

Ikea to make India manufacturing hub for sofas, furniture

Plans to open 25 stores by 2025

For the first time in three decades, Ikea is using India as a hub for making sofas and furniture for its global stores. This is expected to build volumes for the Swedish furniture retailer and, as a result, help bring down prices of its products in India. Ikea India CEO, Mr. Juvencio Maeztu said that Ikea products sold here will sport lower price tags than the ones sold in European markets. "At Ikea, we target everyone - we want you to come to our store, your boss and your maid, as well," said Mr. Maeztu. "Some of them will buy big furniture and some of them will buy a spoon or a glass and therefore we need to have low prices."

One of the ways how Ikea plans to reduce prices of its products in India is by exporting locally-made products to its global stores to achieve economies of scale. Although the company has been sourcing from the country for 30 years for its stores worldwide, textiles constituted 70% of its exports. Currently, however, as it inches towards running a full-fledged operation here, Ikea sees potential in sectors such as metal, plastic and glass. "We are now working on comfort items such as sofas and mattresses," said Mr. Maeztu.

"Simultaneously, we are also trying to develop products from materials such as coconut, sugarcane, bamboo and banana leaves - materials that have had no organised industry built around them."

Globally, Ikea sources around 75% of its products from Europe and the rest from other places, including Asia. "Going forward, we will see more Made-in-India products in Ikea stores around the world," Mr. Maeztu said. Ikea plans to open 25 stores in India by 2025 for a proposed investment of Rs 10,500 crore. ■

Source: Times of India



Hon'ble Union Minister of State for Tourism and Culture (IC), Dr. Mahesh Sharma hoists 163 feet high flag at IEML



Seen on the dias below (L-R) are:
Smt. Bimala Batham, ex-MLA Noida;
Chairman, IEML and Executive Director,
EPCH, Mr. Rakesh Kumar; Hon'ble Union
Minister of State for Tourism and Culture
(IC), Govt. of India, Dr. Mahesh Sharma;
Mr. Tejpal Singh Nagar, MLA, Dadri; and
Mr. Vijay Bhati, President District, BJP



IEML celebrated 70 years of India's independence with a vibrant ceremony with Hon'ble Union Minister of State for Tourism and Culture (IC), Govt. of India, Dr. Mahesh Sharma as Chief Guest and Mr. Tejpal Singh Nagar, MLA, Dadri; Smt. Bimala Batham, ex-MLA Noida; and Mr. Vijay Bhati, President District, BJP as special guests. Representatives of 17 countries including Sri Lanka, Thailand, Bangladesh, Turkey, Pakistan, USA, Afghanistan, guests from Philippines and Vietnam Embassy as well as citizens from eighteen states of India attended the ceremony. Mart owners and many members from the handicrafts fraternity had gathered to witness the historical moment of hoisting the Indian flag at a height of 163 feet by Dr. Mahesh Sharma and Mr. Rakesh Kumar, Chairman, IEML. In his address, Union Minister, Dr. Mahesh Sharma said that twin cities of Greater Noida-Noida have established themselves as a show-window of Uttar Pradesh. He also informed that a Habitat Centre is going to be developed in Noida which will give necessary boost to art and culture of the region. ■

NRF lowers retail forecast

Projection now calls for an increase of 3.2% to 3.8% only

New US government data has prompted the National Retail Federation to pare its retail forecast for this year. The projection now calls for an increase of 3.2% to 3.8%, down from the original 3.7% to 4.2% forecast from earlier this year. Significant revisions to retail sales numbers by the Census Bureau and similar revisions to personal income and consumption by the Bureau of Economic Analysis weighed on the decision, according to Jack Kleinhenz, NRF chief economist. "While weaker-than-expected spending in the first quarter along with decelerating inflation has also contributed to the revision, NRF anticipates stronger sales heading into the fall and holiday seasons," he added.

Kleinhenz said total retail sales have grown year-over-year every month since November 2009, and retail sales as calculated by NRF, which excludes automobiles, gasoline stations and restaurants in its measurement, have increased year-over-year in all but one month since the beginning of 2010. ■

Source: Home and Textiles Today

Botanical illustrations rule greenery trends

Botanical illustration isn't anything new but it is becoming increasingly popular as part of a wider greenery trend. This includes hand-drawn images, etchings, layering and blending scanned watercolour swatches for assimilated designs, etc. Houseware influenced by this trend include ceramic candle pots, tableware, teaware, storage/decorative canisters, etc.

Stationery includes wrapping paper, writing sets and cards in designs that appeal to men and women. They are plant patterns and fusions of animal markings with botanicals, yet are not 'girly'. Then, there is the use of water colour and calligraphy with plenty of palette based experimentation to capture the spirit of the plants. In a digital age, textile designers use traditional linocut print methods to create nature-inspired cushions and fabrics.. ■

Source: The Guardian, UK

Continued growth for household goods

Department stores in Australia record year-on-year growth for first time this year with a 1.28 per cent rise

The Australian household goods sector is going strong according to the latest figures released by the Australian Bureau of Statistics. The sector saw a year-on-year increase with an overall growth of 4.62 per cent, while department stores recorded year-on-year growth for the first time this year with a 1.28 per cent rise.

According to Australian Retailers Association (ARA) Executive Director, Mr. Russell Zimmerman the July retail trade figures continue to show stable growth, a positive sign going into the warmer months. "Year-on-year growth remains strong for



the retail industry with household goods, especially hardware, driving the figures. It is encouraging to see the hardware sector continuing to show robust growth year-on-year, with a 5.02 per cent increase. With the end of deep discounting events after the closure of Masters, the continued growth in the hardware sector as sales begin to normalise is a good sign for the retail industry as a whole," he says.

The positive numbers for department stores are largely attributed to early spring fashion sales. New season fashions have brought customers back into the department stores, and the increase in sales bodes well as Australia moves into summer. All states recorded growth, which is a great sign for the retail industry, with Victoria and New South Wales leading the pack with 5.63 and 4.18 per cent growth year-on-year respectively. They were followed by the ACT (3.95 per cent), Tasmania (3.53 per cent) and South Australia (2.99 per cent), while the Northern Territory, Queensland and Western Australia showed gradual increases.

Victoria is showing a significant increase in sales year-on-year, and Western Australia is beginning to turn around with a change in government bringing some positivity to the west. National Retail Association (NRA) CEO, Ms. Dominique Lamb says, the figures show that the industry is in a steady and stable shape. "The trend estimate rise of 0.3 per cent for July shows that retail is in a stable state at the moment, but we are expecting that to pick up as we head towards Christmas. The Reserve Bank of Australia (RBA)'s decision to keep the interest rates at 1.5 per cent should give retail a much needed boost before the silly season starts," she adds. From retail's perspective, it is important that consumer confidence is as high as possible and low interest rates certainly help to foster that. ■ *Source: Giftguide Australia*

Physical retail not in decline

For every chain closing stores, 1.3 chains are opening new stores

The “negative narrative” on the future of the brick-and-mortar store is false, said a new research report from IHL Group, as US retailers are opening more stores than they are closing.



According to the report titled *Debunking the Retail Apocalypse*, retailers are opening 4,080 more stores (including retail and restaurants) in 2017 than they are closing and plan to open more than 5,500 more next year.

“The negative narrative that has been out there about the death of retail is patently false,” Greg Buzek, president, IHL Group says. “The so-called ‘retail apocalypse’ makes for a great headline, but it’s simply not true. Over 4,000 more stores are opening than closing among big chains, and when smaller retailers are included, the net gain is well over 10,000 new stores.” For the retailers reviewed, 42 percent have a net increase in stores, 15 percent have a net decrease and 43 percent report no change.

“Without question, retail is undergoing some fundamental changes,” said Buzek. “The days of ‘build it and they will come’ are over. However, retailers that are focusing on the customer experience, investing in better training of associates and integrating IT systems across channels will continue to succeed.”

The three fastest growing core retail segments are mass merchandisers such as off-price retailers and dollar stores (+1,905 stores), convenience stores (+1,700 stores) and grocery retailers (+674 stores). Specialty apparel retailers are seeing the largest number of closings, with a net loss of 3,137 stores. However, for every chain closing stores, 1.3 chains are opening new stores, the survey found. ■ *Source: HFN*

IEML gets rooftop solar plant

Mr. Brijesh Pathak, Minister for Additional Energy Sources, Govt. of Uttar Pradesh, inaugurates facility



A glimpse of the inauguration ceremony with Mr. Brijesh Pathak, Minister for Additional Energy Sources, Govt. of Uttar Pradesh, inaugurating the facility in the presence of Mr. Rakesh Kumar, Chairman, IEML and Executive Director, EPCH and EPCH member exporters

33 nos. of SMA inverters. The project was completed in around 8 months and was declared for commercial use on 31st May 2017. India Expo Centre & Mart is slated to use the generated solar energy to meet up to 50% of its varying energy needs.

Mr. Rakesh Kumar, Chairman, IEML and Executive Director, EPCH, said, “this plant not only serves as a testimony of the Expo Centre’s commitment towards ‘going green and reducing carbon footprint’, but over its lifetime, will help in saving 69,000 MT CO₂, which is equivalent to planting 86,000 trees in addition to the guaranteed cost savings to IEML.

Earlier on the day, to mark the occasion of the solar plant inauguration, India Expo Centre & Mart organised a Round Table Conference on ‘Green buildings - A Business Opportunity’ with an endeavour to bring to the forefront, how incorporating alternate energy in energy mix is paramount to building a sustainable future for an organisation.

Mr. Anand Kumar, Secretary MNRE, the Chief Guest for the Round Table, emphasised on the much-needed course correction for realising the 40 GW rooftop and 60 GW ground-mounted solar missions. The findings and the recommendations of the conference were later presented to Mr. Brijesh Pathak. ■

The 2.0 MW solar roof top plant at India Expo Centre & Mart, Greater Noida, was inaugurated by Mr. Brijesh Pathak, Hon’ble Minister for Additional Energy Sources, Govt. of UP. While addressing the audience at the inauguration, he assured of incentives in the field of solar roof top as well as green buildings across UP.

This plant, spanning across 35000 sqm of roof, consists of 7860 Trina PV modules of 320 Wp each and



The Round Table Conference on ‘Green buildings - A Business Opportunity’, in progress with Mr. Anand Kumar, Secretary, MNRE, as the Chief Guest