

Interface



The magazine for wooden floor manufacturers worldwide

November 2007

Bona opens Chinese plant

Strengthening relations in Asia

About the opening day **page 4**

Is convenience no longer
consumer priority #1?

The debate rages **page 8**

Can you make floors out of grass?

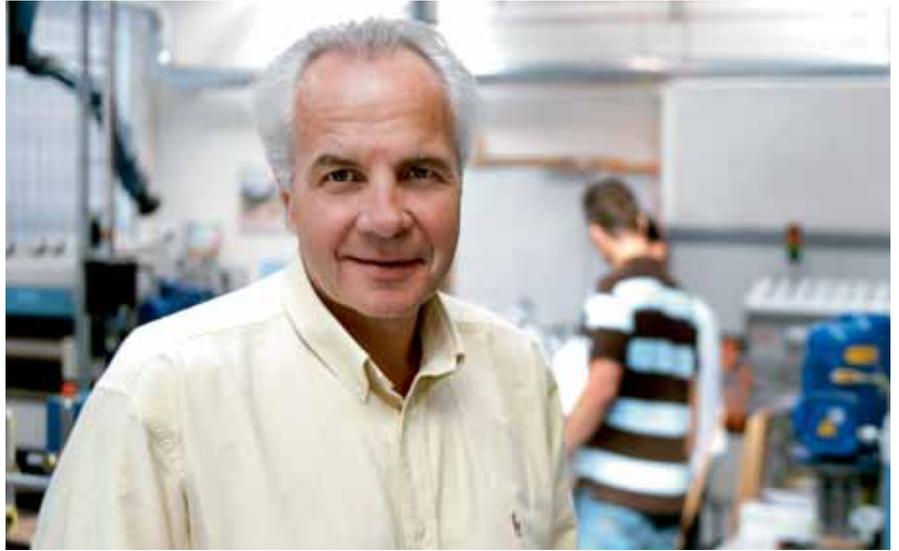
Find out on **page 3**

Report from Indonesia:
What to do with old whisky barrels

Great recycling idea **page 10**



Interface



Inside

- 3** Enhancing the natural properties of bamboo
- 4** Opening of Chinese factory
- 5** Challenges for Bona in China – an interview
- 8** The end of the throwaway society?
- 9** UV-X: an environmentally friendly UV-curing system
- 10** Indonesian firm turns whisky barrels into floors
- 11** Interview with Ilkka Tolonen
- 12** Bona Naturale – so good you can't even see it!

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Dear Readers,

Welcome to a new edition of Interface. A lot has happened in our industry lately and there is one development in particular that I would like to highlight here – since I personally regard it as very positive.

For the first time in several years, wooden floor producers are increasing their prices. It takes courage to do this, as no producer wants to render its products vulnerable to cheaper competition and risk losing market share. However, it seems only right to charge for the effort and expertise which goes into developing an engineered wooden floor. It requires research, planning, technical expertise, several phases of testing and of course, a commercial launch to successfully reach the buyers.

For some years now our industry has been absorbing these costs, along with the increased cost of raw materials. Some of the biggest development steps – such as the anti-scratch topcoat and the click system – have practically been given away. To make this possible, producers have been forced to cut costs in their own organisations. Cost cutting may be a good thing when it makes companies more efficient, but can also lead to false economies in the long term – the most obvious example being a

lack of investment in new technologies that will enable us all to reduce costs without compromising on quality.

That's why, when I see price rises, even small ones, it signals to me that there is a mood of growing confidence in the market. It's a positive change!

In this issue of Interface, I would especially like to draw your attention to a new consumer trend, which we've chosen to highlight in our 'external feature', The Death of the Throwaway Society, (on page 8). In an effort to contribute to reducing emissions and 'buy smarter', consumers are being advised to buy more durable, high quality goods. Many are now doing so. These consumers even have a special name (Iohasians) and their numbers are growing. How will this trend affect our industry? Maybe there's a connection between this and the price rises I refer to above.

What do you think?

Paul Spångberg
Vice President and Director Division
Industrial Coating

Bona is a global company. We're active in more than 50 countries all over the world and have subsidiaries in 18 countries in Europe, North America, Latin America and Asia Pacific. We have production facilities in Sweden, Germany, USA and China.

We are specialists in supplying all the products necessary for the installation, maintenance and renovation of wooden floors. In fact, we supply just about everything except the wood itself. Our complete system of products includes coatings, UV finishes, sanding machines, abrasives, adhesives and maintenance products. They meet the needs of contractors, producers of pre-finished wooden floors, architects, specifiers and homeowners. We create all our products to work perfectly with each other to bring out the best in wooden floors. From production and installation to maintenance and renovation – we've got it covered.

Bona's mission:

"Bringing out the best in wooden floors"

www.bona.com

The beauty of bamboo

Bona provides new finish for Moso's floors

Moso International and Bona have together developed a high wear resistance coating for Moso's two-ply bamboo floors. According to Managing Director Rene Zaal, the new finish is being successfully deployed in Moso's production facilities and the new hardwearing pre-finished bamboo floors are proving especially popular in Germany, Austria and Switzerland.

Rene comments, "A major advantage with the new finish is its compatibility with Bona's Lifetime support maintenance and cleaning products. The floors can be easily maintained, and even re-finished if necessary."

Moso International, founded in 1997 in Holland, specialises in industrially produced bamboo products such as furniture and flooring. It was among the first European companies to recognise the potential of bamboo products

for the European market. Over the last ten years, they have developed a broad range of bamboo flooring. Rene explains, "The process involved many steps. We began by developing the qualities of the product, and then the range itself which includes solid wood (bamboo) floors and both two- and three-ply parquet flooring that is suitable for use with the different sub-floors found in our target markets."

When it came to glue and varnish, Rene looked for a supplier that could help Moso achieve its desired quality level. That's how Bona Kemi and Moso International first got to know one another. Rene continues, "Naturally, when the time came to start producing a pre-finished bamboo floor, we turned to Bona again. We were already familiar with the people there and knew we could trust Bona's high quality range of treatment products for pre-finished flooring. It helped that Bona had, in the meantime, established an office in Shanghai and was building a factory in China. This brought our production facilities closer together and enabled us to get rapid technical support when necessary."

Partnership in Europe

Last year, Moso International began a



The canes must be at least ten centimetres in diameter

joint venture with the Spanish company Tuka, which is based in Barcelona. This has made it easier for Moso to access the growing southern European market for bamboo floors without suffering prohibitive transport costs. There are also some exciting new products in the pipeline. Rene reveals plans for a range of flexible bamboo floorings – with properties that place it somewhere between a wooden floor and carpet. Will Bona also be helping to develop treatment products for this new line? You bet! ■



Bona Lifetime support – a complete range of products and services to keep your floors healthy and good looking throughout their entire lifetime.



How do you make a floor out of Bamboo?

Although it has the properties of wood, bamboo is scientifically classified as a grass. There are over 1,500 different species of which only the larger varieties (with a diameter of 10 cm or more) are suitable for making floors.

To create the floors, first segments are cut from the poles and planed to the right shape and size. They are then pressed together into panels and the panels are glued together to make boards.



New Chinese factory

Bona now producing on three continents!

"This is a great day for Bona. With this new factory we're hoping to strengthen relations with our Chinese and Asian business partners and also establish new partnerships."

Kerstin Lindell, President and CEO of Bona



Ribbon cutting ceremony



Kerstin Lindell attending the opening day

On the 13th of June 2007, Bona opened a new plant for UV-finishes in Dalian, Northern China, securing fast production and prompt delivery to customers in the whole of China and South East Asia. With the opening of the Dalian plant, Bona can proudly say that it now has production facilities on three continents!

Bona has had a local operation in China since 2004. Division Industrial Coating (IC) also has offices in Beijing and Shanghai. However, for the last 10 years, the business has been co-ordinated from Bona's subsidiary in Singapore. From now on the site in Dalian will be responsible for Industrial Coating's operations in all of South East Asia.

"The business has expanded over the last few years in Asia and China", says Jon Loi, General Manager who is

responsible for the new production facility and market in China. "With our new plant and technical centre we have a good base for expansion with improved logistics and response time".

Improved after-sales

According to Paul Spångberg, Vice President and Director Division Industrial Coating, Bona's presence in Asia with a production facility, technical centre, R&D, sales & marketing as well as technical support enables the company to serve customers better. And most importantly, Bona can move ahead with its Lifetime Support on the Chinese market, where there is a great demand for good floor care and after-treatment products and services. Bona in Dalian will provide these services together with Bona's Division Asia Pacific. "The manufacturing plant in China will also be an efficient centre for testing and adjusting products according to the customers' systems", says Paul.

The new plant, totalling 2 000 square metres, includes production, a warehouse and a technical centre and has a capacity of 5 000 tonnes. A large number of customers attended the opening of the plant. In her speech, the



Façade of Dalian building

Deputy Director of Dalian Development Area (DDA), Ms Wang Yan Hui, said: "Together with SKF and IKEA, Bona represents high-end Swedish technology making use of good investment conditions, ideal logistical location and strong belief in DDA's growth". ■

Interview with Anders Karstensson

Long distance project leading

Anders Karstensson was responsible for leading the project to build Bona's new factory in Dalian, China. His role was to coordinate all the different aspects of the factory's establishment including the legal and environmental regulations, renting of premises, acquisition of production equipment, IT support and quality assurance.

This was quite a challenge considering that he is based in Malmö, several thousand miles away from the actual site, and had to handle the project remotely. How did it work out?

What was the idea behind the opening of a production unit in China?

"We wanted a production unit closer to our Asian customers in order to respond more quickly to their changing needs. And obviously it makes sense to put production facilities close to the market, since it means lower transport

costs and reduces environmental impact. Having said this, in the short to medium term we will be exporting raw materials from Sweden as a way of guaranteeing the product quality."

Why is quality assurance such an important issue?

"We realised early on that this would be the main challenge. In a situation where everything is new – the staff, the factory and the production equipment – it made sense to work with at least one fixed parameter, and that's why we decided to ship raw materials from Sweden to begin with.

"Also in the interests of ensuring product quality, our Dalian staff came over to Sweden to be trained in Bona's testing methods, including all our checking and validation procedures. We wanted to be sure that all the steps and procedures were followed in the Chinese plant, in order to maintain our high quality standards.

"Other challenges were to find people in Dalian who knew how to make optimal use of our business support system, and others to help us manage the legal aspects of starting a new company in China, such as acquiring all the necessary permits. Obviously, everything is different in Europe. Not neces-

sarily more complicated, but certainly different!"

What about health and safety issues?

"We decided to apply the same health and safety standards as we have in Sweden, since this puts our operations within the boundaries of Chinese law. So, when it comes to things like dust collection, ventilation and protective clothing for staff (such as goggles, shoes and gloves) we will apply Swedish standards. Bona is a Swedish company, and we want to be proud of our work place and do everything possible to ensure the safety of our staff."

Have you had any difficulties?

"Some due to miscommunication! Combine my poor grasp of Chinese with the keenness and sense of urgency of my Chinese colleagues and things don't always go according to plan! If I were to explain an instruction unclearly to my Swedish colleagues, they would not hesitate to demand a better explanation, but in China they sometimes speed ahead and efficiently do what they think you have asked them to do... which is not always a good thing."

What, in your opinion, were the critical success factors?

I cannot stress enough the skills, determination and sheer hard work of the project team and local staff. Our colleagues in Dalian have done such a great job, especially our general manager for China, Jon Loi, who is now based in Dalian. He and his team have taken on considerable extra responsibility in order to bring the project to a successful conclusion. ■



CTO and Senior Vice President Technology, Anders Karstensson



Ms Wang Yan Hui the Deputy Director of DDA, tours the pilot plant



Wherever you want to be
we'll help you get there



Where would you like to see your wooden floors? Maybe the Golden Gate bridge isn't on your new business list just yet, but why not exercise a little imagination? You might be surprised by how easily dreams translate into reality.

Bona has UV coatings that have been specially developed for damage resistance, making your wooden floors suitable even for heavy traffic areas. Start by figuring out where you want to be... then contact Bona to find out how we can help you get there.

Bona ®

Consumer trend

The end of the throwaway society?



Waste – a modern problem or a future opportunity?

“They don’t make ‘em like they used to,” goes the expression. This is true to some extent. While certain kinds of consumer durables like cars, white goods, tools and outdoor gear can now be purchased with unprecedented levels of quality, finish, and durability, this cannot be said of many other products. In numerous categories – including hardware and building supplies – immediate or short term use and disposability are increasingly designed into the product.

When worn out, these products become the debris of the Throwaway Society. But is the throwaway trend ecologically sustainable? Given today’s debates about climate change and energy scarcity, it probably isn’t.

The convenience icon gone mad

Perhaps the greatest icon of the throwaway society is the single-use shopping

bag. Since Walter Deubner came up with the idea around 1912, they have become a fixture of modern life. Mr Deubner’s clever paper bag design with cord handles (which he later patented) enabled his grocery customers to carry more away from his store – and therefore buy more on each visit. Very convenient! People no longer had to think about bringing their own baskets or sacks, and naturally, Mr. Deubner’s sales increased.

At that time, consumer convenience was a revolutionary idea. Today, as many as one trillion disposable bags are used globally every year – about 154 for every single living human being. Almost every kitchen in the advanced industrial countries has a wad of folded bags stuffed under the sink. In fact, only a tiny percentage of consumers are organised and diligent enough to abstain from throwaway bags.

Evidence of an about turn

While ever-increasing convenience was a sign of Progress to the 20th-century mind, lately it’s taking a new turn. In March 2007, San Francisco city banned certain categories of plastic bags. As of July 2007, all large Californian supermarkets are required to take back and recycle plastic shopping bags. Bag bans are being discussed in cities and towns around the world, from Boston to

Beijing. Swedish home-furnishings retailer IKEA in the US is currently running a campaign to “Bag the Plastic Bag”. In short, the century of the throwaway bag appears to be drawing to an abrupt, legislated close.

From disposable to recyclable and re-usable

What will be next? The throwaway society includes a vast array of disposable items: nappies, paper towels, cameras, batteries, single-use medical devices, phone books, daily newspapers. Some other disposables have already gone the way of the shopping bag. For example, in the 1990s the copying and printing industry made ink and toner cartridges recyclable, along with the boxes and trays they come in. And in many parts of the world, glass, plastic, and metal drink containers are now being recycled. Some of these changes have been driven by the value of the raw material, such as the refined aluminium in cans. In other cases, laws ensure that hazardous waste does not find its way into landfills, incinerators, fields, forests, rivers and seas. Either way, there is a clear trend – from disposables to re-usables and recyclables.

Goodbye to ‘cheap and cheerful’?

Beyond disposables, what about other cheaply made products that, once upon a time, might have lasted decades but now only last months, days, or even hours? For example, the fast-food



The great bag debate



Recycling grows around the world

restaurant “kids’ meal” toys which are transported half way around the world, only to break within days and get thrown away? Or the fashion-of-the-season clothing that only makes it through five washes before it goes to rags, rubbish, or charity? Or the toaster that lasts one winter? Or the fragile plaster board that starts crumbling a year after it’s installed, the thinner-walled copper pipe sneaking into the Do-It-Yourself stores? With any luck, the new definition of Progress which is driving plastic bags into extinction will affect all these other throwaways too.

LOHAS consumers – the champions of quality

Lately, a new term has been introduced in market research and brand management: LOHAS. Coined by Colorado-based Gaiam, Inc in 1999, this is short

for “Lifestyles of Health and Sustainability.” LOHAS consumers are the kind of people who buy hybrid and electric cars, organic and natural food, fair trade products, energy-efficient buildings and who make socially responsible investments. The fastest-growing LOHAS markets, according to marketeers, are in Japan and Taiwan.

If the ‘Lohasians’ don’t want throwaway bags and are actually trying to banish them, what will be next? If they are logical and consistent, surely anything throwaway will soon be rejected in favour of the durable and environmentally friendly. They will reason that one durable item is a more environmentally and socially responsible prospect than a series of cheap substitutes. Interestingly, this summer’s Swedish best seller “100 ways to save the world” (original

title: “100 sätt att rädda världen”) advises consumers to buy good quality items for exactly this reason. Its authors argue that it’s more environmentally responsible to spend extra on a durable high quality item than to buy a cheaper product which will rapidly be added to the waste mountain.

One thing is clear. Any manufacturer today who relies on disposability or short product lifetimes needs to take a hard look at this, and start exploring durable strategies. There is no stopping Progress. ■



100 ways to save the world

UV-X: the next generation of UV curing system

As a result of its persistent research and testing, Delle Vedove is now able to offer a groundbreaking mercury-free UV technology: UV-X.

This machine combines sanding, roll or vacuum application and UV curing “all in one” single and easy-to-use system. It applies 100% solid UV coatings to wood profiles or any other heat sensitive substrate lineally shaped.

The key advantage of cold UV-X is that it consumes 60% to 80% less energy than the conventional high pressure mercury vapour UV lamps commonly used in the industry. Cold UV systems can in-

stead deliver high peak energy in short bursts, while staying off for most of the time during each duty cycle. These high peak energy flashes trigger a faster, deeper and more aggressive photochemical reaction to jump-start the polymerization process.

What’s more, the UV-X pulsed curing solution uses lamps that do not use mercury, a known toxic material. This makes it especially environmentally friendly. Unlike continuous wave mercury lamp systems, UV-lamp does not create nor use microwaves to generate instant ON/OFF UV providing for impeccable workspace safety and extremely low risk of fire. A UV-X UV curing system from Delle Vedove is stationed at Bona’s factory in Sweden, where



UV-lamp from DV Systems

Bona’s experts develop and test new treatment products for wooden floors using this technology. It is ideal for small series, tropical wood and pine. ■

Indonesian firm turns whisky barrels into parquet floors

Cheers!

In these times of endless debate about the environment and how to dispose efficiently of rubbish or recycle used products, it is heartwarming to hear a success story from our own industry.

Jade Wood in Indonesia has found a way to turn old whisky barrels into parquet floors and has managed to create a successful sideline to its thriving wood floor manufacturing business in the process.

This is a classic win-win story. Whisky barrels normally have a rather short lifespan. If first used for single malt whisky, they can be re-used, but not always. Production varies in quantity and when the barrels have contained a mixture of young and old whisky, there is a risk of 'contamination' i.e. lowering the grade of the next batch. Whisky producers therefore need a clean, cost-effective way to dispose of their old barrels. Incineration is not an option since anti-pollution regulations forbid it in Japan, which is where the barrels originate.

Recycling whisky barrels into a highly desirable flooring product is a great option for everyone involved: while the

whisky producers can dispose cleanly of their 'rubbish' and get paid for it; the floor producers get a very special kind of raw material and the end consumers get a beautiful, whisky-coloured oak floor!

Budi Hartanto from Jade Wood explains how his company developed a successful process for transforming the old barrels into parquet flooring. It involves drying out the wood strips, processing them, making the profiles and coating them with a suitable varnish.

Having been used for whisky barrels, the oak acquires the natural golden colour of the drink itself. But does it smell of whisky? According to Budi Hartanto, if you have a keen sense of smell, you might pick up the slightest hint of single malt from the individual parquet strips, but once the floor has been laid, there is no longer any smell at all.

An environmental choice

The current main markets for the whisky parquet floors are Japan, Korea and North America, and Jade Wood soon hopes to add a European partner to its list of distributors. "In Japan especially, the floors are marketed with a strong environmental message, often as part of 'green' housing projects," says Budi Hartanto. He is sure that European consumers would be interested in it

for the same reasons. "They are environmentally aware and would also appreciate the look of this high quality oak flooring, with its fascinating history!" he adds. ■

Find out more from:
marketing@jadewoodflooring.com



The wood acquires a golden hue

One man's rubbish is another's treasure!



Establishing a new Russian factory

Ilkka Tolonen describes the challenges

In 1998, after two year-long stints as a UN soldier, and several years of experience with other wooden flooring companies, Ilkka Tolonen joined Karelia-Upofloor Ltd. Lately, his job as a production manager has taken him to the Kaluga Region of Maloyaroslavets in Russia, where he is helping to get Karelia-Upofloor's latest parquet factory up and running.



Work progresses on the new parquet factory in Kaluga



Ilkka Tolonen of Karelia-Upofloor Ltd.

What is a typical day like for you?

"I have to say that the job I am doing here in Russia is so unpredictable that there is actually no such thing as a typical day. Even when I think I have a plan, something unexpected happens. Only today, I was waiting for a delivery of materials when I was told that the truck would be arriving next week instead. So I quickly had to make a new plan. That kind of thing happens all the time, so it's just a question of adapting to the circumstances."

What do you love/hate most about your job?

"Most of all, I love the constant challenges. I may get frustrated when my plans go awry, but I am absolutely never bored. On the other hand, working on a project like this requires almost full time commitment. I have very little free time, which is a shame. In Finland, I used to ride my

motorbike in the summer and my snow scooter in the winter, but I don't have time for that here. If I get any free time at all I use it to read a book, relax or just take a walk."

Are you learning to speak Russian?

"Well, I intend to do so, when time permits. But so far I haven't made a lot of progress! It's frustrating always communicating through an interpreter. On the other hand it's quite a daunting prospect to learn Russian given that even the alphabet is different."

What are the main cultural differences you notice?

"Social relations in business are more important here than in Finland. Russian colleagues like to know who they are dealing with and are more willing to trust you once they've met you a few times.

In what ways are your earlier experiences useful to you in this job?

"I was a UN soldier in the Lebanon in 1989-90 and in Bosnia 1996-97. That experience prepared me to face all kinds of different situations. There's not much that can surprise me now. And of course my previous working experience in different parquet factories has taught me a fair bit about the business of wooden floor manufacturing."

Would you consider being a UN soldier again?

"No, I'm getting too old for that now. I think I'll stick to the wooden floor business. It's challenging and exciting enough!" ■

Bona finishes in the House of Sweden

The Swedish Embassy in Washington DC – was recently completed after several decades of discussion and planning.

This exciting modern building, designed by Swedish architects Gert Wingårdh and Tomas Hansen, includes over 4,000 square metres of American

maple floor boarding. The floors consist of 22 millimetre thick parquet fitted in a mosaic pattern and finished using Bona treatment systems. Bona was chosen as a supplier for the House of Sweden not only because of the Scandinavian appearance that could be achieved with its products, but also due to their environmental profile. ■



