



ØYVIND TØRLEN  
President & CEO

## WHAT ARE WE PLANNING IN THE USA?

All employees in an organisation need adequate and accurate information about the issues they think are important. This is a fundamental and very human requirement.

As a rule, if adequate and accurate information is not available, rumour and speculation will start to circulate. Speculation of this kind is often rooted in anxiety about imagined negative consequences, and it has a tendency to spread rapidly. It can easily result in fear and frustration, and can drain an organisation's energy.

The only effective way of stopping speculation is to provide adequate and accurate information, based on the principle of honesty and openness. Honesty and openness are, as we know, among Ekornes's core values, as set out in our "Objectives and Values" pamphlet.

In recent weeks I have had the impression that management's efforts to assess whether to establish facilities for finishing Ekornes sofas in the USA has prompted the kind of speculation described above. I would therefore like to take this opportunity to provide 100 per cent open and honest information about this matter, thereby making speculation (to the extent it exists) unnecessary. To make what I have to say as plain as possible, I propose to ask the questions I think most people have, and then answer them.

### *What is Ekornes thinking of doing differently in the USA?*

We are considering leasing premises where we can finish assembling Stressless® and Ekornes® Collection sofas which have been bought by customers in the USA and Canada. Initially, this will probably just be limited to covering, assembling and packing, based on components supplied by our factories in Norway. Cutting and sewing will probably be carried out partly at our plants in Norway and partly at the facility in the USA (the largest models and colours).

### *Why is Ekornes considering this?*

Because we know for sure that we are losing sofa sales in this market because we currently have such long lead times on sofas for delivery to customers in the USA (the main problem is the long sea voyage). We are simply not competitive on delivery times. We cannot deal with this problem adequately through our warehouse in the USA (which works excellently for Stressless® chairs) because the number of sofa configurations (models, combinations and leather colours, etc) is just too great. So, we are doing this to increase sales of sofas in the USA!

### *What impact will this have on our jobs in Norway?*

If we succeed in increasing sofa sales in the USA over the long term, it will mean an increase in the volume of sofa components being produced (eg steel components, cushions, wooden side panels). Initially, we will probably send ready-sewn covers as well, though that will have to be assessed at a later date. Since we are still in the middle of evaluating this, there are lots of things yet to be worked out in detail. It is natural to imagine that increased sofa sales will also lead to increased chair sales, with the positive implications that would have on jobs in Norway. Remember, we are talking about 15-20 jobs in the USA to start with, while we have almost 1,000 jobs in Sykkylven alone.

The changes we are currently assessing must be seen as an opportunity, not a threat. I hope the information I have given here can help to lay any speculation to rest, so we can all look forward to the holiday season with enjoyment and anticipation.

**I would like to thank you all for the fantastic efforts you have made throughout the year that is now drawing to a close.**

With these words it is a pleasure to wish everyone at Ekornes, and their families, a very merry Christmas and a happy New Year.

Øyvind



# A good clear out



Plant managers Knut Ove Rygg and Bruce Faulk are impressed by the enthusiasm with which staff have joined in the de-cluttering process. Simple posters log activity and are a source of inspiration.

They take pre-Christmas housekeeping seriously at Grodås. They have just carried out a major de-cluttering – all in the name of more efficient production.



"Red card". This one's got to go. Lean Manager Bruce Faulk shows no mercy when it comes to de-cluttering.

"You wouldn't believe what we've found along the way," says a smiling Bruce Faulk. The list includes production equipment for sofa models long since discontinued, which had been pushed to one side until 'someone' should decide what to do with it.

## Creative clearing

But why this sudden mania for de-cluttering? Well, the Grodås facility in Hornindal has set its sights on becoming "lean". Lean is a method for making production more effective. The first step is to get rid of the clutter, the next to set things in order.

"Part of the point is that everyone should contribute to the effort. So we have put up boards with ideas and suggestions, and a lot of good has come out of them. For example, suggestions for how to put the equipment we no longer need ourselves to good use," explains Bruce, who has been appointed Lean Manager at the plant.

Johan Solhaug from the National Institute of Technology has been hired in as a consultant, but it is the employees themselves who must drive the effort to achieve lean production.

## Famous s'es

The "Lean" method derives from Japanese manufacturing industry, and is often used to

explain Toyota's success. As a result it has become widely known.

One of the tools underpinning the method are the five s'es. At Grodås they have now tackled the first: de-cluttering and sorting. In the run-up to Christmas they have embarked upon the second "s": setting in order. By the summer they will have completed all five:

1. Sort
2. Set in order
3. Shine
4. Standardize
5. Sustain

Once this is done the tasks will flow more easily through production. The challenge then will be to maintain the good new working methods.

## Hareid also

The Hareid plant is also about to embark upon its own Lean project. In Sykkylven, Ola Arne Ramstad, Director Stressless® Division, explains that when these two facilities have completed their projects, the Group will assess the results and decide whether other sites should implement the method. Although, it must be said that several of the principles behind the Lean concept are already in use at Ekornes.

## What is Lean?

"Lean" is a method for process improvement. The method can be used both for industrial manufacturing and administration. The objective is to work more intelligently, not harder. Lean means that tasks and processes become clearer, it highlights what is value-adding and what is not value-adding, while pointing to possible causes of waste.

Lean nurtures the thoughts, ideas and suggestions from all employees to create a better company and increase employee satisfaction.

## Characteristics of a Lean company:

- All problems are made visible
- Problems are addressed immediately
- Waste is reduced through structured efforts for continuous improvement
- All employees contribute to the improvement effort
- The effort to achieve "lean" production results in the creation of strong and vibrant teams/groups

Around 80 different environments were on display at Ekornes Bua. In other words, there was a lot to take in.



The Møbelringen Ivar Sæter furniture store in Halden was represented by Svein Sæter. Here, he is discussing Svane® mattresses with sales representative Hilde Vangen from Ekornes.

Ekornes® representatives in the Norwegian market with the new Svane® Zello. Back row: Bernt Harald Dybdal (left) and Arne Inge Kleiven.

Front row: Svein Kåre Hansen (left), sales manager Ann Iren Skogheim, Henning Løvskogen and Hilde Vangen.



Jens Petter Sætre (centre) tells Steinar Abrahamsen and Mona Christensen all about the Stressless® E200.



# Huge choice at Ekornes Bua

The furniture exhibition at Ekornes Bua in Ålesund lasted for two weeks and closed during the first week in November. A lot of customers came in for a chat with our sales staff and a chance to try out the large number of chairs, sofas and mattresses on display.

“It was fantastic. It was so comfortable to sit in,” says Steinar Abrahamsen, who has just tried out the Stressless® E200 with the ErgoAdapt™ System.

Abrahamsen represents the furniture chain Møbelringen’s Skien branch, and he is proud to reveal that his store has the largest display of Ekornes products in Telemark County. Møbelringen’s Skien outlet has room for even more Ekornes products now that they have moved into 2,200 m<sup>2</sup> of new premises.

Steinar had brought Mona Christensen along with him to Ekornes Bua, and the two were shown round the exhibition by salesperson Jens Petter Sætre.

Mona, too, was impressed by the Stressless® E200. “I agree with Steinar. You expect the sofa to be comfortable to sit in, and it was.”

## A good night with Svane® Zello

A few floors further up is the Svane® mattress exhibition. Beside the Svane® Zello mattress, we encounter sales representatives Hilde Vangen and Svein Sæter from Møbelringen Ivar Sæter in

Halden. Svein Sæter is testing out the mattress, and is impressed by the level of comfort he is experiencing.

“This is something completely new to me, but I get the idea. We have already noticed a demand for good non-sprung mattresses,” he says.

We stroll around the floor, taking pictures of the Svane® Sense while Vangen and Sæter discuss mattresses. Svane® Sense is a continental mattress with FlexSystem, one of many mattresses which are simply begging to be tried out. But there is work to be done. No time to stretch out and take it easy.

## User-friendly design program

Knut Svendsen is not taking it easy either. He is busy demonstrating the user-friendly Stressless® Design Online. So we stop a while to learn more about the program, a beta-version of which is currently available on Ekornes’s website.

“Here you can see 3D models of the various collections, create your own living room and add a sofa, for example, to see if it fits in,” explains Svendsen.

You can read more about Stressless® Design Online, which has already helped distributors close sales, on page 12.

## Sales growth in Finland



Front row: Henry Sukari (left), Deputy CEO, Kaj Juutilainen, Marketing Manager Ekornes, Tony Eronen, Purchasing Manager, Pekka Sukari, CEO. Back row: Group Marketing Director Runar Haugen (left) and Toni Juutilainen, Sales Manager Ekornes Finland.

## Following several years of fluctuating order receipts in a difficult market, Ekornes sales in Finland this year are twice as high as last year.

The Masku chain has some 50 stores spread throughout Finland, and is the country’s second largest furniture chain. In recent years, the Masku chain has experienced the highest rate of growth. The company is family-owned and is headquartered in Turku.

“Ekornes is Masku’s second largest supplier,” explains Group Marketing Director Runar Haugen. “Stressless® and Ekornes® Collection account for half of sales revenues, while Svane® mattresses make up the other half.”

At the start of November chain management visited the exhibition at Ekornes Bua, where agreement was reached on a continued growth plan for the years ahead.

“This includes upgrading the display models, and presentation of our new models. We are also planning to provide training for a large group of Masku’s retail sales staff here at Ekornes Bua in January, which will include a visit to the Ekornes factory.

# The man who got the French to lie back

**It was not all plain sailing for Jean Cassou when he started up our office in France in the late 1980s. Nevertheless, he succeeded in building Southern Europe into one of the largest Stressless® markets, and has played a key role in developing Ekornes's marketing concept.**

Jean Cassou joined Ekornes in 1989 as marketing manager for France. And when he stepped down as head of Ekornes S.A.R.L. in favour of Bernard Lafond in 2007, he became a strategic consultant for the Group.

Jean is from the city of Pau in southern France, and since his wife Martine was an established local politician, his proposal that the new French company should be headquartered there was accepted. While new rules meant that Jean chose to retire in the summer of 2010, Martine is now mayor of Pau.

## **Brand-building, marketing and selective distribution**

Jean established Ekornes France S.A.R.L., and set about building up a network of distributors and staffing the office. In his very first marketing plan, Jean pointed out the importance of building the Stressless® brand and of selective distribution, factors which have subsequently become important in Ekornes's overall marketing strategy.

In 1991 Jean launched the first Stressless® television commercials. They proved to be a bigger success than expected, with several hundred chairs being sold as a result.

Jean began reporting to Runar Haugen in 1992, and from then on the two worked closely together to develop the brand concept and marketing activities. Jean was quick to adopt new marketing ideas, and the measures he implemented in France were often used as examples for other markets to follow.

In 1994 Jean introduced the first formal distributor contracts where the Stressless® studio concept, selectivity and joint marketing played a key role. Agreements with a couple of hundred distributors were terminated. The objective was that Ekornes should be given a higher priority by those who remained, and ensure more effective marketing. It was a tough decision, but it proved extremely successful.

## **Against all odds**

The start-up in France was not all plain sailing. The first bank they contacted refused to lend them any money to buy a PC and a photocopier – a decision they have later regretted. The market, too, was difficult. The first few distributors who were shown the



Stressless® wondered what on earth it was. Some sort of office chair, perhaps? Most were convinced it would not be possible to sell a recliner at that price. And a consultant who carried out a market survey concluded that it would be quite impossible to sell the product in France at all.

When Jens Petter Ekornes returned to Ekornes in 1990, after a period away from the company, he was astonished that an office had been established in France. He thought the whole idea was madness and wanted the office closed down immediately. Per Alvestad persuaded him to stick with it. Afterwards, Jens Petter would often use this as an example of focusing more on the opportunities than the problems.

The office in Pau gradually acquired responsibility for the markets in Belgium, Spain and Italy as well. When Jean stepped down as head of the company, sales revenues in Southern Europe had reached NOK 370 million. In both France and Belgium, more than 30 per cent of our target group were familiar with the Stressless® brand name. This is an excellent result, and a solid foundation on which to continue building.

We send our thanks to Jean for his hard work in Southern Europe, and for his many contributions to the development of Ekornes's marketing concept.



*Stefan Hökfelt and Jean Cassou at the Cologne Furniture Fair in 1994.*



☞ Kaj Juutilainen is the first member of Ekornes's marketing organisation to have been with the company for 25 years.

CEO Øyvind Tørlen (left) awarding a gold watch to mark 25 years of employment with Ekornes.



# Master forester

**After 25 years as marketing manager for Ekornes Kaj Juutilainen from Finland is still passionate about his favourite subjects – customers on the one hand, hunting and shooting on the other. What could be better than combining the two?**

Kaj Juutilainen (57) is a keen outdoorsman. There is nothing he likes better than salmon fishing at Stryn in western Norway or heading for Kirgizstan, where he took his last hunting trip. Along with his customers.

"I enjoy being with customers," smiles Kaj, who is also known for preparing and serving pheasants he has shot himself in his own woods.

## 25 years in sales

This autumn Kaj Juutilainen completed 25 years as an Ekornes employee, and was awarded a gold watch in recognition. It is the first time anyone from the company's sales staff has been employed for as long as 25 years.

"Actually, I have the equivalent of a master's degree in forestry management," he says in his calm Finnish-Swedish. "I got to know Ekornes when I was working for a company that sold timber." Kaj was marketing manager at the company with 7,000 employees. In 1985 he accepted the challenge and became marketing manager for Ekornes in Finland. "We started off with two employees. Today there are six of us."

Group marketing director Runar Haugen explains that although the sales organisation in Finland is relatively small, they have managed to build up an extensive network of distributors, comprising 49 stores, and become the most well-known international furniture supplier in Finland. "And what we have achieved in Finland is thanks to Kaj," he adds.

Kaj himself believes the key to success lies in the Ekornes concept. "We have a strong brand name and a ready-made concept, which makes it easier to gain acceptance with distributors. It is a strength that we can supply Stressless® studios. The main focus now is to increase sales revenues in Finland. But, of course, we have had our challenges over the years. Ekornes has changed a lot since we started up 25 years ago.

## Family firm

Kaj Juutilainen is the man in charge from A to Z. He is involved in every aspect of the business. If there is a Stressless® studio to be built up, he puts on the overalls and sets to. He has also turned Ekornes in Finland into something of a family firm.

"My son is sales manager and my wife works in the office," he says with a smile.

Kaj is constantly out travelling in the field, and he has developed an extensive customer base. He is renowned for being accessible to customers – whatever the time of day.

"In principle I probably know everyone in the business. Since I travel so much and visit customers at their locations, I build up a personal relationship with them. I have a satisfying and varied job. It is something I want to continue doing for many years to come," concludes Kaj contentedly.

# Food and warmth for Christmas

**Every day, children in Kenya, the Philippines and Colombia benefit from the Christmas present Ekornes gave last year. Food and warmth are keywords here. Perhaps the thank you letters they have sent us will warm our hearts this Christmas, too?**

Last year, Ekornes decided that the money it used to spend on Christmas presents for the company's employees should from then on be given to worthy causes with links to the local area. This gift has therefore actually been given by Ekornes's workforce. The three recipients have sent us photos and letters describing what the money has been used for.

The reports and the projects' results have been well received by Ekornes. The project group responsible for the Christmas gift money believes that all three have exceeded expectations. The group recently decided to continue their support, and to give an additional NOK 25,000 to the projects in Kenya and the Philippines for 2011.

## A new home in Brazil

"This year has given me so many more opportunities to help," says a grateful Inger Harrington of the Casa Emanuel charity, which last year received NOK 300,000 in a Christmas donation from employees at Ekornes. Inger travelled to Brazil in 1987, where she eventually adopted 14 children. Since then she has worked with street children, has opened up her home and become foster mother to several more.

Today, Inger is a solid point of contact for her children and grandchildren in Brazil. She also helps the SOS Nova Vida children's home, and supports a project for children and teenagers in the Maua district of São Paulo. The Christmas present from Ekornes has been put to good use in all three of these places.

The support was particularly welcome for SOS Nova Vida. In 2009, children and adults were on the verge of out of the city and into a property in the country that Casa Emanuel had bought two years previously. The buildings on the property were in a terrible condition, but the staff at the children's home were impatient to get started. The Christmas present has meant that the houses have been made habitable more quickly than expected.

There are now three additional houses on the property, which have become home to young girls who have become mothers themselves far too soon. At SOS Nova Vida the girls learn to look after themselves and their babies. They live by themselves, separately, but receive all the support they need.

"I am deeply grateful for the gift from Ekornes," says Inger Harrington. "The fact that it has been extended over a longer period makes it possible to strengthen the activities at the children's home and the Maua centre in a safe and reliable way. Casa Emanuel can now expand and safeguard the quality of our projects, with the aim that they should one day be able to stand on their own two feet. I look forward to continuing this effort in 2011. It is a great pleasure to be able to help," she says.





*Three nice new homes for the single mothers in Brazil.*



*A pupil of the Lola Day Care Center sits proudly in her school uniform.*

## Learning and play at Lola Day Care Center

In the Philippines there is a Norwegian grandmother, or “Lola May-Britt” as she is called. For five years, May-Britt Tynes has been working to improve the lives of poor people in and around the city of Bogu on the island of Cebu in the Philippines. Among other things, she has taken care of an orphaned family of 11 children obtained sponsors for seven girls from poor homes so that they can get an education, built wells and distributed clothes and toys.

In 2009 plans were drawn up for a day care centre that could give children a sorely needed boost before they started school. With support from Ekornes, construction of the day care centre was completed in 2010. It is now fully operational in a brand new building, with safe play areas on site, and a kitchen where parents are also invited to cook meals. The parents pay for their children’s schooling here by helping out with cleaning, cooking and maintenance. It is a system that works very well. The centre is staffed by three qualified pre-school teachers.

The children are divided into two groups: one for 3-4 year-olds, one for 4-5 year-olds. Each age group attends the centre for three

hours a day. The children have learned to write their names, they sing and speak English every day, and are learning about such concepts as shape, colour and size.

Their families are proud that their children attend the day care centre, and often contribute more than necessary to help out on a practical level.



*Lola May-Britt comes to visit. The shanty houses in the background are home to many families in the slums of Bogu, Philippines.*



*A daily meal provides energy for play!*



*Not a canteen assistant at an Ekornes plant, but the cook at the school in the Mathare slum in Kenya.*

## School meals in the Mathare slum

The last time Britt Løddøen was in Kenya on an unannounced visit, the pupils of the school in Mathare jumped around shouting "Thank you Ekornes", full of energy before their next lesson. Britt works to raise funds for the project, and NOK 75,000 from Ekornes has been turned into a school meals programme. A hot meal is now served every day, and for many of the children this is the only food they will eat. That is worth a shout of thanks! T-shirts from Ekornes have made sure that the company's name is well known among the children in this slum area of Nairobi.

The school has also hired its own cook, who now has a job to go to every day – for which she is very grateful. Pastor Luke Wanyama, who runs the school, explains that the children now come to school every day – in large part because of the free meal. Pastor Luke and Britt would welcome a visit from any Ekornes employee in the future. They are keen to show what the company's Christmas present has achieved. Britt has a special message for Ekornes's employees:

*"This is completely indescribable. I simply cannot express how much this means for all these slum children. To all Ekornes employees who read this I would simply like to say: Thank you from the bottom of my heart! On behalf of everyone, I would like to wish you ALL a merry Christmas and a wonderful, peaceful New Year. God Bless You All!"*

# Where should the Stressless® go?

With the Stressless® Design Online program anyone can determine the best place for their Stressless® furniture.



*Knut Svendsen (right) telling Steinar Abrahamsen from Møbelringen Skien about Stressless® Design Online during the furniture exhibition at Ekornes Bua.*



The program is also an excellent tool for salespeople who want to show customers what their choice of furniture will look like when they get it home, and for customers who want to pick the perfect solution.

## Realistic furnishing

“Here you can see 3D models of the various collections, create relevant rooms to scale, and add a sofa, for example, to see how it fits in,” explains Ekornes’s e-commerce manager Knut Svendsen.

Users can choose whatever model they like, in whatever colour and with any leg configuration in the collection. In addition, they can choose the colour of the wallpaper, type of flooring and windows. The furniture is placed in the room and, voilà, there you have your own living room on screen.

“You can see the whole thing in 3D and move around the room. It is also easy for users to print out a picture and all the information about the furniture they have chosen. They can then take the printout to the furniture

store, where they can try out the pieces for themselves,” Knut says.

## Good experience

One of Ekornes’s distributors, who has already adapted the design program, is ABC Møbler in Bodø, in northern Norway. They were the first store to sell a furniture configuration with the help of Stressless® Design Online.

“One of our customers wanted a Stressless® Arion configuration, but was unsure if it would fit in his living room, since the configuration is made up of a lot of elements. With Stressless® Design Online he was able to see the products in his own lounge, and now the furniture is ready to be collected at our warehouse,” says store manager Karl Viggo Hunstad with satisfaction.

The program is currently being tested on Ekornes’s Norwegian website, but it has also been used successfully in Belgium. Our agent, the distributor and the customer accessed the Norwegian site and tried it out.

The result was a sale worth EUR 15,000. Since they managed to complete the design with only the Norwegian text to help them, we are taking it as a sign that the program is pretty intuitive,” says Knut Svendsen.



*Karl Viggo Hunstad, store manager at ABC Møbler in Bodø, has already experienced that Stressless® Design Online is a useful sales tool.*

# Stressless® around the world



*Stressless® is a registered trademark in more than 60 countries, and Ekornes's own surveys show that more than 70 million people worldwide are familiar with the brand name.*

# Stressless® celebrates



## Worth knowing:

- In 1971 Ekornes launched the Stressless® Original recliner onto the Norwegian market.
- Since its introduction in 1971 **over 6.5 million Stressless® seat-units have been sold.**
- At the start of the 2011 anniversary year, around 1,800 Stressless® seat-units are produced on average each day.
- Stressless® is a registered trademark in more than **60 countries.**
- Over **90 percent** of the Norwegian population recognises the Stressless® brand name. Internationally, Stressless® is probably Norway's best known brand name. The latest market survey was carried out in 2010, and shows that more than 70 million people recognise the **Stressless® brand name.**
- Stressless® products are exported to more than **40 countries.** Around 94 per cent of all Stressless® products are exported.
- There are currently around **2,500 Stressless® distributors.**



*Stressless® has lived a rich life since it all began in 1971.*

## Next year marks the 40th anniversary of one of the world's best known furniture brand names.

The name in question is Stressless®, and its anniversary deserves a proper celebration. So, next year, the big four-oh will play a key role in Ekornes's marketing drive. Marketing material has been developed to be used in connection with anniversary-related events next year.

## What the world thinks about Norwegian furniture

**The Norwegian authorities are active when it comes to reputation-building, but not always in a way that strengthens either the country's reputation or its wealth creation," says Egil Sundet, head of the furniture and interior section at the Federation of Norwegian Industries.**

The Federation and Innovation Norway's reputation report from 2009 makes a number of recommendations for improving the situation. The report also reveals how much consumers in 16 countries/markets know about Norwegian furniture, brands and design, and what impression they have of them. Interior design products are also included.

### Solid and a bit boring

The main findings were that only a few brand names were recognised, and barely any designers. Furthermore, that the industry represented high quality and comfort, is reliable and credible, but perhaps a bit boring. The main recommendations were that

we should project ourselves as more "raffish" from a design point of view, and be much more commercial in our approach. The responses varied considerably from market to market. In some places we were considered attractive and exciting, while others thought we were dull. On the whole, though, being "Norwegian" was perceived as extremely positive.

"Getting control of how the authorities present our industry is now one of our objectives," says Egil Sundet. "In this way we can build recognition (or a reputation) which is credible in relation to what this design industry actual is, and which can contribute, both in the short and longer term, to value

creation in Norway or profitable export positions. In addition, it is important to create a direct commercial benefit for the companies which are active in the export markets in which the presentation is made," he adds.



*Wooden house, comfortable, warm, with heated floor.*

*Clean snow outside the house.*

*The Norwegian family is sitting in Stressless® chairs, eating salmon»*

Quote from a source in Russia, according to the reputation survey.

Ekornes and Stressless® stand out in the Federation of Norwegian Industries' reputation survey. They are familiar names among many people in the furniture industry worldwide – and exports are growing. This year, the marketing department is underlining our international profile with a new series of photographs. Here is a glimpse.





# Green office

## Recycling makes a difference!

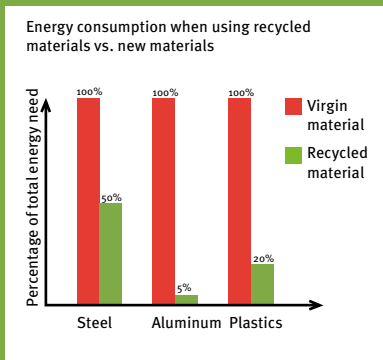
In 2009, around 40 per cent of the waste materials sorted at source in Norway were reused as raw materials for new products.

And this figure is rising. In recent years the growing awareness of waste materials as a profitable and environmentally-friendly resource has produced results. Did you know, for example, that manufacturing a product from recycled aluminum takes just 5 per cent of the energy needed to extract the ore required to make primary aluminum?

Population growth, climate change and rising consumerism is resulting in a growing demand for environmentally-friendly products.

It is forecast that, in future, recycled materials will be as

important resources as today's mineral mines and oil reservoirs. Ekornes sorts its waste and encourages its employees to do the same.



Every little helps...

It is easy to think that your contribution is so small that it does not count, but if we all thought like that we would never move forward. So we were very happy to learn of the project in France, where everyone in the office takes simple steps to make life “greener” day to day.

“Often, all that is needed is to think twice,” says Nathalie Ranguetat, Ekornes’s environmental ambassador at the office in Pau. “Do you have to print out that document, or can you read it on screen? If you print it out, maybe you could use both sides, without colour? Could you bring in your own coffee mug, instead of using disposable plastic beakers? Do you turn the lights off in rooms you’re not using, and the PC when you go home for the day? Do you use the air conditioning properly?”

Surveys in France show that paper is the biggest waste factor in offices. It represents 70-85 per cent of the waste produced by the service industry. On average, every office-worker generates 70 kg of paper each year. Only about 20 per cent of office paper is currently recycled.

“When we know that producing recycled paper requires three times less energy, six times less water and 20 times less wood, it is obvious that we should choose this kind of paper in the office,” says Nathalie.

## Environment ambassadors wanted!

We want every department to have an environment ambassador who is committed to:

- Pushing the department to take responsibility for the environment
- Learning more about environmentally-friendly production

We need people who can become a point of contact with the environment management group and pass on improvement suggestions.

### Interested?

Contact Anders Ramstad at the environment management group: [anders.ramstad@ekornes.no](mailto:anders.ramstad@ekornes.no)

# Christmas letter from 1974

In 1974 Jens E. Ekornes wrote a long letter to all employees. It came to light again in connection with Ekornes's anniversary book. The letter still has a message for us today.

*"This autumn our company celebrated its 40th anniversary," he wrote.*

1974 had been a difficult year. Dark clouds loomed on the horizon for labour-intensive industries, profits were "unmentionably" low, and the firm had set up a cost-cutting committee. On top of all that, Jens was due to step down as head of the company. His health was failing and, so he felt himself, he no longer had the same drive as before.

*"Lately, I've been feeling much more frail, and this decision has been for the best, not least for me personally."*

Nevertheless, there is a great deal of both faith in the future and drive in the letter.

*"Hardship generally results in the industry mobilising a corresponding effort to survive. I have great faith in the ability of the furniture factories to adapt, and that ability will be needed for many years to come.*

*"A lot has happened at the factory this year. Previously, I both owned and ran things by myself. This year we have established a six-man board of directors in addition to an elected corporate assembly. I am happy because responsibility can now be shared between more people.*

*"I also think that company democracy will result in the entire workforce feeling bound to the company through a strong sense of solidarity. So everyone, by working hard – each in his own place – will help to safeguard each other's jobs."*

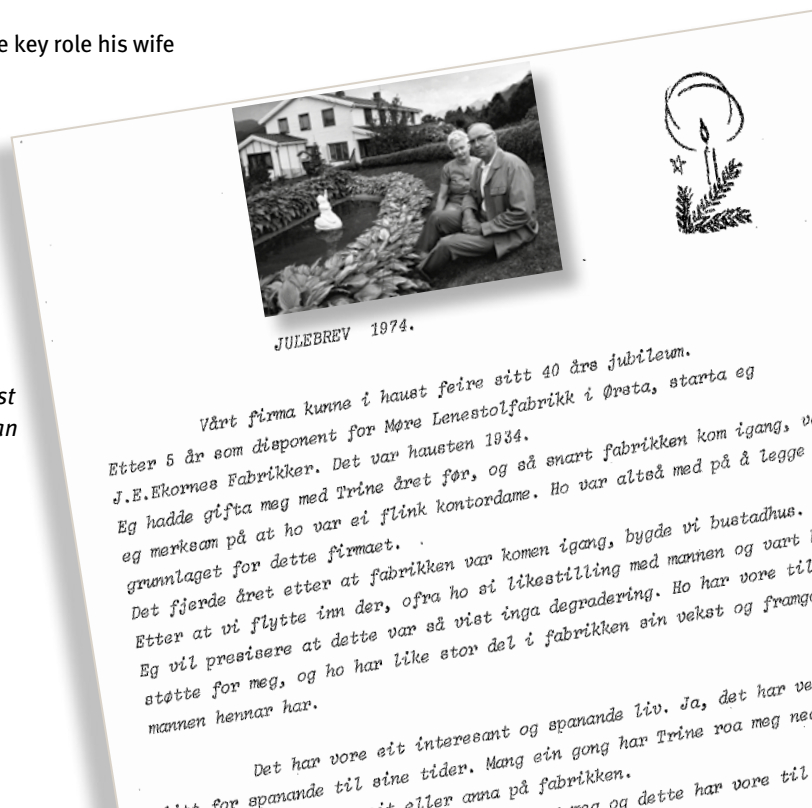
The letter reflects on everything from the price of oil to the key role his wife

Trine played in building up the company.

He writes about future ownership and hard work, about his faith in the new models and the export market. He also ventures to express his belief in higher powers and wonder whether they might have had a hand in helping the factory to survive when times were hard. He concludes with a Christmas greeting to all employees:

*"Well, this Christmas letter has focused strongly on the material, and the run-up to Christmas is generally filled with the pursuit of material goods. Nevertheless, we must try and find the right tone, so that the joy of Christmas can enter in and spread peace in our hearts and minds.*

*"With thanks for the year just gone, I would like to wish everyone a Merry Christmas and a Happy New Year, with peace and goodwill to all."*



**inside EKORNES**

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Tel: +47 7025 5200. Fax: 70 25 53 60

Editor-in-Chief: Jarle Tusvik. Email: jarle.tusvik@ekornes.no

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# Board visits

The board of directors of Ekornes ASA holds several meetings over the course of a year. One of them is always held in connection with a visit to a sales office. This year, the board travelled to the UK, where they were invited to dinner aboard a river cruise boat on the Thames. Here, the staff of the UK sales office have been joined by those directors who attended the board meeting.



# Take to the mountains!



Foto: ÅST/O.K. Wiik

**Ekornes is supporting the efforts of the Norwegian Trekking Association (DNT) to keep the mountain cabins up to scratch. “Our” cabin is now Patchellhytta, which is due to get a new extension.**

During 2011 and 2012 all employees will be entitled to free overnight accommodation for themselves and their families at the DNT’s cabins (not Standalhytta or Fokhaugstova). Patchellhytta is a self-service cabin, so we have to pay for the food we take from the storage cupboard there.

The cabin is located at the west end of Habostaddalen, between Øye and Stranda, at the foot of Slogen (1564m), perhaps the finest peak in the “Sunnmør Alps”. Smørskredtind (1639m) towers over the old Patchellhytta, which lies some 100 m further south.

While Patchellhytta is a popular destination for day trips, it also makes a perfect overnight stop before hiking to the top of Slogen, Brekketindane and Smørskredtind mountains.

Patchellhytta was completely restored and extended in 1996. The old Patchellhytta is a fully restored stone cabin with 5 bunkbeds. It was commissioned by British mountaineer Charles Watson Patchell in the 1920s. Patchell spent many summer holidays in Øye, and climbed most of the peaks in the district. The new Patchellhytta was built in 1964.

## NEW EMPLOYEES

**Ekornes ASA**

Kirstin Alexander Hall – England

**J.E. Ekornes AS, Ikornnes**

Per Ivar Søvik

Laura Naujoke – Lithuania

Fatima Mosavi – Afghanistan

**J.E. Ekornes AS, div. Tynes**

Martin Roald

Ole Johan Tynes

Ørjan Skår

Runar Klokk

# inside

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## Christmas gift 2009

Where did the money go?

Page 8-11

*Support from Ekornes has given 200 schoolchildren in Nairobi's Mathare slum a warm meal every day. It has resulted in more regular school attendance, and more energy for learning and play.*

### Pre-Christmas clear out

The Grodås plant is on its way to becoming "lean".

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### New models 2011

This autumn there were a lot of new products to be seen at Ekornes Bua.

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### Stressless® Design Online

See the furniture in your own home before you buy.

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