



## RECLAIMING THE FURNITURE INDUSTRY FOR LOCAL MANUFACTURERS

### Why the Furniture Industry Matters

#### Employment

- 3rd most labour intensive industry in SA
- Approximately 26 000 jobs
- Over 70% of jobs in KZN are held by African employees

#### Industrialization

- Low barriers of entry for SMEs
- Highest sectoral job creation multiplier: 3.8 indirect jobs created for every direct job in manufacturing

#### Natural comparative advantage

- Proximity to local and SADC markets to supply on a quick and flexible supply basis
- Access to SA's unique cultural influence to develop an authentic proudly South African brand

### The Benefits of Clustering



Cost effective due to collaboration and shared learnings between members



Upgrading to world class manufacturing standards



Proactive public-private partnership



Facilitates International learnings to compete on a global platform



Provides a data driven policy & programmatic interface between government and industry



Networking and commercial relationship development

### What is the EFC?

The eThekweni Furniture Cluster (EFC) is an industry led industrial development initiative focussed on improving the competitiveness of furniture manufacturers and value chains in KZN by facilitating:

- 1 Product and process upgrading through productivity improvement and skills development projects
- 2 Increasing market share of local furniture manufacturers through market access facilitation and SME development

The EFC places a strong emphasis on shared learnings between cluster members in its programmes, thereby creating collective efficiencies and impact multiplication that cannot be achieved with the same resources in isolated projects.

## 2020 EVENTS CALENDAR

### Skills Development

|                 |                                       |                    |                                      |
|-----------------|---------------------------------------|--------------------|--------------------------------------|
| <b>02 April</b> | Production Planning Workshop          | <b>01 July</b>     | Employee Engagement Workshop         |
| <b>12 May</b>   | Lean Boot Camp Day 1                  | <b>04 August</b>   | Export Workshop & Best Practice Tour |
| <b>26 May</b>   | Lean Boot Camp Day 2                  | <b>12 August</b>   | Customer & Supplier Management       |
| <b>03 June</b>  | Waste Management Act & Sustainability | <b>16 - 17 Sep</b> | Upholstery Sewing Mechanics Training |
| <b>09 June</b>  | Lean Boot Camp Day 3                  |                    |                                      |

### Market Access

|                        |                                      |
|------------------------|--------------------------------------|
| <b>19 - 22 March</b>   | Decorex Durban 2020                  |
| <b>01 - 7 July</b>     | East Coast Radio House & Garden Show |
| <b>08 September</b>    | SME Boost Best Practice Tour         |
| <b>12 - 16 October</b> | TIKZN Export Week                    |

### Design & Product Development

|                  |   |
|------------------|---|
| <b>14 April</b>  | Design & Product Development Workshop 1 |
| <b>04 May</b>    | Design & Product Development Workshop 2 |
| <b>20 August</b> | Design & Innovation Networking Event    |

Cluster event dates are tentative and subject to change. Further information pertaining to events will be communicated closer to the date.

## ONGOING STRATEGIC PROJECTS

### SME Development Programmes

A focused small to medium enterprise development programme in the eThekweni, Amajuba and uThukela districts. The programme focuses on improving competitiveness, profitability, access to new markets, and access to capital. Importantly this programme is aligned to Supplier & Enterprise Development and Socio-Economic Development components of B-BBEE. Members can improve their B-BBEE scorecard, increase real value-add of B-BBEE spend and reduce the cost of B-BBEE spend by developing current and potential SME suppliers.

### Youth Employment Development Programme

A skills based youth employment programme which focusses on developing furniture manufacturing skills for previously unemployed youth. The programme achieves this through blending theory and practical classes, and a furniture manufacturing internship into one programme to ensure the highest possible chances of employment in manufacturing companies in need of skilled labour.

### Localisation

Aimed at converting imported product to locally procured product. Activities are focused on understanding customer needs (retail, bespoke and public procurement) and then identifying customer-manufacturer matching opportunities and supplier development projects where required.

### Benchmarking

A firm level diagnosis of manufacturing practices and performance relative to international and domestic competitors. A set of recommendations for improvement are provided in a detailed report, with the analysis and proposed solutions spanning opportunities for growth, cost reduction, and improved sustainability practices.

### Newsletters, Research & Publications

Newsletter emphasis for 2020 is placed on achieving increased market share and improving operational competitiveness. Members are afforded the opportunity to provide Newsletter content around these themes in order to support their growth journey.

For more information about the EFC and/or to provide your input about what your business needs within the furniture industry please contact us on: **031 764 6100** | [efc@bmanalysts.com](mailto:efc@bmanalysts.com) | [www.furniturecluster.org.za](http://www.furniturecluster.org.za)