, statistical data generation, government relations, industry promotion, education, networking and trade development activities.*

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# Global Insight Forecast

The latest industry forecast from Global Insight (Oct 2003) has pushed the recovery of office furniture consumption out into the second half of 2004, anticipating a 3.0% growth for all of 2004 as the economy continues to improve. Meanwhile, for the current year 2003, a -4.2% decline is anticipated which is an improvement over its previously forecasted -8.5%.

The near-term office construction outlook is for continued weakness through mid-2004, but the significant declines should be behind us. As employment growth accelerates in 2004, we should see a significant recovery in construction, a key factor to strong growth in office furniture consumption.

Corporate profits will provide little support for industry growth in 2004, expected to

hold steady at about 4 to 5% of GDP through 2005. While this won't hurt consumption of office furniture, it will provide little support for recovery. Employment growth, on the other hand, will accelerate in 2004 and through the first half of 2005. This represents a bright spot and is an important driver of office furniture consumption.

The Global Insight forecasting model has recently been adjusted. It now forecasts the consumption of office furniture in the U.S. rather than its production in the U.S. This shift in focus is the result of the growing significance of trade as a component of the domestic market for office furniture. Also there were changes to some of the weights used with some of the drivers in the model, with the expectation of improving its accuracy as it attempts to look out into the future.

# FPI Reform Passes House

The United States House of Representatives voted to approve H.R. 1829, the Hoekstra-Frank-Collins-Maloney-Sensenbrenner-Conyers Federal Prison Industries Competition in Contracting Act of 2003 on November 6, 2003.

The long sought reform of Federal Prison Industries (FPI) passed on a vote of 350 to 65. BIFMA supports this fundamental and comprehensive legislative reform of FPI and encourages the U.S. Senate to pass its similar version of FPI reform, S. 346, introduced on 2/11/03.

Elimination of FPI's mandatory source power would end that government agency's monopoly power in the Federal marketplace. They will have to offer a potential customers product like any other vendor and will not be able to set prices for those goods outside of the standard procurement process. Federal customers will be set

free to choose products that best meet their needs.

The legislation allows this transition to occur over a five-year phase-in period and also provides FPI with new education and training resources to assure that prison workers are rehabilitated with skills that are needed in the workplace upon release.

The hard work of House Members from both sides of the aisle and dedication of the hundreds of companies and organizations composing the Competition in Contracting Act Coalition paid off in this huge victory.



**Rep. Pete Hoekstra (center) Achieved Dramatic Win in House**

# Collaborative Logistics and the Creation of Business Value

By Les G. Brand

With volatile forecasts for many industries, manufacturing companies are finding unusual ways to reduce costs, eliminate waste, and maintain their stability. Logistics has become a growing area of interest, as made evident by BIFMA's recent formation of a committee dedicated solely to supply chain management.

I am privileged to have been a part of an industry-first project, where two competing companies have partnered to create business value through the modification of their supply chains – working together to share resources and save time and money.

This project is proof that collaborative logistics is not a fancy buzzword. It is very real, and its proper application can save companies hundreds of thousands of dollars.

Working closely with Steelcase, we approached Haworth with the idea of collaboration. Although both companies' logistics specialists knew that closer scrutiny of their logistics and transportation expenses would help their bottom lines, approaching and responding to a competitor about a collaboration project is not the easiest thing to do. It is quite innovative, and we applaud both companies for breaking tradition and finding the value to move forward.

It's often been said that war makes strange bedfellows. With the help of Supply Chain Solutions, Inc., Steelcase and Haworth identified that many of their loads were not moving from supplier to manufacturer at full capacity. Because both companies use many of the same materials in production and have a common supply base, it

became evident that working together to share inbound logistics costs could eliminate waste in their supply chains.

We began by piloting a cost-savings program in the Midwest. By reviewing supplier locations, and frequency of trips, the project was further narrowed down to start with a lane between Eastern Wisconsin and West Michigan. In addition, custom software for both companies was quickly put in place by Supply Chain Solutions, and was critical in allowing both companies the visibility necessary to see exactly where products were located throughout the process.

As we worked to extract information from both suppliers and carriers, we knew that the program hinged on making the transportation change seamless to both Steelcase and Haworth. The challenge was coordinating the efforts of multiple parties to achieve cost savings. It went much deeper than just negotiating lower costs with carriers – we actually changed the way that business was conducted.

Working with suppliers and carriers from both Steelcase and Haworth, we received their advance shipping notices directly and analyzed them for collaborative opportunities. If a shipment could be re-worked to save money, our team would review all of the shipments along the route and look for opportunities to build fuller loads.

Three major areas were affected by this process:

1. Improved Lean Processes. The efforts for both companies resulted in a just-in-time strategy that kept inventory low.

2. Elimination of waste from supply chain. Before collaborating, it was not unusual for Steelcase or Haworth to have trucks on the road that were underutilized by 30-70%. Wasted space equaled wasted dollars.

3. Maintenance and improvement of Service Levels.

After realizing nearly 40 percent cost savings, Haworth and Steelcase considered the pilot project a success. The results have prompted another company, Trendway, to join in the collaboration. We expect the savings to be maximized when up to five companies traveling similar routes are involved.

While collaborative logistics is merely one facet of the supply chain management process, it is one in which results can be added to the bottom line almost immediately. As companies realize the opportunity to combine loads, reduce inventory and negotiate with their existing suppliers and carriers, the potential for savings will be unmistakable. In 2004, we challenge all office furniture manufacturers – and all industries – to open their minds to this new way of doing business.

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Les Brand is the co-founder and CEO of Supply Chain Solutions, Inc., a Grand Rapids-based firm focused on finding ways to eliminate waste in the supply chain and for the supply chain to create business value through cost reduction and resource maximization. The firm can be found on the Web at [www.scsolutionsinc.com](http://www.scsolutionsinc.com).

# The Rules of Engagement Have Changed ..BIFMA Management Conference Timely

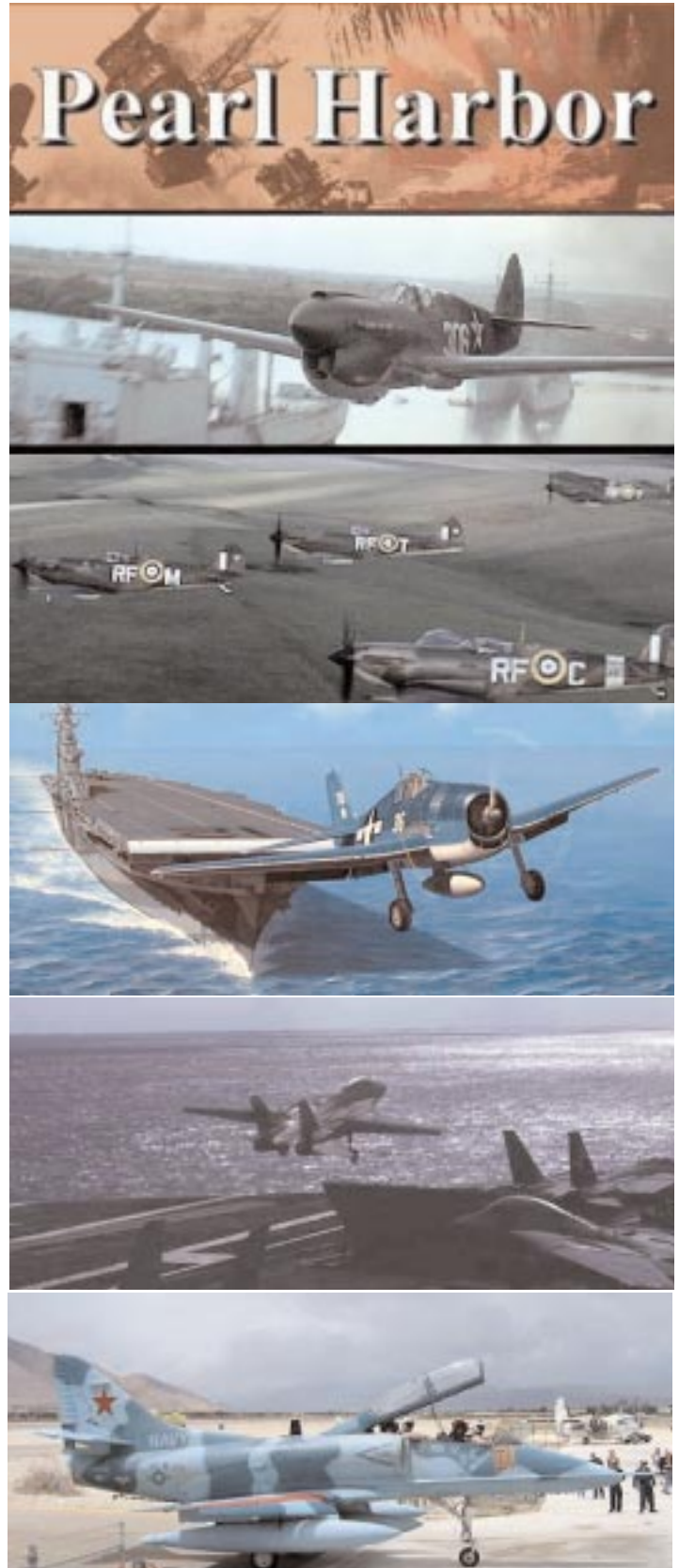


BIFMA's February Conference Kenote Speaker, Howard Putnam, advises that one of the areas of current interest he will address is that "The Rules of Engagement Have Changed" - in aviation, and in business. Howard recently sent the following note:

*We know now, after 9-11, that negotiation on an airplane doesn't work. These people (terrorists) are suicide killers. So we have to be proactive and take charge. In business we have to be proactive as well. A clear vision that is succinct and easy to understand is critical. It has to be driven throughout the organization if you want to have an impact. It is key that the organization knows "what business they are in." We figured out at Southwest Airlines as we wrote the vision, that we were not an airline...we were in mass transportation. That is a totally different business and requires a different mentality and vastly different culture to support that business. Your members need to go through the same process to be certain they match the current rules of engagement.*

Regards, Howard Putnam

As unprecedented world events continue to unfold at what seems like a faster pace each day, many are asking what these events mean to the office furniture industry? Howard and the other fine speakers coming to Palm Springs will help sort the wheat from the chaff in our program entitled "The Road To Recovery". Join us on the road this winter! Complete registration materials, a tentative agenda, and list of sponsorship possibilities are now available in the Member Resources Section of the BIFMA Website at <http://www.bifma.org> under "Upcoming Meetings". Any changes to the program or additions to the speaking roster will be posted there. Make your reservations before January 2, 2004 to secure the conference hotel rate.



Photos from the Palm Springs Air Museum Website

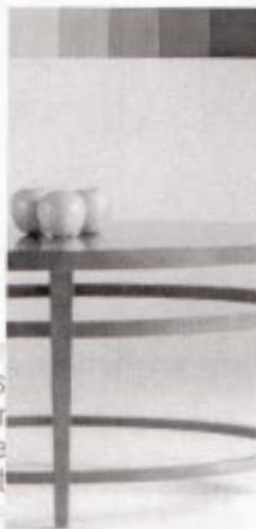
# NeoCon® West

March 25-26, 2004  
Los Angeles, California

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# Jerry Epperson to Address Anti-Dumping Topic at SF Market

By Ellen Hall, Publications Editor, The San Francisco Mart

Tackling one of the most divisive topics in the industry, renowned furniture analyst Jerry Epperson will address the anti-dumping petition in an industry overview entitled "Chinese Furniture from All Sides," on Thursday, January 29 at the San Francisco Mart. Manufacturers and retailers who want to gain an understanding of this acrimonious issue won't want to miss this seminar, which will be held from 8:30 - 9:30 a.m. in the SF Mart Exchange.

Epperson's "big picture" focus of the anti-dumping petition will be substantiated by interesting research, and he will address issues that impact both retailers and manufacturers.

Epperson has been a furniture industry analyst for over thirty years. His respected insight and long-term commitment to the industry provides industry-specific knowledge regarding mergers, acquisitions, private placements, fairness opinions, litigation support and public offerings.

Admission to the seminar is free and is open to retail buyers, manufacturers and industry professionals. The San Francisco Mart, located at 1355 Market Street between Ninth and Tenth Streets, is open to retail buyers and interior designers. Parking is available in the SF Mart underground garage and surrounding lots. For more information on Market, visit [www.sfmart.com](http://www.sfmart.com).

# BIFMA Conference Room Expanded For Larger Meetings and Web Conferencing

BIFMA meetings will be roomier and smoother now that the BIFMA conference room has been renovated. Thanks to Nucraft for their donation of a beautiful new conference room table. The recent improvements are not only for comfort. Better connectivity to the Internet and an improved conference phone system, will make participation by electronic means easier.



It is expected that the reduction of hotel-based meetings will generate more than enough savings to offset the technological improvements. So, definitely come to any of the upcoming BIFMA meetings to check out the facility and, if you simply can't get away, just tune in from the comfort of your own desk. We hope it'll be "almost like being there"!

# Calendar of Industry Events, Continued From Page 8 --- Happy New Year To All!

(CONTINUED FROM PAGE 8)

April 22-28, 2004 - Spring International Home Furnishings Market - High Point, NC; Telephone: 336.889.0203; Internet: [www.furnituremarket.org](http://www.furnituremarket.org)

May 11-13, 2004 - GSA's National Product Expo - Orlando, Florida; Contact: General Services Administration's National Furniture Center; Telephone: 703-305-5853; Internet: [expo.gsa.gov](http://expo.gsa.gov)

May 12-16, 2004 - Scandinavian Furniture Fair - Copenhagen, Denmark; Internet: <http://www.danishfurniture.dk>

May 15-18, 2004 - International Contemporary Furniture Fair (ICFF) - New York, NY; Internet: <http://www.icff.com>

May 20-23, 2004 - Furniture Show 2004 - Tianjin, China; Internet: <http://www.furnitureshow-tianjin.com>

June 14-16, 2004, NeoCon World's Trade Fair - Chicago, IL; Contact: Merchandise Mart Properties, Inc.; Telephone: 800-677-6278 or 312.527.7599; Internet: [www.merchandisemart.com](http://www.merchandisemart.com) (click on NeoCon)

June 16, 2004, BIFMA International's Annual Meeting - Chicago, IL; Telephone: 616.285.3963; Fax: 616.285.3765; Email: [email@bifma.org](mailto:email@bifma.org); Internet: [www.bifma.org](http://www.bifma.org)

July 1 - 3, 2004 - ISOT 2004 - Tokyo, Japan ; Internet: <http://web.reedexpo.co.jp/isot>

July 16-19, 2004 - San Francisco Furniture Market, Summer Market 2004 - San Francisco, California; Internet: <http://www.sfmart.com>

August 26-29, 2004 - IWF 2004 - The International Woodworking Machinery and Furniture Supply Fair USA - Atlanta, GA; Internet: <http://www.iwf2004.com>

September 2004 - Human Factors and Ergonomics Society 48th Annual Meeting - New Orleans, Louisiana; Internet: <http://www.hfes.org/meetings/2003menu.html>

September 30 -October 1, 2004 - IIDEX/NeoCon Canada - Toronto, ON, Canada; Internet: [www.iidexneoconcanada.com](http://www.iidexneoconcanada.com)

October 7-8, 2004 - NeoCon East - Baltimore, MD; Contact: Merchandise Mart Properties, Inc.; Telephone: 312.527.7598; Internet: <http://www.merchandisemart.com/neoconeast/overview.html>

Oct. 14-20, 2004 - Fall International Home Furnishings Market - High Point, NC; Internet: <http://www.furnituremarket.org>.

October 17-19, 2004 - World Workplace - Salt Lake City, Utah, USA; Contact: IFMA; Internet: [www.worldworkplace.org](http://www.worldworkplace.org)

October 19-23, 2004 - ORGATEC 2004 - Cologne, Germany (biannual); Internet: <http://193.99.40.28/wEnglisch/imm/index.htm>

October 27-29, 2004 - OFDA Dealer Strategies Conference & Expo - Memphis, TN; Internet: <http://www.ofdanet.org>

April 29 - May 5, 2005 - Interzum 2003 - Cologne, Germany; Intenet: <http://www.interzum.de>.

October 18-20, 2005 - WorkPlace '05 - London (biannual); Internet: [www.workplace-event.co.uk](http://www.workplace-event.co.uk)

## A Toast To New Members

New Regular Members:

- Lifetime Products - Clearfield UT
- Peregrine Industries - High Point NC
- True North America - Tustin CA

New Supplier Members:

- Applied Textiles - Byron Center MI

- H & H Metal Source - Grand Rapids MI
- Paul Brayton Designs - High Point NC

New International Members:

- Megamuebles - Ecuador

Welcome aboard. We look forward to what the new year will bring!



The Download is published quarterly by BIFMA International to provide a brief update of association activities.

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Brad Miller *Manager-Communications*

*and Government Affairs*

Michael Reagan *Manager-Administration*

*and Statistical Information*

Roxanne DeBoer *Administrative Assistant*

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Brad Miller *Editor*

*Contributing Writers: Les G. Brand of Supply*

*Chain Solutions, Inc.; Ellen Hall,*

*Publications Editor, The San Francisco Mart*

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Frank Merlotti, Jr., Steelcase Inc.

Jack Michaels, HON INDUSTRIES INC.

Ram Ramkumar, Inscape

Paul Simons, The Mayline Group

Michael Volkema, Herman Miller Inc.

**CALENDAR**  
of industry events

Updated regularly on BIFMA's Internet Site: [www.bifma.org](http://www.bifma.org)

**January 8-12, 2004 - International Paris Furniture Fair - Paris, France;**  
Internet: <http://www.salondumeuble.com>

**January 18-21, 2004 - The Furniture Show 2004 - Birmingham, U.K.;**  
Internet: <http://www.interiorevent.com/tfs/index.shtml>

**January 19-25, 2004 - International Furniture Fair (IMM) - Cologne, Germany;**  
Internet: <http://www.moebelmesse.de>

**January 20-23, 2004: ProMueble International, Mexico City, Mexico;**  
Internet: <http://www.magnaexposicionmueblera.com.mx>.

**January 28-31, 2004 - San Francisco Furniture Market, Winter Market 2004 - San Francisco, California;** Internet: <http://www.sfmart.com>

**Feb. 5-7, 2004 - BIFMA International's Annual Management Conference - Westin Mission Hills Resort, Rancho Mirage CA;** Internet: <http://www.bifma.org>

**February 9-13, 2004: ZOW Furniture Supply Show, Bad Salzuflen, Germany;** [www.zow-messe.com](http://www.zow-messe.com)

**February 23-26, 2004 - National Manufacturing Week - Chicago, IL ; Contact: National Association of Manufacturers, Telephone: 1.800.840.0678;** Internet: [www.manufacturingweek.com](http://www.manufacturingweek.com).

**February 24-28, 2004 - International Office Furniture Fair - Madrid, Spain;**  
Internet: <http://www.ofitec.ifema.es>

**Feb.28-Mar.2, 2004 - Philippine International Furniture Show - Manila, Philippines;**  
Internet: <http://www.pifshow.com>

**March 1-5, 2004 - International Furniture Fair Singapore - Singapore Expo (Changi);**  
Internet: [www.iffs.com.sg](http://www.iffs.com.sg)

**March 2-5, 2004 - The 10th International Exhibition on Woodworking Machinery and Furniture Manufacturing Equipment / The 10th International Exhibition on Furniture Accessories, Materials and Wood Products - Beijing - P.R. China;** Internet: <http://www.2456.com/wood>

**March 2-6, 2004 - Malaysian International Furniture Fair - Kuala Lumpur, Malaysia;**  
Internet: [www.miff.com.my](http://www.miff.com.my)

**March 4-8, 2004 - Thailand International Furniture Fair - Bangkok, Thailand;**  
Internet: <http://www.depthai.go.th>

**March 10-14, 2004- Furnidex - Thessaloniki, Greece;** Internet: <http://www.helexpo.gr>

**March 16, 2004 - AFMA Upholstered Furniture Flammability Workshop - Greensboro NC;**  
Internet: <http://www.afma4u.org>

**March 17-19, 2004 - OFDA Legislative Conference - Loew's L'Enfant Plaza Hotel, Washington DC;**  
Internet: <http://www.ofdanet.org>

**March 17-19, 2004 - IWPA's 48th Annual Convention - World of Wood 2004; Anaheim, California;**  
Internet: <http://www.iwpawood.org/convention.html>

**March 25-26, 2004 - NeoCon West - Los Angeles, CA;** Internet: [www.neoconwest.com](http://www.neoconwest.com)

**April 14-19, 2004 - Eimu, International Biennial Office Furniture Exhibition - Milan, Italy;**  
Internet: [www.cosmit.it](http://www.cosmit.it)

**April 21-23, 2004 - EnvironDesign®8 - Minneapolis, MN, USA;**  
Internet: <http://www.isdesignet.com/ED/index.html>

**(REMAINDER OF KNOWN 2004 EVENTS ON PAGE 7)**