



WHO

Snickarboden started in the most haphazard and casual manner. Krister Lindberg, an engineer, became unemployed in 1982 and was seriously considering starting his own business. He stumbled across a wooden flower-stand in a local shop. His professional training made him realise that he could easily make a similar product himself. After discussing the matter, the manager of the shop promised to buy flower-stands from Krister Lindberg if quality and price standards were met. After this stroke of good fortune, Krister started developing his own business out of his garage with a basic set of tools and an old van.

The decision to set up the business was supported by his immediate family. His wife and two children are the co-owners of Snickarboden. Hard work and strong determination to succeed paid off; after one year, Krister Lindberg had already outgrown his private garage and had to move to larger rented premises. Due to the limited home market, he soon realised that there was a serious need to develop new products for overseas markets. After some market analysis, he decided to go into upmarket wooden Venetian blinds. Since the demand for luxury products was growing in the Nordic countries in the late 1980's, this proved to be the right move at the right time. As exports soared, especially to Sweden, the firm needed still more space. Krister Lindberg was soon able to buy a factory which has later been extensively expanded. His wife Maj manages the finances, handles orders and takes care of administrative duties. Stefan Lindberg continues to remain responsible for most of the actual operation, such as material resourcing and production.

Initial investment in Snickarboden was financed with bank loans. Krister maintains very good relations with his bank, securing financing during expansions. Being responsible for both purchasing, manufacturing and sales, he keeps a close eye on costs and uses an external accountant for regular feedback on the firm's financial health. To motivate his agents and retailers, he visits them regularly to discuss market trends and changes.



"The firm's success is based on flexible production and short lead times" – Krister Lindberg, Managing Director



WHAT

The initial product, the flower-stand, remains a standard product in the low price-segment. The exclusive wooden Venetian blind was developed a few years later and has been the main product since. It is a high quality product made completely in house by individually trained staff, and using a customised, partly automated assembly process. In recent years the blinds, available in a large variety of woods and colours, have been further enhanced with motors and remote control for ultimate comfort and ease of operation. The whole production is based on customer orders and blinds are made to unique client specifications. Raw material is mainly imported from Asia, according to customer preferences. Some is sourced from local Åland pine or birch.

When Krister Lindberg released his upmarket blinds, interested customers were not unduly disturbed by their expensive price. The demand for luxury goods had a good impact on the sales of the quite pricey wooden blinds from Snickarboden.

WHERE

At first, the business relied on local customers only. However, since the local market of the Åland Islands is very small for a manufacturing company, Krister Lindberg was very much aware that he had to expand his business to survive and, to do so, he needed to find clients abroad. Following the first inquiry from Sweden, he decided to visit the client personally. This was the first stage in developing an export market.

Snickarboden blinds are sold in Sweden, Norway, the Netherlands and France. Since the first contact in exporting, the firm has constantly focused on clients in Northern Europe by using a numbers of retailers in each country to market its products. The retailers advertise and promote the products at exhibitions; Snickarboden in return contributes to marketing costs. This has been a good technique to support the expansion of sales without spending too much on marketing which would have been very tough for such a small firm. The main competition in the consumer field comes from Venetian blinds of inferior quality from the Far East, sold at much lower prices.



Company Contact Details:

Name: Snickarboden Ab.
Address: Dalvägen 4 FIN-22
150 Jomala, Åland Islands,
Finland.
Phone: (+358) 18 31480
Fax: (+358) 18 31880
Email:
snickarboden@aland.net
Web-site:
www.snickarboden.com
Activity: Wooden Venetian
Blinds
Employees: 12
Established: 1982
Contact: Krister Lindberg
(Managing Director)

One important niche for blinds is office decoration, in which Snickarboden has been successful. Famous clients - such as Ericsson, H&M and Nokia - act as important references in marketing.

INTERNAL SUPPORTS

Since most of the raw material has to be imported, the firm has been forced to increase productivity by adapting a high level of automation in manufacturing without losing the flexibility of being a small company. The production technology has constantly been improved at Snickarboden. Some of the technology or machineries are imported but a great portion of the technology is developed locally, in cooperation with specialized firms in automation. The company also focuses on environmental issues.

Top quality is expected in the upper price segment and to achieve this Stefan Lindberg uses personal quality management. All employees are trained in-house by Stefan personally and by the production foreman. The workers regularly discuss objectives and processes together with the management. Targets are set and monitored constantly by every worker. Staff turnover is very low.

EXTERNAL SUPPORTS

Snickarboden has had an excellent relationship with its bankers; most of its financing requirements are today solved through bank loans. Only a small portion of funding has been made available through state or regional support programs. The firm has been supported by Objective 2 European Union Funds meant to facilitate business development, offered on a co-financing basis. The firm has also participated in quality improvement programs run by the Åland Trade Association, hoping to improve its operational control and efficiency. It has fostered important long-term strategic alliances with its suppliers and some of its clients. Some suppliers are crucial to the production process at Snickarboden since they supply most of the raw materials.

While unemployed, engineer Krister Lindberg stumbled upon a possible business idea. He applied for a small bank loan and started manufacturing flower-stands in his garage. He soon realised that he could also satisfy a demand for wooden blinds. Today, Snickarboden has several prestigious clients, employs 12 people, and has an annual gross turnover of some €1.2 million.