



artesanías de colombia

MINISTERIO DE DESARROLLO ECONOMICO
ARTESANIAS DE COLOMBIA S.A.
UNIDAD DE DISEÑO BOGOTA

SEMINARIO INTERNACIONAL
TENDENCIAS
MARKETING Y DISEÑO
PARA EL MERCADO INTERNACIONAL

CONFERENCISTA:

P.J. ARAÑADOR Diseñador Filipino
Vicepresidente del Consejo de Diseño y Moda de Filipinas,
con amplia experiencia en diseño y desarrollo de productos
para el mercado internacional

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ARTESANIAS DE COLOMBIA**

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International Contemporary Lifestyle Designer



PJ Arañador is one of the young designers from the Philippines who have made it to the international scene. He is one of Manila's most sought-after lifestyle designer in home furnishings and decorative objects, jewelry and fashion, industrial and interior design.

A Bachelor of Science graduate of the University of the Philippines, he took up in-formal courses in conceptual arts, visual and communication arts, classical piano and painting at the same school. He attended various short design courses conducted by Milan's Domus Academy and New York's Fashion Institute of Technology.

PJ started his design career as a free-lance creative staff for advertising firms doing mostly illustrations. He handled creative works for Rustan's, San Miguel Corporation and The Coca-cola Company both in Manila and Atlanta, Georgia, U.S.A. He eventually creative works for TV commercials, art directions, production design both for theater and fashion shows.

From display window artist to product designer, he became the Design Director of Manila's top lifestyle store "The Galleon Shop" at five star hotels in Manila and Hong Kong. Eventually, he put-up Chrysara, an export firm, in partnership with dance artist Alice Reyes, Artistic Director Emeritus of Ballet Philippines of the Cultural Center of the Philippines. He then apprenticed under leading European designer- architect Paola Navone in Milan, Italy in 1988. From then on started to show in Europe particularly in France, Italy, Germany and England. Soon after other exhibits he did were in Australia, Hongkong and the United States since 1990.

Among his most recent foreign stints included design exhibitions in Montreal and Toronto for the Canadian International Development Agency (CIDA) in 1997, in Latin America under Artesanias de Colombia in 1998 and, concurrently, in Africa under the United Nations Development Program (UNDP) where he is the first Filipino industrial designer commissioned there. He has done various product development projects for small entrepreneurs in the Philippines under the USAID.

Some of his outstanding jewelry design stints were in collaboration with Filipino National Artist Arturo Luz in 1986, with Danish goldsmith Gerda Monies for Ungaro and Stephano Poletti for Thierry Mugler in 1988 and with top Filipino haute couture designer Inno Sotto for "Filippino" premiered by Elsa Klensch in CNN's Style in 1995, and for "Pilipinas" in Cercle de l'union Internalle in Paris the following year. He did a contemporary interpretation of antique Filipino gold jewelry which was later worn by Her Majesty Sophia, Queen of Spain, in an occasion in 1988.

His works on home objects were used as the image for Printemps Philippine in-store promotion in Paris in 1996. His works on material innovation are now on permanent exhibit at the **Material Connexion** in New York City and **Museum Kunsthanwerk** in Frankfurt. He has designed merchandise programme for top stores like **Harrods**, **Galerie Lafayette**, **Bloomingdales**, **Neimann Marcus**, **Pier 1 Imports**, **Crate and Barrel**, **Gap** and **Calvin Klein**.

For the past years, PJ became one of the longest featured designers and consultants for the **Center for International Expositions and Missions (CITEM)**. He was commissioned by CITEM as the first designer to exhibit at the **World Trade Center Manila** for **FAME International** for its five consecutive shows from 1996.

PJ's major international exhibitions with CITEM as featured designer since 1998 included the **Messe Frankfurt**, the world's biggest consumer trade fair. At the same fair, he styled the Philippine participation through the **European Chamber of Commerce of the Philippines (ECCP)** for its year Autumn and Spring Fairs 2000. His works in **Messe Frankfurt** opened the doors for him to be the first Filipino and Asian designer ever to be offered with an open invitation as one of its future featured designer for **Maison et Objet** in Paris. He will design a special setting at the said show where top European designers like **YSL** and **Christian D'** or exhibits its home objects. Further, he was invited as well to do the **Home Lifestyle Fair of Frankfurt Messe** in Tokyo.

PJ has styled a hotel and restaurant fair for **Okasaki**, a Japanese firm selling branded Japanese kitchenware and dining articles for **Chef's on Parade** in 1988. With Filipino culinary expert, **Nancy Reyes**, he coached the Philippine participation in **Sial**, a food fair, in **Paris** in October 1999. He has styled several food presentations including Filipino brand **Mama Sita**, both in Manila and abroad.

PJ was the designer for the Philippines at **The Royal Show**, an outdoor lifestyle fair, in **Warwickshire**, England in July 2000. He was commissioned by **ECCP** to do the stand design for **Chibi and Cart** fair in **Milan** in January 2001. From October 2000 until the present, PJ was selected among a roster of Filipino designers to be its first lead designer among other designers from Europe and India at the **Indian Autumn Gifts Fair**, Asia's largest. Products launched at the show carried his brand name.

Other outstanding past works included fabric designs for **Natori**, an international Filipino fashion house in **New York City**, **Paris** and **Manila**. He did a swimwear line for **Tropic Isles** for the French market, which was featured in **Australia's "The World of Style"** in 1997. He did the lighting and lifestyle design for the summer collection of Filipino designer **Lulu Tan Gan** for a lifestyle fashion show at **The Enterprise** in **Ayala Avenue**, Manila's slickest street in 1999. Recently, he was the creative consultant as well as the fashion and lifestyle accessories designer for Filipino haute couturier **Nono Palmos'** "**Premiere Show**", a Spring Summer 2000-2001 fashion show for **Center Point News New York**.

PJ has designed and styled shops, restaurants and independent boutiques in the Philippines. Many of his creations have been featured in many leading trade publications and magazines worldwide like *Vogue* (USA), *Stil & Markt* (Germany), *Decorative Arts Magazine* (New York), *Asian Furniture News* (Hong Kong), *Home* (USA), *Australian Guide* (Sydney) and *Marie Claire Ideas* (France). He wrote for *Forecast*, which was a magazine on trends in the Philippines. He has conceptualized and produced volumes of CD materials on design, product development, trends and forecasts. He writes for virtual trade fair website www.vtf.com.

In 1996, Head Designer for Chrysa, PJ was awarded by His Excellency Fidel V. Ramos, President of the Republic of the Philippines, the **Golden Shell Awards** in Design Excellence, the highest of its kind given in the Philippines. The following year he was voted as one of the **Best Filipino Designers** by **Metro Magazine**. **CITEM** picked him up as one of the ten Centennial designers in commemoration with the 100th anniversary of the Philippines. In January he was the first designer featured on "The Global Filipino" by ABS-CBN International cable network, which was aired across the United States, Asia Pacific, Middle East, Europe and Australia. PJ also has enormous **Katha Awards** from **CITEM** in product and booth design accumulated through the past 15 years.

He runs a **professional design house** in **Manila**, servicing both domestic and international clients across the globe. His set-up mentors young and upcoming designers in product design, fashion, architecture, interiors and various related fields. It conducts on-the-job training to product and industrial design students from **De La-Salle University**, **University of Santo Tomas**, **Technological Institute of the Philippines** and **Ateneo University** wherein he lectures on-call. He has been a guest design lecturer at the **Nairobi University** and **International School**, both in **Kenya**, and the **National Design of Fashion and Technology** in **New Delhi** most recently.

With **Jonie Natori**, **Inno Sotto**, **Lulu TanGan**, **Cesar Gaupo**, **Rajo Laurel**, **Budji Layug** & **Randy Ortiz**, PJ is in the board and a founding member of the prestigious **Fashion and Design Council** of the Philippines.

The designer is based in **Makati City, Manila**.

SELECTED APPRAISALS EXCERPTS

"PJ is one of our CITEM designers who made it internationally on his own"

Eli Pinto-Mansor, Executive Director, CITEM

"PJ is the best accessories designer in the country"

Josie Natone, Chairman of the Board, FDCP

"Designer is creative, generous, patient, meticulous, helpful... he is concerned about us getting orders..."

Mike Prado, President, Miles Ahead

SELECTED APPRAISALS EXCERPTS (Continued)

"Consultant gave old and simple lines a new look that are market-oriented, functional, attractive..."

Pet Robles, Vice-President, Robles Heritage

"... PJ gave us an unprecedented simultaneous two Katha Awards at the show..."

Rowena de Jesus, Vice-President, Spring Sheets Enterprises

"... first time for me to work with a very professional designer who's not only after the fee but the quality of his service..."

Emy Cuenca, President, Topmark Interiors

"... program was rewarding in expanding non-traditional yet commercially-viable items... he was prolific, focused and very organized..."

Mannela Jose, President, MKJ Service Link

"... knows designs that cater to upscale market... comes up with good designs through mix-media..."

Roland Ong, Gaddang Philippines

"... PJ help small companies become more competitive..."

Judith Manarang, Marketing Director, Maze Manufacturing

"... he introduced new forms and shapes in accessory line..."

Seth Tugonon, Marketing Director, Raphael Legacy

"... very satisfied with consultant's work and professionalism..."

Joseph Pangilinan, President, Manila Pean

SELECTED INTERNATIONAL PRESS EXCERPTS

"PJ Arañador designs-a fusion of India... tion and international demand."

Show Daily, New Delhi, India February 2001

"Lifestyle designer PJ Arañador forward-looking ideas are refreshing..."

Sunday Magazine, New Delhi, India, October 2000

"PJ Arañador, Filipino international designer, has so much to offer to upgrade the Indian crafts to modernity..."

Hindustan Times, New Delhi, India, October 2000

"Living Anew' is under the hat of top Philippine designer PJ Arañador"

Stil and Market, Ambiente, Frankfurt, Germany, February 2000

"Following designer PJ Arañador around the show was like being caught up in the whirlwind..."

International Trends and Forecast, Gifts and Decorative Accessories Magazine, New York City, USA, December 1999

"International consultant PJ Arañador, trains Kenyans how to design and promote their goods at the international market."

Daily NATION, Kenya, 12 November 1999

"Philippine's top designer PJ Arañador design concept is clean and pure."

Present, Internationales Fach Magazin fur Geschenkartikel, Germany, August 1999

SELECTED LOCAL PRESS EXCERPTS

"Internationally-acclaimed design consultant PJ Arañador executed the Showroom visuals to a grand affair."

Sun Star Daily, 9 May 2001

"Taking center stage were the accessories of PJ Arañador"

Philippine Daily Inquirer, 26 January 2001

"A flurry of concepts flying out at the audience..."

Business Today, 29 January 2001

"Well-known decorator hereabouts PJ Arañador... decks your homes for the holidays..."

Sunday Leisure, Manila Bulletin, 17 December 2000

"Arañador is creating a nucleus collection for Filipino companies to prove their mettle when they join the Internationale Frankfurter Messe Tendance..."

Home Lifestyle, Philippine Daily Inquirer, 6 July 2000

"PJ Arañador IDS design's flamboyant moment."

Style Paper FORECAST, June 2000

"PJ Arañador interpret the trends after the era of minimalism, color and adornment"

Lifestyle, Philippine Daily Inquirer, 28 April 2000

"PJ's Manila Home concept offered quality, harmony and gracious living at its best."
The Philippine Star, February 2000

"Bringing to life the design concept 'Living Anew' is PJ Arañador, an innovator in material manipulation."
Modern Living, The Philippine Star, 6 February 2000

"Designer PJ Arañador plays around with fashion and home designs with technology."
Lifestyle, Philippine Daily Inquirer, 2 December 1999

"For PJ, to be modern demands constant and fresh directional change."
World News, Manila Bulletin, 14 October 1999

"PJ Arañador's Millennium Garden is a component of Manila Home lifestyle which is modern and in tune with design trends and sensibilities..."
Shoppers Guide, The Philippine Star, 31 August 1999

"PJ's collections are conversation pieces. They are functional items that appeal to every design sensibility; collections that fit perfectly into the homes of the world."
Lifestyle, The Philippine Post, 19 August 1999

"Designer PJ Arañador aims to sell 'Manila's casual lifestyle' in German fair..."
Lifestyle, The Philippine Daily Inquirer, 16 July 1999

"PJ's involvement is just the beginning of his pursuit of higher achievement as a designer..."
Manila Bulletin, 19 April 1998

"The concepts and the designs are correlative to the growing consciousness for lifestyle..."
Business and Career, Mirror Weekly, 17 November 1997

"One of Arañador's hit was the 'Anahaw' series in which he designed furniture with the country's national leaf as motif..."
Metro Magazine, November 1997

"Arañador's handsome looking prints were fresh and innovative."
MEGA Magazine, November 1997

"His CITEM projects have earned him rave reviews."
Lifestyle, Philippine Daily Inquirer, 19 October 1997

"His design collections for 15 participating MDCP exhibitors generated a record-breaking of USD .54 million on-the-spot-sales."
Manila F.A.M.E. Update, October 1997

"... people sat in little groups chatting the night away in between oohing at designer's exhibit of PJ Arañador..."
MEGA Magazine, September 1997

"Accessory designer PJ Arañador's prints clever and irreverent!"

The Philippine Star, 17 August 1997

"Versatile designer PJ Arañador catch the fancy of international customers though the richness and opulence of design forms..."

Living, Malaya, 16 April 1997

"Arañador took his imagination to the limits and create some exquisite pieces from most surprising objects."

LOOK Magazine, April 1997

"Versatile designer PJ Arañador steers the wheel of the component of the Market Week."

Manila Bulletin, April 1997

"In design, he knows where of he speaks."

The Manila Times, April 1997

"Filipino designers like PJ are gearing up for global recognition as top designers in Asia..."

STAR MODE, Philippine Star, November 1996



PJ

BENCHMARKING

BENCHMARKING SPECIFIC PRODUCTS

ITEM	SIZE	MATERIAL COMPOSITION	FINISH	SUGGESTED FOB PRICE RANGE
I. TABLE TOP				
PLACEMAT	13 X 19	100% ABACA	NATURAL/LOOSE WEAVE	USD 0.95 - 0.97
	13 X 19	ABACA/COTTON	COL/TIGHT WEAVE	0.85 - 0.95
	13 X 19	100% RAFFIA	NATURAL/ REG WEAVE	1.00 - 1.80
	13 X 19	100% RAFFIA	COL/EYELET	1.00 - 1.80
	13 X 19	MIXED	WOVEN W/ PIPING	1.75 - 2.00
CERAMIC MUGREGULAR	PORCELAIN		PLAIN WHITE	1.60 - 1.80
	REGULAR	PORCELAIN	HANDPAINTED	1.80 - 2.00
	REGULAR	DOLOMITE	PLAIN COLOR	1.60 - 1.80
	REGULAR	DOLOMITE	HANDPAINTED	1.80 - 2.00
DINNER PLATE	10.5 INCHES	DOLOMITE	PLAIN COLOR	2.90 - 3.40
	10.5 INCHES	DOLOMITE	HANDPAINTED	3.30 - 3.80
PLANTER (URN)	10 X 6H	TERRACOTTA	PLAIN COLOR	4.00 - 5.00
	10 X 6H	TERRACOTTA	LIGHT INTRICATE	5.00 - 5.50
	10 X 6H	TERRACOTTA	DECORATIVE W/ ACCENT	7.00 - 8.00
BIRD BATH	14 DIA X 2.50H	CERAMIC	PLAIN COLOR	4.20 - 5.00

BENCHMARKING SPECIFIC PRODUCTS

ITEM	SIZE	MATERIAL COMPOSITION	FINISH	SUGGESTED FOB PRICE RANGE
III. FURNITURE				
SIDE CHAIR	17 X 16 X 34"	HMETAL/WICKER	STAINED	18.00 – 21.00
ARM CHAIR	17 X 16 X 34"H	METAL/ARUOG	STAINED	23.00 – 25.00
LOUNGE CHAIR	27 X 35 X 32"H	WOOD/SPLIT	STAINED	55.00 – 65.00
FOLDING CHAIR	17 X 16 X 34"H	METAL	POWDECOATED	19.00 – 21.00
LOUNGE CHAIR	37 X 35 X 32"H	SEAGRASS	PLAIN	140.00 –160.00
SOFA	60 X 32 X 36"H	ABACA BARK	PLAIN	260.00 –300.00
MALABAR CHAIR	41 X 38 X 35"H	WOOD/SPLIT	STAINED	90.00 –130.00

BENCHMARKING SPECIFIC PRODUCTS

ITEM	SIZE	MATERIAL COMPOSITION	FINISH	SUGGESTED FOB PRICE RANGE
IV. PAPER MACHE				
S/3 ROUND BOXES	19 DIA X 9"H	CARD BOARD	ONE COLOR	USD 7.50 – 8.00
	16 DIA X 8"H		SIMPLE COAT	9.00 – 10.00
	13 DIA X 7"H		METALLIC	10.50 – 12.00
S/3 SQUARE BOXES	15 X 10 X 7"H	RAFFIA COVERED	PLAIN	18.00 – 20.00
	14 X 9 X 6"H	ACCESSORIZED		19.00 – 21.00
	13 X 8 X 5"H			

BENCHMARKING SPECIFIC PRODUCTS

ITEM	SIZE	MATERIAL COMPOSITION	FINISH	SUGGESTED FOB PRICE RANGE
V. OTHERS				
PICTURE FRAME	3 X 3	PINEWOOD	SINGLE COLOR	3.00 – 3.50
	4 X 5	PINEWOOD	SINGLE COLOR	3.25 – 4.00
	5 X 7	PINEWOOD	SINGLE COLOR	4.50 – 5.00
CANDLE HOLDER	11.5"H	ALL METAL	SPIRAL	1.90 – 2.50
	14"H	ALL METAL	SPIRAL	3.95 – 4.50
	29"H	ALL METAL	SPIRAL	5.50 – 6.50
	12"H	ALL METAL	INTRICATE DES/FIN	7.00 – 9.00
	17"H	ALL METAL	INTRICATE DES/FIN	9.00 – 11.00
	21"H	ALL METAL	INTRICATE DES/FIN	11.00 – 18.00
BASKET	13.5 DIA	MALACA PEEL	STAINED	5.50 – 8.00
CHANDELIER 5 – 6 LIGHTS		ALL METAL	PAINTED RUST	50.00 – 60.00
TRAY	23 X 16 X 3"	WOOD W/ CUT OUT	PLAIN COLOR	8.50 – 11.00
				9.60 – 12.00
		HANDPAINTED	10.00 – 15.00	

A large white diamond shape is centered on a black background. The background is filled with a pattern of small, bright white spots, resembling stars or a starry night sky. The white diamond is a solid, bright white color, creating a high-contrast effect against the dark, speckled background.

ACTIVITY BASED COSTING (ABC of Costing)

ACTIVITY BASED COSTING

(ABC of Costing)

Costing based on activities involved in

designing

developing

manufacturing

&

selling

products to a specific buyer and market

ACTIVITY BASED COSTING

(ABC of Costing)

- EXAMPLES:**
- **Costing based on Engineering and Production Workload**
 - **Perceived Valuations**
 - **Market Valuations**

ACTIVITY BASED COSTING **(ABC of Costing)**

ABC involves:

- **Purposes of Analysis**
- **Work in process Activities**
- **Consumption Resources**

ACTIVITY BASED COSTING (ABC of Costing)

is NOT about DIRECT or
FIXED COST.

emphasizes MANAGEMENT
INFORMATION SYSTEM (MIS).

PRODUCT

RESPONSE

ST CONSEQUENCES

ple 2

Cost System

e.g., material sourcing /
requisition – bulk v.s.
trickles

Cause and Effect

material allocations within
certain time frame

ST CONSEQUENCES

Example 1

Time of Distribution

Time of Sales

ST CONSEQUENCES

Example 3

Man-paced

Machine-paced

BEST CONSEQUENCES

Example 4

Profitable Deal

One Production Run

One Packing Run

One Shipment



REVENUE

REVENUE



**ABC EMPLOYS
STRATEGIC MANAGEMENT COS**

ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 1 **VALUE CHAIN**

Personnel Support

e.g., training, value formation, sensibilities

Information Technology Group

e.g., data on fingertip

Chain Factors

e.g., how to compete by
organizational structure instead
department.

Market Distribution Channel

e.g., rippling effects of mark-ups.

ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 2 **STRATEGIC POSITION ANALYSIS**

Cost Projection

e.g., anticipatory expenses for design,
marketing and manufacturing

Cost of Money and Cost of Doing Business

e.g., foreign exchange, Euro money

**ABC EMPLOYS
STRATEGIC MANAGEMENT COSTING**

Concept 2 **STRATEGIC POSITION ANALYSIS**

Sensible Production Lead Time

e.g., elimination of blanket lead time
because delivery is based on
production workload

Cost Accounting

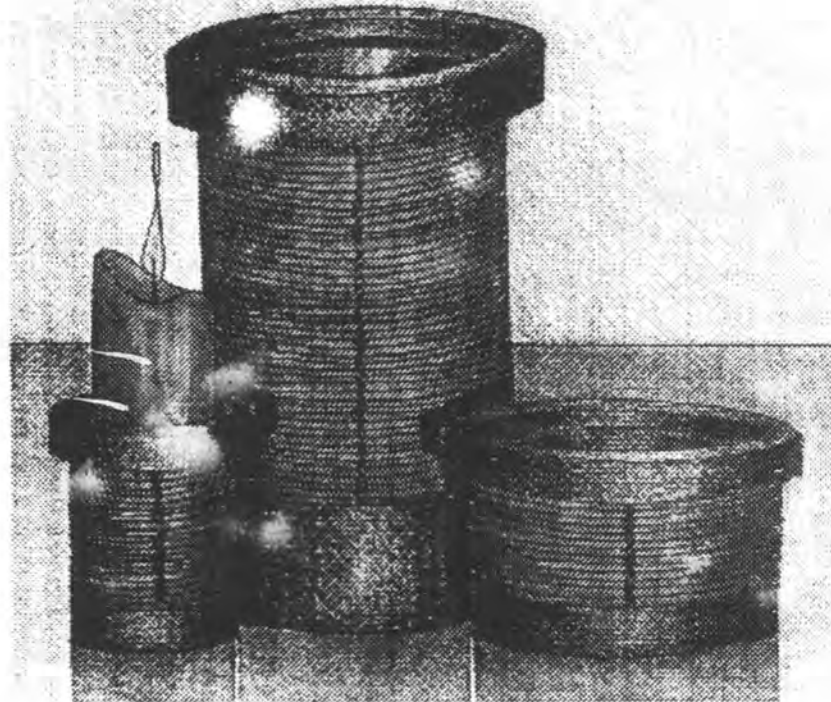
e.g., profitability is computed per
item, per order, per buyer, per
shipment instead by year-end

- concept of product re-engineering
extension, enhancement vs
product discontinuation

ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Effects of Complexities
product simplification



ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

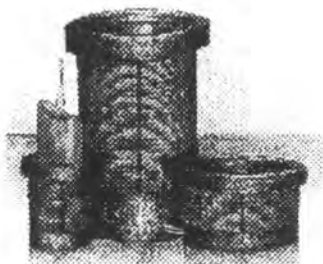
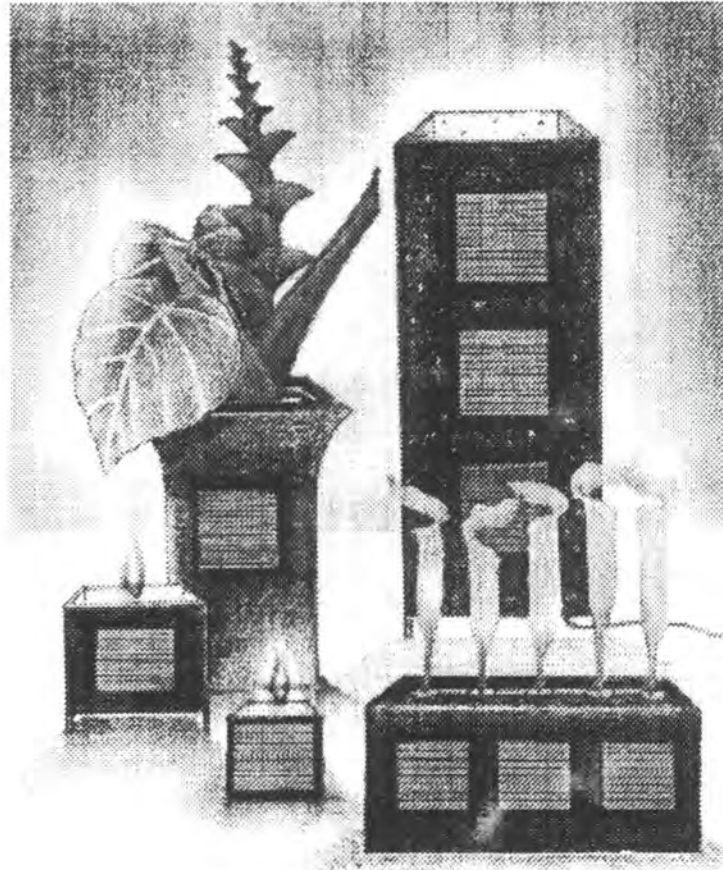
Effects of Complexities

- production plotting
- reduction of number of suppliers
- product simplification

ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

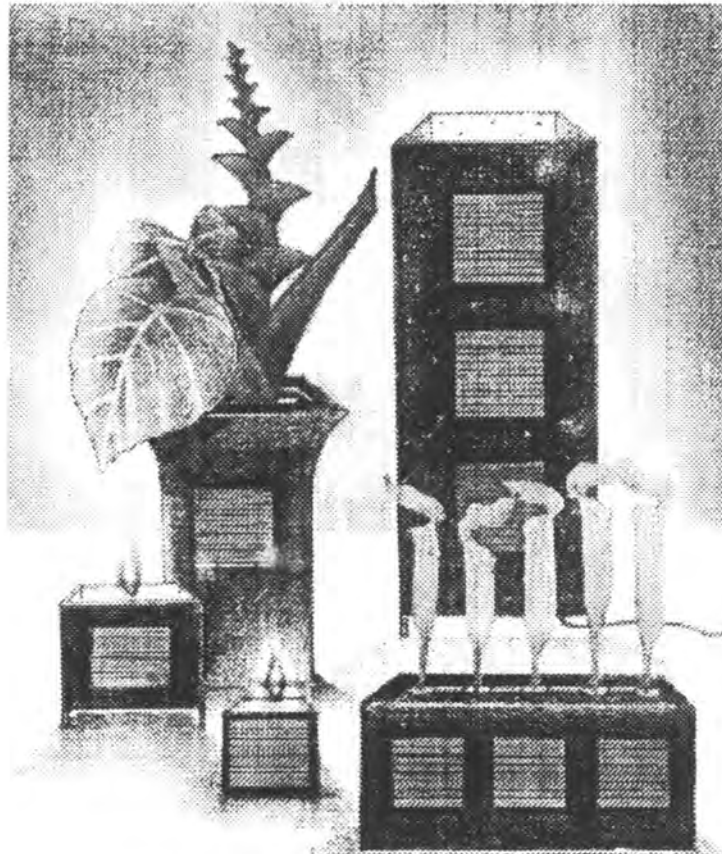
Effects of Complexities
product simplification



ABC EMPLOYS
STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

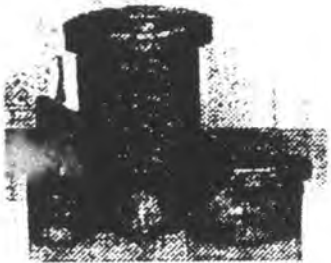
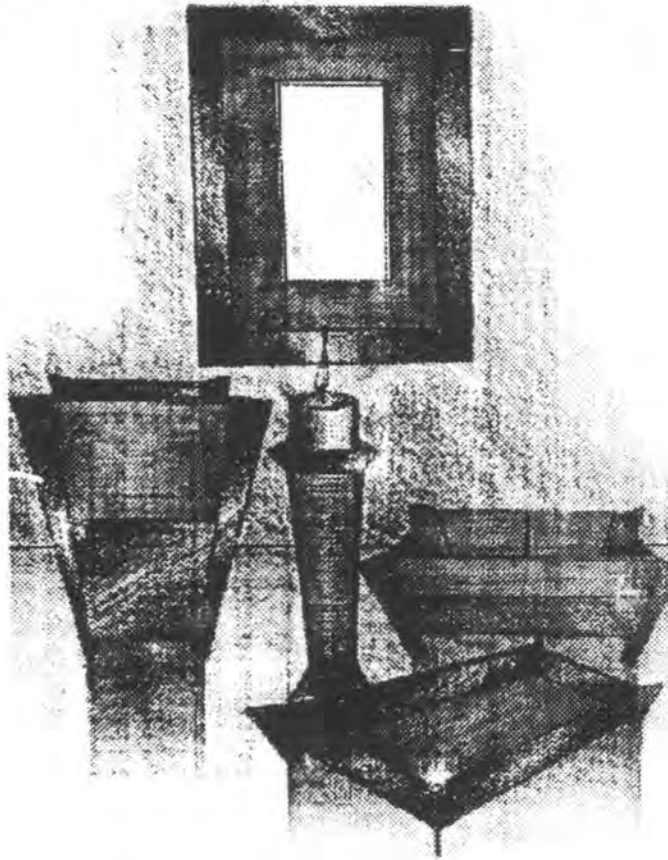
Effects of Complexities
product simplification



ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Effects of Complexities
product simplification



Concept 3

COST-DRIVEN ANALYSIS

Design that Sells

- design based on sales figures and facts
- streamlining the merchandise line and mix including techniques
- product focus, material focus

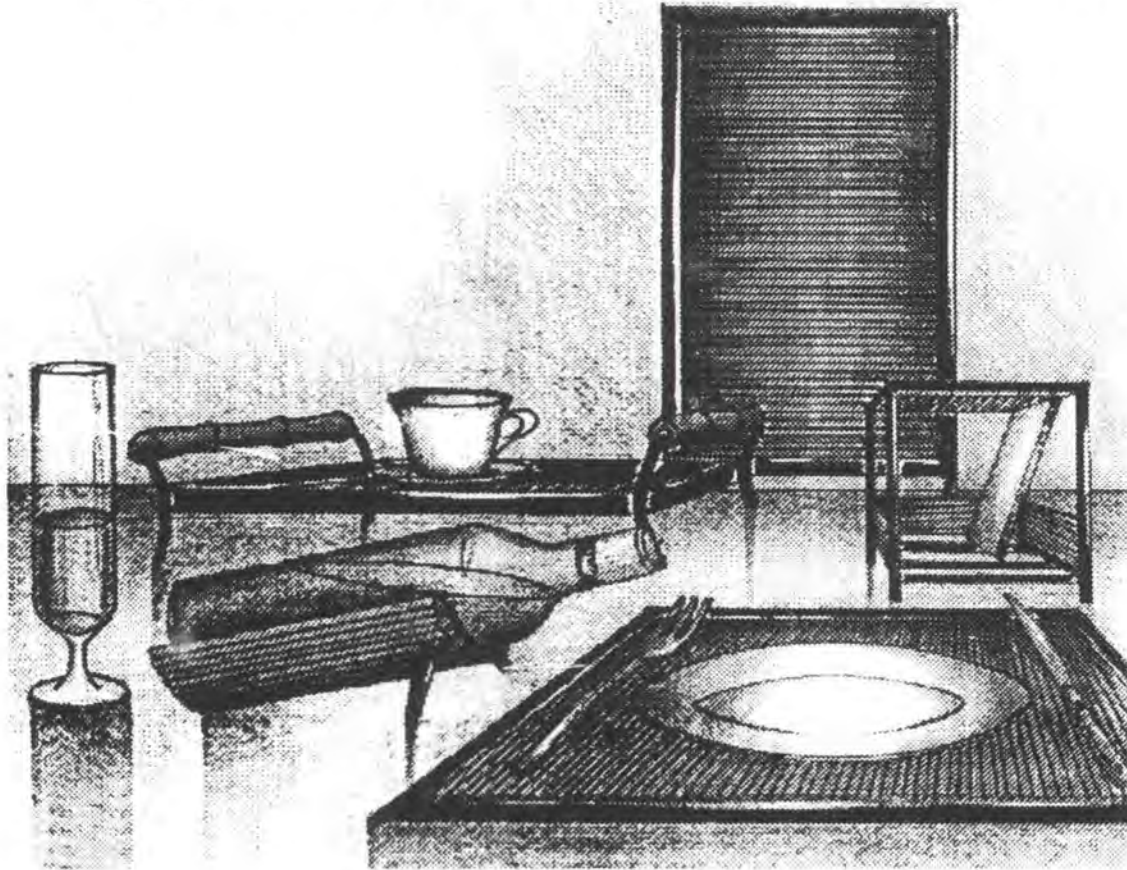


ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus

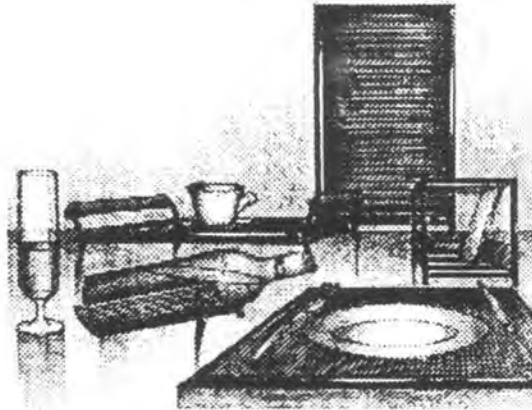


ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3. **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus

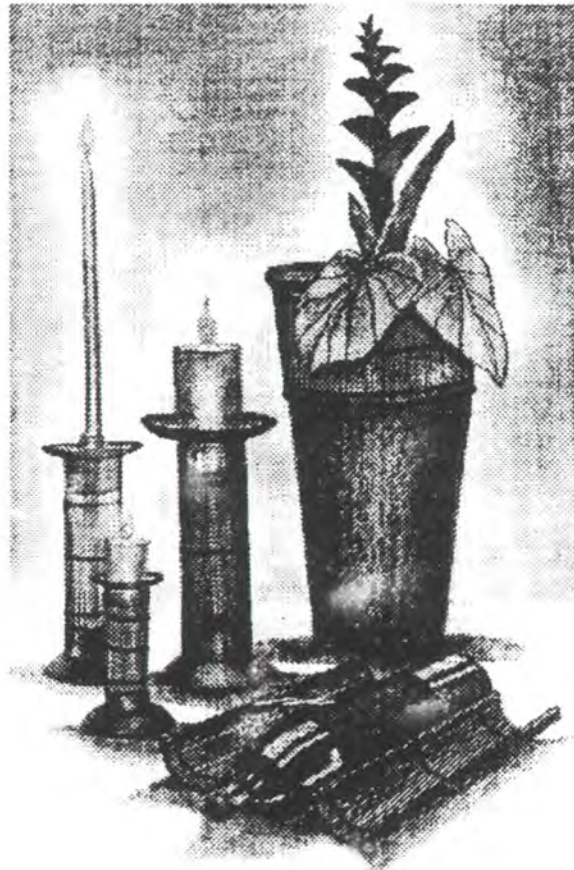


**ABC EMPLOYS
STRATEGIC MANAGEMENT COSTING**

Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus

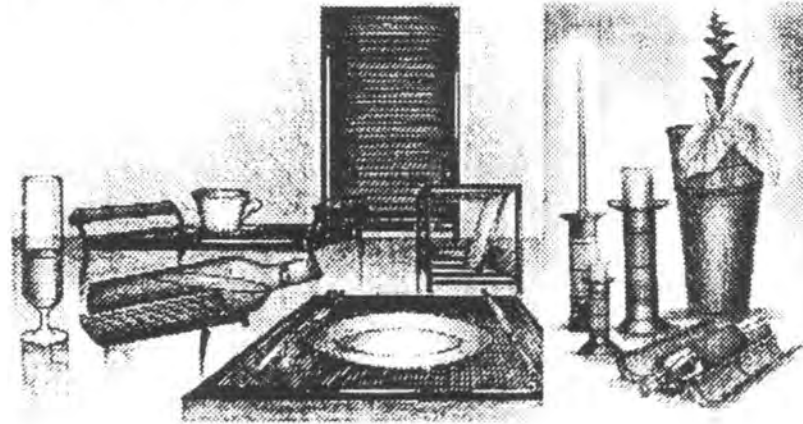


ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

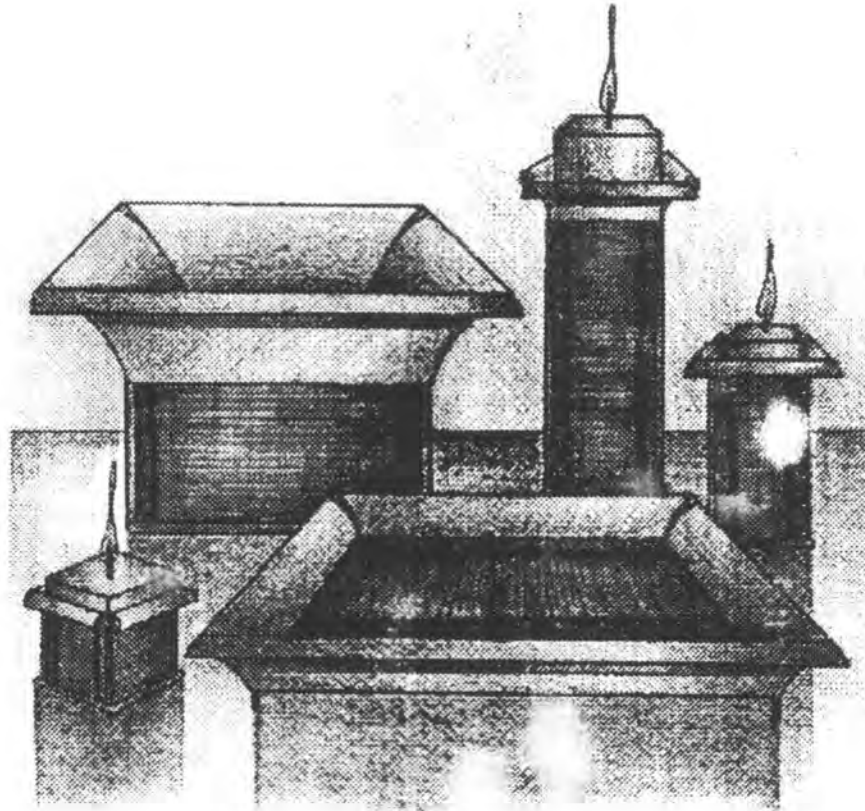
product focus, material focus



Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus

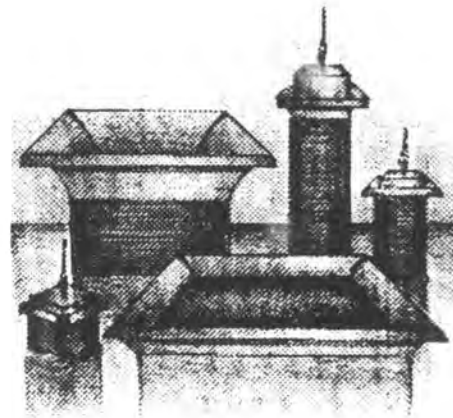
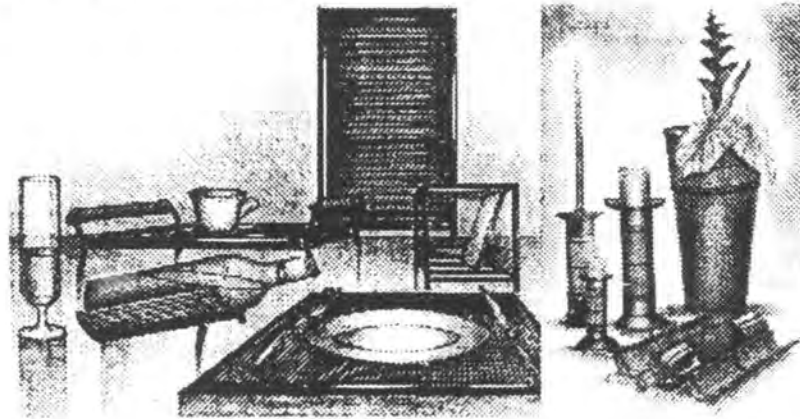


ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus

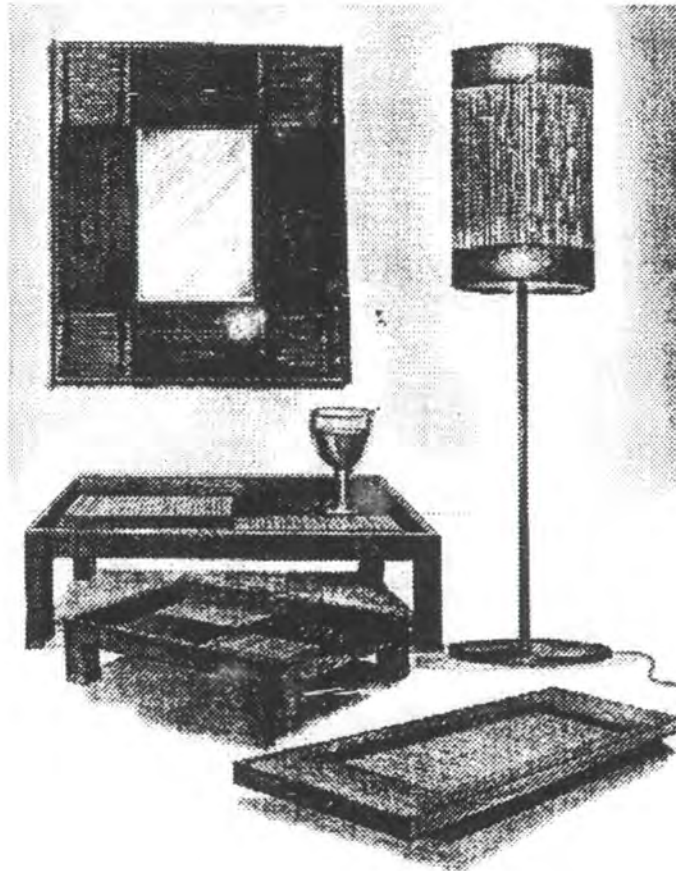


ABC EMPLOY'S STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus

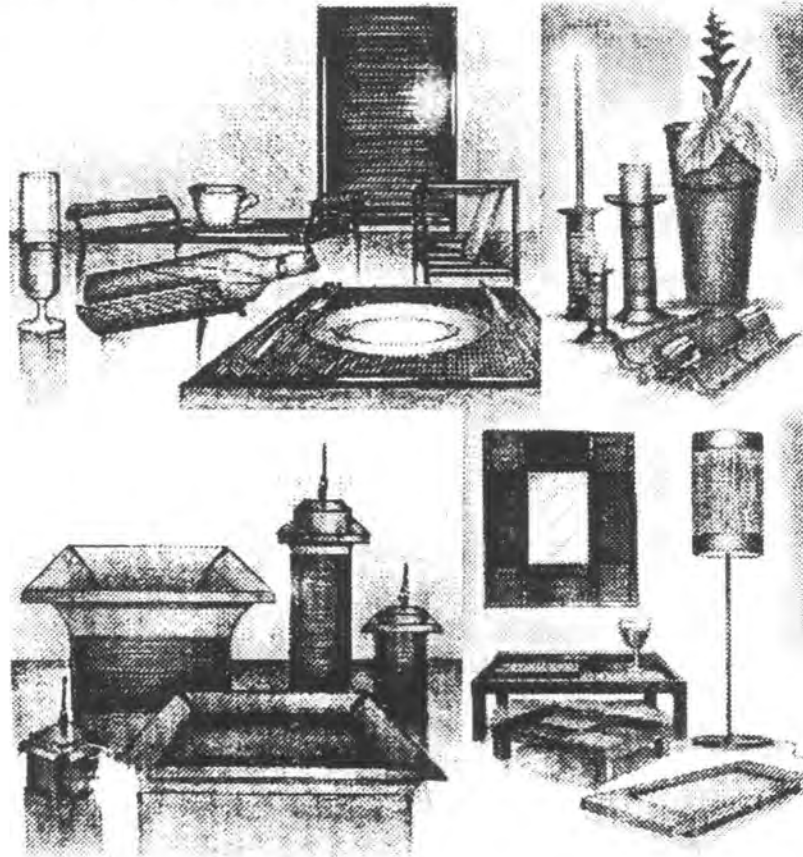


ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Design that Sells

product focus, material focus



ABC EMPLOYEES STRATEGIC MANAGEMENT COSTING

Concept 3 **COST-DRIVEN ANALYSIS**

Marketing offers that give orders

- elimination of costly private offers
- delimiting competitions
- product development services
the needs of old regular buyers

Perceived Valuations

- products and prices with a buyer
and market in mind
- consistent imaging

**ABC EMPLOYS
STRATEGIC MANAGEMENT COSTING**

Concept 3 **COST-DRIVEN ANALYSIS**

Market Valuations



Your challenge today:

Re-engineer

&

Re-structure

The market pulse has changed drastically!

Best Pricing Practice

“Be sensible.”

PERCEIVED VALUE COSTING

1. Activity Based Costing

Direct labor and in-house material procurement / processing assumes **regular MARK-UP (MU)**.

Commercial materials and trading (farm-out) labor assumes **lower MU**

e.g., hardware supplies purchased in retail basis assumes step-down MU

packing labor assumes regular MU

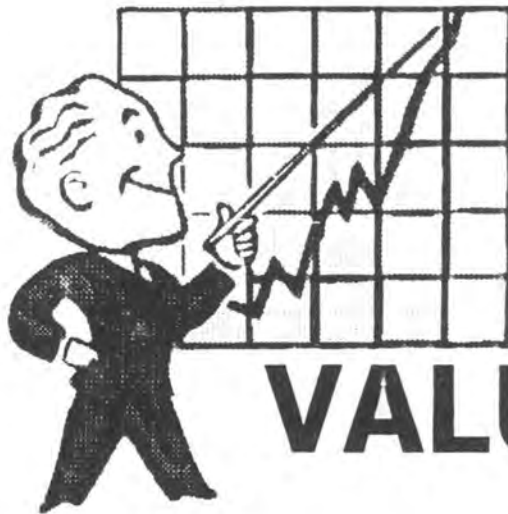
packing materials MU is stepped-down.

COSTING

PRICING

and

VALUE ANALYSIS



ABC EMPLOYS STRATEGIC MANAGEMENT COSTING

Concept 4 **COST BEHAVIOR**

Production Volume based on Activity

e.g., high volume will lower the cost of
goods manufactured

Production Introduction

e.g., level of competition

lose leaders

culmination vs obsolescence

STRATEGIC MANAGEMENT COSTING

Concept 4 **COST BEHAVIOR**

Incentive schemes
e.g., productivity measures

Why and where you increase cost,
e.g., which activity and how well
executed for bench marking

which activity and how bad it is
executed for elimination/
discontinuation



MARKET VALUES

There are many different categories in the home furnishing and giftware market, e.g., specific to the U.S. They are separated by their "look", their price, and their targeted customer.

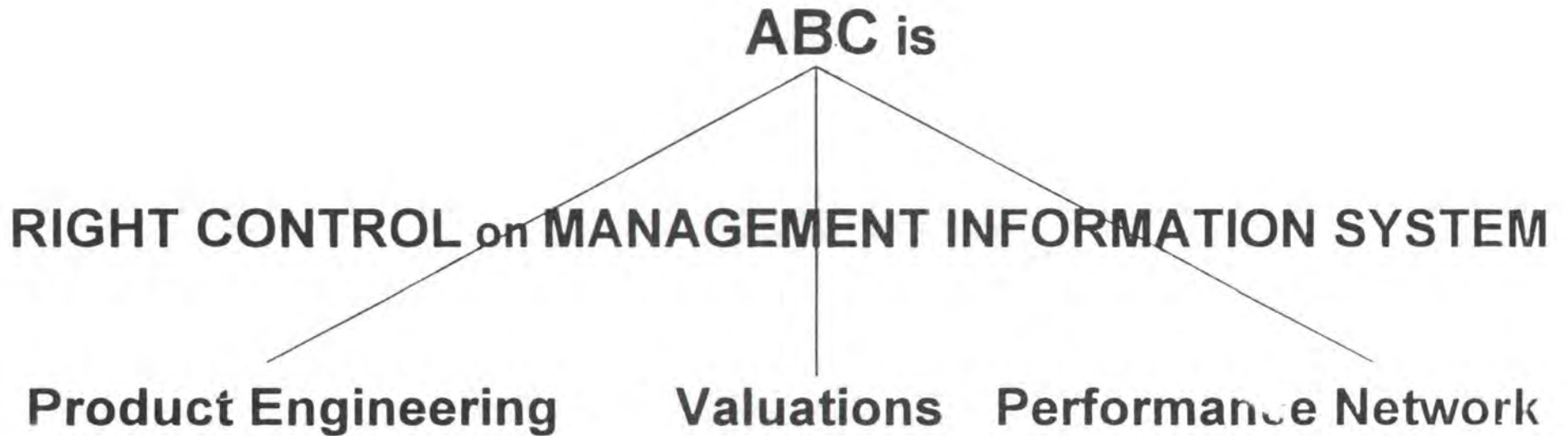
CATEGORY	LOOK	CUSTOMER	AGE	RETAIL PRICE	EXAMPLE STORE
DESIGNER	-well known -sophisticated -refined look -products not trendy -expensive materials	-affluent	25-60	\$ 1,500 up	-Saks -Bergdorf -Goodman -Barney's -Neimann Marcus.
YOUNG DESIGNER	-up-coming label -fashion -moderate expensive materials	-trendy	20-40 status conscious	\$ 300-800	-Mark -Jacobs -Gap Home
BRIDGE / BETTER	-secondary lines of designer collections	-some what trendy -broader audience	20-50	\$ 250-400	-Macy's Bloomingdales -Nordstorm
CONTEMPORARY	-product to widest audience -very trendy	-customer between moderate & bridge better	18 & up	\$ 200 & up	-Calvin Klein Home
UPPER MODERATE/ LOWER BRIDGE	-most fashion forward & updated & traditional	-customer between moderate & bridge/better	Under 40	\$ 100-120 (10%-20% higher than moderate)	-Macy's -Rich's -Jones

Market Valuations

**The story
of
Banana Republic
Gap
Old Navy**

SUMMARY

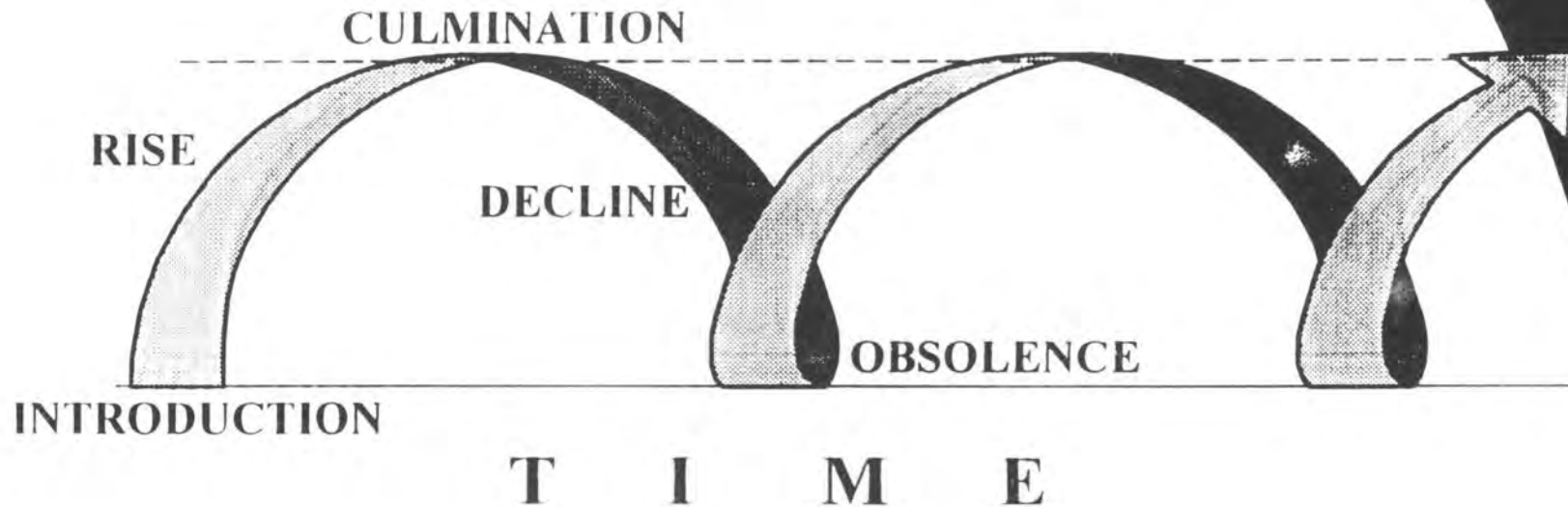
ABC is why COST affects PROFITABILITY



STRATEGIC MANAGEMENT COSTING

Concept 4 **COST BEHAVIOR**

Introduction
Rise
Culmination
Decline
Obsolescence



PERCEIVED VALUE COSTING

2. Market Price Segment

Low Ticket Items assume lower MU

- low ticket priced items
ex, below US\$ 9.95 retail price
- mass-produced items
- generic products / public domain
- short - lived quality
- low perceived value products
- products in the public domain

PERCEIVED VALUE COSTING

2. Market Price Segment

High Ticket Items assume higher MU

- high priced items, US\$ 100 and above retail price
(ex., department store or trade show structure in terms of designer merchandise category)
- high perceived value articles
- designer items / labels/ brands
- limited editions

2. Market Price Segment

High Ticket Items assume higher MU

- new introductions, concepts of new arrivals (and/or sales seasons)
- highest quality and top materials
- sophisticated visual merchandising

PERCEIVED VALUE COSTING

3. Perceived Higher Value Applications

Applications of scaled MU based on perceive and market valuations instead of blanket MU for all products

-high-end look assumes higher MU

low-end look assumes lower MU

ex., 1.25 to 2.25 MU

where 1.25 is MU for low perceived value products

2.25 is MU for high perceived value products

PERCEIVED VALUE COSTING

3. Perceived Higher Value Applications

- **Durable/ Unique Materials** assumes **higher MU**
- **Added Value**
e.g., exquisite detailing, addition of gold, heavier weight, high grade materials, high luxe colors assumes **higher MU**
- **Unique Design** assumes **higher MU**

PERCEIVED VALUE COSTING

3. Perceived Higher Value Applications

- **Tip-top Quality and Appearance assumes higher MU**
- **Sophisticated presentation/ visual merchandising consistent with the Perceived Value of the product may assume higher MU**

3. Perceived **Lower Value** Applications

- **Low perceived value materials**
assume **lower MU**
- **Low grade quality and workmanship**
assume **lower MU**
- **Long-running products which are**
efficiently produce ex., bread and butter
items assume lower MU

PERCEIVED VALUE COSTING

3. Perceived **Lower Value** Applications

- **Low perceived value materials**
assume **lower MU**
- **Low grade quality and workmanship**
assume **lower MU**
- **Long-running products which are efficiently produce** ex., bread and butter items assume **lower MU**

PERCEIVED VALUE COSTING

3. Perceived Value Applications

**IMAGE is
INVERSELY PROPORTIONAL
to the
PERCEIVED VALUE**

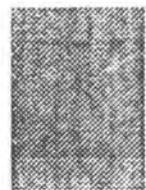
poor & inconsistent image display and visual merchandising of high end products lowers the perceived value of such products

PERCEIVED VALUE COSTING

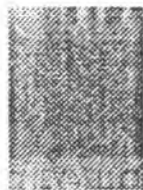
3. Perceived Value Applications IMAGING



MOCCA
COLOR OF
CHECKERED
FLOOR

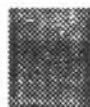
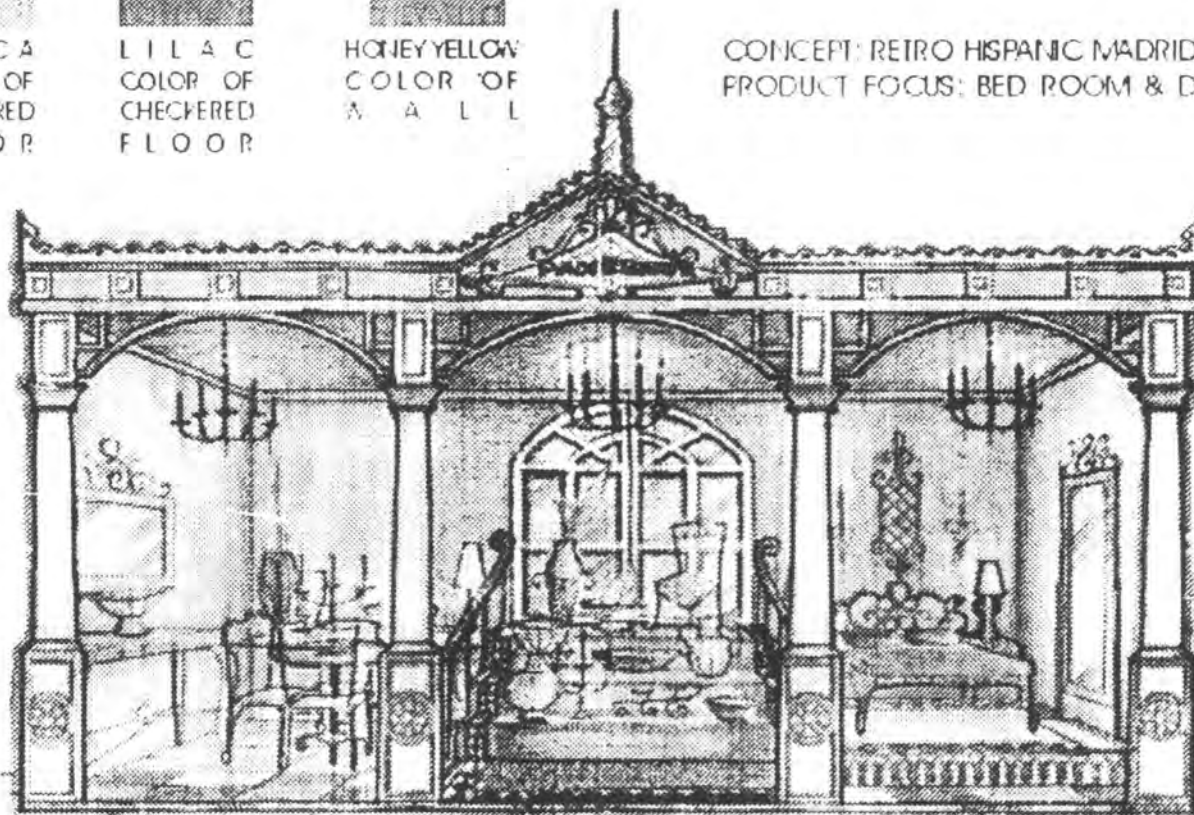


LILAC
COLOR OF
CHECKERED
FLOOR



HONEY YELLOW
COLOR OF
W A L L

CONCEPT: RETRO HISPANIC MADRID STYLE
PRODUCT FOCUS: BED ROOM & DINING



PANTONE®
699C

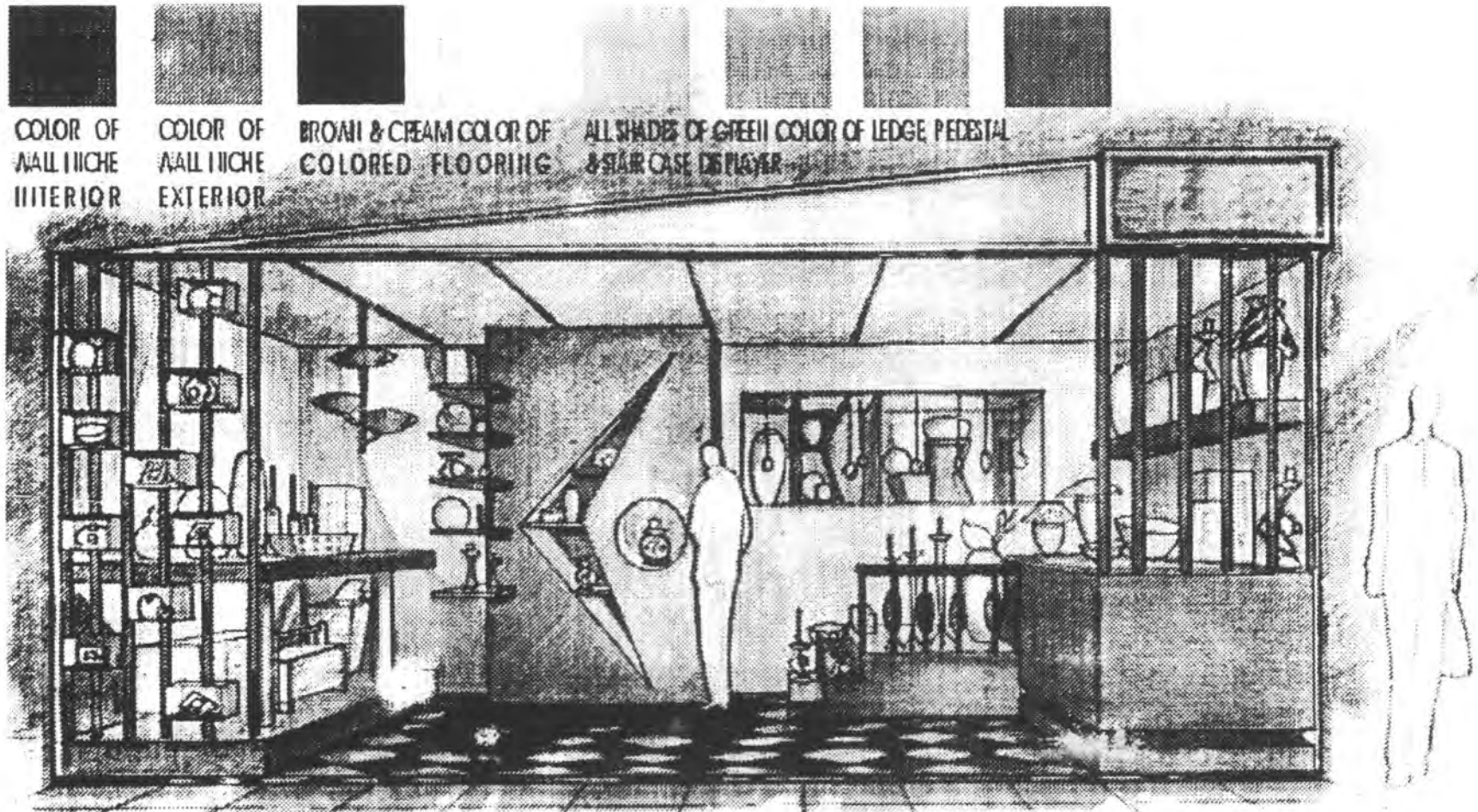


PANTONE®
118C

SHADES OF BROWN
COLOR OF TILE WORK

PERCEIVED VALUE COSTING

3. Perceived Value Applications IMAGING



THEME: 1950'S BUNGALOW
PRODUCT FOCUS: HOME DECOR & HOUSEWARE

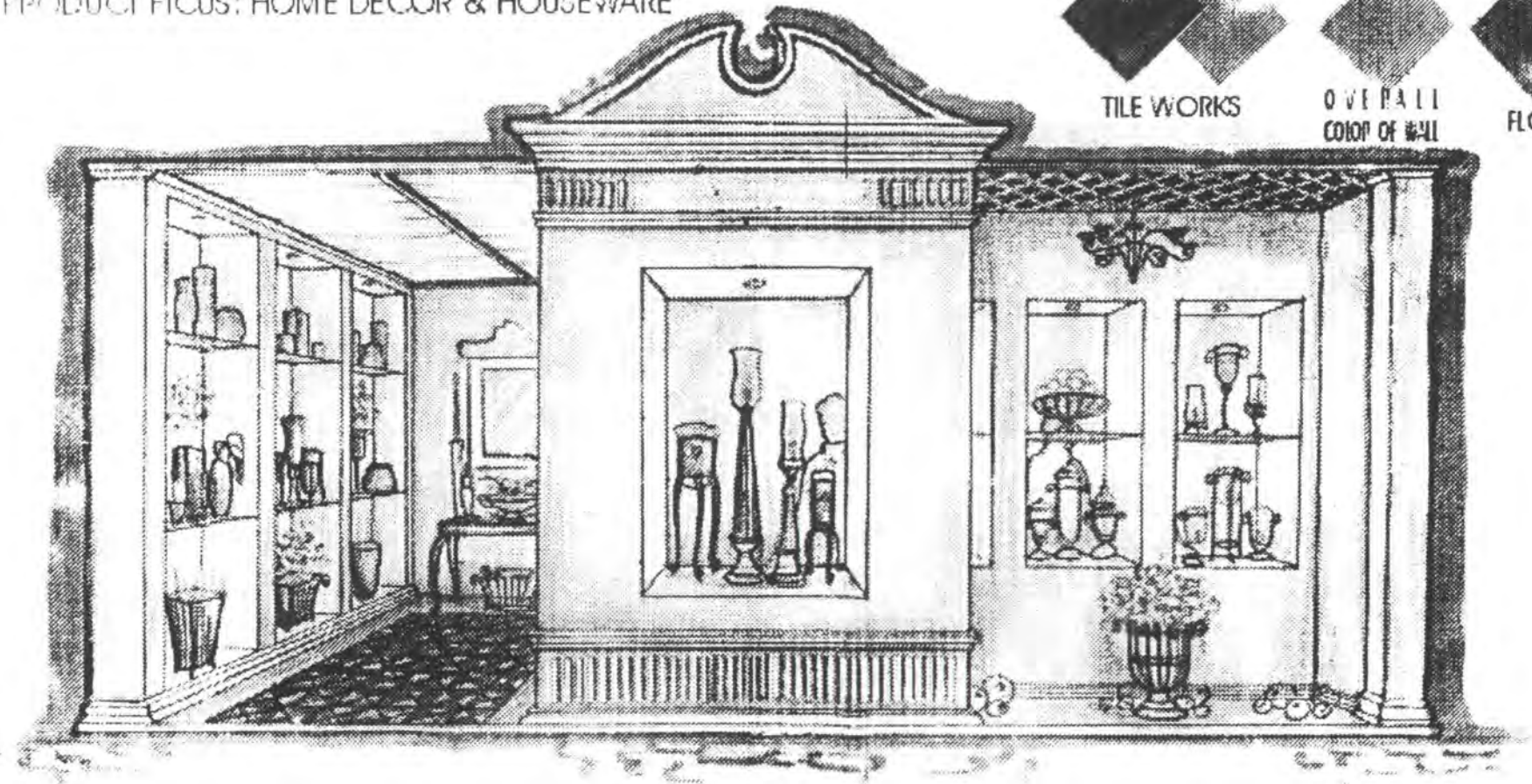
PERCEIVED VALUE COSTING

3. Perceived Value Applications

IMAGII.3

THEME: AMERICAN EMPIRE STYLE

PRODUCT FOCUS: HOME DECOR & HOUSEWARE



PERCEIVED VALUE COSTING

4. Price Breakdown

prices are structured according to minimums, volume and market instead of risky and spontaneous discounts

- within minimum orders safeguard your profit***
- provide schedule of extra charges for orders below minimums***
- minimums vary according to size of market***
- price is inversely proportional to volume***

3. Perceived Value Applications

IMAGING



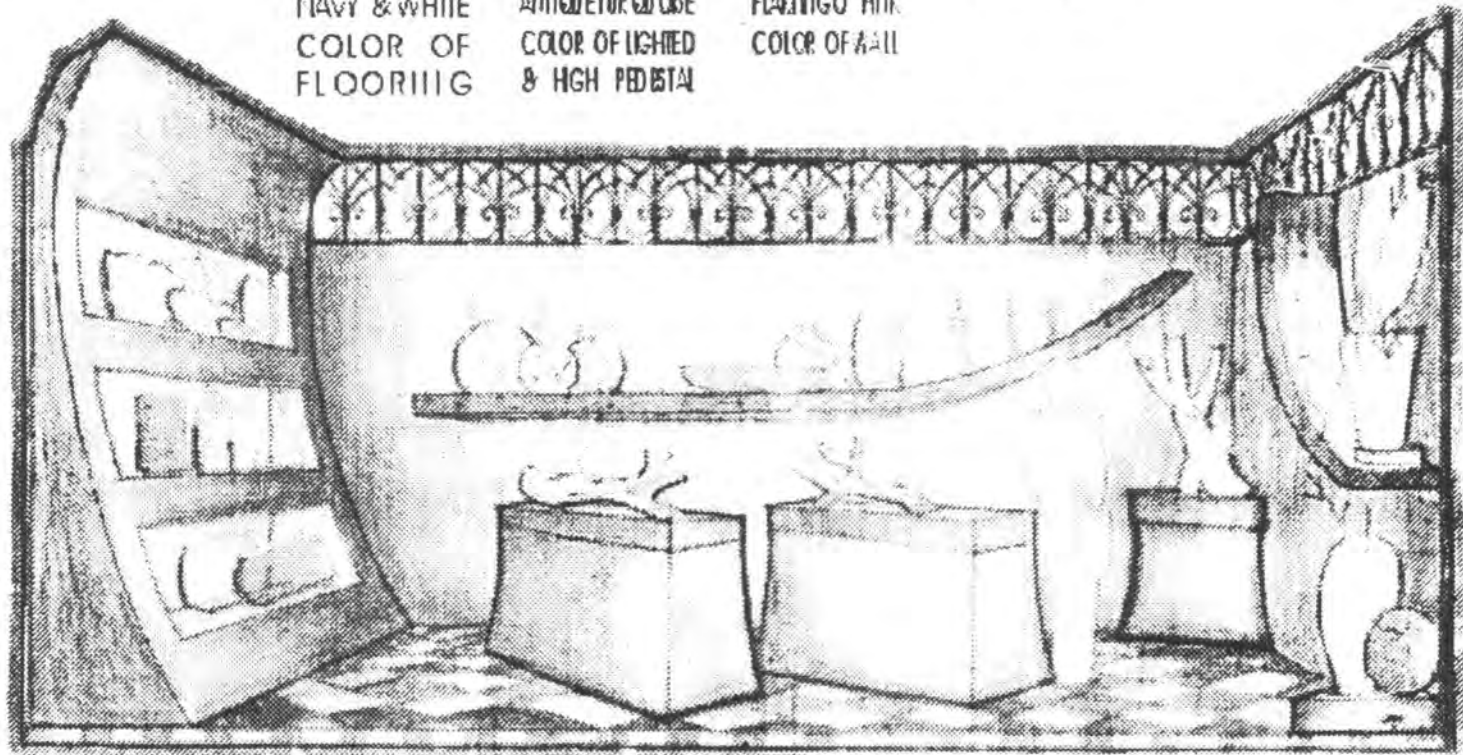
HEAVY & WHITE
COLOR OF
FLOORING



ANTIQUE WOOD
COLOR OF LIGHTED
& HIGH PEDISTAL



FLAMINGO PINK
COLOR OF WALL



THEME: STYLIZED RETRO GALLERY

PRODUCT FOCUS: HOME FURNISHING & DECORATIVE ACCESSORIES

SUGGESTED RETAIL PRICING (SRP)

FOB + Insurance + Freight = CIF

CIF + Inland Freight + Handling + Duties/Taxes = Landed Cost

LC + Warehousing + Advertising + Salesman Commission + Cost of Money (Financing) + Whole sale Margin = Wholesale Price

Wholesale Price + Bricks & Mortar + Distribution/Warehousing Cost + Retailer's Overhead + Store Returns + Advertising + Cost of Money + Retailer's Margin = **SRP**

Example

\$ 10.00 x 1.5 = \$ 15.00 LC

\$ 15.00 x 2.0 = \$ 30.00 Wholesale Price

\$ 30.00 x 2.0 = \$ 60.00 Suggested Retail Pricing

STEP-DOWN COSTING

The goal is to diminish

MULTI-BUFFERING

MARK-UPS

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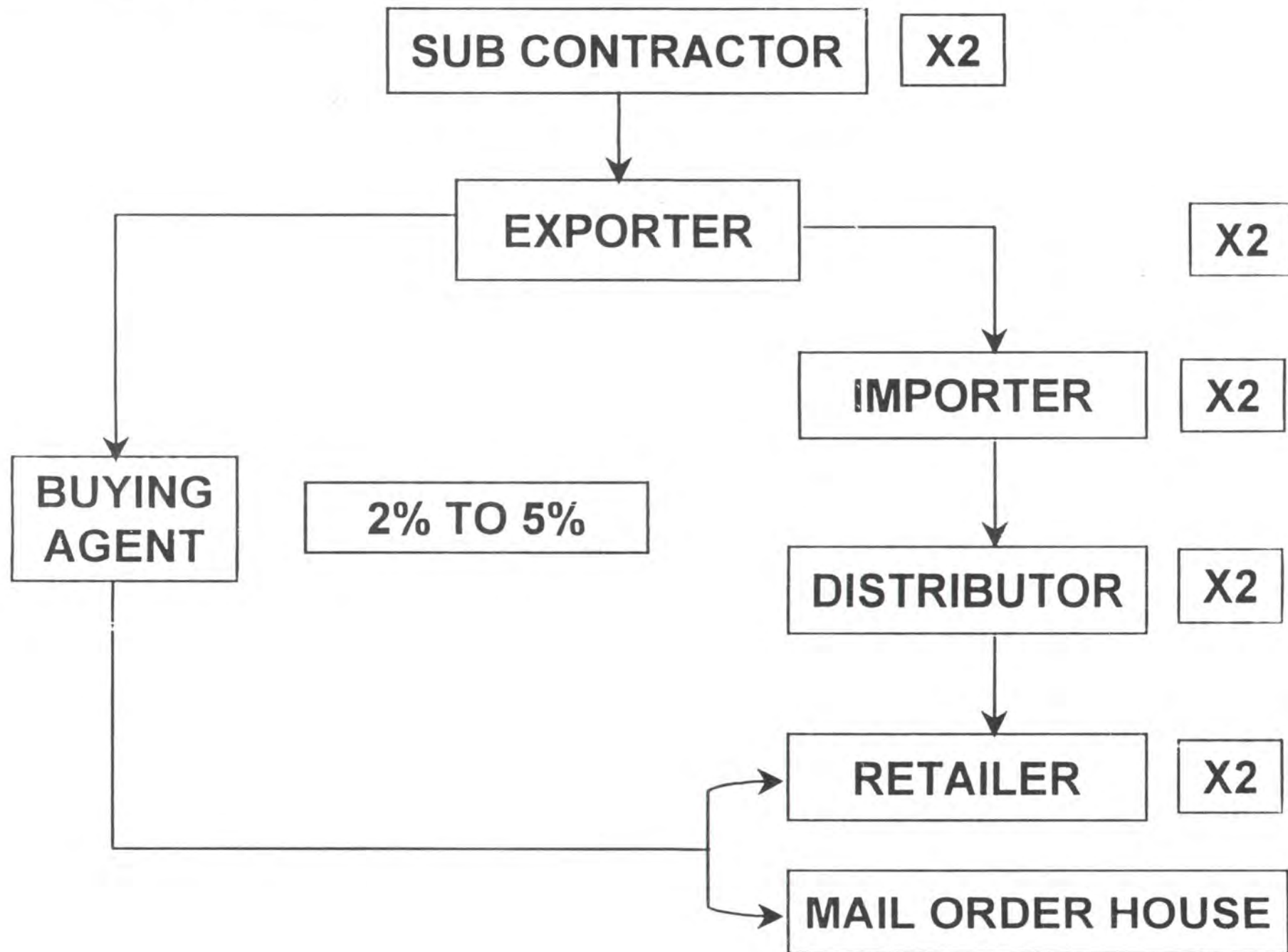
The goal is to diminish

MULTI-BUFFERING

MARK-UPS

**Step-down
F.O.B. COSTING**

DISTRIBUTION CHANNELS IN COSTING & PRICING



MODIFIED STANDARD F.O.B. FORMULA

$$\text{COST} \times \text{MU} / \text{FX} + \text{PC} = \text{F.O.B. Manila}$$

where

Cost = raw materials + labor

MU = Mark-up

= 5% Trading

= 1.25 up to 2.25 depending on perceived value

FX = Foreign Exchange US\$ 1.00 = P 53.00

PC = Packing Cost / FX

Standard export carton sizes

Bulk Packing / poly bags

Individual Packing IC / MC

SAMPLE COMPUTATION

STANDARD F.O.B .

VS

STEP-DOWN F.O.B.

STEP DOWN F.O.B. FORMULA

Step Down

Cost x Split M.U. ÷ FX + Packing + Local Freight = Unit F.O.B.

Where: **Step Down Cost is split into**

Regular MU

- in-house labor cost
- in-house material
- bulk purchase
- packing labor cost

Step Down MU

- sub-con labor
- commercial or retail material purchase
- carton and packing material cost
- shipping cost

PRICE DISTRIBUTION CHANNELS

Unit F. O.B. x 2 = importer
 x 2 = wholesaler
 x 2 = retailer

Example :

Unit FOB US\$ 6.47 x 6 = US\$ 38.82 retail price

Japan and European retail could be as high as 8x

Reverse Target Price Unit F.O.B. Computation:

Retail x FX / MU / 6 = COST OF GOODS TO MANUFACTURED
US\$ 38.82 x 53 / 1.75 / 6 = P 195.95

- Cost of item is about 40% of F.O.B. price
- The lower the FX Conversion Rate, the higher the F.O.B. Use low FX only as price buffer

Step Down Cost

In-house labor P 50.00
 In-house materials P 20.00
 Bulk Purchase
 Materials P 20.00
 P 90.00 x 1.75 MU
 = P157.50

Packing Cost

Carton Cost P 30.00 x 5% = P 31.50
 Labor Cost P 5.00 x 1.5 MU = P 7.50
 P 39.00
 Equivalent to \$.74

Trading MU

Sub-con labor
 (ex., component) P 5.00
 Commercial paints P 3.00
 P 8.00
 + 5% Trading MU (P .40)
 = P 8.40

Local Freight Cost

P 200.00 Equivalent to \$ 3.77
 Divided by no. of units, say,
 30 units = \$.12 / item
 = P 6.70/ item

P 157.50 + P 8.40 = Cost P169.90

Step Down = COST x SPLIT M.U. ÷ FX + PACKING + LOCAL FREIGHT = Unit F.O.B.
 (P 169.90 x 1.75) ÷ 53 + \$.74+ \$.12 = \$ 6.47 unit F.O.B.

Standard = COST + PACKING + LOCAL FREIGHT X MU / FX = unit F.O.B.
 P169.90 + P 39.00 + P 6.70 x 1.75 ÷ 53 = \$ 7.12 unit F.O.B.

a difference of \$ 0.65 unit F.O.B.

Best Pricing Practice

“Be hands-on. Learn from within the trade.”

Best Pricing Practice

**“You do not have
business without a price
responsive product.”**

PJ ARENADOR

MODULE ONE

**DESIGN DEPARTMENT
STRUCTURE**

DESIGN DIRECTOR/HEAD DESIGNER

Highly creative designer who heads the design team.

Possesses a merchandising background, strong technical skills, material sourcing knowledge and is able to communicate with sales and merchandising.

DESIGNER

Responsible for concept, sketch, material trends.

Oversees all aspects of the design room/studio such as design assistants, pattern makers, sample hands and artists.

Possesses good illustration, flat and detailed sketch ability.

Must have strong technical knowledge to be able to do preliminary prototype reviews.

Be able to communicate ideas to his/her staff.

Thoroughly knows the current market and the competition for which he/she is ~~working~~ working.

Should possess computer skills.

ASSOCIATE DESIGNER

Formerly an assistant designer (but not yet ready to be designer).

Works together with designer on all aspects of design.

Must have strong technical knowledge, material/ trim sourcing skills and good sketching ability to work on presentation boards.

Verbal communication skills as well as good organizational skills are mandatory.

Heavy follow up with factories.

Must be able to do spec and flat sketch.

ASSISTANT DESIGNER

An entry level position.

Works together with associate designer or with the designer.

Shops for accessories in the market, make appointments and sometimes accompanies associate designer/designer on material appointments.

Does follow up work on samples, accessories, material cuts, etc. for designer.

Has strong technical background and good sketching ability.

Assists in presentation boards and has computer skills

Sometimes required to make first patterns.

TECHNICAL DESIGNER

Strong pattern, fit and grading experience. Able to test prototype.

Able to do detailed flat drawings and write specs.

Able to communicate pattern corrections with factories.

Knowledge and ability to develop and review material and construction standards.

Knowledge of construction in order to inspect production.

Product development background and ability to work with key accounts.

Reports to designer and production manager.

SPECIFICATION WRITER

Technical background essential.

Must have knowledge of pattern making and construction.

Background in product development, flat sketching and specs mandatory.

PRODUCT DEVELOPER

Responsible for working directly with the design staff on conceptualizing the item or line.

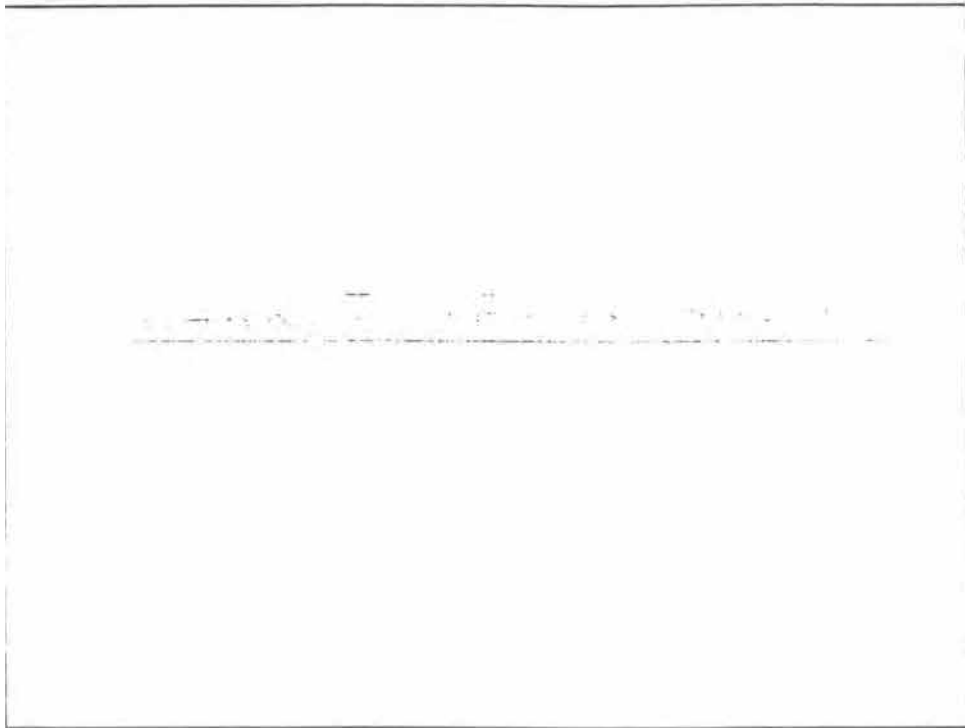
Conducts buy meetings, managing simple approval process, factory communication and follow up.

Technical background and costing knowledge necessary to work with production.

CADD OPERATOR / DESIGNER

Must have flat sketching and spec knowledge, good color sense and verbal communication skills.

Knowledge of the various CADD systems mandatory.



MARKETING STRATEGY

The key to catch up with the demands of the marketplace today, is for companies to assume competitive positioning.

What are these new market changes?

MARKET TRENDS 2001-2002

YOUNGER CONSUMERS

REINVENTED COMPANIES

NEW ENTRY CLASS FIRMS/SECTORS

CASUAL AND INFORMAL BUSINESS

BUT FULLY LOADED-REAL-WORLD

WORLD

HIGH STANDARDS IN CORPORATE

CONSTITUENTS

MARKET TRENDS 2001-2002

MAGNIFICATION OF PURCHASE

SEGREGATED MERCHANDISE

PRICE POINTS, STYLE & LOOK

DIGITAL BUSINESS

= IMAGE BUILDING:

CORPORATE IDENTITY

CORPORATE IMAGE

CORPORATE BRANDING

MARKET TRENDS 2001-2002

EMERGENCE OF BRANDED HOME PRODUCTS

BUSINESS MERGING.

BUSINESS COLLABORATIONS

TOO MANY SHOWS

BUYERS DON'T WANT TO BE SEEN

TOO MUCH LOW-END PRODUCTS WHICH IS DIFFICULT TO BEAT IN PRICE

MARKET TRENDS 2001-2002

MASS MARKET RETAILERS UPGRADE TO HIGHER PERCEIVED VALUE PRODUCTS

DIFFERENTIATION AND MERGING OF RETAILERS VS WHOLESALERS

PRICE STRUCTURE BASED ON VOLUME DISCOUNTS

DESIGNERS INFLUENCE IN MARKET

MODERN IMPULSE

MARKET DRIVEN BY TRENDS & FORECASTS

MARKET TRENDS 2001-2002

summary

To survive in ever-competitive market, arm yourself with

OPENNESS TO CHANGE

**SENSIBILITY AS A DIAGNOSTIC TOOL TO
BUSINESS DYNAMICS**

STRATEGY

COMMUNICATIONS

QUALITY

REINVENTED MANAGEMENT

TRENDS 2001-2002 FRANKFURT AMBIENTE 2001

I. STRIKING TRENDS IN HOME ACCESSORIES, FURNITURE AND LIGHTING FOR THE YEAR 2001:

- High standards in material and design
- Africa captures the style of living
- Rich colours and gold on the wall

Simple designs, with a particular emphasis on multifunctional design, distinguish the products on offer for the exhibition. For home accessories, furniture and lighting.

The general trend towards high-quality products is reflected in the modern styling of living space today. Valuable pieces that are characterized by the longevity of materials and designs are very much in vogue. *"I definitely deserve to allow myself something special" goes the saying in furnishing at the start of the new millennium.*

A first glance at the new products on offer confirms the current trend for retro design. Designs from the 40's, 50's and 70's are being revived, either as true to the original copies, quotes, or as a small impression used, for example the Africa theme. A blessinging strongly jumps made from the shells of ostrich eggs, bronze sculptures of wild animals and unusual African decorative objects convey the atmosphere of the holiday and the safari.

Flexible, arrangeable home furnishings have caught on. Hardly any accessory or piece of furniture is pure decoration. Not always obvious, but often combined with modern technology, many pieces hide a wealth of functions. Classic storage furniture cannot therefore be left out of the picture. **The highest quality in materials and finishing**, together with the opportunity to combine multifunctional modules and various different materials, make this style of living so popular.

The desire for experimentation is shown in "concrete designs", for example furniture is produced from particleboards that are normally used to cast concrete. Benches, shelves and tables convey the appearance of concrete and the **simple elegance** that they show arises from the use of **geometric shapes**.

This playing around with materials and functions is expressed in the area of accessories too. Trays made of delicately polished tin shine like antique silver.

Satin-frosted glass has a real, become a real classic. Another use now is found in CD covers and album cases.

Modern technology For the home takes individuality and the fun factor. Today's doorbells no longer announce the arrival of visitors only with a fidelity quality or rock melody, but with individual text messages. Whether visitor is greeted with a warm welcome or with "we're not giving anything, we're not demanding anything" and in fact were not even in" is very much down individual tastes.

Gold is the colour and colour trend in home decoration and here, gold-plated picture frames should not be out of current collections. As far as frame colour, the bright palette of pastel shades is being used more and more. On top that high-quality frames made from walnut, mahogany and oak are much demanded too. But frames do not just provide borders for pictures, they increasingly coming to the eye works of art in themselves. Creative extras on the surface - 400 millimetres are there in all directions.

II. TRENDS AND TENDENCIES FOR THE TABLE AND KITCHENS

- A touch of luxury is the order of the day
- Porcelain: a sophisticated look in white on white
- High-quality dominates the kitchen

A hint of luxury pervades, a touch of pomp and ceremony is once again socially acceptable. Decoration has been let back into the individual area provided it's used with restraint. Warm minimalism with clarity and credibility as attributes, defines the overall picture. Bright colours and transparency used to brighten up the perceived dullness of daily life.

Dinner services, featuring white relief on a white background, are favoured for contemporary table settings. Conservative decoration, in the form of platinum border or restrained graphic elements, appears on the porcelain use on festive occasions. In addition to these restrained but nonetheless luxurious decorations, trendy colors such as green and lilac appear on ceramic accessories. In the case of glass giftware, designs are getting straighter and more cubist, although organic shapes haven't disappeared altogether. There is an ever-growing product segment which features coloured glass. Here, picture is defined by red and blue, with ice-blue and classic navy as alternative options. Fashion trends are perceptible here in the form of colours lilac and green. Elegance and functionality are the top priorities for the glass series.

Straight, cubist shapes crop up with increasing frequency in ceramics. **Matte white** and **cream** are the colours of preference for a revamped **country-house style**, which features relief on **clean designs** to create emotional warmth. **Vases** continue to **grow larger** and are now used more as an **interior design article** than simply to hold flowers. In terms of colours, **orange** has managed to **establish itself** and **red** has not yet passed its zenith. The colours **turquoise** and **green** also appear on the scene, to coordinate with the colours of the jungle, together with a **dark violet**. **Terracotta** has also found its riches in the home accessories segment, where it's used to express a yearning for warmth and southern climates.

A slight tendency towards **greater luxury** is also perceptible in the giftware segment, although no clear direction is apparent as far as form is concerned. **Organic shapes**, most of which are computer generated, are on show together with their **geometric counterparts**. In terms of themes, the range is getting wider. These days giftware ranges include everything from mobile-phone covers to trendy **wash-out** products for the bathroom or home office. Here, **red** and **orange** are the **established colours**, too. **Gold** is **combined decoratively** with colours like **soft lilac** and **mauve**.

The quality of **kitchenware** is constantly rising, with greater emphasis on the enjoyment factor of food preparation, the aim being to appeal to target groups other than the hard core of ambitious hobby cooks. For this, **colours** are increasingly being used in cooking utensils, in addition to traditional **stainless steel** ones, with **gray** and **blue** setting the tone.

Internationalism has established itself in the kitchen. For example, the work in all diversity of designs is now a standard utensil. The intensity of the Asian trend is gradually waning, whereas the **popularity of Mediterranean** and, especially Italian food, is still at a high point. The importance of these two trends lies not least in their value as an **alternative to meat consumption**.

The use of the colours **white** and **cream** in plastic kitchen and household products goes hand in hand with the desire for **"more light"** in all areas of home. A broad palette of **transparent** and **translucent** plastic products is available in **orange**, **green** and **ice blue**.

In the silverware section, a significantly **lighter aluminum** has replaced the darker-looking materials **chrome** and **stainless steel** and is extremely popular combined with **colours** and other materials.

III. TRENDS IN ARTS AND CRAFTS, GIFT ITEMS , JEWELLERY FOR THE YEAR 2001:

- Functional elements and funny ideas
- Fine jewellery with an esoteric touch
- Striking colours

Among the favourite trends that were examined in the run-up at the Ambi 2001 trade fair are clear, unambiguous and uncompromisingly functional shapes that represent pure timelessness. Cube-shaped objects reminiscent of the constantly relevant vocabulary of shapes used by Bauhaus. Sculpted lamps with interchangeable shades throw various patterns of light onto the ceiling. Magnetic vases that fit together on several levels.

Funny ideas are "in". There's room for two glasses on those highly original coasters. Book ends and CD racks, as well as filing systems for multimedia data carriers, are being increasingly well received in highly original shapes that includes cars, poodles, dragons, alpine cattle, elephants and gold bowls. Exclusive miniature shoes finished with crystal components complete genre of high-quality collectible pieces.

Among craftspeople, high-quality work that shows an exclusively unique character is emphasizing the most sensational trends. In many cases, boundaries between the "arts" and "crafts" seem to have been lifted. Objects for the room or to hang on the wall made from tin, shimmering porcelain and original styles of lettering. Unconventionally designed, boat-shaped ceramic bowls are reminiscent of adventurous trips by yacht. Highly original wood animal figures are used as ornamentation for the corners of doors. Multimedia chairs fabricated from wool and wood help relax computer operators and observers as they gently persuade them to return to natural sitting positions.

Trends in paper includes colouring books by the artist's own hand that can be coloured in as desired, alongside postcards displaying 3D effects clasped together with a genuine leather bow.

Timeless design and highly imaginative functionality are the main theme in the area of leather goods. Handbags that can be used as an elegant shoulder bag or as a practical belted bag, depending on one's mood. Stylish twin bags are wrapped twice around the hips. Wheeled bags made from cowhide replace wash-bags and drawstring shoe bags.

Together with joss sticks made from biologically natural raw materials with scents ranging from amaretto to cinnamon, it is the elegant and almost smokeless sticks in the Japanese tradition that, above all, are becoming the focus of attention in the area of room scent. These products, fabricated from aromatic wood, blossom and plant extracts, produce a seductive aroma that stands on the brink between joss sticks and perfume.

In the colourful and many-layered sectors displaying folklore from the across the whole world, Africa is this year the continent that stands out. Increasingly modern interpretations of long-established production techniques are appearing alongside the traditional skills of weaving, caning, woodwork and pottery. Instead of grass and wood, Zulu women are today using fine copper wire and glittering pearls of glass to reproduce a 2,500-year-old spiritual instrument that is even considered an "antique computer". The lucky charms of the Ndebele, fertility symbols from Ghana, the magic wands of the Swazi and rain masks from Mali are all on offer in the form of tastefully designed candles.

by PJ Arañaza

DOMINANT TRENDS. Designers believe that no single trend dominates the market. However, there are **prevailing trends** that create buying interests to **consumer products**.

The most prevailing trends on focus for the next seasons to come are: **material, texture, form, color** and **presentation**. These are the major elements that have changed the product forecasts from the heavily thematic approach to shift towards more unconventional fashion.

MATERIAL

Material by itself alone has become the design itself. The next thing to come will be on high-grade quality materials. Nothing of the throw away and low-perceived ones. Very strong materials are: glass, wood, steel, stone (cement/granite), leather and fiber. Two combinations of these materials are more preferred. As such, products are not overworked, as it would have been for the **multi-materials** approach in the past.

Given a **plethora** of long lasting and high perceive value materials, designers came out with new design terms like **“material manipulations”**, **“material deconstructions”** or **“material modernism”**. The last one I coined myself to do away with the trite for **“material innovation.”**

TEXTURE

Undoubtedly, the newest darling of all trends today. **Surface textures** (the sense of touch) steal the popularity from aromatic products (the sense of smell). Texturing **scores high** in the **“must list”** of consumer products. Scented soaps and candles are now textured more than scented. Ceramic pieces are knobbed and studded than smooth. Furniture upholstery are pampered with extensions and flagellating threads than polished!

Home objects today are very **tactile**. The materials are given new soul and character by **“surface values”**, another term I invented to express this design twist. In **Europe** alone, buyers are looking for **rough yet charming products** coming from the East. The **Philippines** is **number one source** of this look. There are too much industrial items coming from Asia. These are too machine made. Too polished to state a **valuable personality**. The market is hungry for **“artisanal objects”** made out of hand with the most charming textures the **Filipino craftsmen** are experts on.

Surface texturing comes in wide variations: frills, fringes, frotee (towel texture), combing, chair nail patterns, repousse, bas relief, etchings, to name a few. The benolders just don't want to look. The products should entice them to stimulate their skin with **seductive sensuality**. The over-all goal is to give **volume** and **chiaroscuro** (interplay of shadows) on the product apart from **feeling good** by running your fingers on it.

Texturing comes in as well in **repetitive patterns** that give an illusion of **three-dimensional effects** than two-dimensional. The **optical** and **graphic techniques** are employed to make the product less flat looking. Thus, **perceived value** is much higher.

The pictures shown here **highlight** the **most exciting textures** the buyers will die for to include in their **merchandise program** in the **forthcoming market seasons**.

FORM

The **strong influence** of texture as a **primary design element** has obliged the designers to make the shapes of the objects **very simple**.

Thus, the "**geofoms**" are introduced.

Understated **geometric shapes** like **rounds, squares** and **rectangles** are the key directions. On top of it all, the **cubes** are the most widely in demand! These are best seen in the latest furniture collections.

Interlocking forms are still popular. This time, vertically than horizontally. The **engineering** is simple, the economics is better because of **high loadability**.

COLOR

The past seasons saw too much loud and crazy colors. The influences of the retro look may have been just a quick affair by now.

The **new color palette** is turning into **high-luxe neutrals** with the semblance of earth colors: **white pebbles, dessert sand, gray slate, stone, rust, brown leather** and **bitter chocolate** (almost black). Yes, brown is back! The take off is basically the classical colors of **organic materials** such as wood, stone, granite and fiber. **High grade** and **more sophisticated** to be classic.

Silver and chrome are mellowing. The **metallic color** is predominantly **gold**. It is used in new exciting way. **Matte gold** with **shiny gold**. **Dark** with **light**. **Textured** with **smooth**!

PRESENTATION

The visual presentation is basically “dry” rather than “wet or fresh”. The “fresh” imagery was heavily used in the zen look in the past seasons. The main inspiration for the ‘dry’ look is the picture of **dry African savannah of grey drift wood, sun-dried mud, rusted objects or barren soil**. The minimal look is still a common consideration which is one way to achieve higher perceived market valuation.

In my next article, I will write on the **theme presentations** coming out in the market. It is primarily centered on the modern African look and its design sensibilities that has broken the culture-bound stigma.

THE NEXT BIG THING

Textured objects could be like abstract paintings that only the **seasoned eye** may appreciate intensely. These are **more soulful and sophisticated products** to express the core idea about **down-to-earth values** and its sense of **longevity**. Thus, the power in this look is the high value of the products in synch to the consumers' preference for higher perceived value home objects. Someone who works hard has to flaunt his earnings with something special. This is a concept I refer to as “**magnification of one's purchase**”.

The **hottest products** today are enjoying **high-luxe materials** that are heavily textured in **simplified forms** which assume **sophisticated colors** that do not **take so much center stage attention**.

End



Rusted Chair Nail



Woven Metal



Rock Textured Candles



Textile-Coated Neopren



Fabric Embellishment



Twined Fiber



FILLED Cotton



Contoured Glass



Silkscreen Printed Glass

Hottest Textures - Forecast



Etched Wood



Structured Synthetics



Scratched Wood



Chiseled Wood



Grooved Coco



Solid Wood With Drift
Wood Look



Hand Processed Felt

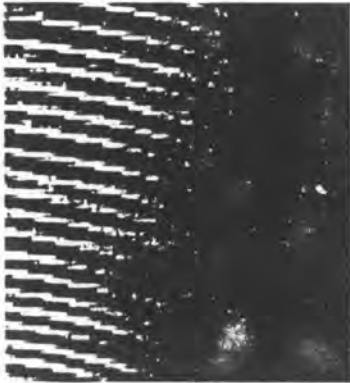


Rough Felt



Forged Black Iron &
Frosted Leather

Hottest Textures Forecast



Structured Porcelain



Drift Wood



Manipulated Leather

Sourced: AFRICAN STYLE by **Stephane Guibourge**
Frankfurt Ambiente Extra Trends

MODULE ONE

VISUAL MERCHANDISING

**V I S U A L
M E R C H A N D I S I N G**

is a presentation of
products by use of v i s u a l s

- ❖ to appeal for a particular image and perceive value
- ❖ to facilitate sales
- ❖ to establish sensibility to products for a specific market
- ❖ to gain or strengthen an image for a company

EXPERIENTIAL MERCHANDISING
concept in presentation beyond visuals
incorporating various senses, e.g., smell
(scents), hearing (music), feeling
(lifestyle), taste (food/coffee) →

MERCHANDISING is selection of :

- ❖ right design
- ❖ right product
- ❖ right price
- ❖ right place/venue of exhibition
- ❖ right quality
- ❖ right profit

**GOALS OF
MERCHANDISING**
Target Consumer Approach:

age
income
gender
lifestyle
culture

**GOALS ● OF
MERCHANDISING**

- ❖ **Promote spontaneous buying**
 - > get one to buy without intention of buying
 - > customers are destined to buy

**GOALS OF
MERCHANDISING**

- ❖ **Create an interest for customer to return to your booth.**

**GOALS OF
MERCHANDISING**

- ❖ Find out sensibility of consumers.

**GOALS OF
MERCHANDISING**

- ❖ Tune in to who is it and who you will trap.

**GOALS OF
MERCHANDISING**

❖ **Attack the intellect.**

**GOALS OF
MERCHANDISING**

❖ **Show merchandise for what they are.**

POINTERS IN VISUAL MERCHANDISING
DESIRE FOR HIGHER PERCEIVED VALUE

HOW DO YOU DO THIS?

❖ **ONE** : Use Valuable Materials

VALUABLE	CHEAP
wood	paper
faux finishes	plastic linoleum
brass sign	computer print-out
solid floor	synthetic carpet
real flowers	plastic flower props
tin	styropore
tip top workmanship	sloppy workmanship

POINTERS IN VISUAL MERCHANDISING
DESIRE FOR HIGHER PERCEIVED VALUE

HOW DO YOU DO THIS?

❖ **TWO** : Well Planned Booth Never An Afterthought

❖ **THREE** : Offer Sophisticated Look

❖ **FOUR** : Consistency. The way you look. The sales kit you offer. The way you talk and your presentation.

GOALS OF MERCHANDISING

- ❖ Create an ambiance.

POINTERS IN VISUAL MERCHANDISING

CUE:

VISUAL MERCHANDISING

Is NEVER

- ❖ an after-thought

example : you do not plan for it

- ❖ a self-expression to outdo the products

example : the booth does not relate to the products

- ❖ a medium to show the products out of logic and sensibility

example : showing a vase as a fruit bowl

VISUAL MERCHANDISING REQUIRES :

❖ BOOTH CONCEPT AND PLANNING

research bench-marketing engineering
sketches scale-model detailing

❖ STRUCTURE

Color Palette - Neutrals? Colorful? Trendy?
Form - Contemporary? Classic?
Market - Serious? Fun? Children?
Look - Chinos Erie? French? Resort?
Selling Season - Summer? Spring? Winter?
Creative Brief - Point of View? Stylish?
Generic?

VISUAL MERCHANDISING REQUIRES :

❖ BUDGET

Costing? Recycling?

❖ PHYSICAL ARRANGEMENTS

Pre-Fab? Construction? Shell Scheme? Mixed?963.*-

❖ MOCK-UP

Improvements? Convenience?

❖ EDITING

Deduct? Add? Refine?

❖ STYLING

Props? Lighting?

POINTERS IN VISUAL MERCHANDISING
CREATE AN IMAGE

EXAMPLES:

You are a company that sells top quality modern bamboo furniture at middle to high ticket prices.

How will you present an image?

SIMPLE.

Assume a point of view.

"I am a company that will sell my top quality contemporary bamboo furniture to the world".

Cues : Visuals of an affluent resort hotel in the Bahamas or a sprawling cabana in Florida (both in temperate climate). Marble floor. Polished wooden walls. Verandas. Patios. White ceiling fans. Palm trees. Flamingos. The sun. The sea. Cocktails. First world.

POINTERS IN VISUAL MERCHANDISING
PRESENT A LINE CONCEPT

EXAMPLE:

Create a *garden setting* with elements related to it :

butterflies, flowers, leaves, birds

POINTERS IN VISUAL MERCHANDISING

DO SOMETHING MOVING

EXAMPLES:

Linear Movement

Upward Movement

Man Heaven Earth

Wave Patterns

MECHANIZED MOVEMENT

Illusion

POINTERS IN VISUAL MERCHANDISING

ACHIEVE FOR CONTRAST

EXAMPLES:

- ❖ dark objects against pale background
and vice versa
- ❖ fine textured objects against plain background
and vice versa
- ❖ bamboo (natural) objects against painted wood
and vice versa
- ❖ complicated objects on simple stand
and vice versa
- ❖ patterned objects on simple stand
and vice versa
- ❖ shiny objects on matte backdrop
and vice versa

POINTERS IN VISUAL MERCHANDISING
CREATE A SETTING

EXAMPLES:

A TABLE SETTING

Today's concept of display starts with a table setting, not with the shelves

A CORNER IN A ROOM

A foyer table with fresh flowers and your products like candleholders, vases and mirrors

A LIFESTYLE SETTING

capture an image you want photographed liked a poster or a centerfold and recreate this image

And display the rest off the shelf

POINTERS IN VISUAL MERCHANDISING
CREATE FOCAL POINTS

EXAMPLES:

- ❖ create a show window
- ❖ create an island setting
- ❖ create focus on a BIG item (lose leader)
- ❖ create niches
- ❖ create a dramatic façade
- ❖ create a table setting and display the rest around it in shelves or cupboards
- ❖ distribute lights unevenly and focus on eye-catching items

POINTERS IN VISUAL MERCHANDISING
EXAGGERATE

EXAMPLES:

display **one size** of same item in multiples instead of several sizes



make a **BIG VERSION** of an item use as a prop (scale-up model)



POINTERS IN VISUAL MERCHANDISING
REPETITIVE PATTERNS

EXAMPLES:

- ❖ **LINEAR, HORIZONTAL, VERTICAL**
- ❖ **SQUARE SHAPES**
- ❖ **ROUND SHAPES**
- ❖ **PETITE PATTERN
EXPLODED TO BIG
SIZES**

POINTERS IN VISUAL MERCHANDISING

EXAMPLES:

*IF CAMPY, BE TACKY ALL THE WAY
IF REAL, BE REAL*

- ❖ Do not use styropores as backdrop for antique or serious furniture pieces.
- ❖ Do not display quality products against make-shifts displays or badly made booth.
- ❖ Do not use materials that are not of the same value.
You can not wear your rubber shoes with your suit.
- ❖ Do not look like a shanty when your products are high-end. Be consistent.

POINTERS IN VISUAL MERCHANDISING ALTERNATIVES

EXAMPLES:



build a simulated bathroom to display bathroom accessories



build a sala, a bedroom, a kitchen, if only to enhance your products



Demonstrate. Show a fountain to illustrate how your product works.



HANG FURNITURE - display products the unexpected way as long as it is not overbearing.

POINTERS IN VISUAL MERCHANDISING

- ❖ PROPORTION
- ❖ BALANCE
- ❖ SYMMETRY
- ❖ COMPOSITION
- ❖ DEPTH
- ❖ UNITY

Could all be intangible figures but nobody is born with them

POINTERS IN VISUAL MERCHANDISING

**HANDLE IT - TOUCH IT - EXAMINE IT -
- FEEL IT - & SAFETY FIRST**

CUES:

- ❖ Do not block your active zone in the booth. Open up. Consider safe foot traffic.
- ❖ Allow buyers to have access to your products which they can reach and remove from the displays without destroying your display or putting them in an embarrassing situation because everything falls apart when they touch them.
- ❖ DO NOT PUT STUPID SIGNS LIKE "Do not touch" or "Do not sit here".
- ❖ A friendly booth is organized, clean, open, and definitely unduttered.

POINTERS IN VISUAL MERCHANDISING

SHOCK.,γ!⊗

ΨΩ%&! VALUE

EXAMPLES:

You were identified with neutral colors in the past, you used yellow green for booth for a change. You had long hair before, you are sporting a skin head this time. Reinvent!

You were traditional.

You overload your booth with products.

You go minimal this time.

POINTERS IN VISUAL MERCHANDISING

ITEMS ARE
BEST AGAINST
SOLID
BACKDROP

Do not display products against moving people. This is distracting. Do not use **BUSY** backdrop to suffocate visibility of your products.

POINTERS IN VISUAL MERCHANDISING

TELL
ONE
STORY
IN
A
3 X 3
BOOTH


POINTERS IN VISUAL MERCHANDISING

CREATE

DRAMA

THROUGH



The simplest way is to focus your spotlights on objects you want to highlight. 

POINTERS IN VISUAL MERCHANDISING

GOOD FLOOR
SOLID LOOK

❖ **An interior design principle :**

You look at the floor first when you step in a room. It will be the same for your booth.

Floors, like area rugs, define a living space. It defines your booth.

❖ **A subliminal marketing ploy :**

YOUR BOOTH IS LIKE A BANK. It must stand on a solid ground. This way you get the buyer's trust that you are stable.

POINTERS IN VISUAL MERCHANDISING

PROVIDE FOR BREATHERS
& KNOW HOW TO STOP

POINTERS IN VISUAL MERCHANDISING

AVOID GLARING HALLOGEN LIGHTS
FACING THE ENTRANCE OF YOUR BOOTH.

CONSIDER CANDLE
LIGHTING TO
ADD CHARACTER
TO YOUR OVERALL
LIGHTING DESIGN.

COVER BOOTH WITH CANOPY IN
ORDER TO TRAP HOUSE LIGHTING OF
EXHIBITION HALLS THAT MAY CAST
"GREYNESS" TO YOUR PRODUCTS.

POINTERS IN VISUAL MERCHANDISING

CREATE DRAMA THROUGH
LOW WATTAGE LIGHTS WHICH LIGHTING
ARE BETTER THAN VERY STRONG.
AVOID WASH-OUT LIGHTING. ACHIEVE FOR
HIGHLIGHTS AND FOCI.
YELLOW LIGHTS ARE BETTER
THAN WHITE BECAUSE THEY
ADD BODY AND
THREE-DIMENSIONAL
EFFECTS TO YOUR PRODUCTS.
COLORED LIGHTS ARE VERY
TRICKY, USE THEM WITH CARE.
AVOID SPAGHETTIWIRING.

POINTERS IN VISUAL MERCHANDISING

GET A DISTINCT PHILIPPINE LOOK

Cues?

~~Researched~~

Fresh

Updated

~~West and East~~

Natural materials

Resort

Stylish

Art ~~Directed~~

MODULE ONE

COMMON MISTAKES IN VISUAL MERCHANDISING

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **NO CONCEPT.** Anything goes.
- ❖ **NO PRODUCT FOCUS, NO MATERIAL FOCUS**
- ❖ **UNSTRUCTURED.** All kinds of colors, shapes, seasons, price points and forms. It confuses the buyers.
- ❖ **NO DESIGN DIRECTION.** Designer designs products without a pre-destined display in mind. No VM concept from the start.
- ❖ **TOO BUSY.** Too many colors, patterns, elements and materials for a small booth. Remember : **LESS IS MORE.**
- ❖ **VISUAL OVERLOAD.** Too many products. Thus, they compete within themselves.
- ❖ **VISUAL UNDERLOAD.** Too little products that do not tell anything about your company.

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **POOR BLOCKING.** No visual field. No groupings. No artistic slant. Nothing.
- ❖ **POOR MACROVISION AND MICROVISION.** From afar, the booth has no **presence**. When near, there is no inviting elements for buyers to explore and discover something from you booth.
- ❖ **OUT OF SCALE.** Too massive like a mausoleum, thus, intimidates the products.
- ❖ **INCONSISTENT.** High-end products displayed like in flea market manner. Incoherent presentation.
- ❖ **NO STYLING.** Does not mean over embellishment. Rather sophistication and good taste.

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **POOR CONTRAST.** Common is use of same materials and color for booth backdrop as the products. Thus, you do not see the products at all.
- ❖ **CRACK ON THE WALL.** Exhibitor hires a contractor to design the booth rather than the product designer who knows the products, thus, could recommend a total comprehensive approach to the collection to be presented.
- ❖ **BELOW PAR BOOTH DESIGN** used in regional fairs or bazaars without the benefit of international standards. Thus, booth looks "barriotic" rather than "international". The triple F phenomenon : "Fresh From the Farm".
- ❖ **NO BREATHERS.** Items all over the floor and walls and ceiling and under the table and all over like kicking crablets overflowing a bursting basket.

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **PATHETIC LOOKING BOOTH.** Know who is around you so you do not look like a shanty beside glass towers.
- ❖ **WRONG ORIENTATION.** Products are upside down and the like. Table top items are displayed with the buyers looking from the top because they are on the floor.
- ❖ **UNFRIENDLY.** Too sanitized. There must be some elements of theater. Meaning, the booth itself is a stage and should not steal the attention from the actors, your products.
- ❖ **DISTRACTING PROPS.** "What are you selling, plants?"
- ❖ **SHAKY FLOORS.** Everytime a buyer moves, the entire booth moves with him.
- ❖ **FLAT LIGHTING.** Makes you look dead and your graveyard is your booth.

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **SPAGHETTI WIRES.** If a buyer tips over your wiring, it could be you next!
- ❖ **FLAMMABLE OBJECTS AND PROPS.** Check exhibit guidelines when in doubt.
- ❖ **PROPS THAT DO NOT FUNCTION.** It is either broken or just did not work.
- ❖ **POOR BOOTH MAINTENANCE.** Dirty. Unkept. Props perish easily.
- ❖ **NARROW WALKWAYS.** Exhibitor suggests to buyers: "Do not go in my booth or else you will be wounded all over you except your tongue!"

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **DEAD SPACE.** Underutilized spaces.
- ❖ **NO SYSTEM.** Bring a tool box. Each tool is marked with luminous orange color so you see each one immediately among your things.
- ❖ **MAKESHIFT CARTONS AS DISPLAYERS.** Turned upside down. Voila, you have a pedestal!
- ❖ **NO CHECKLIST.** No dressing materials when you go to the booth. You wait for two hours for someone to buy you a double adhesive tape.
- ❖ **NO EDITING.** Exhibitor can not decide on what to highlight and what to keep. A typical confused merchant!
- ❖ **THE WORSE THING IS : YOU ERECTED AND DRESS UP A BOOTH IN A SPACE THAT IS NOT YOURS!**

COMMON MISTAKES IN VISUAL MERCHANDISING

- ❖ **THE WORSE THING IS : YOU ERECTED AND DRESS A BOOTH IN A SPACE THAT IS NOT YOURS!**
- ❖ **UNREADABLE GRAPHICS.** Most buyers are old people.
- ❖ **SCREAMING LABELS AND SIGNAGES** that do not mean anything rather than just to distract. A "sea of stickers" and an "ocean of hangtags" is what you sell.
- ❖ **DECORATING YOUR BOOTH WITH YOUR BROCHURES.** They are in your bowls, baskets, trays, bookends, shelves as props. Please hand them down to your buyers personally.
- ❖ **TOO MUCH VIDEOS.** No buyer stops for 5 minutes to stare at your monitor. It has to be quick and easy.

Human beings are ~~graced~~ ~~with~~ ~~five~~ ~~splendid~~ ~~senses.~~

Sight

Hearing

Taste

Touch

Smell

EXPERIENTIAL MERCHADISING

Selling an Experience rather than a Product

- ❖ Used to be visual merchandising
- ❖ Now "Sensory merchandising" :
"One eye sees. The other feels."
- ❖ Power of suggestion
 - taking home the booth
 - recall : Make the buyer remember the booth

EXPERIENTIAL MERCHANDISING

- ❖ "Souvenirs" – a piece of that experience
 - ❖ Attribute experience to the product and perceived value
 - ❖ Product becomes priceless when attached to a feeling of experience
 - ❖ Going beyond product; different setting gives a different value.
 - ❖ Whatever you do, do it with **STYLE**.
 - ❖ **DESIGN BY EXPERIENCE :**
 - self - movies - magazines
 - travel - exposure
- EXPERIENCE**
VALUE
(most for a certain price)

YOUR CHALLENGE TODAY

"Simplify, simplify, simplify."

--Thoreau

Design less, less is always more.

Look at the past with fresh eyes.

"Look. Read. Travel."

-- Michael Graves

QUALITY CONTROL (QC)

- Operational techniques and activities used to fulfill requirements for quality.

QUALITY ASSURANCE (QA)

- All the planned and systematic activities implemented within the quality system, and demonstrated as needed to provide adequate confidence that requirements for quality are fulfilled.

What is the difference between QA and QC?

QA is proactive

QC is reactive

QC is making an item acceptable to the next person in line.

QC is a means to justify the end.

The result of **QC** will justify the means.

WHAT IS QUALITY ASSURANCE?

- A formal quality system
- Prevention-not detection
- Providing confidence
- Expectation consistently satisfied
- Operating efficiently and effectively
- Getting it right first time every time

Quality Control and Manufacturing

Quality Control and Manufacturing

DEFINITION OF TERMS

QUALITY

Totality of features or characteristics of an entity that bear on its ability to satisfy stated and implied needs.

QUALITY CONTROL (QC)

- Operational techniques and activities used to fulfill requirements for quality.

QUALITY ASSURANCE (QA)

- All the planned and systematic activities implemented within the quality system, and demonstrated as needed to provide adequate confidence that requirements for quality are fulfilled.

What is the difference between QA and QC?

QA is proactive

QC is reactive

DEFECTS THAT MAY ARISE IN CUTTING

Cutting quality is prerequisite for high quality in a finished product. In addition, cut work quality affects the ease and cost with which construction is accomplished. The quality of work leaving the cutting room is determined by:

- how true the cut material are to the pattern
- how smooth or rough the cut surface is
- material defects in the cut material cut parts
- shade difference between material pieces within a bundle

These are common defects that can be encountered in cutting:

- FRAYED EDGES
- FUZZY, RUGGED, OR SERRATED EDGES
- PLY-TO PLY FUSION
- SINGLE EDGE FUSION
- PATTERN PRECISION
- NOTCHES

SEAMING DEFECTS

Usually caused by errors arising from the interaction of the operator and machine in the handling of the raw materials.

Common seaming defects:

1. Incorrect or uneven width of inlay, arising from bad handling by operator, incorrectly adjusted folder. In extreme cases the seams burst open, raw edges show, slippage occurs, or notches are exposed.
2. Irregular or incorrect shape of seam line (sometimes called run-offs) in lack of badly set guide, not following a mark, or incorrect handling.

Common seaming defects:

3. Twisted seam leading to irregular alignment or the material parts not hanging correctly, mismatched notches, and allowing one ply to creep against another.
4. Mismatched checks or stripes patterns.
5. Extraneous part caught in seam, an unrelated piece showing through the seam.
6. Reserved material part, where part is with face side opposite from specification, perhaps when the part cut for one side of material is in the other, or when the part cut for one side of material is in the other, or when the whole material is assembled inside out.

Common seaming defects:

6. Reserved material part, where part is with face side opposite from specification, perhaps when the part cut for one side of material is in the other, or when the part cut for one side of material is in the other, or when the whole material is assembled inside out.
7. Wrong shade of glue or filler used.

ASSEMBLY DEFECTS

Most likely caused by errors arising in marking and cutting, as well as assembly operation.

COMMON ASSEMBLY DEFECTS

1. Finished components not correct to size or shape or not symmetrical.
2. Finished material not to size, arising from incorrect patterns, inaccurate marking or cutting, shrinking or stretching material, incorrect seam widths.
3. Parts, components, closures, or features omitted, caused by bad work flow, wrongly printed work tickets, parts omitted in cutting, careless operator.

COMMON ASSEMBLY DEFECTS

4. Components or features wrongly positioned or misaligned arising from incorrect, marking, or assembly not following the mark (latches, drawer pulls, hinges).
5. Interlining incorrectly positioned, twisted, too full, too tight, cockling.
6. Lining too full, too tight, showing below the bottom of the material, twisted incorrectly glued or tucked.
7. Material parts cockling, pleated, twisted, showing bubbles and fullness for example.

COMMON ASSEMBLY DEFECTS

7. Material parts cockling, pleated, twisted, showing bubbles.
8. Material parts shaded owing to being mixed after cutting.
9. Parts in one-way material in wrong direction.
10. Mismatched trimming.

FINISHING AND DETAILING

The basic objective of finishing must be quality and appearance. Appearance is the basis of most customers' judgment on whether or not to purchase an item.

The quality of a finishing and detailing operation can be measured by evaluating the following:

- Burned or scorched item.
- Water spots/stains.
- Gloss and/or change in color (original shade)
- Flattened nap or surface.
- Broken components.
- Creases not correctly formed.
- Material of finished item is not showing its proper appearance.
- Edges wavy and irregular.
- Material not thoroughly dried.
- Item not correctly molded, either in detail or total silhouette, shape, function.
- Shrinkage due to heat and moisture.



For Buyers With Agents

TERMS AND CONDITIONS

for buyers with agents

1. **As representatives of the buyer, the agents are responsible for inspecting the manufacturer's goods before shipment.**
2. **It is the manufacturer's understanding, therefore, that the agent assumes full responsibility for the items once he/she has inspected, approved and released those items for shipment.**

TERMS AND CONDITIONS

for buyers with agents

3. In light of the agent's authority to inspect and approve the items due for shipment, the manufacturer will not accept claims for the items rejected by the buyer that were earlier approved by his/her agent.
4. The manufacturer will not accept late delivery penalties and charges imposed by the buyer if the delay in shipment is caused by agent's decision to hold the shipment.

TERMS AND CONDITIONS

for buyers with agents

5. Buyer requirements relayed to the agents, as part of buyer's operating procedures, should be taken care of by the agent. The agent should promptly deliver or convey the manufacturer all labels, stickers and other pertinent shipment requirements.
6. Samples required by the buyer should normally be inspected by the designated agent in the manufacturer's office before dispatch.

TERMS AND CONDITIONS

for buyers with agents

7. The agent shall see to it that all necessary and relevant information and instructions regarding the buyer and his order are properly and promptly relayed to the manufacturer by the agent before the start of the production.
8. It is the manufacturer's policy to provide buyers with copies of all communication transcripts and correspondents with its agents for the buyers' and the manufacturer's common reference.

EXPORT TERMS AND CONDITIONS

TERMS AND CONDITIONS

1. PAYMENT

1.a. All prices are in **US Dollars, FOB Manila**
(and/or Euro Dollars, FOB Manila)

1.b. Payment Options:

- Irrevocable L/C at sight
- Telegraphic Transfer, 50% before production & 50% before shipment
- Assigned L/C opened to the company from a Mother L/C

2. BANK INFORMATION

Correspondent Bank:

Millennium Bank of the Philippines **Chemical Bank**
6750 Ayala Avenue, Makati City, **19 Linkstrasse,**
Metro Manila, Philippines **Frankfurt,am**

Account Number: 0036-0972-20 **Germany**

3. MINIMUMS

3.a. **Bulk order at USD 6,000 of assorted styles** within minimum quantity per item

3.b. **Minimum quantity at USD 200.00 per purchase order per style, per color, per size** (or as specified per item.) *Note: price breakdown against volume order may be presented on a tabulated pricelist.*

3.c. Orders and reorders below minimum could be accommodated if buyer meets minimum quantity per item and shoulders corresponding **premium prices** (*between 2% -25% depending on volume*), **handling and bank charges.**

**4. PRODUCTION LEADTIME
(DELIVERY AND SHIPPING)**

4.a. Target date to be mutually agreed by buyer and company based on its production load.

4.b. **Production begins only upon receipt of payment or LC** the date of which it was opened will supersede the delivery date as may have been initially agreed.

5. SAMPLES

5.a. **Samples are available only with placement of a confirmed order.** The company has the discretion to refuse shipment of samples if only to protect the company vis-à-vis its regular buyers.

5.b. All samples will be paid by the buyer.

6. EXCLUSIVITY

6.a. Exclusivity is granted only with a **confirmed order and an agreement by buyer to fill-up the production capacity of the item** for exclusive distribution within specific timeframe. After which, buyer has to **renew** the exclusivity contract.

6.b. Exclusivity is on **per item basis only**.

6.c. The company has the right to sell the item in countries where there is no market conflict on the agreed exclusivity.

6.d. The buyer has to specify its trade shows and countries to sell exclusive markets.

7. CLAIMS

7.a. The company requires **inventory and pictures** to validate any claims.

7.b. Claims are accommodated only **after 2 months from receipt of shipment**.

7.c. Payment can be replacement by goods, by refund or by offset terms in succeeding orders.

8. BUYER'S AGENTS

8.a. The company may directly communicate with buyer cc: agent for some crucial communications.

8.b. Transparent sales commissions has to be agreed by the agent, buyer and the company.

8.c. The agent will have full responsibility of its quality inspections.

9. PRODUCT DEVELOPMENT COSTS

9.a. All product development costs are to the **account of the buyer unless the company waive them.**

9.b. All **newly developed items** will be charged to the buyer **at product development costs** (which may/ will be refunded upon regular order.)

9.c. All **salesmen or show samples** in mass quantity will be charged **at regular FOB prices.**

9.d. All samples not ordered from the company after **six (6) months** shall become the company 's prerogative to se'l to other buyers.

TERMS & CONDITIONS

For Buyers With Agents

TERMS AND CONDITIONS

for buyers with agents

1. As representatives of the buyer, the agents are responsible for inspecting the manufacturer's goods before shipment.
2. It is the manufacturer's understanding, therefore, that the agent assumes full responsibility for the items once he/she has inspected, approved and released those items for shipment.

TERMS AND CONDITIONS

for buyers with agents

3. In light of the agent's authority to inspect and approve the items due for shipment, the manufacturer will not accept claims for the items rejected by the buyer that were earlier approved by his/her agent.
4. The manufacturer will not accept late delivery penalties and charges imposed by the buyer if the delay in shipment is caused by agent's decision to hold the shipment.

TERMS AND CONDITIONS

for buyers with agents

5. Buyer requirements relayed to the agents, as part of buyer's operating procedures, should be taken care of by the agent. The agent should promptly deliver or convey the manufacturer all labels, stickers and other pertinent shipment requirements.
6. Samples required by the buyer should normally be inspected by the designated agent in the manufacturer's office before dispatch.

TERMS AND CONDITIONS

for buyers with agents

7. The agent shall see to it that all necessary and relevant information and instructions regarding the buyer and his order are properly and promptly relayed to the manufacturer by the agent before the start of the production.
8. It is the manufacturer's policy to provide buyers with copies of all communication transcripts and correspondents with its agents for the buyers' and the manufacturer's common reference.

VALUE FORMATION

WHAT IS A VALUE?

Behind every choice we act that makes us feel good is a value. A value defined as **"something which we can consider important and essential to our life."** In addition, we could define a value as **"an idea that is emotionally fired."**

WHAT IS A VALUE?

A functional definition of a value would be "something that is freely chosen from alternatives and is acted upon, that which the individual celebrates as being part of the creative integration of his development as a person." (Raths, Harmin, and Simon). Values are important because they serve as "guiding stars that navigate our life." Knowing our values gives us a definite direction.

WHAT IS A VALUE?

Not every acts on their values because not everyone is aware of what they value. Knowing our values and living according to our values lead us towards personal integration. The process by which a value becomes an integral part of us is known as the **Valuing process**. This process involves the "journey-ing inward" into the core our person. It touches the Deepest part of ourselves as we introspect, analyze, and explore who we are and what is important to us at a certain moment of time.

DIMENSION OF A PERSON

The FIRST DIMENSION is his COGNITIVE STRUCTURE.

The SECOND DIMENSION is his AFFECTED LIFE.

The THIRD DIMENSION is his BEHAVIORAL PATTERNS.

WHAT IS HABIT?

Habits are normally defined as long-standing patterns of behavior that are learned and are strengthened through constant repetition. But before you can acquire the behavior you must have knowledge, skill and desire.

This is how Stephen Covey defines habit. He sees it as the intersection of knowledge, skill and desire.

KNOWLEDGE

is what to do, and why.

SKILL is how to do it.

DESIRE is wanting to do it.



THE MATURITY CONTINUUM

Maturity is a process, not a condition.

We are born as infants and grow to maturity. Our physical, mental, emotional, social, and spiritual dimensions grow side by side, but not always at the same pace. A person may be physically mature, but emotionally immature, for example, and vice versa.

Maturity is a never-ending process. There will always be progress to make. We grow by willing to tackle the process rather than resisting it.

THE MATURITY CONTINUUM

The first stage of the Maturity continuum is **DEPENDENCE**.

The second stage of the Maturity Continuum is **INDEPENDENCE**.

The third stage of the Maturity Continuum is **INTERDEPENDENCE**.



LISTENING TO OUR LANGUAGE

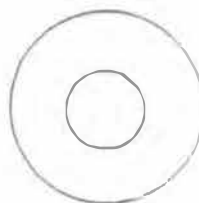
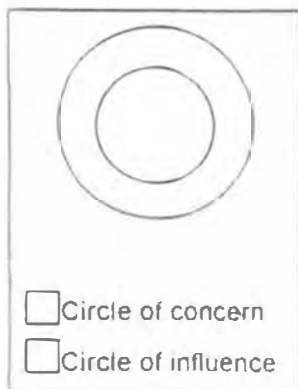
Our language is very real indicator of the degree to which we see ourselves as proactive people. Below are some examples of proactive and reactive language/behavior.

REACTIVE LANGUAGE	PROACTIVE LANGUAGE
There's nothing I can do.	I look at alternative.
That's just the way I am.	I can choose different approach
He/She makes me so mad.	I control my own feelings.
They won't allow that.	I can create an effective presentation.
I have to do this.	I will choose an appropriate response.
I can't.	I choose.
I must.	I prefer.
If only.	I will.
I am too busy.	I work harder. I have more time.
I go around the problem. I never solve it.	I go straight to the problem.
I promise to readily.	I commit my self.

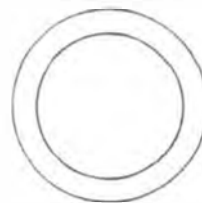
CIRCLE OF CONCERN AND CIRCLE OF INFLUENCE

Events and circumstances can be divided in to two categories:

1. THE INNER CIRCLE OF INFLUENCE – those things that we can affect by our choices, either directly or indirectly; and
2. THE OUTER CIRCLE OF CONCERN – those things which we cannot affect at all



Reactive



Proactive

There are two factors that define an activity

1. **URGENT** means it requires immediate attention. It's "NOW!" They press on us; they insist on action. They are often popular with others. They are usually right in front of us things that are pleasant, easy, fun to do but so often very unimportant.
2. **IMPORTANT** means it has to do with results. It contributes to our mission, our values, our high-priority goals

Combining these two dimension – importance and urgency – creates four categories of time demands.

CONTEMPORARY VALUE FORMATION

A PARADIGM SHIFT

"Leaders and followers become partners, leadership gives way to stewardship and mentorship, and service assumes dominance over self-interest."

**ASIAN ECONOMIC TAKE-OFF
VS.
PARITY WITH THE FIRST WORLD**

- Public & Private sector leadership
- Managerial Roles
- MBA's & short-course programs to multiply HRD interventions

Asia Recapturing lost OPPURTUNITIES

- One regional financial crisis
- Corrupt governments
- Increasing globalized market place

"Whether we like it or not, we now have to manage across borders. Even if our organization is essentially a domestic player-our suppliers, our customers & clients, our investors, our consultants may not be local."

**HARD WORK
GUTS and GOOD LUCK**

Still needs to be combined with systematic deliberate plan to push capacity building to the limits

Tougher marketplace

- ↗ Negative feedbacks
- ↗ Bad governance
- ↗ Impending recession
- ↗ Rising unemployment
- ↗ Galloping inflation
- ↗ Runaway population growth
- ↗ Social malaise

Employees
can now
LEAD
MANAGE
DIRECTLY
PARTICIPATE
with
its
LEADERS
towards a
PARADIGM SHIFT

"In the emerging paradigm, leaders and followers become partners, leadership gives way to stewardship, and service assumes dominance over self-interest."

OLD PARADIGM

NEW PARADIGM

Physical exertion	→	More mental and ideas generation
Routine	→	Creative
Chores must be done	→	Fun
Governed by job description	→	Anchored on vision, goals
Task/activities-based	→	Results/ performance-oriented
Fixed	→	Mobile
Hierarchal	→	Egalitarian
Sweat shop	→	Automated; intelligent buildings; hotelling concept, sharing
Specialist	→	Multi-skilled
Directed	→	Empowered
Full-time	→	Part-time contractual, temporary
Regular permanent	→	Outsourcing; work-sharing

MODULE ONE

PRODUCT DEVELOPMENT

WHAT IS PRODUCT DEVELOPMENT?

PRODUCT DEVELOPMENT is the means for companies to develop new and better products that will not only sell and make profits for the company but also meet the needs and requirements of the consumers.

WHY IS PRODUCT DEVELOPMENT IMPORTANT?

A **PRODUCT DEVELOPMENT** program helps companies effectively plan, manage and control the development of new products as well the improvement of existing products to maximize the product's chances of market success.

PRODUCT DEVELOPMENT can help companies:

Optimize existing products in existing markets.

Develop new markets for existing products.

Market a new product to existing markets.

Market a new product to new markets.

WHY IS THE DESIGNER IMPORTANT?

Because a **DESIGNER** can help companies achieve product development objectives by:

Developing successful products across a broad range of markets.

Providing innovation through creative and timely product solution –

solution that meet each company's unique requirements.

MODULE ONE

DESIGN AND ART

**DESIGN = PRODUCT DEVELOPMENT =
SALES = REVENUE = PROFIT**

**DESIGN SHOULD BE A PROFIT CENTER
IN YOUR BUSINESS**

ART & DESIGN:

Fundamental Similarities

DESIGN ... ART

... is an art form because it

creative
expression.

DESIGN has ...

structure

form

purpose

expression

ideas

Thus, **DESIGN**
is an art form because it employs ...

visual elements

painting

sound elements

theater

dance,

and so on.

DESIGN is an art form
because it defines an era and all its nuances:
the look
the fashion
the culture
and
the language

DESIGN is a function of:
concepts (philosophy, motifs, elements, details, components)
plans (deliberate and specific)
sketches and patterns
schemes that govern functioning, developing,
and unfolding (product development)
standards
detailing
costing

DESIGN and TREND

do not come from a
vacuum.

Design is a pendulum cycle.

The goal of design
is to sell a product
at the longest possible
time.

ARTIST v/s DESIGNER

WHO IS A DESIGNER?

He is a trained professional who creates
functional objects that are manufactured in
multiples.

WHO IS AN ARTIST?

He is an individual inspired to create one of
a kind non-functional pieces.

DESIGNERS

ensure that design communicates clearly and consistently to its end-users.

...It is purposely in its entirety.

... We monitor its effects.

... It can be accessed.

DESIGN and ART

are alike because they are always in search of a sponsor to underwrite the costs.

... But Artists continue to create and worry about costs later.

... Designers create upon the approval of a creative brief. They are commissioned.

DESIGN

could be viewed as a legitimate medium for the arts because it employs sculptors, illustrators, painters, stylists, etc.

“The Arts” include but are not limited to:

music	dance
drama	folk art
creative writing	architecture
painting	sculpture
photography	graphic
industrial design	arts and crafts
costume and fashion	

“Design” includes but is not limited to:

product development &

merchandising

motion picture

television & radio

tape & sound recording

arts related to the

presentation, performance, execution, and
exhibition of such **major art forms.**

MODULE ONE

LIFESTYLE AND TREND

LIFESTYLE v/s TREND

LIFESTYLE is a way of life — like culture v.

TREND is fashion and style with the highest tendency of acceptance by the consumers for a long period of season.

FASHION

is a fusion of appearance, form, material, custom, quality, and function.

Fashion changes.

Fashion precedes interiors.

STYLE is fashion of personal mark and taste.

Style is very elusive.

FAD is a look with a brief period of acceptance. —

CYCLE OF TREND

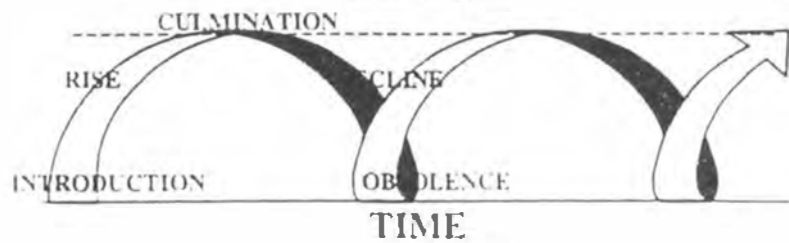
Introduction

Rise

Culmination

Decline

Obsolescence



TREND

Minimal

Simple

Spare

Clean

TREND

**Tactile
High Contrast
High Texture
Graphic**

TREND

**Sophisticated
Glamorous
Opulent
Charming**

TREND

Hard

Fluid

Curved

Sheer

Sensual

Provocative

Intimate

TREND

Colorful

Playful

Optimistic

TREND

Museum quality

Exquisite

Multimaterial

Handmade

Homemade

Collectible

TREND

Organic

Natural

New looking old (distressing)

Inventive

Retrospective

TREND

**Symbolic
Urban Chic
Tribal Chic
Cyberspace
High Tech**

DOMINANT TRENDS PREVAIL

**Practical
Utilitarian
Safe
Personal
Sensible
Global
Contemporary**

MODULE ONE

PRODUCT POLICIES

PRODUCT POLICIES

**“YOU DO NOT HAVE A
BUSINESS WITHOUT A
PRODUCT.”**

PRODUCT POLICIES

**“IT IS NOT THE
EMPLOYER WHO PAYS
YOUR SALARY. IT IS
THE PRODUCT.”**

PRODUCT POLICIES

**DESIGN AND PRODUCT DEVELOPMENT
STANDARD OPERATING PROCEDURES**

MISSION:

TO DESIGN PRODUCTS THAT SELL

**TO DESIGN PRODUCTS THAT CAN
BE MASS PRODUCED W/ LEAST
PROBLEMS**

**TO DESIGN PRODUCTS THAT ARE
COST EFFICIENT**

PRODUCT POLICIES

I. COLLECTION

- A. Design and Planning
- B. Collection and Prototype Production
 - 1. Design Standards and Research
 - a. Color Swatches
 - b. Accessories
 - c. Material Gauge
 - d. Type of Finishing or Painting
 - e. Temporary Names/Description
 - f. Temporary Codes

DUE DATES

Design studies are submitted in 2 batches

First – 5 ½ months before show dates

Second – 5 months before show date

PRODUCT POLICIES

- 2. Pattern Mock-ups – The pattern should include
 - a. Materials to be used
 - b. Dimensions
 - c. Multi-View Projections (side, front, top, isometric)
 - d. Attached Clippings to serve as a guide for proportion (colored copies)
 - e. Temporary Code & Working Description
 - f. If Pattern is wrong, it should be stamped "cancelled" refer to revised pattern". Revisions on the pattern should be indicated.

PRODUCT POLICIES

3. Unfinished Goods

- Date of Issuance
- Name of Personnel
- Collection / Buyer
- Quantity
- Code
- Description
- Due Date
- Remarks
- Submitted to/Date
- Prepared by
- Received by

PRODUCT POLICIES

- a. Issuance of Workload
- b. Procedures in P.O. Issuance
- c. PD Temporary P.O.
- d. Delivery
- e. If the Supplier fails to Deliver

4 UG Prototype Testing

- a. Stress Points
- b. Function
- c. Safety and Stability
- d. Appearance

PRODUCT POLICIES

5. **Prototype Finishing**
 - a. Line Drawings / Clippings of Item/s
 - b. Dimensions
 - c. Color Swatches
 - d. Finishing Codes
 - e. Code
 - f. Description
 - g. Designer's Name
 - h. Collection
6. **Prototype Presentation**
7. **Production of 2nd Prototype**

PRODUCT POLICIES

METHOD IN PRODUCT DEVELOPMENT

1. **Plans and Strategies**
 - Trends
 - Sales Strategies
 - Merchandise (Collection) Line-Up
2. **Studies**
3. **Collection Line-Up**

PRODUCT POLICIES

4. **Patterns**
5. **First Prototyping and Status Report**
 - Job Order
 - Time and Motion (TMS)
6. **Reviews**
7. **Second Prototyping**

PRODUCT POLICIES

8. **Plans and Strategies**
 - Country / Continent
 - Period (Per Month / Year)
 - Sales Figures
 - Graphs
 - Buyer
 - Annotation

PRODUCT POLICIES

P. IMPORTS
Product Development Projects
1991 To 2000

P. IMPORTS' business comprises mainly of tables and furniture using teak and wenge as its major materials. The business relationship with Chrysaia started with the order's award winning Sunflower Coconut Mass Tray that Patricia ordered in the last quarter of 1991 and was received with orders until 1996.

Seeing that Chrysaia's expertise is handcrafting and finishing, P. IMPORTS took the risk to include gifts and giftware in his line. Along with the order of Sunflower Tray, P. IMPORTS started its first product development project in 1991 and it became a big success. It was followed with more product development projects that created a mutual beneficial relationship between the two companies. To date P. IMPORTS imports remain Chrysaia's top client.

LODGE COLLECTION (1991)

The Lodge Collection was the first among P. IMPORTS set of product development projects. The look is American lodge with a touch of American folk art. With Chrysaia's expertise in antique finishes, it was able to recreate original pieces in the way P. IMPORTS envisioned it to be. The project was completed in 1991 and continues to generate sales until 1996.

REEF COLLECTION (1992-1993)

With Miami 1920s as inspiration, Reef Collection was created for P. IMPORTS in 1992. Strong colors and subtle combination in antique finish gave the collection a very memorable impact. The project was started in the second half of 1992 and was completed in the first half of 1993. Due to its success, the collection was used as base of for Chrysaia's Seaport Collection using a different color palette. The collection continues to get orders until 1996.

NORMAN ROCKWELL (1993-1994)

One of America's best known and best loved artists and as the Saturday Evening Post covers in the early 1940s through 1963 came to life once more in P. IMPORTS 1993 PU project. The subtly handcrafted look of this collection made it very special. Inspired by the feelings expressed in Rockwell's work, the colors and case materials were of the 1930s trend following the Reef Collection 1920s look. One year in the making from the second half of 1993 to the first half of 1994, it was again a big success --- the project generated sales from 1994 to 1998.

HEARTLAND COLLECTION (1995)

Originally dubbed as Farm Collection, the painstakingly handcrafted P. IMPORTS 1995 Collection offers nostalgic look of Old America. The pieces are inspired by Old America's comedies, pastures and rural farmstead that is the heartland of America, thus the name. The Heartland Collection took a year to develop and immediately raised success that generated sales until 1998.

CHINA BAY COLLECTION (1996)

The inspiration was British India circa 1920. First came to inspire the China Bay Collection was developed for P. IMPORTS in 1996. The finishing is antique look using different shades of green and burnished gold. The look is exotic and soon started. Monkeys, palm trees, palmers, barbers, equestrians and bamboo complement the whole collection and created a distinct lifestyle. It took only six months to develop. Along with this collection is the Americana Birds Collection that served as a supporting line in the same manner complementing the China Bay look. The collection continues to generate sales until 1998.

CAROL ENDRES COLLECTION (1996)

With copyright, P. IMPORTS was able to develop this collection at the same time with China Bay in 1996. The Carol Endres look is American Folk Art. The famous American Folk Art painter, Carol Endres herself, reviewed and directed the team and Allan P. IMPORTS had Chrysaia's lead team with the collaboration of P. IMPORTS and Chrysaia Design and Product Development Group, a whole line was developed and created a good collection. Endres approved the designs based on hers including the additional pieces ~~family~~ Chrysaia's Design and Product Development Group. The collection made waves in 1997. P. IMPORTS and Chrysaia, Inc. expanded the line due to its tremendous success and it continues to sell until 1998.

PRODUCT POLICIES

PRODUCT OF
DESIGN STUDIES
 COLLECTION: COASTAL
 GROUPING: _____
 SHEET NO: 52

DATE: 12/15/52 DESIGNED BY: _____
COPYRIGHT DESIGN
 THIS DESIGN IS THE PROPERTY OF _____
 THE MARK IS LEGALLY BINDING

NOTED

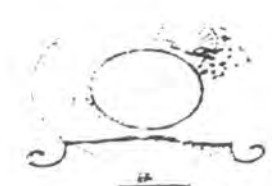


REVISION

ITEM NO: 48
 PREVIOUS EDITION: 1-1-52
 NUMBER OF SHEETS: 2
 TANGENT: 1.0



CANCEL



APPROVED

43
 SHEET _____
 NO. _____
 SPECIAL _____

PRODUCT POLICIES



PATTERN SHEETS
 ITEM CODE: _____
 DESCRIPTION: 25" FISH SHAPED
 SCALE: DALLAS
 PREPARED BY: WILLIAM T. LINDS
 DRAWN BY: J.C.H.
 ALL RIGHTS RESERVED
COPYRIGHT DESIGN
 THIS DESIGN IS THE PROPERTY OF _____
 THE MARK IS LEGALLY BINDING

APRIL FAME

PRODUCT POLICIES

Product Development Department
 Status Report as of July 28, 2000

ITEM #	DESCRIPTION	RGTD. BY	DATE RGTD.	D-CWS	SHOW DATES	TARGET DATE	STATUS
1	PLB-28-001 Shanghai Lib Contemporary P. Frames	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	Not in status of 2000
2	PLB-28-001 Shanghai Lib PM Owl Box	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
3	PLB-28-010 Shanghai Lib Picture A	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
4	PLB-28-017 Shanghai Lib Picture B	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
5	PLB-28-001 Shanghai Lib Owl Science	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
6	PLB-28-010 Framed Shanghai Lib	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
7	PLB-28-021 Shanghai Lib The Macaroni Box	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
8	PLB-28-001 Starfish Food 2 Host	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
9	PLB-28-002 Starfish Food Food Holder	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
10	PLB-28-003 Starfish Food Tissue Holder	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
11	PLB-28-004 Starfish Food Tissue Rack	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
12	PLB-28-005 Shell Food 2 Host	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
13	PLB-28-006 Shell Food Food Holder	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
14	PLB-28-007 Shell Food Tissue Holder	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
15	PLB-28-008 Shell Food Tissue Rack	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
16	PLB-28-010 Standing Sella Figure	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
17	PLB-28-017 Standing Sella Figure L&R	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
18	PLB-28-020 The Sella Wall Hanging	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
19	PLB-28-021 The Sella Wall Mount	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
20	PLB-28-022 Sella Box	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
21	PLB-28-023 Floating Ped Toy	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
22	PLB-28-022 Sailing Ped Toy	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
23	PLB-28-023 1900's Main Sella	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
24	PLB-28-024 1900's Main Sella on base	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	
25	PLB-28-025 1900's Female Sella	Y	7/28/00	To see in Oct. show	10/15/00	10/15/00	

PRODUCT POLICIES

DESIGN AND PRODUCT DEVELOPMENT DEPT
 OCTOBER FAME '98 LIST OF OLD-FASHION COLLECTION

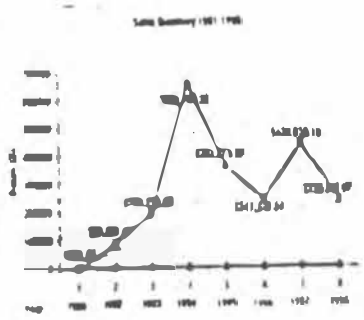
COASTAL 10

Item Code	Item Description	Yr. FOB	Prod. Stages				Assemble Notes
			Pat.	PS	MO	FG/Coat	
BIRDS (New Collection)							
GULLS							
1	OC98-02-001 Laughing gull						
2	OC98-02-002 Herring gull						
3	OC98-02-003 Great black-backed gull						
4	OC98-02-011 Rose gull						
5	OC98-02-012 Starling gull						
6	OC98-02-013 Mediterranean gull						
7	OC98-02-014 Sabine gull						
8	OC98-02-015 Ivory gull						
PUFFINS							
1	OC98-02-009 Razor-billed gull						
2	OC98-02-010 Marbled Puffin						
	609802-R Horn Puffin						
	S-170-R Tufted Puffin						
TERN							
	CC98-02-016 Noddy Tern						
BIRDS (RECYCLE)							
FLAMINGOS							
1	Mounted standing Flamingo						
2	Mounted feeding Flamingo						
HERONS							
2	Mounted white heron						
3	White heron statue						
4	Blue heron statue						
4	CC98 Framed heron						

PRODUCT POLICIES

COLLECTOR	81	82	83	84	85	86	87	88	TOTAL
Japan	14,275	24,248	17,037	15,218	14,713	17,943	14,313	14,275	142,712
France	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
Germany	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
Italy	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
Spain	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
USA	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
UK	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
Other	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	11,770
TOTAL	14,275	24,248	17,037	15,218	14,713	17,943	14,313	14,275	142,712

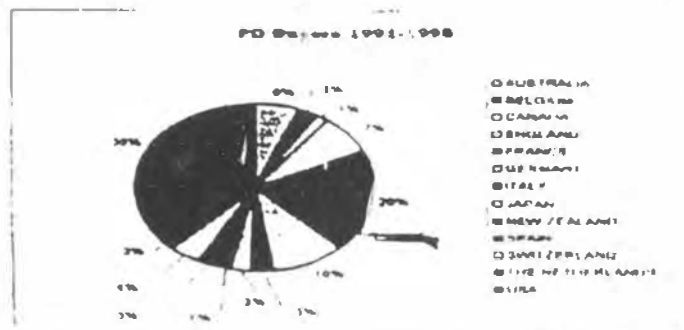
YEAR	SALES ORDER
1981	1,177
1982	1,177
1983	1,177
1984	1,177
1985	1,177
1986	1,177
1987	1,177
1988	1,177
TOTAL	11,770



PRODUCT POLICIES

PRODUCT DEVELOPMENT BUYERS 1981 TO 1988

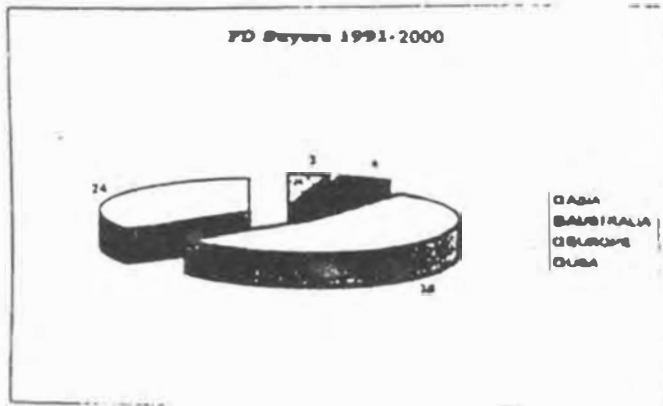
COUNTRY/CONTINENT	NO. OF BUYERS
AUSTRALIA	4
BELGIUM	2
CANADA	1
ENGLAND	5
FRANCE	14
GERMANY	7
ITALY	2
JAPAN	2
NEW ZEALAND	1
SPAIN	2
SWITZERLAND	3
THE NETHERLANDS	2
USA	24
TOTAL	68



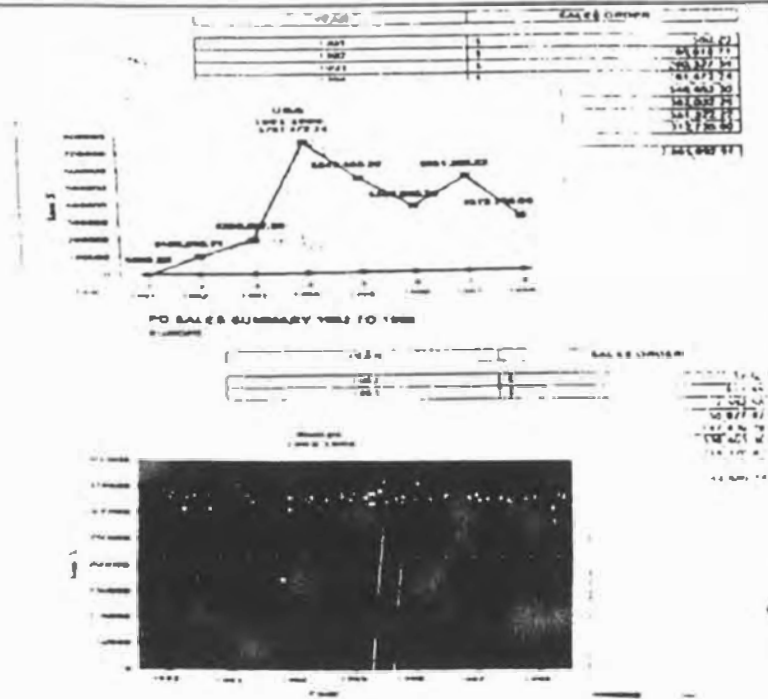
PRODUCT POLICIES

PRODUCT DEVELOPMENT BUYERS 1991 TO 2000

COUNTRY/CONTINENT	NO. OF BUYERS
ASIA	3
AUSTRALIA	4
EUROPE	38
USA	24
TOTAL	69



PRODUCT POLICIES



Product Classification Trends

Arts & Craft	Bed, Bath, Linen	Christmas & Other Holiday Décor	Costume Jewelry	Fashion Complements
Ethnic-inspired items, including handicrafts, textile, fabrics	Personal care products, bathroom, accessories, and home linen	Décor with designs associated with the Christmas theme; merchandise used for parties, festivities, and other occasions, like Halloween, Thanksgiving, Easter, etc.	Body adornments made of materials other than gold, silver, and precious/ semi- precious stones	Merchandise used as fashion enhancers, usually worn in parts of the body or attached to clothing; they may also be carried as part of an overall look or may practical purposes

Product Classification Trends

Kitchen & Tableware	Lamps, Lighting & Votives	Leathergoods	Stationery & Desk Accessories	Toys & Games
<p>Articles for the kitchen that are either functional or decorative, including items for the dining table</p>	<p>Lighting fixtures and accessories, big and small</p>	<p>Merchandise use as fashion enhancers made of leather and natural/synthetic materials may also be carried as part of the overall look or may serve practical purposes</p>	<p>Paper-converted items that are used primarily as table/desk accessories like pencil holders, filers, notepads, etc., as well as writhing instruments</p>	<p>Merchandise for entertainment and recreation of both children and adults, including collectibles like model cars, etc.</p>

Fine Jewelry	Furniture	Garden Accessories	Gifts	Houseware & Home Décor
<p>Body adornments made of gold, silver and precious/ semi- precious stones that are considered fashion style enhancers</p>	<p>Movables that are both functional and decorative that distinguish the various settings of the home or any building structure (home/ office). Includes household and contract furniture as well as furniture components</p>	<p>Items for the garden such as tools, planters, pots, décor items</p>	<p>Merchandise used as corporate giveaways and tokens for any occasion, including gift packaging materials.</p>	<p>Items for home interior that may be functional or decorative. Functional merchandise are dividers, door/floor mats, mirrors, umbrella stands and the like. Considered as decorative are hanging, antique reproductions, art objects, display boxes, etc.</p>

the DESIGNER
behind
the BRAND

■ the DESIGNER behind the BRAND

About Brands

■ the DESIGNER behind the BRAND

About Brands

Brands have the power to improve both
commercial fortune & human lives.

Brands are uniquely powerful strategic
assets.

Brands can transform the fortune of
companies & redefine industries.

■ the DESIGNER behind the BRAND

About Brands

Brands that create real and lasting
competitive advantages are always
ORIGINAL, never COPIES.

The deliver unique & perfectly aligned physical
(product/service) & PSYCHOLOGICAL (brand)
value proposition in every THOUGHT.

Brands

makes their greatest contribution to an organization when it is treated as an operational organizing principal.

a strategic roadmap for achieving your
BUSINESS PLAN

BRANDing

should be
viewed as a

CONTINUOUS PROCESS

a process that everyone within
business participates in with his/her
every ACTION

■ the DESIGNER behind the BRAND

About Brands

BRANDing

creates

a

CASCADE EFFECT

- enhancing the EFFICIENCY
- boosting the PRODUCTIVITY
- optimizing EFFECTIVENESS of the BUSINESS

■ the DESIGNER behind the BRAND

Got Brand?

Accidental Brand

Corporate Brand

What are the differences?

Accidental Brand

-unplanned

-not strategically focused

but

effectively managed

because it conveys the

essence

character

purpose

of your company and the product

Corporate Brand

-affects all forms

of COMMUNICATIONS
to ADVERTISING
to PUBLIC RELATIONS
to PRODUCT PACKAGING

-it is an INTENTIONAL DECLARATION
of who you are:

What you BELIEVE in
Why your customers should put
their FAITH in your products.

Corporate Brand

-it DISTINGUISHES you from your competitors

most importantly,

-it is the PROMISE that your company keeps to your

CUSTOMERS
PROSPECTS
BUSINESS PARTNERS
STOCKHOLDERS
EMPLOYEES

■ the DESIGNER behind the BRAND

Get Brand?

Corporate Branding

INVESTING
in
your
COMPANY'S
FUTURE

■ the DESIGNER behind the BRAND

BRANDing
as a Designer tool

■ the **DESIGNER** behind the **BRAND**

BRANDing as a Designer tool

How can branding become a business tool for designers?

■ the **DESIGNER** behind the **BRAND**

BRANDing as a Designer tool

Powerful **BRANDS** can command **PREMIUM PRICE**

because they are
RECOGNIZED and AGGRESSIVELY MANAGED
as a
POTENT BUSINESS TOOL

■ the DESIGNER behind the BRAND

BRANDing as a Designer tool

POWERFUL BRANDS
can

weather times of crisis easily

slow market share erosion

rally employees

■ the DESIGNER behind the BRAND

BRANDing as a Designer tool

POWERFUL BRANDS
can influence

CUSTOMER PREFERENCE

STRENGTHEN THE BOTTOM LINE/PROFIT

BOOST MARKET VALUATION

■ the **DESIGNER** behind the **BRAND**

BRANDing as a Designer to

BRANDING
through
MARKET VALUATION

The story of
BANANA REPUBLIC, GAP AND OLD NAVY

■ the **DESIGNER** behind the **BRAND**

BRANDing as a Designer tool

IS BRANDING REALLY A COMPLEX PROCESS?

■ the DESIGNER behind the BRAND

BRANDing as a Designer tool

BRANDING is a buzzword which is often confused with

CORPORATE IDENTITY

CORPORATE IMAGE

■ the DESIGNER behind the BRAND

BRANDing as a Designer tool

**What is the difference between
BRANDING AND CORPORATE IDENTITY?**

■ the DESIGNER behind the BRAND

BRANDING as a Designer tool

CORPORATE IDENTITY

refers to a company's name, logo, tagline, its visual expression or its "look."

CORPORATE IMAGE

is the public's perception of a company, whether that perception is intended or not.

CORPORATE BRANDING

by contrast, is a business process – one that is planned, strategically focused and integrated throughout the organization. Branding establishes the direction, leadership, and clarity of purpose, inspiration and energy for a company's most important asset, its corporate brand

■ the DESIGNER behind the BRAND

BRANDING as a Designer tool

A
BRAND
becomes a
CORPORATE BRAND
when it has been

DEFINED
DIRECTED
UNDERSTOOD
by all audiences

■ the DESIGNER behind the BRAND

BRANDING as a Designer tool

WHAT IS PRODUCT BRANDING?

■ the DESIGNER behind the BRAND

BRANDING as a Designer tool

PRODUCT BRANDING
is about selling one item at a time
to one person at a time

ONE PRODUCT

ONE MESSAGE

ONE AUDIENCE

■ the DESIGNER behind the BRAND

BRANDing as a Designer tool

What is the difference between
PRODUCT BRANDING
and **CORPORATE BRANDING**?

■ the DESIGNER behind the BRAND

BRANDing as a Designer tool

CORPORATE BRANDING
is about communicating with
MULTIPLE AUDIENCES
about the essence of a leadership

deliberately creating a specific
OVER-ALL IMPRESSION
of the whole company
in the minds of your

CUSTOMERS
EMPLOYEES
VENDORS
STOCKHOLDERS
MEDIA
to anybody important to your
BUSINESS VIABILITY

■ the DESIGNER behind the BRAND

CORPORATE BRANDING

Why is CORPORATE BRANDING A BETTER OPTION?

■ the DESIGNER behind the BRAND

CORPORATE BRANDING

CORPORATE BRANDING

advocates

"LIVING THE BRAND"

every employee
understands the brand

embraces the brand

believes in the brand

■ the DESIGNER behind the BRAND

CORPORATE BRANDIng

How can a company exercise
"LIVING THE BRAND?"

■ the DESIGNER behind the BRAND

CORPORATE BRANDIng

How can a company exercise
"LIVING THE BRAND?"

Everybody lives up to the
PROMISE.

The concept is simple.

It is TURNING THE COMPANY MEMBERS into WALKING,
TALKING REFLECTION of the BRAND itself.

■ the DESIGNER behind the BRAND

CORPORATE BRANDING

LIVING THE BRAND

The
GIORGIO ARMANI
brand of story.

■ the DESIGNER behind the BRAND

getting into a BRAND

WHAT ARE THE STEPS
GETTING INTO
A
BRAND?

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND-BUILDING
encompasses
LEVERAGE CONCEPTS:
BRAND INTELLIGENCE
BRAND DYNAMICS
BRAND STRATEGY
BRAND COMMUNICATIONS
BRAND MANAGEMENT

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND INTELLIGENCE

- central to who we are and everything we do
- bringing the highest level of understanding and insight to
the brand at its first crucial stage
- it is a diagnostic tool of methodologies to BRAND DYNAMICS

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND DYNAMICS

-where the brand lives

-who it affects

-how it affects them in its inherent strengths and weaknesses, its barriers and opportunities

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND STRATEGY

-precision instruments

that guide all expressions of the brand

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND COMMUNICATIONS

"The most potentially powerful strategy will fail if not communicated effectively and consistently."

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND COMMUNICATIONS

A BRAND is

INTERPRETED
EXPRESSED

in all forms of communications by creating
VISUAL and WRITTEN
expressions that convey both its purpose and personality.

ONE VOICE equals BRAND's ESSENCE

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND MANAGEMENT

- long term business initiative requiring leadership and commitment
- infrastructure designed to nurture and protect the brand
- measurement systems to track performance and ensure a significant ROI

■ the DESIGNER behind the BRAND

getting into a BRAND

BRAND BUILDING

ensures that the
BRAND COMMUNICATIONS

are

EFFECTIVE
EFFICIENT
CONSISTENT

■ the DESIGNER behind the BRAND

BRANDing Logic

■ the DESIGNER behind the BRAND

BRANDing Logic

**What are the advantages of
CORPORATE BRANDING
efforts?**

■ the DESIGNER behind the BRAND

BRANDing Logic

What are the advantages of
CORPORATE BRANDING
efforts?

BRAND IMPACT

BRAND MOMENTUM

BRAND POWER

■ the DESIGNER behind the BRAND

BRANDing Logic

Brand Impact

-significant and measurable financial performance

-boosts your market value

-influence consumer preference

-enrich your profit

■ the DESIGNER behind the BRAND

BRANDing Logic

Brand Momentum

- clear articulation of brand position
- determination of viability of your company to do business
- positive impact on familiarity and favor ability

■ the DESIGNER behind the BRAND

BRANDing Logic

Brand Power

- superior brand intelligence
 - optimal corporate strategy
 - well managed brand
- PROPRIETARY DIAGNOSTIC TOOL
in competitive and historical context**
- identifying those competitors
who are most threatening to your brand*
- provision of a whole new way of looking at the
POWER OF MEDIA*

■ the DESIGNER behind the BRAND

Branding

the Merger

Merging Brands

■ the DESIGNER behind the BRAND

Digital Branding

- interaction with your audience
- reinforcement of brand experience on a sound online

■ the DESIGNER behind the BRAND

Your Approach

-BRAND INTELLIGENCE serves as the foundation
which is the hall mark of BRAND- BUILDING PROCESS

POWERFUL BRAND STRATEGIES

is a

CREATIVE PROCESS

BRANDING PROCESS

is the

HARMONIOUS INTEGRATION

INTELLIGENT STRATEGY

EVOCATIVE EXPRESSION

■ the DESIGNER behind the BRAND

Your Approach

BRANDing Philosophy

SELLING THE COMPANY NOT JUST THE PRODUCT

**A solid well-built brand turns the company name into a
symbol that never stops working on the organization's behalf.**

Every time someone

SAYS IT

SEES IT

READS IT

the PICTURE is the SAME

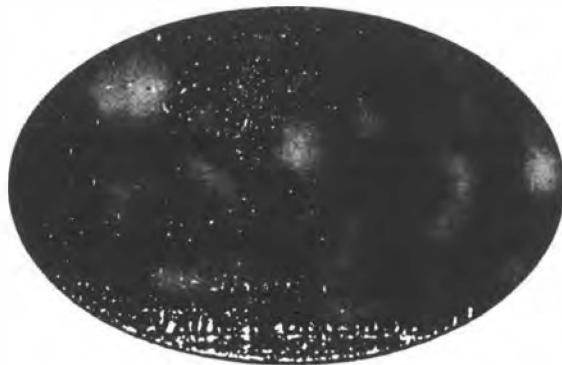
■ the DESIGNER behind the BRAND

Brand Strategy

■ the DESIGNER behind the BRAND

Brand Strategy

SPIRA Principle



■ the DESIGNER behind the BRAND

Brand Strategy

SPIRA Principle



COMPETITIVE EVALUATION

Brands compete
with other

brands
commodities
apathy for attention
preference
relationships
money

■ the DESIGNER behind the BRAND

Brand Strategy

SPIRA Principle



SPIRA

steps you gain a

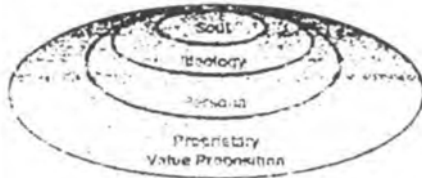
CLEAR PICTURE
of the **COMPETITIVE CONTEXT** by
DIFFERENTIATION

going beyond
TRADITIONAL ATTRIBUTE MAPPING
COMPETITIVE ASSESSMENTS
UNDERSTANDING the EMOTIONAL AND COMPETITIVE LANDSCAPE

the DESIGNER behind the BRAND

Brand Strategy

SPIRA Principle



Constituent insight

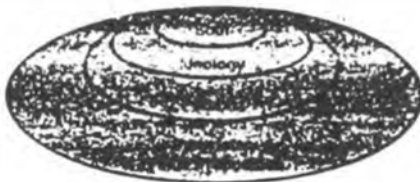
ASSESSMENTS

DYNAMIC
INTERACTIVE
RELATIVISTIC
FORM OF FOUNDATION

the DESIGNER behind the BRAND

Brand Strategy

SPIRA Principle



Constituent Insight

Variety of
RESEARCH TECHNIQUES
to bring light to

THOUGHTS
FEELINGS
MOTIVATIONS

INTERNAL & EXTERNAL
MARKET VALUES

■ the DESIGNER behind the BRAND

Brand Strategy

Brand Positioning

FOCUS = RESOURCES ON MARKET POSITION = POTENTIAL SUCCESS

ALIGNING what you do to CREATE GREATER VALUE

BUILDING COMPETITIVE ADVANTAGE
towards BRAND EXPERIENCE

ALIGNMENT towards EMOTIONAL RESONANCE

■ the DESIGNER behind the BRAND

Brand Strategy

Brand Architecture

GOALS:

To leverage people's associations with brands

To enable clarity of action

To create efficiencies

To maximize the economic value of your brand portfolio

■ the **DESIGNER** behind the **BRAND**

Brand Strategy

Brand Architecture

ROLES AND RESPONSIBILITIES OF BRAND PORTFOLIOS:

Allowing you to deal with

**NEW PRODUCTS
NEW MARKETS
MERGERS
DIVESTITURES
ACQUISITIONS**

■ the **DESIGNER** behind the **BRAND**

Brand Strategy

Balance Brand Scorecard

**A means of making your
BRAND STRATEGY and ORGANIZATIONAL REALITY**

**A proven processes to
ALIGN your BRAND STRATEGY INITIATIVES**

**with the GOALS and BEHAVIOURS of your
EMPLOYEES**

■ the **DESIGNER** behind the **BRAND**

Brand Strategy

Identity Revelation

To **REVEAL** and to **ARTICULATE**
your **UNIQUE ORGANIZATIONAL IDENTITY**

ALIGNING your **CORPORATE VISION**
with **REALITIES** of your **CULTURE**

Understanding **HUMAN NEEDS** and **ENDS**

Achieving **PROFITS** and **GROWTH**

■ the **DESIGNER** behind the **BRAND**

Brand Strategy

Identity Revelation

An exceptionally focused and inspired **BRAND IDENTITY**
which provides

HONESTY
RICHNESS OF MEANING
ASPIRATION
CLARITY OF PURPOSE
that
MOTIVATES CONSUMERS

■ the DESIGNER behind the BRAND

Brand Strategy

Brand Naming

Your NAME is the SYMBOL
most frequently ASSOCIATED with your BRAND.

Crafting names that work, ex. company name & product name

Memorable name that
stands out in a cluttered media environment
that aligns with your identity
and communicates your company, product and service

■ the DESIGNER behind the BRAND

Brand Strategy

Logos & Marks

THAT CREATE VALUES

MEMORABLE
VISUALLY ARRESTING
STRONG LINK

SPIRA WORKS WITH A NETWORK OF INDUSTRY
LEADING DESIGNERS TO MATCH THE SPECIFIC
SKILLS AND APTITUDES OF PARTICULAR DESIGNERS
WITH THE NEEDS OF THEIR CLIENTS

■ the **DESIGNER** behind the **BRAND**

Brand Strategy

Corporate id System

fusion of names with **LOGOS** and **MARKS**
to develop a
CONSTANT and **VISIBLE DISTILLATIONS** of your brand

bringing **AUTHENTIC CHARACTER** to your **BUSINESS**

delivering **DESIGN SYSTEM SOLUTIONS**
with **HIGH IMPACT, USEFUL**
and **AESTHETICALLY APPEALING**

■ the **DESIGNER** behind the **BRAND**

Brand Strategy

Behavior Modification

creating the bulk **EXPERIENCES** of your **BRAND**
is your
EMPLOYEES

Alignment of group and individual employee rewards
with **organizational goals**
of **BRAND STRATEGY**

the DESIGNER behind the BRAND

Brand Strategy

Marketing Communications

the VISUAL EXPRESSIONS of your BRAND

by consistently communicating the value
of your brand in order to influence
the perception of your brand

the DESIGNER behind the BRAND

Brand Strategy



Marketing Communications

■ the DESIGNER behind the BRAND

Brand Strategy

Marketing Communications

includes

CORPORATE ID SYSTEMS
WEB SITES
SALES COLLATERAL
PACKAGING
TRAINING KITS
PRINT ADVERTISING
BROADCAST ADVERTISING
DIRECT MARKETING PROGRAMS
RMU PROGRAMS
ONLINE MARKETING PROGRAMS

■ the DESIGNER behind the BRAND

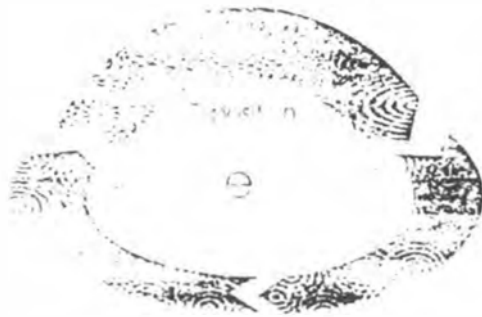
Brand Strategy

e³-framework

■ the DESIGNER behind the BRAND

Brand Strategy

e³-framework



Exposition

Experience

Evaluation

■ the DESIGNER behind the BRAND

my BRAND of EXPERIENCE

Distinct Point of View

■ the **DESIGNER** behind the **BRAND**

my **BRAND** of **EXPERIENCE**

Body of Works

■ the **DESIGNER** behind the **BRAND**

my **BRAND** of **EXPERIENCE**

Image

■ the DESIGNER behind the BRAND

my BRAND of EXPERIENCE

Market Value

■ the DESIGNER behind the BRAND

my BRAND of EXPERIENCE

Market Niche

■ the **DESIGNER** behind the **BRAND**

my **BRAND** of **EXPERIENCE**

Collaborations

■ the **DESIGNER** behind the **BRAND**

my **BRAND** of **EXPERIENCE**

Business Pulse

■ the DESIGNER behind the BRAND

my BRAND of EXPERIENCE

**DESIGN = PRODUCT DEVELOPMENT=
BRAND = SALES = REVENUE = PROFIT**

MODULE ONE

**CONCEPTS OF LINE
PLANNING**

CONCEPTS OF LINE PLANNING

- I. INTRODUCTION
 - A. STAFF DESIGNER
 - B. FREELANCE DESIGNER
- II. MARKET RESEARCH
 - A. IDENTIFY THE CUSTOMER
 - B. SHOP THE STORES
- III. THE TIMING OF COLLECTION
SPRING/SUMMER/FALL HOLIDAY/RESORT
- IV. PREPARING TO DESIGN COLLECTION
 - A. MATERIALS/TRADE SHOW
 - B. COLOR FORECAST
 - C. FASHION FORECAST SERVICE
 - D. DESIGN COUNCIL AND LINESHIES

- V. INSPIRATIONAL SOURCES
 - A. SHOPPING AND STORES
(EUROPEAN/USA/JAPAN)
 - B. TELEVISION (MTV), MOVIES, THEATRE
 - C. PEOPLE/LIFESTYLE
 - D. ARCHIVES/RETROSPECTIVE COLLECTIONS
 - E. EUROPEAN/AMERICAN/LOCAL MAGAZINES
 - F. INTERVIEWS

- VI. TRADE PUBLICATIONS
 - A. ASIAN RESOURCES (Hong Kong)
 - B. GIFTS AND DECORATIVE ACCESSORIES (USA)
 - C. STIL AND MARKT (GERMANY)

- VII. THEME BOARDS/STYLE BOARDS
 - A. CHOOSE COLOR/MATERIALS
 - B. STUDIES/SKETCH DESIGNS/MERCHANDISE
COLLECTION
 - C. MAKE A FORMAL PRESENTATION

PJ ARANADOR

MODULE ONE

VISUAL MERCHANDISING

BOOTH DESIGN PLANNING

VISUAL MERCHANDISING

COMMON MISTAKES IN V/M

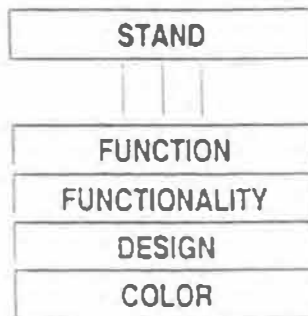
MODULE ONE

BOOTH DESIGN PLANNING

BOOTH DESIGN PLANNING

as condensed by P.J. Arañador
from CDG Messe Frankfurt Service, GmbH

Which information does a designer require in order to design a successful fair stand for a company and its product?



F U N C T I O N

EXHIBITOR : FAIR OBJECTIVES / TARGET GROUP

- ⊕ to sell
- ⊕ to introduce customer product
- ⊕ to maintain customer products
- ⊕ to gain new customer
- ⊕ to open new markets
- ⊕ to present the company
- ⊕ to strengthen the image
- ⊕ presence of the competition

PRESENCE OF EXHIBITS

EXHIBITORS : LISTING / PRESENTATION

- ⊕ What is new?
- ⊕ What is improve?
- ⊕ What is better than the competition?
- ⊕ What are the strengths?
- ⊕ Which benefits does the team offer?
- ⊕ Which exhibits can be show in the demonstration?
- ⊕ Which can the product be delivered?
- ⊕ Is the entire product assortment necessary? (Order Fairs!)

**F
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PRODUCT PRESENTATION

Exhibitor : Marketing Concept

- ⊕ Visual Merchandising
- ⊕ Brochures
- ⊕ Advertising
- ⊕ Displays

Market Position of the Company

- ⊕ Image
- ⊕ Price Level
- ⊕ Delimitation Against Competition

QUALITY OF STAND AND OF SELF PRESENTATION

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ORGANIZER : STAND SPACE

- ⇨ Placement
- ⇨ Stand Size
- ⇨ Stand Design (one, two, three, or four sides open)
- ⇨ Constructional conditions (halls, shafts, electronic distributions)

ORGANIZER : TECHNICAL REGULATIONS

- ⇨ Stand Height
- ⇨ Distance Zones
- ⊕ Fire Regulations
- ⇨ Safety Requirements

ORGANIZER : TECHNICAL REQUIREMENTS

- ⇨ Electricity
- ⊕ Telephone
- ⇨ Facilities for Suspending Exhibits

**F
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Y**

ORGANIZER : SETTING UP AND DISMANTLING

- ⇨ Stand Construction
- ⇨ Advertising
- ⇨ Advertising
- ⇨ Catering
- ⇨ Cleaning
- ⇨ Forwarders
- ⇨ Stand Personnel
- ⇨ Interpreters

ORGANIZER : VISITORS DIAGRAM

EXHIBITOR : ATTENDEE STRUCTURE

EXHIBITOR : FURNISHING / SECTORS

- ⇨ Organization of exhibit
- ⇨ Campaigns
- ⇨ Info Counter
- ⇨ Discussion Areas
- ⇨ Office
- ⇨ Bar
- ⇨ Catering Areas
- ⇨ Wardrobe
- ⇨ Storage

**F
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Y**

COMMUNICATION ZONES

PASSIVE – VISITORS PERSONNEL DIALOG

ACTIVE

INTENSIVE

- ⇨ Extensive Discussion / Negotiation Table
- ⇨ Business Agreement
- ⇨ Entertainment

PASSIVE : The stand itself, or the area of the stand, optical or acoustically perceptible to the visitor from one position. It must communicate with the visitor.

EYE

FEELINGS (CURIOSITY)

BRAIN

FEET

D E S I G N

DETERMINED BY :

- ⊕ Function
- ⊕ Functionality
- ⊕ Position of the stand space with respect to the hall, aisles, visitor walkways, competition, neighboring stands, designer's ideas

C O L O R

INFLUENCED BY :

- ⊕ Trends
- ⊕ Exhibits
- ⊕ Graphics
- ⊕ Intuition of designer, example : Drama, Arresting Values

The characteristics of a material to reflect a part of the light radiance

⊕ COLOR EFFECT

⊕ DEPENDENT COLOR

- ⊕ Color Quality : Saturation, Lightness, Opacity

⊕ Color Quantity

Color Contrast : Contrast in itself

Light - Dark Contrast

Warm - ~~Cold~~ Contrast

- ⊕ Color Disposition

C
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L
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R

HUMAN REACTION TO COLOR

- ⊕ Organic or Physiological Reactions
- ⊕ Eye Reactions
- ⊕ Intellect - related Reactions
 - ⊕ Memory and Recall Abilities
 - ⊕ Degree of Erroneous Perception

EMOTIONAL REACTIONS

- | | |
|---------------|---------------|
| ⊕ Stimulating | ⊕ Boring |
| ⊕ Irritating | ⊕ Exciting |
| ⊕ Happy | ⊕ Melancholic |
| ⊕ Relaxing | ⊕ Funny |

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OBJECTIVE REACTIONS

- ⊕ Rooms appear larger, smaller, warmer, cooler, clean or dirty, light or dark.
- ⊕ People appear healthy or ill, older or younger

ASSOCIATIVE REACTIONS

- ⊕ With Nature or Technology
- ⊕ With Religious or Cultural Tradition
- ⊕ With Art or Science
- ⊕ Typical or Atypical

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**STAND=Function+Functionality+Design+Color
+LIGHT = MEANS TO AN END**

BUDGET

THE USES OF LIGHTS

- ⊕ To Produce Brightness
- ⊕ To See
- ⊕ To Attract Attention
- ⊕ To Signal Something
- ⊕ To Create the Required Atmosphere
(Lights Add Heat)
- ⊕ To Decorate

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FACTORS INFLUENCING THE SUBJECTIVE EFFECT OF LIGHT

- ⊕ Source of Light
- ⊕ Size of Room
- ⊕ Distance Source of Light - reflecting
surface
- ⊕ Color of Light
- ⊕ Color of Surface and Bodies
- ⊕ Contrast
- ⊕ Brightness of the Surrounding Area
- ⊕ Reflective Property of Surfaces and Bodies
- ⊕ Light Adds Heat