

how design can benefit industry



Photography: Florian Groehn

The Creative Industries Innovation Centre (CIIC) produced this feature article for its website, creativeinnovation.net.au, to showcase the value of designers and manufacturers working together in Australia.

One Third proves designers have a role to play in reinventing Australia's manufacturing industry.

Since 1996, Designs in Timber has produced quality furniture from its warehouse in Tasmania. Yet over the past four years the company has contracted from 12 to six timber makers, feeling the pinch from rising production costs, a high Australian dollar, and steep competition from Europe and Asia.

"It's a bit like being strangled," says co-owner Rebecca Gray describing the current manufacturing climate in Australia. "We knew we were making quality, well-priced product, but we felt our market was shrinking."

Rebecca and partner Brett Gray contacted Enterprise Connect, which led them to Alexander Lotersztain, an industrial designer who runs an enterprising design studio called Derlot in Brisbane.

Lotersztain encouraged Designs in Timber to create a new brand, One Third, in which he, Rebecca and Brett would be partners.

They invited Adam Goodrum (Sydney), Jon Goulder (Perth), Helen Kontouris (Melbourne) and Matthew Prince (Tasmania) to create furniture designs for One Third, with

Lotersztain overseeing the collection as creative director.

In April 2012, the project secured funding from the Department of Regional Australia, Local Government, Arts and Sport. Four months later, One Third unveiled its first collection at Saturday In Design in Melbourne.

The One Third Model

The launch of One Third took place with remarkable speed. The designers each received a design fee and a brief to create accessible furniture pieces. In May, they travelled to Melbourne to engage in a problem-solving workshop, and the products hit the floor in August.

"Obviously it will take time before we see any royalties, but all the boxes have been ticked," says Goodrum.

Lotersztain's influence extended from the creation of One Third's first furniture collection to its marketing, online and PR strategy. In doing so, he proved "design can not only bring profit, but new energy and ideas that can provide a platform for positive change and diversification".

According to Goulder, Designs in Timber was doing a good job as a manufacturer, but "needed to be rebranded, repackaged and remarketed ... design was lacking from their business model".

A key reason for the success of One Third is Lotersztain's role as creative director.

Lotersztain facilitated Designs in Timber's dialogue with the designers, which meant Brett and Rebecca didn't waste time manufacturing products that weren't commercially viable. He also helped negotiate a distribution deal with Stylecraft and devised a marketing strategy to promote One Third's unveiling.

Case study



Photography: Florian Groehn

Cover image:
The One Third collection

This page:
(L-R) Alexander
Lotersztain, Helen
Kontouris and Brett Gray
(Designs in Timber,
One Third)

“We have met a lot of designers but what was different about Alex is that he’s also a business man. He is craft-oriented, but he also thinks about manufacturing costs and pricing. We talked the same language,” says Gray.

Are designers “Hard to work with”?

Gray admits Designs in Timber’s relationships with designers haven’t always been rosy.

“We once spent weeks making prototypes for a designer in Launceston, who didn’t even come back to us with any feedback. So why would you bother [partnering with designers]?” she says.

Goodrum acknowledges that some designers have a reputation for “not being professional enough when it comes to understanding the production process, proposing designs that are too complex and expensive”.

He hopes One Third will prove that designer/manufacturer relationships can be mutually supportive.

“The majority of designer brands sold in Australia come from overseas. Why can’t that product be Australian product? Hopefully One Third will provide a case study for the bigger picture,” says Goodrum.

Goodrum and Kontouris collaborate with the likes of Cappellini and Alessi in Italy. Why would they favour a manufacturer in Tasmania over Milan?

“It’s pretty hard negotiating good royalty fees in Europe because there are so many designers knocking on doors. Working in Australia is a lot more intimate and I’m just beginning to make more effort to form relationships here,” says Goodrum.

Kontouris says two advantages of partnering with local industry are increased accessibility and fast turnaround times. A European manufacturer might take four years to launch a single product, whereas One Third’s collection was created in just eight weeks.

“This is the sort of accessibility that designers love,” says Kontouris.

“Designs in Timber really opened their arms to working with designers and I suppose that is uncommon. In Australia, designers and manufacturers don’t quite know how to work together.”

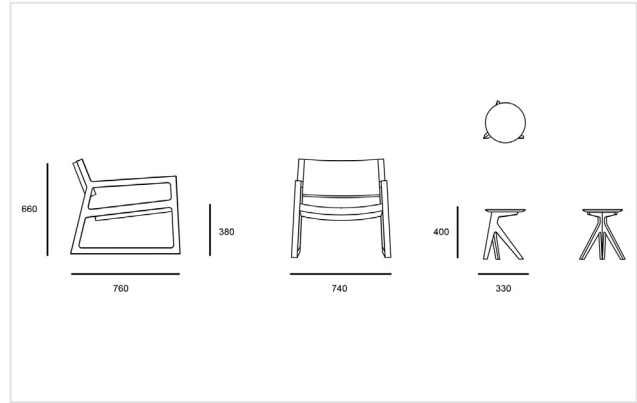
One disadvantage of working with local industry is that many Australian companies don’t have the global reach to offer lucrative royalties, says Kontouris.

Goulder believes the most successful designer/manufacturer relationships occur when designers understand business: “Australian designers need to walk a fine line between artistic integrity and producibility. It’s a balancing act.”

For those who offer both, design offers a low-risk strategy for diversification. “Manufacturers can commission a designer for next to nothing. If you fly us in and pay our expenses, we’ll come. If the product doesn’t sell, you don’t have to pay us royalties,” says Goulder.

He believes upfront design fees are a small price to pay for diversification. “For the first time, interior designers and architects are specifying Australian product. Australian industry can reap the benefits of this; there is also an opportunity to export to Asia. But it has to embrace design if it’s going to survive.”

Case study



This page:
'Splay' by designer
Jon Goulder

Photography: Florian Groehn

Commercial Results

One Third's debut on 18 August 2012 generated significant media coverage, and Designs in Timber is already quoting large orders in "exciting quantities".

The company is moving away from residential work to pursue high-volume commercial clients, which will help the company upscale and reemploy over the long-term. Next year's collection may also target overseas markets.

"We are not just looking at the small picture," says Gray.

"The response has been really wonderful," says Kontouris.

"People are really excited about a group of Australian designers who have gotten together to release a collection."

Lotersztain hopes to inspire the small and medium industries of this country to back home-grown design and creativity. "We believe in Australian made," he says.

Kontouris says what's needed is simply "a willingness [from local industry] to see the value of working with designers".

"It's not a difficult thing to bring a designer on board.

Design can bring a lot of value to a company, from aesthetics to company structure, distribution and product rollouts. There is such amazing diversity in how a designer thinks about the cradle-to-cradle lifespan of a product, whereas a manufacturer's focus is primarily on production."

Gray says she and Brett knew they had to try something different, or things would only get tougher.

"Launching a new brand was worth the risk. We couldn't see how it wouldn't work. Now we feel like we've got all our grapes planted," she says.

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Article by Barbara Messer

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The CIIC supports the business of creative enterprise. It is an Australian Government initiative, part of the Enterprise Connect program and is supported by the University of Technology, Sydney.

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