



South African
Furniture Initiative



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MESSAGE FROM THE MANAGING DIRECTOR

Dear Members,

What a year 2021 has been. We are nearing almost two years of navigating a pandemic and subsequent economic, distribution and infrastructure challenges. We celebrated our 5th SAFI anniversary this year by reflecting on the furniture industry's historical and recent challenges, but we also believe that there is still a lot to be excited about for the future of our industry.

The past year also saw the adoption of the Furniture Industry Master Plan (FIMP) V1 on 29 March 2021, which consequently brought about the reorganising of SAFI into eight chambers with a focus on each specific sub-sector in the industry. By accommodating the segments of the industry as outlined in the FIMP, we can enhance the participation of SMMEs and focus on strategic relationships with stakeholders in the value chain.

Once again, this year, SAFI took centre stage in our role as a connector for an industry made up of many small and medium-sized enterprises without access to policymakers, local and international markets and manufacturers. We displayed this prominently at our 3rd Annual SAFI Furniture Sector Forum, where we launched our re-imagined SAFI strategy aimed to better focus our delivery aligned to industry needs. We hosted Furniture Industry members who demonstrated their commitment to "being the change" the industry needs, through discussions on initiatives that drive and contribute to the Furniture Industry with regards to; Localisation, Skills Development, Transformation, Exports and Trade Remedies. Public and private organisations also echoed their commitment to support the industry.

The SAFI December Newsletter is jam-packed with news about our members, partners, stakeholders and our plans, keeping everyone updated on what's happening in the furniture manufacturing and design industry as we wind down for the year.

I wish to thank our board members, the executive, operational team and all our members for their continued perseverance, hard work and commitment during 2021. To our various partners from government, labour, bargaining councils, the private sector and the media, I thank you for your support during these uncertain times. A special thank you to our funders, without you we would not exist!

May each of you have a great Festive Season, keep safe and take care.

Managing Director
Bernadette Isaacs

Bernadette Isaacs

FEEDBACK ON 3RD ANNUAL FURNITURE SECTOR FORUM

SA FURNITURE INDUSTRY POISED FOR GROWTH

The local furniture sector is on the cusp of growing into a globally competitive and transformed industry that is on a mission to place locally manufactured and designed furniture into the homes, schools and workplaces of all Africans and beyond. This has been confirmed by all the relevant stakeholders during the 3rd Annual SAFI Furniture Sector Forum, which recently took place online.

According to Penwell Lunga, Chairperson of the South African Furniture Initiative (SAFI), prioritising its strategy into providing market access, including access to raw materials, playing a central role in trade interventions and remedies, building an industry data platform for market intelligence and improving the technical skills of the workforce will play a pivotal role in reaching the end goal.

“We are working to increase the market share of locally manufactured furniture within furniture retail by 50% by 2025 as well as achieving a 50% target for SACU and SADC import replacement,” Lunga told the delegates. “Most importantly, we want to roll out a non-tariff barrier strategy to prevent illegal imports and implement an appropriate certification process in respect of all furniture imports by 2023.”

Charles Witbooi, manager of the Key Industry Management (KIM) unit at SARS, concurred with this sentiment and emphasised the importance of building partnerships through engagement with key industries on operational or strategic issues aimed at improving compliance to monitor improvement of declaration of compliance and to contribute to capacity building by enlisting industry expertise to partner with SARS.

“I believe it is in the best interest of SARS for our industries to thrive, and the level of participation for the furniture industry is to be commended,” Witbooi said. “At SARS, we try to create an environment for the furniture industry to be competitive and we provide key activities, including monitoring, partnerships, capacity building and compliance to detect taxpayers not complying, thereby developing a high-performance workforce for working with and through stakeholders.”

Amidst perceived circumstances of low custom value imports and the threats of dumping, Witbooi pointed out the opportunities that are available to explore the growth of the industry. These include surety and bonds, the role of small and medium businesses (SMMEs), the suspension of and refunds in duties and rebates, as well as the suspensions of duties and VAT on warehousing.

The General Manager: Planning, Research and Reporting at the FP&M SETA, PK Naicker, supported Witbooi's view when he pointed out the importance of enhancing skills training and development towards the expansion of the economic potential and growth of the industry.

“With a skills strategy in place, we can expand industry competitiveness and exports, promote environmental

sustainability, as well as world-class manufacturing,” Naicker said. “Amidst the Fourth Industrial Revolution (4IR), identifying future and emerging skills, as well as identifying occupations in high demand, we can provide quality coaching and mentoring to support on-the-job training and fit-for-purpose to industry needs.”

According to Naicker, the current times also provided many challenges that are being addressed by creating a multi-skilled workforce in both technical and managerial skills, developing flexible training methods and e-learning platforms, as well as the expansion of work-based training. He also alluded to possible interventions like developing and implementing an SMME entry and sustainability support programme and determining the needs and requirements of township entrepreneurs and removing the barriers they experience.

According to Ncumisa Mcata-Mhlauli, Chief Director: Agroprocessing at the Department of Trade, Industry and Competition (DTIC), all interventions, strategies and future goals have been greatly influenced by the Furniture Industry Masterplan (FIMP), which was adopted earlier this year.

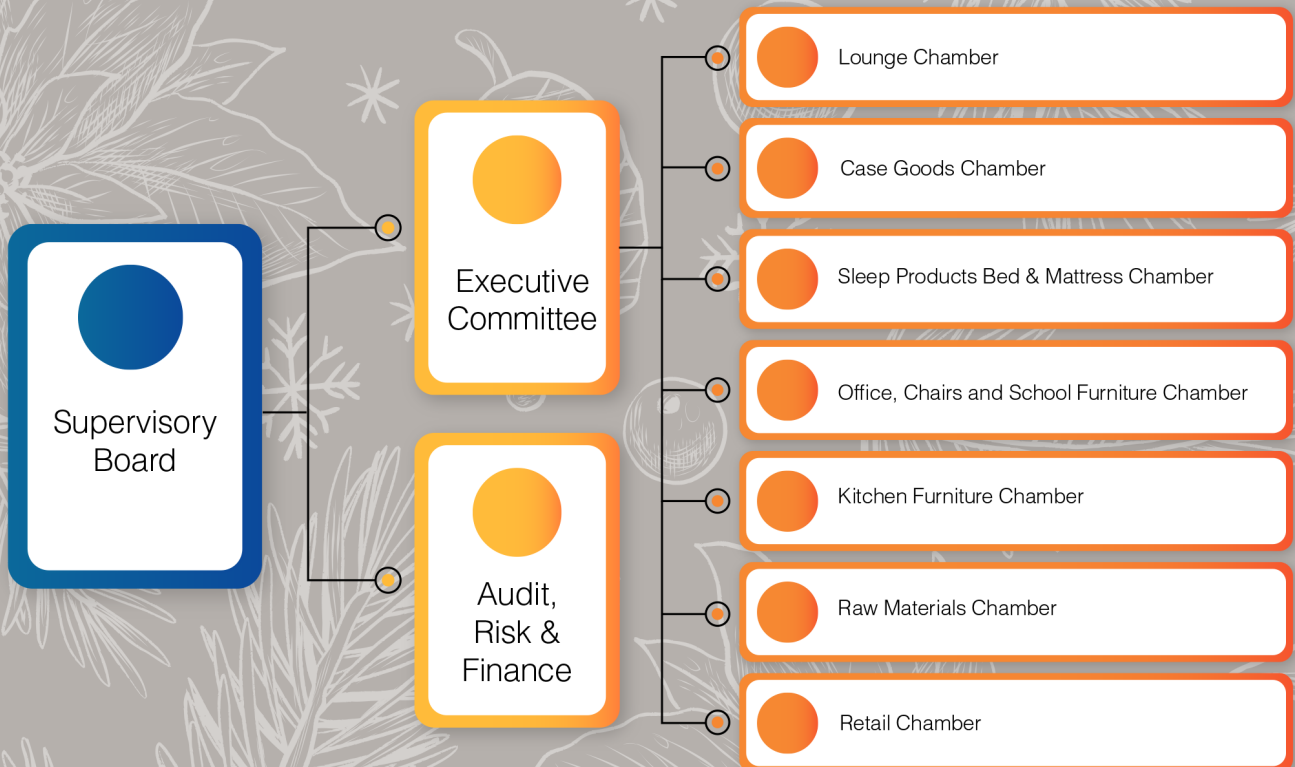
“The sector has a vision of becoming a fast growing, profitable, inclusive and sustainable South African Furniture industry and this plan is all about partnerships as a social contract between government, labour and the private sector,” she said.

Mcata-Mhlauli pointed out that the FIMP provides great opportunities, including competing with imports while a strong demand locally could supply the potential for export. “The key is to expand and nurture existing SMMEs and assist them to grow and supply retailers,” she said.

Lunga concluded his presentation by saying that the furniture industry had to recognise and take comfort in the words of former US president, Barrack Obama, when he said: “We remember, we rebuild, we come back stronger.”



SAFI ANNUAL REPORT AVAILABLE FOR REVIEW



The SAFI Annual report was tabled at the SAFI Annual General Meeting (AGM), which took place on 23 November 2021, and is an important document available for review by our members and stakeholders.

The furniture industry is an integral part of daily life in South Africa and an important economic sector as it provides job opportunities in a labour-intensive environment. Furniture manufacturing draws on local materials and local skills while providing an outlet for South African design. It is an industry that should be nurtured and expanded.

Despite its long and rich history, the industry experienced significant decline over the past decade. The sector was affected by a number of factors, which caused disruption in the industry and undermined some of its historic strengths. Demand stagnated, imports rose and a number of important manufacturing companies collapsed as did some retail entities. Our capacity to manufacture furniture declined and the sector became more fragmented and more orientated towards imports.

However, over the past two years conditions in the industry have begun to shift, creating an important opportunity for the regeneration and expansion of the sector.

The SAFI Annual Report 2021 takes a look at the industry as well as the SAFI strategy, while giving feedback on activities like the SARS Furniture Forum, the SAFI Furniture Sector Forum, what we are working towards, financials and the Board of Directors (BoD).

During the AGM, the newly elected BoD of SAFI was announced. They bring expertise and experience to the table to ensure the growth of the sector. The members of the 2022 BoD are Bernadette Isaacs (Managing Director of SAFI), Penwell Lunga (Chairperson), Educated Nkosi, Greg Boulle, Johann Claassen, Jonathan van Rooyen, Max Frehse, Michael Borchers, Mohammed Hansa, Morné Smith, Nico Badenhorst, Stephan Nieuwoudt, Peter Grey, Shumaiz Acharath-Parakatt Mahal, Stephanie Forbes, Victor Abrahams and Walter Dyers.

To read the full SAFI Annual Report, please go to <http://furniture.org.za/docs/Annual%20Report%202021.pdf>

THE YEAR IN A NUTSHELL

Apart from SAFI celebrating its 5th Anniversary in 2021, the year proved to be eventful, challenging but also rewarding in many ways. Herewith the past year in a nutshell:

- The Future Female Business School GreenTech Programme, a three-month virtual programme that equip local female entrepreneurs with the necessary skills and best practices that are needed to start and grow successful tech businesses, kicked off in February.
- During February local retail companies committed to support locally produced clothes and textiles, while the local cotton industry stands to benefit from this initiative.
- PlasticsSA, in partnership with the merSETA's Retrenchment Assistance Programme, gave workers the opportunity to be retrained or upskilled for re-employment.
- Trade Invest Africa (TIA) hosted a successful online trade and investment mission with Kenya from 23-25 March.
- The School of Concrete's SCT20 Concrete Practice presented another course in providing skills to design concrete products in the ever-evolving precast industry.
- During the pandemic many companies experienced financial distress, and the Industrial Development Corporation (IDC) announced funding opportunities to assist during extraordinarily difficult times.
- SheTrades, who aims to connect three million women to international markets and provide local female business owners the opportunity to attend a virtual roadshow in March to accelerate women's entrepreneurship in South Africa.
- During his SONA speech in March, Minister of Trade, industry and Competition, Ebrahim Patel, acknowledged the important role manufacturing and exports play in creating jobs for young people.
- The Furniture Industry Master Plan (FIMP) V1 was adopted on 29 March 2021.
- The Ithuba Supplier and Enterprise Funding Programme disbursed funding to 82 entrepreneurs and owners of black-owned enterprises during March 2021.
- The Made in Africa Conference and Expo took place from 13-14 April, bringing together the entire eco-system of policymakers, investors, purchasing decision-makers and local business from across the continent.
- The annual NEXT21 Trade Exhibition, where South African products were showcased, revealed the latest in furniture, lighting, textiles, fashion accessories and homeware.
- Casamento Designs made waves by bringing embroidery to its re-upholstered furniture, creating a renewed interest in decorative dining chairs, sofas, cushions and more.
- The Interzum Trade Fair took place from 4-7 May.
- The South African Outward Selling Mission to the US took place virtually on 13 May.
- Complete Restaurant Solutions (CRS) won the Local Hero Supplier campaign hosted by The Hotel and Hospitality Show Africa.
- SAFI partnered with the FP&M SETA in the pilot phase of the Occupational Certificate for a Furniture Upholsterer which took place from 17-24 May.
- The Design Joburg Collective, with galleries, showrooms, venues, outdoor spaces, as well as pop-ups, street spectacles and art installations, took place in the Kramerville Design District from 3-5 June.
- Action plans to grow industrial output and to support greater economic inclusion in the next 12 months were announced by Minister Ebrahim Patel of DTIC.
- The Cape Town Design Trail, presented by Decorex Cape Town and 100% Design South African, took over Cape Town for the whole month of June.
- The African Institute of Interior Design Professionals (IID) hosted a series of talks as well as a Textile Design Workshop, during the Design Joburg Collective.



2021 IN REVIEW

...Part 2

- Kaya Design Hub, Ontlametse Molefe, Deft (Zani Alberts and Martin Tallie), Magrietha Labuschagne and Elizabeth Louisa van der Merwe were part of the furniture and design sector selected as emerging creatives as part of the 16th Design Indaba Emerging Creatives programme.
- The Trade Forward Southern Africa (TFSA) webinar on 'Navigating digital tools for export trade' took place on 23 June, providing tools to help identify potential markets, as well as tools to comply with customs duties, taxes, regulations and standards in different markets.
- SAFI-member, Studio Sterling, launched two new eco- and vegan-friendly products using cactus leather.
- Civil unrest took place from 9 to 18 July, impacting the furniture industry value chain in terms of demand and supply where SAFI strongly condemned the behaviour and re-affirmed our commitment to support our members.
- SAFI turned five in August, proving to be an integral and sustainable part of the furniture manufacturing and design sector in South Africa.
- Five industry focus areas were highlighted by SAFI, namely 1) enhancing design opportunities and development of critical Skills, 2) Trade Interventions to address illegal imports, 3) access to cost-efficient Raw Materials, 4) Exports opportunities and 5) Transformation across the value chain.
- A guide to cut red tape for businesses was published by the Western Cape Government.
- The South African Décor & Design sourcing platform launched an online hub where SAFI members can 1) promote their businesses; 2) increase brand awareness for your business; 3) sell your products; 4) communicate your projects, and 5) tell your stories.
- SAFI partnered with the eThekweni Furniture Cluster to engage with key stakeholders in the furniture industry to assess the damage caused across the furniture value chain during the social unrest and to develop contingency plans for the future.
- The BRICS Trade Fair took place from 16 to 18 August 2021, showcasing products and opportunities for businesses from BRICS countries.
- Proudly South African's Market Access Platform (MAP), was launched on 17 August 2021. The MAP aims to support and influence both localisation and transformation in the procurement process.
- The training programme "Women as Manufacturing Leaders" was launched by the Thandeka Vocational Education Trust in partnership with the FP&M SETA and the Toyota Wessels Institute for Manufacturing Studies (TWIMS).
- An expert panel discussed localisation, which has become a core part of South Africa's economic policy framework where conversations between competitors are key in making this work, on 16 September.
- Decorex design/connect 21 took place 21-23 September 2021.
- The City of Cape Town's Mayoral Committee for Economic Opportunities and Asset Management applauded the work of the South African Furniture Initiative and other role players in the sector during tough times, taking a first-hand look at how the office furniture industry had to survive by pivoting to furniture tailor-made for the home.
- SAFI-member, Amet Furnishings, took customers on a journey to explore their needs, create and help them choose the perfect furniture piece, while sourcing local materials for affordable and quality furnishings.
- "We remember, we rebuild, we come back stronger" was explored during the 3rd Annual SAFI Furniture Sector Forum, which took place on 3 November.
- A team from South Africa presented "Forest and Fibre – a renewable and sustainable solution to green investment and economic recovery" during the Dubai Expo on 12 November.
- By taking part in the Expo2020 Dubai, South Africa's DTIC aimed to facilitate exports and secure investments in key priority sectors, while providing various networking opportunities with the exhibitors and participants from around the world.
- The SAFI AGM took place on 23 November, and a new Board of Directors was elected.
- The Manufacturing Indaba took place from 22 to 26 November.
- The winners of the PG Bison 1.618 Education Initiative were announced.

2021 IN REVIEW

PG BISON 1.618 WINNERS ANNOUNCED

Congratulations to the winners of PG Bison's prestigious 1.618 Education Initiative, which were announced recently. Zander Etienne Deysel, an architecture student at Nelson Mandela University, was announced in first place, winning the R50 000 cash prize. Second place, together with a R25 000 cash prize, was awarded to Ashleigh Bennett, interior design student at IIW Vega, Durban.

According to Lian Markham, communications manager at PG Bison, they were impressed with the submissions by the two winners, which focused on creating a tourism-centred solution for the Strand Street Quarry in Cape Town. "The judges believed that their entries took into account the unique cultural, historical and community context of the tourism site."

The competition, aimed at third-year architecture and interior design students around South Africa, has been running for 29 years with entries being judged by a panel of industry experts. Read more here:

<https://pgbison.co.za/blog/pg-bison-1-618-education-initiative-2021-winners-announced>



As a proud partner in the annual Furniture Design Competition, which is presented by the DTIC and Industry Stakeholders, SAFI wishes to congratulate the finalists who were announced recently. The entries received were greatly inspired by the theme HOME OFFICE WORKSPACE.

In the student category the five finalists are Hannelie de Klerk (North-West University), Monique van Niekerk (North-West University), Jolene Brink (North-West University), Sanele Tshonga (UKZN) and Sibusiso Mwandla (UKZN). The five finalists in the Manufacturing Category are Sundeep Jivan (SAJ Architects), Laurika Brummer (Inside Earthworld Interiors), Letlhogonolo Sesana (Sesana-Sesana Studio), Tlhologello Sesana (Sesana-Sesana Studio) and Katlego Madumo (MADIIC Design Studios).

The virtual prize-giving event will take place in March 2022 and details will be provided as soon as it is finalised in the new year.

DTIC FURNITURE DESIGN COMPETITION 2021 FINALISTS ANNOUNCED



HOMEWOOD: FURNITURE FOR THE FUTURE

At a time where we have a generation of consumers and destroyers, where we waste without a second thought, and where we take rather than give, Homewood, a local South African furniture manufacturing company, has decided to redefine our generation and leave behind a cleaner legacy with eco furniture.

The company has identified a gap in its efforts for sustainable living, manufacturing, and purchasing and has claimed a majority stake within the conscious collective by continuing to make manufacturing choices that respect Mother Nature and her people.

It's called the Amanzi Conscious Collection and it's Homewood's tangible vision of sustainability – from conception through to manufacturing and delivery.

Earlier this year, Homewood's Head of Commercial in Gauteng, Werner Smit, discussed the Amanzi Conscious Collection at the DESIGN CONNECT 21 presented by Decorex Africa & 100% Design SA, and gave us insight into why, how, and where.

In this time, Werner found that DESIGN CONNECT 21 was the perfect way to tell the Homewood story, one of passion and love for what they do. In Homewood's quest to achieve their goal of sustainable furniture production, they have partnered with the Department of Forestry, Fisheries and the Environment (DFFE) to make their vision come true.

They are championing the use of sustainable, locally sourced alien woods that support local communities, and give back to Mother Nature by clearing the choking waterways and allowing the natural environment to thrive.

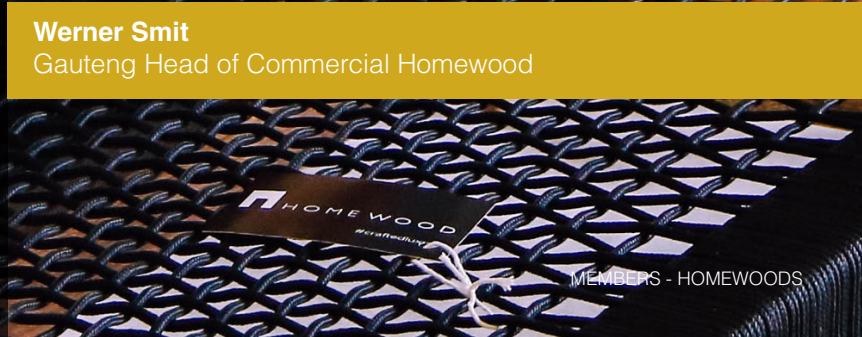
The wood that Homewood has identified to make up their sustainable collection is Cottonwood, a beautiful, light cream to yellow-brown wood with subtle streaks of grey and green. River Red Gum, which is an Australian-born wood that is dark brown in colour with rich red undertones. Blackwood, a phenomenal wood with pronounced grains. And last, but certainly not least, Camphor. Camphor's colour is highly dependent on its growing conditions but it has a high natural lustre and a slightly greasy feel.

There have been many role players on the road of Homewood's journey, SAFI being one of them. "SAFI has been a wonderful partner for Homewood. Their webinars and resources are incredibly valuable and educational, and the exposure SAFI provides to its members is invaluable," says Werner.

Join in on this venture of leaving a legacy and not a mark, by reading up on the [Amanzi Conscious Collection by Homewood](#), a collection of luxury furniture crafted to last, without leaving a lasting impact.



Werner Smit
Gauteng Head of Commercial Homewood





HELM TEXTILES

PROVIDES QUALITY FABRICS OF INTERNATIONAL STANDARD

Weaving since 1992, Helm Textiles is driven by a passion to deliver the best quality fabrics from its textile mill in New Centre, Johannesburg. They pride themselves on using quality materials to provide durable textures and extraordinary designs, proving to be one of the leading manufacturers of decorative upholstery and interior/exterior décor fabrics.

According to Chrystal Noakes, sales representative at Helm Textiles, they specialise in jacquard and dobby weaving, thereby providing a broad range of fabrics from cotton, olefin, RPET to chenille fabrics for multiple end-users.

“Our fabrics and finishes comply with SABS and International fabric standards,” she said. “We offer add-on finishes such as Latex backings, EASYCLEAN ©, Anti-microbial, Flame Retardant and Water repellent for additional benefits.”

Helm Textiles has a special division, TEXTFIN, where each project and order is scrutinised to ensure the fabrics are finished and comply as per the clients’ specifications.

A dedicated in-house design team was established to create and design stock ranges, suitable for domestic and contract use, as well as custom ranges created and designed with the inputs of their clients.

Over time Helm Textiles have created upholstery, special projects and products as diverse as South African fashion designers, throws, towels, tapestries, facial and underwear products, designer bags, carpets, school wear, shoe fabrics, print bases and branded linings, to name a few.

“We believe that when you think textiles, you must think Helm Textiles,” Noakes concluded and asked every person to “support local, because local is lekker.”

More information can be found on www.helmtex.co.za or by sending an email to info@helmtex.co.za.

“support local, because local
is lekker.”



DIARISE

The SAFI offices will close on 25 December 2021 and will reopen on Monday, 17 January 2022.

Virtual Prize giving for the DTIC Furniture Design Competition will take place in March 2022. Details will be communicated in the new year

SEASON'S GREETINGS

Twenty-twenty-one. The year we celebrated our 5th anniversary and launched our reimagined strategy, while facing some of our toughest challenges to date. We are proud of our members who continue to demonstrate the ability to not only survive, but to excel in reaching their goals despite many obstacles.

We wish to thank our board members, the executive, operational team and all our members for their continued perseverance, hard work and commitment during 2021. To our various partners from government, labour, bargaining councils, the private sector and the media, we thank you for your support during these uncertain times. A special thank you to our funders, without you we would not exist!

Enjoy the festive season and stay safe at all times!

NB: Please take note our office will close on 25 December 2021 and will reopen on 17 January 2022.



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Furniture Initiative



www.furnitureza.org.za

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