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ARTWRIGHT-STRATEGIES  
ARTWRIGHT TO REVIVE MARKETING PLANS

KUALA LUMPUR, Nov 21 (Bernama) - With the completion of its restructuring, Artwright Holdings Bhd is now on track to implement strategies that were sidelined since the 1997 Asian financial crisis, says its chairman, Mirzan Mahathir.

These strategies include the full exploitation of e-commerce and knowledge management, he said in his latest annual statement to shareholders.

The chairman noted that Artwright is committed to implementing improvements in efficiency and competitiveness through superior business processes to serve an expanded market.

The office interior products company's previous efforts on process effectiveness and efficiency included ISO 9002 certification, and SAP R/3 enterprise-wide implementation.

Mirzan said the continual improvements to supply chain management and customer relationship management will be attained through enhancements in its people, process and IT infrastructure.

Artwright's focus is on brand positioning and research and development and new and innovative products introduced during the last financial year have improved the resilience of the group's revenue.

The chairman said Artwright's pipeline for new product introductions for the financial year ending June 30, 2003 appears to be healthy.

During the last financial year, Artwright successfully completed its corporate debt restructuring exercise and also entered into a strategic alliance with the world's largest office furniture company, Steelcase Inc. USA.

This strategic alliance is in the form of a manufacturing joint venture as well as a distribution agreement.

With the conclusion of both transactions, Mrizan expressed confidence that Artwright is again on the growth path and its people, particularly the management team, can now "shift their focus back to our core competencies."

The completed restructuring has resulted in an improvement in Artwright's financial performance, and has considerably strengthened both its balance sheet and financial liquidity.

In the process, Artwright has changed its business to one that focuses on research and development of office interior markets and products, and on trading of office interior products from a manufacturing base.

Mirzan noted that the strategic alliance with Steelcase Inc. brings to the Artwright group the benefits of leveraging Steelcase's vast manufacturing experience, international know-how and purchasing leverage.

By applying these benefits to the design, development and delivery of Artwright products to the market, the group can become more competitive and efficient, he added.

Artwright has managed to turnaround, posting a net profit after tax of RM18.5 million for the year ended June 30, 2002 as against a net loss after tax of RM9.5 million previously.

Net assets improved to RM21.3 million from a net liabilities of RM12.6 million while net tangible assets improved to RM16.0 million from net tangible liabilities of RM18.3 million.

Artwright's turnover has proven to be quite resilient although it has decreased slightly to RM32.6 million this time from RM39.2 million before.

In reviewing Artwright's performance, the chairman said the poor local

and global economic environment, exacerbated by both the events after the World Trade Center terrorist attack and accounting scandals in the US, has affected the company's marketplace.

"However, confidence is returning to our region's market for office interior products", although the global economic and industry outlook continues to be uncertain and difficult, he added.

Nevertheless, Mirzan said that Artwright benefits from being a niche player and now has the wherewithal to execute an effective niche growth strategy.

Artwright already distributes about 60 percent of the company's products through its international distribution network. It has a physical presence, with showrooms and dealers, in more than 25 countries worldwide.

Mirzan also said the distribution infrastructure will be further strengthened with new dealerships in select geographic locations. --

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