



OFFICE FURNITURE

HIGH-QUALITY FURNITURE IN CHINA

SHANGHAI VISION

Mr. Shao is the General Director of Shanghai Dimi, a company specializing in processing metal sheet and pipe intended for the office furniture and retail outlets market. The history of Shanghai Dimi is strictly linked to the history of Shanghai Vision. One must go back to the group's formation to fully understand Dimi's strategy and business model.

Shanghai Vision was founded in 2000 with the intent of occupying a position in the high-end segment of the furniture market in China. At the time, the sector was saturated with small and medium local manufacturers, who offered low-quality products. There was no strong player in the market capable of offering a wide range of innovative products. Vision planned to keep ahead of trends and decidedly aimed for the high-end segment, aware of the fact that the market was slowly heading in that direction. The investment was significant, and included the purchase of different lines manufactured in Europe for automated wood processing. After 16 years, it can be stated with certainty that Vision achieved this, and today is among the top 5 manufacturers of wooden furniture in the country, and number one in the Shanghai-Jiangsu-Zhejiang region, the richest and most industrialized area in China. As growth indicators emerged, Vision was able to expand production as early as 2007, opening a new plant south of Shanghai, with an area of approximately 50,000 square meters, now the group's headquarters.

TRANSITION FROM WOOD TO METAL

This began to change in 2013, when the DIMI project was started. Under the management and supervision of Mr. Shao, who had previously occupied the position of Vice General Manager at Shanghai Vision, a modern plant for processing of metal components was opened in accordance with the group's vertical integration strategy.

One of the project's objectives was to internalize an essential part of production, and thus, bring the entire production process up to the group's high quality standards. But that's not all, because despite the fact that Vision remains one of the main "clients" of Dimi, the latter has expanded its scope of activity, also gaining customers from other markets and segments.

There are many reasons for this trend, as Mr. Shao explains, "Above all, China must face the burning problem of deforestation and desertification. The area of forests in the southern central part of the country has been reduced by 50% within the last two decades. A gradual transition to metal products and replacement of wood products is a sign that more attention is being paid to environmental protection. Besides this, metal furniture is usually much lighter than wooden furniture, with obvious advantages from a practical, functional and manufacturing perspective. Metal is also more flexible, and affords many more possibilities of processing as well

as designer freedom. It offers a greater range of colors compared to wood and is a stronger and more durable material".

According to Mr. Shao, the Chinese model is replacing traditional wood products, particularly in the office furniture sector, where domestic demand for metal products has already reached 80% of the entire industry.

However, in Mr. Shao's vision, growing domestic demand presents the greatest opportunities. In its own country, Dimi is specialized in manufacturing metal structures for offices, retail outlets and shopping malls. Dimi also furnishes retail outlets belonging to Sony and other international electronics corporations.

NEWEST GENERATION SYSTEMS FOR A HIGH-QUALITY PRODUCT

Mr. Shao brought the Dimi project to fruition by defining his objectives, opening a manufacturing plant, expanding the market through his administration, and searching for and purchasing machinery. With regard to the latter, it should be mentioned that the company assumes investments in newest-generation systems of European and Japanese make.

In contrast to sheet cutting, laser pipe cutting was a technology nearly unknown in China until recently. Mr. Shao learned of these systems when visiting his own clients in Japan, who were using Lasertube technology from ADIGE. Mr. Shao invested in our product, and today, he is satisfied with and proud of his choice. "As one of the first players operating in the Chinese furniture market that had applied laser pipe cutting, Dimi was able to predict market trends, establish itself as a leader in the sector, and be the first to gain a share in a new, now consolidated, market. The introduction of the LT FIBER system allowed us to distinguish ourselves from the competition, which used traditional methods, and to reap the benefits of this competitive investment earlier.

"Above all, the absence of a need for tools meant immediate savings of time and the cost of research, production and testing of tools. Automatic loading and unloading systems, with four unloading stations, make it possible to reduce production and labor costs. Moreover, the performance of one work cycle instead of four (cutting, grooving, drilling, cleaning), allowed us to optimize work times. Thanks to the precision and cleanliness of cutting performed by the LT FIBER machine, we not only reduced unit production costs but also achieved a quality significantly exceeding that of the competition's products."

LASER FOR FLEXIBILITY

Cutting quality, tolerances, productivity and reliability were the deciding factors in the selection and purchase of the Lasertube system. "After the first stage of searching and selection, during which we visited different Japanese manufacturers and the Tube & Wire trade fair in Germany, we began negotiations with ADIGE and another European manufacturer. ADIGE was selected because the LT FIBER machine was perfectly suited to the requirements of the furniture sector, particularly to our plant's need for an extremely flexible machine. Characterized by a low transition time between one process and the next, and due to the wide range of different products to be manufactured, the LT FIBER model seemed to be more safe and reliable compared to the analogous model from the competition".

(LT FIBER has been available on the market since 2007. It is the first laser pipe cutting machine with a fiber optic source.)

"But Dimi is not just a workshop that carries out projects on order, we have also developed a creative department in our company, which employs over 20 designers and researchers."

Thanks to this, we are able to offer clients innovative and personalized solutions, which lets us stand out from the competition even more.

"From this perspective, ADIGE's software (Artube) makes the job easier for designers by allowing them not only to import prepared drawings, but also to edit them or create new projects quickly and intuitively."

Today, Shanghai Dimi employs 120 workers (besides the 520 at Shanghai Vision). This number has doubled in just three years, with average growth of annual revenue amounting to 50%. Mr. Shao is planning another increase of production. "The Lasertube is currently working three shifts, seven days a week. At this rate new investments will soon be necessary. ADIGE is undoubtedly our first choice".

