

# Partnering Opportunity

Profile status : Published

## Business Offer

### Manufacturer of pressed parts of beech peeled veneer for the production of chairs from Bosnia and Herzegovina is looking for partners under manufacturing agreement

#### Summary

*The company from Bosnia and Herzegovina, which produces pressed parts of beech peeled veneer for the production of chairs, is looking for partners for bilateral cooperation under a manufacturing or distribution services agreement and for cooperation in a joint venture. The company's biggest advantage over the competition is the good quality of its products.*

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#### Details

##### Description

The company is located in the Republika Srpska in the town Šipovo (western part of Bosnia and Herzegovina). It was established in 2002.

The company's main product is pressed parts of beech peeled veneer for the production of chairs, which are predominantly exported to foreign markets (about 80 % of total production). The products are exported to France (77 %) and Croatia (3 %). In accordance with customer's requirements, the company produces:

1. Seats and backrests from one piece (44 %),
2. Seats and backrests from two parts (33 %)

### 3. Products for upholstery (23 %)

The company is constantly investing in the development of personnel, equipment and technologies. The company invested EUR 150000 in a new production facility in period 2019-2020.

In the process of converting customer requirements into finished products, the company uses the following technologies: CAD/CAM design, veneer cutting, veneer sanding, veneer pressing, veneer working, sanding veneer edges, product assembly, painting and varnishing of assemblies.

It uses the following equipment in the production:

- multi-storey hot press,
- broadband grinder,
- high frequency press,
- five-axis CNC center (2 machines).

The company has implemented FSC CoC (chain of custody) standard. Suppliers of raw materials are domestic companies.

Production process takes place in one location. Production facilities of some 3000 square meters, used by the company. The company employs 69 people (80 % of whom are women). Production technologies are based on compliance with the requirements of environmental protection and protection of health and safety at work of employees.

The company is interested in establishing long-term cooperation with reliable partners under a distribution services agreement, manufacturing agreement and joint venture agreement. The expected result of the cooperation are sales of the company's products and an increase production and its profits.

Under distribution services agreement the company is looking for a partners who will sell and promote company's products on markets (represent the company's business interests on foreign markets).

The company's current annual production capacity is 1100 m3 of pressed parts of veneer and current capacity utilization is about 80 %. Company is interested in mutually beneficial cooperation under the manufacturing agreement with furniture manufacturers. A role of a partner will be to specify the type, basic parameters, and quantity of the requested product(s). The firm will be, in turn, responsible for manufacturing the ordered products and, if requested, can design them. The part of furniture may be later sold under the client's brand.

Cooperation in joint venture in the sense of purchase of new machines which would enable the company to further its production capacity. This form of cooperation would create new jobs as well as a possibility of taking on higher work volumes (the work that is specific and with great demand in the market) and the possibility of developing new products and their production and distribution.

### Advantages and innovations

High quality products (few non-compliances or complaints).

Proximity to the main raw materials,

Quick response to customer requests and flexibility and individual approach to the customer,

Proximity to the European Union market which is the main market for the company,

Quality staff and continuous investment in staff training,

Cheap labor force,

The company has implemented FSC standard.

Experience in international cooperation.

The company to a large degree keeps up to date with new technologies and constantly invests in modern equipment and technology.

## Stage of development

Already on the market

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## Keywords

### Technology

03010

Household Goods & Appliances

### Market

09004002

Office furniture and other professional furnishings

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**Open for EOI:**     **Yes**

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## Client

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### Type and Size of Organisation Behind the Profile

Industry SME 50-249

### Year Established

2002

### Turnover

1 - 10M

### Already Engaged in Trans-National Cooperation

No

### Certifications Standards

FSC

### Languages Spoken

English

### Client Country

Bosnia and Herzegovina

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## Partner Sought

## Type and Role of Partner Sought

The company is looking for furniture distributors and partners interested in concluding long-term manufacturing or joint venture agreement.

Type of Agreement: Distribution services agreement.

Type of Partner Sought: Distributors who will sell company's furniture components to furniture manufacturers. Partners who will promote company's products on new markets.

Role of Partner Sought: Distributors will buy the company's products and sell them in their stores to customers (mostly furniture manufacturers); To disseminate information about the products among its clients and to find new customers. The company will provide partners with necessary materials, such as a catalogue of the offered products.

Type of Agreement: Manufacturing agreements.

Type of Partner Sought: Furniture companies (Especially chair manufacturers);

Role of Partner Sought: The partner needs to decide whether he orders standard products (available from the company's catalogue) or custom-made products. For custom-made products a partner has to either provide their detailed specification or basic parameters so that the company can design them itself. The part of furniture may be later sold under the client's brand.

Type of Agreement: Joint venture agreement

Type of Partner Sought: Partners interested in a joint venture with the company in the purchase of new equipment, which would enable rapid return on investment and profit.

Role of Partner Sought: Provision of funds which, after signing the contract on joint venture cooperation, would be invested in the purchase of new machines which would enable the company to further its production capacity and developing new products.

## Type of Partnership Considered

Manufacturing agreement

Distribution services agreement

Joint venture agreement

## Attachments

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Seats and backrests



Production





Backrests 1



Seats and backrests from one piece



Backrests 3



Backrests 2