

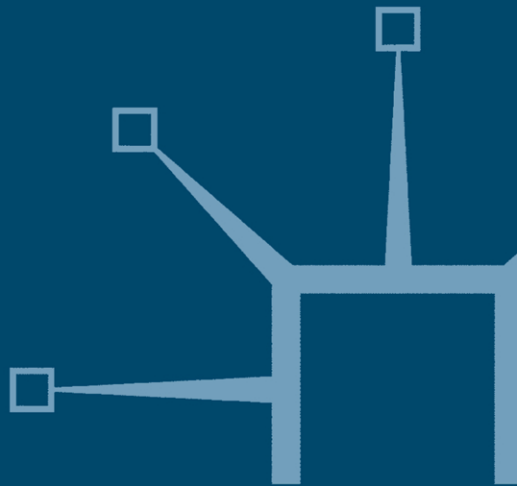
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Big Strategies for Small Business

Exceptional Projects in Europe

Edited by

Hans-Joachim Gögl and Clemens Schedler



Big Strategies for Small Business

Also by Hans-Joachim Gögl and Clemens Schedler:

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Successful Models of Cooperation between Universities and Companies in Europe

This book is the first volume of the Landscape of Knowledge series and has been translated from the German original "*Strategien des Handwerks*".

Big Strategies for Small Business

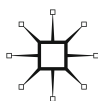
Exceptional Projects in Europe

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Commissioned by Landschaft des Wissens

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Preface

Das Handwerk der Zukunft (The Trades of the Future) is the title of a book* by Christine Ax, our discussion partner in the following interview, and defining this concept was perhaps the most ambitious phase in researching the examples compiled in this volume.

The future we had in mind, however, was one in the sense of innovative strategies for trades and crafts, which we sought to find in present practices of exemplary initiatives and enterprises in Europe. We have chosen solutions that have in a striking way proven their effectiveness over many years, but at the same time we are also showcasing outstanding prototypes: we are tracing visions of the future that have just begun to manifest themselves and reporting on small projects whose concepts could prove inspiring to many sectors and regions.

When forced to choose, we opted for an idea's potential, its strategic quality rather than the so-called best-practice model that has perhaps proven itself through its problem-solving approaches, but which nevertheless is often still oriented on challenges of the past.

The first volume of the series *Landschaft des Wissens* (Landscape of Knowledge) relies on carefully researched eye- and ear-witness reports by writers and photographers – seven stories on economic strategies for everyone dealing with the sustainability of trades and crafts and the development of rural areas.

Our goal is to introduce into the discussions of these usually quite localized occupations different perspectives from other regions. To provide new stimuli for one's search for his or her individual path.

The challenges confronting the trades sector have intensified in recent years: high taxation of labor income, increasingly restrictive financing conditions, and an industry not tied to a specific location, but that produces increasingly individual goods for lower and lower prices. The small business operates under conditions in which large size and the rationalization options this affords are being rewarded: large businesses can lobby, communicate, finance, produce, transport, and market more efficiently. The economy of proximity with its manifold social and ecological advantages usually draws the short straw when forced

* Christine Ax, *Das Handwerk der Zukunft*, Birkhäuser, Basel–Berlin–Boston, 1997.

to compete with articles of automated mass-production brought in from far away, a fact confirmed daily through our personal buying decisions. The range of ways businesses in different sectors have found to cope with this competition extends from retreating to elitist, sometimes eccentric niches – like the bespoke shoemaker specializing in footwear for carnival costumes – to assuming the role of the exclusive supplier of industrial corporations at the permeable interface between craft and serial production.

Cooperation – the expansion model for the self-employed

In our search for sustainable strategies for trades in Europe we discovered a common denominator in a series of innovative projects: the anticipation of the abovementioned market conditions. *All of the solutions presented here set store by cooperation.* To borrow an analogy from our portrait of the successful network of Leipzig construction businesses: the professionally navigated fleet in response to the tankers of the multinational companies in the global market. Self-employed business owners coordinate and organize themselves in different formations and with different intentions, generating in this way synergy effects that they wouldn't have had at their disposal if they had remained divided, but which industrial corporations have no way of accessing. Cooperative solutions give tradespeople the advantage of certain multiplication effects otherwise reserved for the large entity while maintaining the desired strengths of the small enterprise, e.g. individual consulting, bespoke work, and a strong regional base.

Cooperative solutions have a quality that small enterprises take for granted but which corporate groups with their sophisticated large-scale organizational and technological measures (CRM – Customer Relationship Management) can only simulate – the capacity for interpersonal relationships – and they apply the attitude and experience that go with this to their rivals ... no, competitors ... no, colleagues.

Through their proposed strategies, the case studies selected for this publication formulate possible answers to some of the trades industry's major problem areas, such as training, technology, design, or marketing, and execute these through various forms of processes aimed at cooperation. This system of working together as a network, often between partners within the same sector, always also converts measures that were perhaps originally inspired by business management considerations into powerful stimuli for regional development.

Business stories

The approaches, methods, and organizational forms described in this publication are tied to their specific situations, and since cooperation is always, to a large extent, dependent on soft skills and personal commitment, they are also inextricably bound to the specific persons involved. In order to reveal the spaces between economic analysis, corporate aims, and organizational structure, where landscapes, mentalities, or human relationships also play a role, in order to make this “in between” more readily perceptible, we chose a subjective reportage-style approach for both image and text – one reason for this was to avoid encouraging the misunderstanding of a would-be universality as purported by certain publications on this subject. The black-and-white photographs are a means to this end since, unlike color photography, the slightest attempt to convey objectivity is relativized by the formal distance.

Almost all of our photographers and writers are most at home with the vernacular of art, film, or *feuilleton*. With this conscious effort to integrate other perspectives than what is common for a business book, we seek to present widely ranging projects from six different countries portrayed using an alternative, “narrative” form of precision.

Hans-Joachim Gögl & Clemens Theobert Schedler

The Trades of the Future: Starting Off with an Interview

Interview: *Hans-Joachim Gögl*

Photography: *Andreas Balon*

Trades & Strategy, Germany



The following interview with Christine Ax reflects upon the general economic policy framework of the trades and crafts industry. An examination of the sector's perspectives in the face of global markets, production and communication conditions, and the key strategies proposed by the examples of cooperation found in this volume.

The researcher and entrepreneur from Hamburg is perfect for this task for two reasons. On the one hand, she runs the network Massschuh.de, which is described in the book and represents a prime example of combining an old trade with state-of-the-art production technologies. On the other, she is one of the most prominent trades and crafts researchers in the German-speaking world. In the 1990s, Christine Ax ran the research and consulting center Zukunftswerkstatt, which was set up by the Hamburg Chamber of Handicrafts; was director of the Institut für Produkt-dauer-Forschung (IPF) in Hamburg; held several university teaching positions; and was a member of the Greenpeace supervisory board. In the interview below, main text denotes the interviewer, italic the interviewee.

Ms. Ax, we don't seem to be able to find a standardized European definition for the topic of our interview. In the English-speaking countries "handwerk" means "arts and crafts," in other words what the German-speaking world calls "kunsthandwerk," whereas here and in eastern Europe "handwerk" also quite clearly includes hairdressers, gas fitters, or automobile mechanics. In German, the term is used primarily in contrast to industrial mass production. In France or Italy, on the other hand, "handwerk" simply denotes small enterprises.

In this book we attempted to narrow down this concept in a functional/structural sense: "handwerk" as a commercial occupation by which a master of his trade possesses the means for production, works either alone or with employees to produce, for the most part, commissioned or ordered products or services, and sells these directly to the consumer or as directly as possible. The value added from the planning to the manufacturing stage is often, but no longer always, achieved primarily by hand.

Despite all these different definitions, a European "hand-werk" does, of course, exist. These national differences, however, have resulted in the fact that the EU's economic policies still hardly acknowledge the trades and crafts industry – despite its major economic significance. The industry lobby, by contrast, is well organized both in Brussels and in the individual member states.

There are, of course, also institutional definitions in many countries, for example in Austria and Germany where a “hand-werker” is someone who belongs to a trade guild or association or to the chamber of handicrafts. These often centuries-old institutions help to keep trades and crafts alive in their function as employers as well as to preserve their cultural quality. In countries where these structures don't exist, for example in Finland, skills for various handicrafts have already become extinct. There, the authentic restoration of certain historical structures built by master carpenters is no longer possible simply because nobody knows how to do it anymore.

Finland is an interesting example. For this book we chose a training project that is reanimating the felting craft in rural Finland and in this way explicitly initiating the founding of micro enterprises. By contrast, we know that 20 percent of the Finnish gross national product is generated by a single firm: Nokia. In such a case one might wonder if trades and crafts businesses as opposed to high-tech industries constitute a sustainable economy, or whether they're not some kind of romantically founded, economically endangered species.

This dominance of a single corporation makes Finland's economy extremely vulnerable. The strength of the trades and crafts industry lies precisely in its nature of being decentralized and made up of small enterprises, in its structural sustainability. The trades and crafts industry offers extremely specific economic, ecological, social, and cultural qualities. It produces locally, thus creating local jobs and training opportunities and preserving local supply chains. These small enterprises are still probably the biggest employers in Europe.

Trades and crafts also ensure cultural continuity. For me this includes our houses, furniture, churches, musical instruments, the quality of which we, in Europe, can only imagine deriving from the hands of skilled craftspeople. This cultural identity is maintained and further developed through structures that promote trades and crafts.

In industrial nations like Germany or the USA 80 percent of dependently employed persons work for companies with fewer than 500 employees. In Italy almost 90 percent work in small and medium-sized enterprises, so-called SMEs. Despite this importance of small businesses, public discourse seems to indicate that the economic fate of our nations is tied first and foremost to the fate of big industry. Do you attribute this phenomenon, as previously mentioned, to the lack of strong lobbies for trades and crafts businesses?

I think that the straightforward structure of industrial sectors, i.e. only a few players, clearly recognizable growth, and an optically impressive physical

image, simply has more sex appeal than thousands of small enterprises. It seems our sense of perception has deceived us.

A single Mercedes star attracts us – as well as economic policy makers and especially the media – much more strongly than 20,000 plumbing businesses. As always, people don't function on just a rational level.

But trades and crafts businesses are much more closely tied to their locations than industrial enterprises. They can't partially relocate operations to Asia or set up a tax-saving holding in Liechtenstein.

By looking at shoe production we get a clear picture of the social contribution of the trades and crafts industry. Today, if you buy an athletic shoe for 100 euros, 40 cents of that goes to production and the largest part of the value added does not end up in Europe. If, on the other hand, a bespoke shoemaker produces a shoe in this country, he must pay social security dues such as health, unemployment, and retirement insurance, which are part of this product and contribute to this economic system. A considerable share remains in the country for the community.

The trades or craft practitioner as neighbor also plays an important role in the local social fabric, especially in rural areas. He "has to" donate to the local fire brigade and nursing association, he gives the daughter of one of his employees a summer job, and is a training opportunity for apprentices who will later be sought-after employees, even at industrial plants.

Yes, that reminds me of the story of the father who went to the village electrician with his son to ask if he could take him on as an apprentice, and the master electrician pointed out that for the past few years the man had been buying all his appliances at the hardware store in the big industrial park on the outskirts of town. We really are schizophrenic in this sense: we are destroying these work places through our lifestyle, and at the same time we're surprised that these training opportunities are steadily disappearing and youth unemployment rates keep rising. It's as if we've become such split personalities that we hardly recognize this correlation anymore.

And that brings us to the underlying economic and social conditions in which trades and crafts businesses operate. After all, this purchase behavior is based on the fact that handcrafted products and skilled services are expensive. One extreme example is the bespoke shoe, which is ten times the price of the glued, industrially manufactured shoe that all of us, with few exceptions, wear. Something which is due in no small part to the heavy taxation of the work factor in Europe.

Yes, and that has, of course, disastrous consequences for the trades and crafts industry. Our system makes a resource dear that exists in inexhaustible plenitude, i.e. labor. We put a high price tag on that, but what is really in short supply, energy and raw materials, costs next to nothing. If we did it the other way around, we'd have a much higher service charge worked into the product, more jobs, and probably also nicer products because they'd be more carefully crafted. This can be seen in the relevant literature: when people have more time for their work, the creative quality increases immediately; people put their souls into their work.

The often discussed idea of easing the tax burden on the work factor while at the same time raising taxes on energy and raw materials seems to have lost momentum in the current political debate. Which economic policy concepts that might help the trades and crafts industry reduce its structural financial "baggage" do you consider feasible?

I think that the time is past for the tax reform you speak of as a unilateral measure by a single nation within the European Union. But there is a surprising alternative: some experts believe that the real ecological price will result from the climbing costs of energy and raw materials. We seem to have run out of cheap oil already. Perhaps now, through the extreme dynamics of the world economic situation, the enormous growth in China, what we have been talking about for the past 20 years will finally be reflected in the prices for raw materials.

Nevertheless, cutting VAT rates in half for trades and crafts products would be one helpful approach in the German-speaking world. This is already being successfully practiced by Denmark, a country that is nevertheless financed to a large extent by its VAT.

Opting for handcrafted rather than industrially produced items is not only a financial consideration but also a matter of consumer awareness. Especially the tailored dress or the hand-thrown cups, which if used for years, might even turn out less expensive than their cheap mass-produced counterparts, which have to be replaced regularly.

Yes, I'm reminded of this every time I look at my own wardrobe or that of one of my girlfriends. We no longer live in times of want as we did following World War II; all of us have more than we need. Unfortunately, mixed in are often the wrong things too. It's a common scenario, so-called comfort shopping: you try it on once, buy it, wear it once. With a tailored product this wouldn't happen. I think we can change things through our purchase behavior, and by this I mean the role of the retailer! What I'd like to have are department stores with several tailors, jewelry designers, or shoemakers, where I am perceived and advised

as a person rather than a consumer, stores that offer me individually tailored solutions, help me to be myself. A clothing store conceived in this way, where one is attended rather than taken to the cleaners, would motivate people to pay a higher price for this more sophisticated service, people would be more satisfied with their purchases, and I doubt people would just throw these products away. In our bespoke shoe project we also show how excellent craftsmanship can be surprisingly inexpensive. I imagine products like this would encourage a new consumer culture.

In your book you describe the integration of new manufacturing and communication technologies in the work process of the craftsman as a central strategic approach for the trades and crafts industry of the future. In the bespoke shoe project, for instance, the customer's foot is scanned and then the last is produced mechanically from these data. This reduces the price of the final product considerably, making the individually tailored shoe affordable for many people for the first time.

For me this approach really makes a difference. Of course, I could be wrong, but at least we have to try because the opportunities involved are enormous.

One question that arises in my mind is whether the craftsman's trade can go the electronic route, since what most people love most about their work is the personal contact with their clients, advising customers, and the creative design process. Through the application of new technologies one's formal options increase. One future vision might be a craftsman who used his hands to design a piece of furniture in a virtual space, could discuss and modify the project with his client at this stage, and would then have it manufactured automatically via computer-operated machines. Whether the necessary technology were present in his workshop or part of a cooperative scheme is of no consequence at this point. Either way, what fascinates me are the effects of rationalization on the ultimate price as well as the option of designing ahead of time but without producing stock that needs storing.

That means you don't see production by hand as being an essential part of the craftsman's identity?

I'm not so sure about that. But I do know that most people aren't willing to pay 300 euros just because the master made the holes in the leather with his own hands. What it always comes down to is comparing the goods, weighing the value of one thing against the other. And what I'm concerned about here is the future of the trades and crafts industry, and it only has a future if it can survive economically. Of course I can tell if a piece of furniture was manufactured by machine or by hand: the latter has a soul of its own. But we've got to take risks and forge new ground if we want to survive.

I want trades and crafts to continue producing one-of-a-kind products and be competitive at the same time. One way of doing this might be if Carpenter Small-series, for example, took advantage of the efficiency of new technologies by cooperating with other businesses, or if I set up a small web shop on the Internet to get people to come to my workshop, etc.

The industry is already responding successfully to the growing individualization of consumer needs. In the cities, the trend is toward mono-label shops with small collections that rotate as often as once a month. Automobile manufacturers can produce a wide range of variations by assembly line once a customer has placed his order. At the presentation of the new Series 3 line the spokesman of the Managing Board at BMW announced that in three months no two identical cars would leave the plant.

That's precisely the trend, and in fact the shoe industry is currently planning large-scale research to determine how it too can produce shoes "on demand." But what you get in the end is still always a mass-produced item. I think it makes sense to examine the subject of mass customization from the craftsman's point of view. In this department we're much better equipped than the industry. The craftsman is locally embedded, knows his customers, and has been designing and producing high-quality goods on demand for centuries. This is something that a lot of small enterprises still don't realize.

Of course, the trades and crafts industry can't compete with the prices of the lower market segment. At the same time, however, in other sectors such as textiles we are less expensive than the upper 10 percent, which is dominated by the luxury brands. Cabinet makers, tailors, or potters, to name only a few, can already offer prices that are competitive with upscale off-the-rack products. Once cooperation, marketing, new forms of sales and distribution, or the focused application of high technology are incorporated – as is described in several of the case studies in this book – I envision a market share of 30 percent, and that with products of much higher quality than the industrial competition has to offer.

In Germany, for example, there is an organization called "Die Zunft AG" (www.die-zunft.de), under which trades and crafts businesses cooperate centrally in abandoned industrial buildings. This means: group presentation under one roof, affordable rent, the workshop doubles as a store. It's an excellent model, they produce competitively and have found an intelligent solution to the problem of distribution.

Traditionally, the customer always came to the craftsman and placed his order directly. The craftsman's entire marketing strategy relied on

the effectiveness of his personal contacts and client recommendation. The problem today is that the craftsman needs knowledge, specifically new management know-how, that he was never taught by his training program and he is expected to develop a cooperative mentality that the independent master has hardly needed thus far.

The most important thing is the ability to work together. The best strategies are always groupings of companies that advertise or sell or train as a group, or buy a machine or hire a sales expert together ... And that means taking time to listen to each other, teamwork, and also, to some extent, putting one's own interests aside for the success of the whole, trusting. Knowledge can be hired, bought, but cooperative spirit is an attitude and it determines the success of the project.

In Austria there is a construction consortium, in which four independent companies successfully carry out the complete renovation of your bathroom as a team. A tiler, plumber, electrician, and carpenter advertise this service under their shared name "Vollbad" (www.vollbad.at). And since things have gone so well, they've expanded to include eight members and parallel to their original service they also offer the complete renovation of old buildings under the name "Heimteam" (www.heimteam.at). They tell me that technically it's no problem, that brand development is costly but feasible. The biggest challenge, however, lies in the cooperation, in establishing trusting relationships that are reflected in a solid, reliable organization.

My experience has been that there are three kinds of craftsmen, the "craftsman craftsman" who is mainly interested in the actual doing, the "arts and crafts craftsman" who wants to express himself personally in his work, and the "entrepreneur craftsman" who defines himself by his economic success. The latter tends to be interested in alliances and it's no coincidence that you mention outstanding examples of cooperation in the building sector because electricians or plumbers often have a strong business-oriented approach to their work.

Whereas a potter is, of course, most interested in the creative process or the form of her workpiece. I like all three types. But each of them requires different models of cooperation.

The ability to cooperate, however, is the essential point that determines success or failure in most of the projects. The human side plays the primary role in networks, trust, going through good experiences together; the energy balance has to be right. Often at the core of these new brands of cooperation is a businessman building and managing a professional network. I think one ideal solution for the cooperation of independent businesses is to hire a neutral coordinator, an unaffiliated party with no personal interests in the matter who is paid





by the partner businesses. In principle, I find that one has to keep the structures as lean as possible; the network should serve a purpose, never itself.

Network strategies usually require investment capital. The extraordinary growth of the northern Italian chair cluster – also a striking example of marketing cooperation – has been made possible in part through its cooperation with a regional banking institution that supported investments and start-up companies with loans. They even have an integrated advisory committee of trades- and craftsmen who deal specifically with the development of the sector. In general, however, small enterprises with sustainable but low rates of return have an increasingly difficult time of coming up with investment capital, and this trend seems to be getting worse due to stricter loan-granting guidelines such as the Basel II Accord.

The example in Friuli demonstrates how cooperation in a region can bring great advantages to everyone; even the bank has grown along with the companies. I think that meanwhile access to capital for small enterprises has become one of our major weak spots. If we aren't able to raise the funds where there's a potential for creating jobs, in the region, then we have a real problem on our hands. Basel II will force European banks to assess their clients according to risk. Here in Hamburg, this is already being done by computer, so it takes place in a very anonymous way.

The entrepreneur's personal qualities no longer play the same role in the decision-making process they did when applying for a loan used to take place via direct contact with bank employees. With higher-risk clients, the banks have to set aside reserves, which in turn raises interest rates. Founding a new business without one's own capital is virtually impossible. On the whole, the trend seems to be headed toward maximum security, which ultimately means that those receiving funding don't actually need it. All things considered, this procedure, which was triggered by bad speculations especially in the global finance market, is resulting in a shortage of funds for the regional economy. Today what the development and promotion of the trades and crafts industry needs most is a powerful alliance with a financial service provider who also feels responsible for his local area.

In your book the chapter entitled “Wochenmarkt statt Weltmarkt” (Weekly Market Instead of World Market) describes regional opportunities as a largely unrecognized competitive edge for the trades and crafts industry. Through personal connections and precise knowledge of the area and its inhabitants, structures can be brought together to produce unforeseen synergy effects, for example: cooperations with schools, tourism activities, existing businesses and shops, markets, etc.

Basically, the idea of an “economy of proximity” is about learning to appreciate and understand what is nearby. Instead of dreaming of Japan, arranging to get shelf space in the neighborhood grocery store, doing a project with the school and inviting the parents to an exhibition, planning and implementing the training program for apprentices with colleagues from the neighboring village, organizing a trade fair, etc. The possibilities are limitless.

Ten years ago Austria spawned the theory of “endogenic regional development” in which one concentrated specifically on the knowledge, structures, traditions, or raw materials already available in a specific region. From today’s perspective I would call it a wonderful, for the most part, correct approach, but there’s something essential missing: the impetus from outside, the entrepreneurial energy!

The best projects have always come from people who have at some point lived somewhere else, who have a connection to (bohemian) artistic, economic, or scientific approaches. Many times the people of a region don’t recognize the naturally arising, extant skills. This, incidentally, also holds true for urban structures.

While researching this book, we frequently encountered European regions that specifically sought to promote the trades and crafts industry. One innovative example of this is described in our portrait of the Danish island of Bornholm. Where do you see an interesting public-sector subsidy model currently in place?

Sensibility for this kind of economic structure differs markedly from country to country. Great Britain has discovered the so-called Creative Industries as an important economic factor; they’ve got everything there: funding, elite schools, regional learning centers, and the British Crafts Council as their main lobby. The Crafts Council alone has an export development program that is absolutely amazing!

I held a seminar in Berlin recently in which the objective was to set up a network of fashion designers and fabric producers. Afterwards, I was approached by a woman from the Crafts Council, a representative of the manufacturers of very special fabrics in England who had traveled all the way from Düsseldorf just to attend my seminar. She does fantastic German-based lobby work for British crafts businesses, and it’s subsidized by the government!

How would you assess the current status of training offered for trades and crafts? A lot of sectors complain that it’s difficult to find good, committed trainees; apprenticeship in the trades and crafts occupations seems to have a poor image among young people and parents alike. In this context France has taken an interesting path with its “Compagnons du Devoir”

(www.compagnons-du-devoir.com), a very thorough training program which includes spending time abroad, foreign-language classes, working at a number of different companies, and broad practical and theoretical coursework. Apprenticeship as an elite education.

The “Compagnons” is an example of a future-oriented concept that also makes use of itinerant training. I find this very important because innovations usually result from people bringing different worlds, experiences, and techniques together. In addition, this program also gives the apprentices and journeymen lessons in art history and management. Sometimes one has the feeling the trades and crafts have lost their spirit.

Because as far as image is concerned, what you say is true. Nowadays, an apprenticeship is often regarded by parents with academic degrees as a step down on the social ladder, and a university degree is definitely seen as more prestigious. In many European nations, however, a master craftsman has access to the university, thus allowing him to study a specialized subject with the advantage of already having gained practical experience. I think it is important to regard both approaches on a par with one another: going from academic theory to practical experience as well as going from the workshop to the university.

Another aspect to be considered is the demographic fact that in the near future the number of young people will decrease markedly, which will intensify the battle for the best brains.

If the trades and crafts industry doesn’t improve its training programs, I’m afraid it will end up losing this battle. I think that there should be two paths for people interested in pursuing a profession in the trades and crafts industry: on the one hand, the elite training track for the true master craftsman – the “Compagnons du devoir” is a wonderful model of this option – and on the other, shortened, very practically oriented training programs for people having a hard time in school and who are at risk in our society of not finding a job at all or ending up on an assembly line. Futurologists claim that soon 10 to 15 percent of the population will be “social couch potatoes” dependent on society for social benefits. Before that happens, labor unions need to become more flexible and stop suspecting that every constructive simplification will automatically lead to cuts in social services.

Both our Finnish and Danish portraits describe arts and crafts schools where in a very comprehensive, dedicated, and active way and in accordance with the often limited opportunities of the region an existing handicraft structure is being expanded and developed. The students learn manual techniques, the use of machines, artistic production, and

product design in classes and workshops taught by international experts. Moreover, management skills and the know-how for running one's own small business is a matter-of-fact part of the curriculum.

Business management should be stressed in vocational training programs for craftsmen of all kinds! Sometimes I have the impression that the image of the entrepreneur in our society still reeks of capitalist exploitation, which is, of course, a dangerous cliché that can backfire on a national economy.

A training program that offers different approaches, that's key to success! Look at all the dressmakers we've trained in Germany who weren't able to find jobs afterwards. Your example shows the multiple aspects of a craft: I can go into design or production, can choose management if it interests me more, am offered outside perspectives through guest lecturers, can learn manual skills and the application of mechanical production methods. It's a flexible structure that offers young people opportunities for development.

One special feature of crafts in this sense is the continuity of the manufacturing process from the creative design to the final product. That's an important aspect of these trades. The fact of the matter is that good craftspeople may not necessarily be good designers, and high formal quality will often give a product the extra value that justifies higher prices. What do you think of cooperation between craftspeople and product designers?

If I'm a good maker, but I'm weak at designing, the most obvious solution is to work with a designer. This is a very interesting strategy, but it's always a two-way street. A lot of times designers plan products without knowing anything about the material they want to use or its characteristics. Design in the sense of a "look" is often short-lived. The craftsman, by contrast, is highly competent in this aspect, and that suggests a potential for cooperation in which they can both profit and team up to develop a complete product.

In closing, if all these things we have discussed here today and that we perceive as positive current developments in Europe were to come true, how would you envision the status of the trades and crafts industry as a best-case scenario in the year 2020?

By then the currently still separate structures of the trades and crafts industry and big industry will have merged. In the year 2020 we are living in a neo-artisanally, post-industrially producing society, close to the customer, in which new technologies help to manufacture in a decentralized way, in which many people have the opportunity to put their creative potentials to work, in which human rather than natural resources are being tapped. In this society, since many people are integrated in the work process, since production is still taking

place in Europe, we have a good social welfare system and our quality of life is high. I consider all this technologically, ecologically, and economically feasible.

The British Crafts Council

The typical distinction that German-speakers make between arts and crafts and design doesn't exist in the English-speaking world. Here, crafts are considered an industry – not just linguistically – as can be seen in the term “creative industries.” In Great Britain arts and crafts practitioners and applied artists (or industrial designers) are all without a doubt part of the creative industry on both a political and a public level. They are targeted for funding as showcase representatives of the production site UK. As a result, British design is more coveted internationally than ever before and it even plays a major role in defining taste and trends. British arts and crafts promote the nation's image and all its products.

The British “Crafts Council” (CC) is the organization in the UK that supports and promotes artists in the field of applied arts. Well funded through public subsidies, the CC is active far beyond the borders of the UK. Its main objectives are:

- Organizing exhibitions in England and abroad.
- Running its own main gallery in London.
- Building a collection of important objects, products, and documents by British designers and craftspeople.
- Developing and carrying out events and promotional activities in the UK and abroad.
- Acquiring, commissioning, and distributing products by British craftspeople.
- Organizing the annual Chelsea Crafts Fair – the event for applied arts in England and Europe.
- Maintaining a database with information and photos on craftspeople and their products.
- Providing training opportunities.
- Coordinating information and transfer projects aimed at the public and schools.
- Publishing *Crafts Magazine* – the journal about all aspects of arts and crafts and design.
- Compiling and preparing information on grants, scholarships, prizes, etc., and giving advice.

- Organizing the event “Collect” – Europe’s leading and most influential collectors’ fair for lovers of handcrafted objects, art, and design-makers’ products.
- **Contact**
Crafts Council
44a Pentonville Road, Islington
London N1 9BY
Phone (+44-20) 7278 7700
Fax (+44-20) 7837 6891
www.craftscouncil.org.uk

Compagnons du Devoir

- De Maison en Maison (From House to House)
- De région en région (From Region to Region)
- De pays en pays (From Country to Country)

The “Compagnons du Devoir” is a French trade fraternity that has for centuries been successfully producing an elite body of craftspeople. *Compagnons* are so highly qualified that they are welcomed with open arms all over the world. Today training to become a *compagnon* is offered for 21 trades. The organization comprises several centers and training sites where knowledge is passed on and cooperation and community are cultivated and practiced. Each *compagnon’s* course of training consists of two stages:

Basic training: This part lasts two to three years and consists of 75 percent training in the workshop or in the field and 25 percent in the classroom or at training centers. Even at this early stage, apprentices receive guidance and theoretical instruction from older *compagnons*.

Tour de France: After their basic training, they enter the itinerant phase, a period lasting several years. During this so-called *Tour de France*, they rotate to a new workplace every half a year and receive additional instruction at Compagnon centers. These centers do not only provide their room and board, but also serve as regular meeting places for training and member events.

The itinerant period molds the *compagnon’s* personality in a holistic sense: the organization not only stresses the importance of continually refining one’s skills and techniques, but aesthetics, general education, foreign languages, personal growth and self-development, and business administration are all part of the *curriculum* too. Life-long learning is just

as much a part of the *compagnon's* self-image as is his willingness to pass his knowledge and skills on to the next generation. It takes seven to twelve years for a young craftsman to finish his training and to complete his masterpiece, which will prove that he has attained the high qualification of a *compagnon*. Those who are familiar with the French education system realize that these craftspeople are the *haute école*, an elite generation of young people who are securing and planning their futures according to structures that are unique to their country. The fact that young people continue to choose this path despite its exacting demands is demonstrated clearly in the more than 3,500 *compagnons* who are currently living the *Tour de France*, on their way to becoming masters of their trade.

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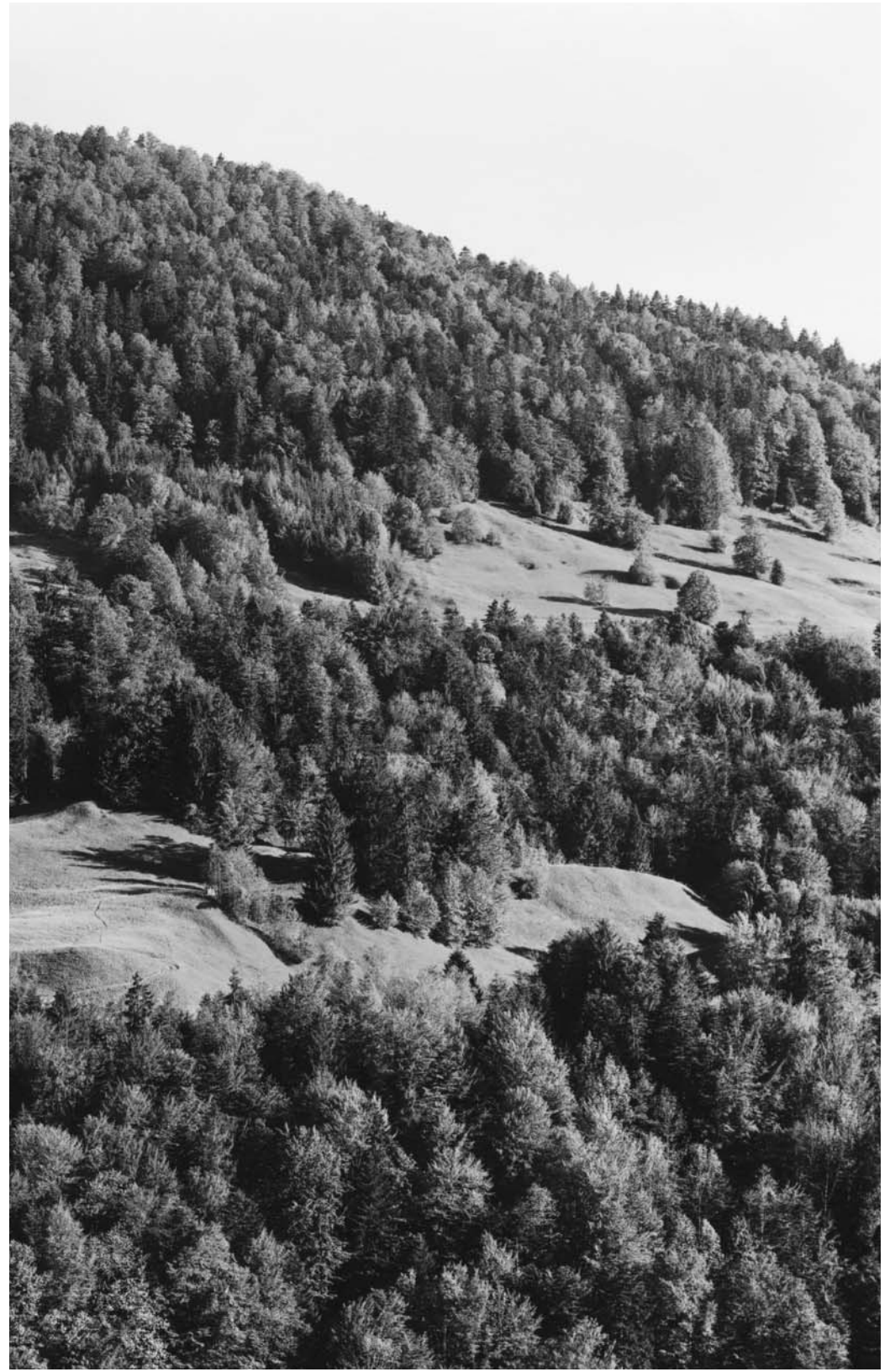
Werkraum Bregenzerwald: Not Just a Matter of Form

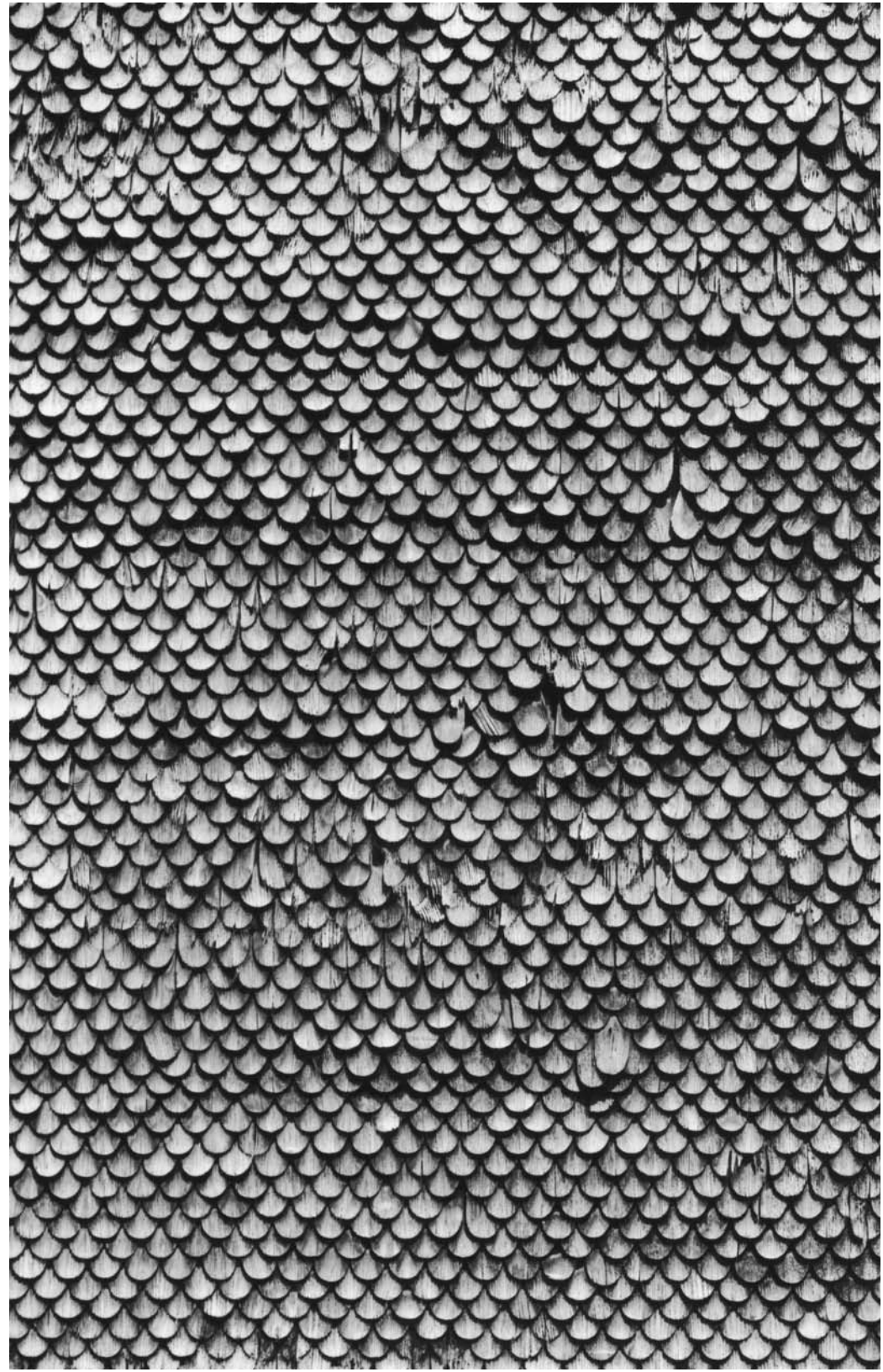
Text: *Claudia Schwartz*

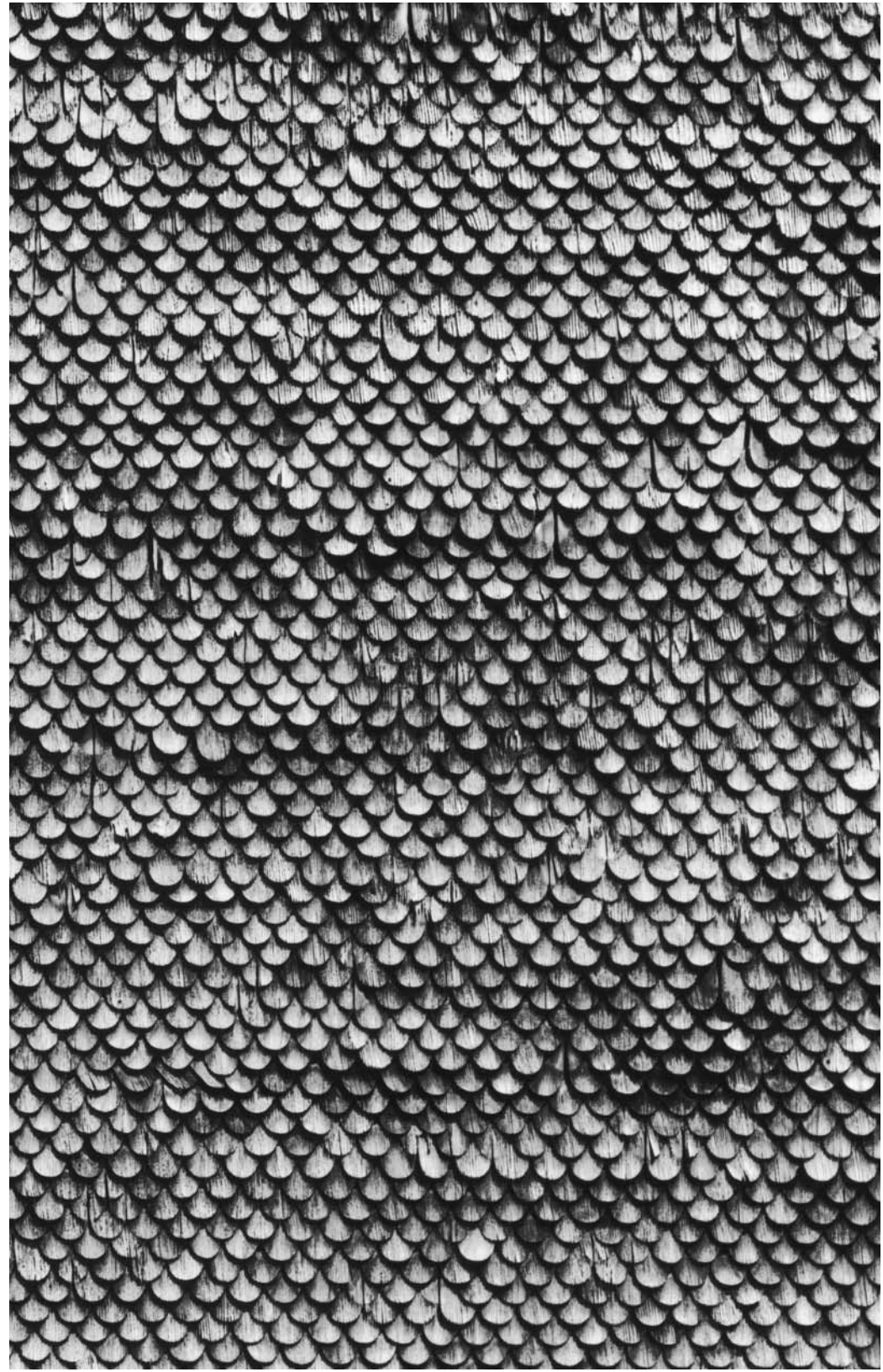
Photography: *Rupert Steiner*

Trades & Form, Austria









The Bregenzerwald craftspeople are known for the high formal quality of their work. This is the result of a conscious and organized effort to explore traditional artisan knowledge vs. contemporary design, cooperation vs. competition – knowing what one wants as a prerequisite for being able to integrate outside influences in a harmonious way.

Werkraum Bregenzerwald is the name of the industry alliance formed by the craftspeople of a small region in the Austrian federal state of Vorarlberg. Funding was provided through an economic initiative to strengthen the region. The highlight among the *Werkraum's* many activities is a triennial design competition in which craftspeople and designers participate as a team.

“You’ve never been to the Bregenzerwald?” a native responds in consternation to the strangers’ apparent “lapse in knowledge.” The proverbial self-confidence of the locals, the so-called *Wälder*, always seems coupled with a friendly yet unrelenting tendency to want to promote the region. Even the sun is beaming, defying all warnings given prior to this trip that Vorarlberg is the area with the highest rainfall in Austria. For the next few days the photographer will sigh over and over at the perpetual postcard blue of the sky as we drive over gently rolling hills with grazing cows and through the villages, with their old shingled houses typical of the region. Interspersed in this landscape is the young generation of a new architecture that has no ambitions of making its traditional brethren seem shabby, but instead reiterates their merits in a contemporary language, thus projecting the reputation of the Vorarlberger Bauschule into the world.

The Bregenzerwald or a wonderland with structural backwardness

From the local vantage point, Vienna, the Austrian capital, lies behind the Arlberg mountains (as opposed to “in front” of the Arlberg: “Vor” Arlberg). The horizon unfolds to the west and north, and Vorarlberg, Austria’s westernmost federal state, has certainly profited from its position at the junction of four nations: Austria, Germany, Switzerland, and Liechtenstein. It developed into one of the most affluent areas in Europe

Photo (see page 25) Felt swing. Design and production: Johannes Mohr, Andelsbuch







at a time when beyond Vienna the Iron Curtain had brought the West to a halt. The somewhat remote Bregenzerwald region benefited from this link to the outside.

Metropolises such as Zurich or Milan can be reached in a few hours, a fact that the Wälder never tire of mentioning. As a cosmopolitan-minded region, one is just far enough away from everything to be able to cultivate one's eccentricities, and yet one is close enough to the heart of the economic centers to be able to make contacts easily. The inhabitants of this region are considered a people of their own, deeply rooted in their native soil and at the same time quite open, a unique folk. Even the regional home page forewarns tourists about the "somewhat self-willed," but "extremely hospitable" locals. And if you're not in the mood for fine dining, you might have trouble finding anything else. In a nutshell: the Bregenzerwald region is like a wonderland straight out of a storybook.

There is a flip side to the coin. Its 30,000 inhabitants are sparsely scattered throughout 24 communities. During the day the villages are deserted. The predominant economic sectors, tourism, trade, commerce, and agriculture, only offer a limited number of jobs, so that many are forced to look for work in the Rhine Valley. According to surveys, the average income in the Bregenzerwald is 25 percent below the Austrian mean. Commuting does as little to stabilize the social structure as the gourmet tourists, who come from afar to the villages to have master chefs pamper their palates for an evening. The young people often leave the villages because the large companies in the valley coax them away with better job perspectives than a workshop with ten employees can offer. In the Bregenzerwald region three-quarters of the people practicing a trade work in more than 500 micro enterprises. Limited demand within the region forces these businesses to export their products, but because of their small-scale structure, they can only be competitive to a certain extent in the changing European market.

The Bregenzerwald is a region characterized by so-called structural backwardness. Limitations forced the people here early on to be flexible and mobile, they had to go out into the world and look for work elsewhere. In his autobiographical novel *Aus meinem Leben* the Bregenzerwald writer and social reformer Franz Michael Felder describes the fate of the Schwabian children who were sold to wealthy farmers in Allgäu as cheap labor for seasonal work in the seventeenth century. Following the Thirty Years' War, the famous Vorarlberg Baroque architects, most of whom came from the region of Hintere Bregenzerwald, went, for lack of commissions in their native region, to southern Germany, Switzerland, or Alsace in search of work. It was necessity that drove them

out into the world, thanks to which they went down in the history of church architecture and brought new knowledge back with them when they returned home.

The village as origin and force field or the story of a strong sense of regional identity

Many people have gone away and some have returned. Markus Faißt refers to the Bregenzerwald as a “force field” – because of the air, the landscape, and the social cohesion that still exists here. On Sundays after church, you go to the tavern and “exchange views of the world with the rest of the villagers.” After eight years of working abroad, Faißt returned to Hittisau where he took over his father’s joinery and turned it into the *Holzwerkstatt*, a modern woodworking studio with ecological and environmentally friendly building standards. Faißt works exclusively with solid wood from the Bregenzerwald, felled in the winter and purchased directly from the owner of the woods; material is handled according to the phases of the moon. The wood is seasoned, allowing it to dry slowly in the air, and is neither varnished nor stained, but left untreated or leached, pre-wet, oiled, waxed, so that the products continue to breathe, age visibly, and acquire a patina. Around here, people will tell you that Faißt won’t touch wood he hasn’t seen as a living tree.

One can talk to five Bregenzerwald craftspeople and they’ll give you five different work philosophies. But common to all is first and foremost a strong sense of ancestry. In one’s own family history there is usually a craftsman’s tradition that extends back over generations. Even today private living quarters and the workshop are close together. The children move about naturally in the workshops and business spaces, curiously eyeing the customers. The businessmen and women of today are the children of yesterday; in the workshops they have taken over from their fathers, they grew into their professions playfully, built soapboxes or “nailed stuff together.” If one doesn’t show a clear affinity to the trade by the age of 15, one won’t become a proper craftsman, is an adage one hears a lot around here, from the parents’ and the grandparents’ generations alike. And one either believes that kind of thing or not. But people’s convictions here are more strongly embedded in their living and work conditions than elsewhere, in the stories of how it used to be, and how it is or should be today. Everything seems to have arisen from itself, to have grown together; everything mutually determines everything, the living space, the inhabitants, the culture.

The work people do here, what they live from, can only be understood in this context. To the outsider, the Bregenzerwald seems at first glance an overall cultural phenomenon. One might call it a strong sense of regional identity. Even the exotic refreshment stand in Bezaú reflects this in its unintentionally comical name *Wälder Kebab*, which on the other hand also shows that even in the Bregenzerwald there are limits to everything. In any case, strong regional identity is a good basis for securing a position in the increasingly global competition. Particularly with small businesses accustomed to regular competition among themselves, a socioculturally determined sense of affinity can create common ground.

How lucky to live in Vorarlberg or where business enterprise and architectural culture converge

In the Bregenzerwald, the natural living conditions were harsh in many ways. Regional identity here, therefore, goes hand in hand with the notion that you don't get anything for nothing. The three-year-old daughter of the upholsterer Johannes Mohr is no exception. Once, when a customer visiting the workshop asked if she wanted to be a princess one day, she answered without hesitation: "Nein, ich will 'schaffe'" (No, I want to work). "Schaffe," the Alemannic word for "work," has a proud connotation in this former "farming republic."

It is said that the Vorarlberg saying "schaffe, schaffe, Häusle baue" (work, work, build a little house) reflects Vorarlberg's collective motto for life. It is no coincidence that the opening exhibition of the Vorarlberger Architekturinstitut spoke of a sense of *being lucky to live in Vorarlberg*. Since early on, culture of architecture and culture of living have been regarded as one. For this reason, one can only understand the development of the Bregenzerwald trades and crafts industry in the context of Vorarlberg architecture. At the open-air museum Stübing near Graz one can see how the Bregenzerwald house had already become a model to copy by the eighteenth century because at a time when in other areas the smoke kitchen was still common, it already provided domestic comfort with its tile stoves and wall paneling.

This still forms the basis of a Vorarlberg architecture that has witnessed an unparalleled boom in the past 30 years. Taking its start from the work of a handful of pioneers in the 1960s, it developed into a regional movement that sees art, handicrafts, and industry as one. Many of its representatives come from craftsmen's families – an aspect not to be underestimated, for returning to the Bregenzerwald after their studies

were not outsiders with theoretical knowledge, but insiders brimming with new ideas. With their architecture, these men not only pondered the roots of regional architecture but the local tradition of highly skilled craftsmanship as well. The architects' regional identity gave the Bregenzerwald trades and crafts industry new impetus.

Vorarlberg developed into an internationally renowned center of contemporary architecture. The architects have initiated an overall cultural phenomenon that is being propagated by all those involved: politicians, awarding authorities, clients, trades- and craftspeople. There is an overall demand in respect to the quality of local architecture: newly built structures in Vorarlberg should feature a strong positive link to the region. The craftsmen, according to Roland Gnaiger, Vorarlberg architect and professor at the University of Art and Industrial Design in Linz, have been part of the process of development, supported it, and helped shape it. This may explain the unusual comments of some star architects, who say they aren't always involved in the completion of the interiors of their buildings anymore because some craftsmen are perfectly capable of planning and carrying out this part of the job on their own.

Rethinking the old or deciding over one's own location

The influence of the architects is enormous, says Wolfgang Schmidinger, who has among other accomplishments successfully launched a furniture series under the label *Schmidingermodul* and is represented at the international furniture fairs in Cologne and London. The architectural imperative to build in such a way that a structure fits into its surroundings, that the function of the object remains visible despite the formal intentions of the architect or designer, and that one takes the natural resources into consideration, also set the standards for the furniture, interior fittings, and prefabricated building components of the Bregenzerwald craftsmen.

Also contributing to the shift in the image of the craftsman was, in no small part, the takeover of businesses by the next generation. Today's businessmen and women started running their parents' companies in the 1980s and 1990s, long after the image of the craftsman's trade had changed fundamentally. Occurring hand in hand with the trend toward less expensive industrial serial production was the shifting view of furniture as an expression of lifestyle, bought according to trends and just as easily cast aside. When furniture delivery vans started showing up in the Bregenzerwald, local craftspeople realized that they could only assert themselves in the competition on their own territory if they were





willing to reevaluate their own strengths and expand them. The uncertainty of the customer was growing with the plurality of styles. The craftspeople could draw on knowledge passed down over generations and implement this with the help of modern technology, but they had no answer to the new formal challenges confronting them. The importance of design, says Schmidinger, is much greater now than in former times, and the formal challenges facing craftspeople are correspondingly high.

The craftspeople in the Bregenzerwald were fortunate to have had the architects to blaze the way, revealing the kind of development a concerted approach to quality, design, and materials could produce. The realization that they were at a high level in terms of material processing, but could use some help in the design department, led a few craftsmen to launch the competition *Handwerk und Form* (Craft and Form) on the 200th anniversary of the Andelsbucher Handwerkerverein in 1991. Participating craftspeople each chose an architect or designer – if possible from outside the region – and developed a project with this partner. “The special area where we live and work,” says Johannes Mohr, “has its advantages, but it has its pitfalls as well.” In cooperation with Wolfgang Schmidinger and based on plans by the New York architect Steven Holl, Mohr, for example, produced the chair that Holl had designed for the piano room of the dormitory he had also designed for the Massachusetts Institute of Technology (MIT). If you want to keep pace with the times, you can’t allow yourself to be cut off and you’ve always got to be aware of the danger of economic isolation and mental sloth. In the city you are more likely to pass window displays with the latest product designs, or you can go to the museum to get a general picture.

The entries to the competition *Handwerk und Form* were judged by a jury of experts according to form, usefulness, suitability for daily life, and material handling, and were exhibited in old sawmills and barns in a workshop-like atmosphere. Johannes Mohr remembers that first competition well and quotes one of the judges who criticized the “opulent alienation of an Alpine style” that “shouldn’t be supported in this form.”

“You need a thick hide,” Mohr says, who for our interview happens to be wearing a T-shirt that says “Mohr Polster” (Mohr Cushions). With the presentation of the results of the competition, the trades and crafts industry received quite a bit of attention and coverage from the public

Photo (see page 35) Clemens Lässer, apprentice at Berlinger Holzbau, Alberschwende



and the press. Mohr sees this as the event that got the ball rolling: in the years to come, our most pressing question would be how to bolster the trades and crafts businesses and give them a collective identity.

From below and from above or when entrepreneurial dedication meets an economic policy initiative

The efforts of the craftspeople were not in vain, for in the second half of the 1990s help arrived in the form of an economic policy initiative aimed at bolstering the Bregenzerwald region. Commissioned by the federal state of Vorarlberg, the *Standortinitiative Bregenzerwald* was a joint project between various partners from the public and private sectors. Thus unified on a political level as a regional planning community, the initiative founded the company Regional Development Bregenzerwald (Regionalentwicklung Bregenzerwald GmbH) in 1997 in order to meet the requirements for an EU grant and to serve as an impetus and a further means of support in handling the organizational work for relevant projects. Furthermore, this coordination on a regional level also sought to prevent conflicts caused by competition, strengthen small businesses, and reduce costs for the individual communities. In cooperation with the company Prisma, founder of the “Impulszentrum” in the heart of the Bregenzerwald, it also worked out studies and concepts that would locate potential points of contact for cooperation.

After the so-called *Cheese Route* had proven successful in the agricultural and tourism sectors, focus was shifted to the trades, a major industry in the region. At the onset of the project, the general trend – with the exception of a few communities and businesses – showed declining activity on the part of the trade guilds over the past two decades. In addition, the image of trades and crafts on the whole was waning. With the trend toward mass production and new technologies, they were seen as outmoded compared to industrial production, which seemed to be the very symbol of everything that was modern. Thus trades and crafts are not perceived by society as professions “with a future.” This in turn does little to encourage young people to learn a trade, especially since higher education continues to gain importance. In this context, initiatives like the competition *Handwerk und Form* constitute a superb counterstrategy because they signal innovation and change within the given field.

The joint effort of the craftspeople, e.g. for the competition, might therefore be a potential point of departure for a regional development project if the trades and crafts associations of all the communities

participated. Parallel to the theoretical evaluation, a hearing was also conducted to give the protagonists the opportunity to express their expectations and wishes for a partnership of craftspeople. The discussion was “impassioned and contentious” and called for intense mediation and heated debates, recalls Franz Rűf of the *Regional Development Bregenzerwald*. Among the topics of discussion were how far the partnership was to extend or what objectives it sought to pursue. For instance, it took a long time before people could agree on the form of PR work needed. Finally, they had to work out a clear concept as to what the future activities of the association would be. The political support provided an important basis for all this, Franz Rűf continues. He also emphasizes that the communities still carry out their tasks “with varying enthusiasm,” but adds that everyone, nevertheless, basically agrees that the money is being put to good use. He concludes that as a result of all this, the craftspeople took the project into their own hands and with a lot of personal dedication and hours of volunteer work they founded the association and made it work. It was the ideal example of a grassroots business initiative “from below” and the economic policy interests of a region meeting each other halfway. The motivation behind the idea was not the notion of making up for a deficit but of strengthening existing potentials. But, Markus Faißt stresses, without the government subsidy many important achievements that the association has implemented during the five years of its existence wouldn’t have been possible.

During the founding process, it became clear that the participants didn’t want to form a classic cluster that would produce jointly or market its products collectively under a single label. Some suggested setting up a kind of agency that would bring craftspeople and customers together as needed. Others were opposed because, as they argued: “then all of a sudden our opinions won’t count.” A network of this kind that reached into the individual corporate structures would probably have gone against the strong character of the businesspeople, some of whom were already well established at the time and a few of whom could even boast a clientele that extended to neighboring countries, the UK, and overseas. Now when the craftspeople talk about the early days, they all have to chuckle. One of the other ideas had been to start a sales organization and distribute their own joint brand. Sometimes today’s members shake their heads over some of the theoretical plans proposed by the regional developers. That’s a good sign, Franz Rűf says, because it shows that the craftspeople identify with their association in its current form.

Perhaps 10 percent of the original plans were actually implemented, says Markus Faißt. Still, in hindsight the protracted review process is

regarded in general as having been stimulating. It strengthened our self-confidence about our “Wälder existence,” Faißt explains. And he personally was “virtually forced” to think about his own situation. Discussing what one had in common with the other craftspeople and where to draw the line between one’s own business philosophy and the rest of the group probably also helped get rid of fears in situations where people shared related skills or manufactured similar products. It may seem paradoxical, but a decisive step toward diversification took place between the founding of the association and the collective market launch: the craftspeople recognized that they complemented each other through their different business cultures and that this complementarity gave rise to inspiration.

Exercising the mind or competitors who interact productively

The Bregenzerwald trades- and craftspeople finally founded an association in 1999. From the beginning, their credo was to be sensitive to different business and product philosophies. The name *Werkraum Bregenzerwald* stands for a collective outward presentation that signals both regional authenticity and individual freedom of movement: an arena of productivity where the individual business retains complete independence. A space needs fresh air to breathe, this was a place where exchange could take place: the will to open oneself and invite new stimuli is also reflected in the association’s name (*Werkraum* = workspace). The fact that the association is not only interested in a network of its own members but is one that includes institutions with the same objectives is also manifested in the choice of its location: the headquarters of the *Werkraum Bregenzerwald* can be found at the “Impulszentrum” in Egg.

Within the region, of course, the craftspeople don’t need advertising because everyone here knows everyone, says the Bregenzerwald architect Hermann Kaufmann, who teaches timber construction at the University of Technology in Munich. But in general, dealers as well as architects confirm that the dominance of industrial production has led to a Europe-wide shortage of craftspeople who can guarantee precision manufacturing and are at the same time able to deliver large quantities of one-of-a-kind products at realistic prices. Today, if one wants to achieve something in this area, a Swiss dealer and business partner of a Bregenzerwald craftsman notes, one has to unite, particularly in the face of the growing competition brought on by the eastward enlargement of the EU. Not only does a collective outward presentation have a stronger



effect than advertising as an individual business, but this kind of alliance builds trust because it conveys to the customer a picture of stability in both a qualitative and entrepreneurial sense. The Vorarlberg architects, too, are full of praise about the craftspeople for the process of self-examination they have willingly embarked on. And this in turn strengthens the relationship between the architects and the craftspeople.

Furthermore, the *Werkraum* can also be seen as a showcase that provides a glimpse of certain shared characteristics, regional traits: clarity of design, lack of ornamentation, strong identification with the material, and a functionality that lends the furniture flexibility, mobility, and everyday practicality. And with these traits as their trademark, the *Werkraum*, which has since expanded past its regional borders, reciprocally reinforces the region's authenticity. In the five years since the association was founded, the craftspeople have carved themselves an image as well as a market niche. *Werkraum Bregenzerwald* is a name now known far and wide.

"We're not a beekeepers' union" or why quality consciousness can be hard work

Creating a collective brand was a process that included not only the most obvious but also perhaps the most important aim of the association. The actual dynamic that has motivated the Bregenzerwald craftspeople since the 1990s is a process of self-examination: members reflect jointly on quality and seek to support each other rather than weaken each other through price wars. This objective is apparent in the three main activities of the association: the competition *Handwerk und Form*, which is now run by the *Werkraum* and is held regularly every three years; the *Werkraum's* own journal, which is published annually; and the *Lernwerkstatt*, a workshop designed to pass on the traditional techniques of the trade.

Don't imagine the *Werkraum* as some kind of beekeepers' union, says Johannes Mohr, "where everyone agrees with everyone and you just sort of piddle around." And Markus Faißt concurs, preferring to describe the *Werkraum* as a "marriage of convenience" rather than of love. He says it's a blend of idealism and pragmatism, which is why he never had a second thought about joining. Nobody will deny that the meetings and activities often explode into literal fights and that it costs an enormous amount of energy on top of their everyday real jobs. "A lot of times one has to jump over one's own shadow in order to recognize common strengths," says Johannes Mohr.



But that two competitors can grow together is something all of them agree on. All of them have the will to maintain and improve the already existing quality. Faißt refers to the Wälder mentality as a “good corrective measure.” If here in the Bregenzerwald we were only to make the kind of design that sells in Milan, that would mean “something is wrong,” he says. In this sense the triennial competition *Handwerk und Form* constitutes the heart and soul of the association: it is the opportunity to present Bregenzerwald craftsmanship at regular intervals and in new and cutting-edge forms. The individual carpenters benefit directly from the connections to designers, product designers, and architects forged here. Some prototypes developed in month-long processes of experimentation have become successful products. Everyone agrees that participation in the competition raises the overall quality of the trades and crafts in the Bregenzerwald and opens new opportunities: In 2002, for example, Roland Gnaiger and Adolph Stiller conceived of a spin-off event, the exhibition *Möbel für alle / Everyone’s Furniture*, which is accompanied by its own catalogue and has already been held in Vienna and Munich, among other venues.

With the annually published journal, the *Werkraum* has created a vessel for regularly presenting its own activities and objectives in a published form, thus giving a wider audience access to internal topics of discussion. In order to create a professional outward image here as well, the *Werkraum* enlisted the skills of Harry Metzler, a graphic designer based in Schwarzenberg. He came up with an attractive, contemporary design, which association president Anton Kaufmann says should have “role model character” and serve as the *Werkraum*’s calling card, with a clear layout, succinctly rendered content, and an exquisite appearance right down to the paper it’s printed on. The journal addresses the cultural-historical roots of the trades and crafts industry in the

Photo (see page 43) Markus Faißt with “Sinus-Sonus” musical instrument, therapeutic device. Design: Edgar Höscheler, Markus Faißt. Production: HolzWerkstatt Markus Faißt, Hittisau

Photo (see page 44) From left to right: Anton, Josef, Alois, and Wolfgang Schmidinger

Photo (see page 45) Family and employees at Firma Mohr in Andelsbuch, standing from left to right: Doris Schelling, Christian Greußing, Nadezda Filipovic, Katharina Steurer, Johannes Mohr; and sitting: Andrea Mohr, Anna Maria Mohr, Regina Feurstein







Bregenzerwald (e.g. with reference to the Baroque architects), writes about current themes, presents competition results, and announces upcoming events. Experts in the trades and crafts field and above all in the area of product design contribute articles, making the journal an up-to-date forum.

Back to the future or how one cooperation leads to another

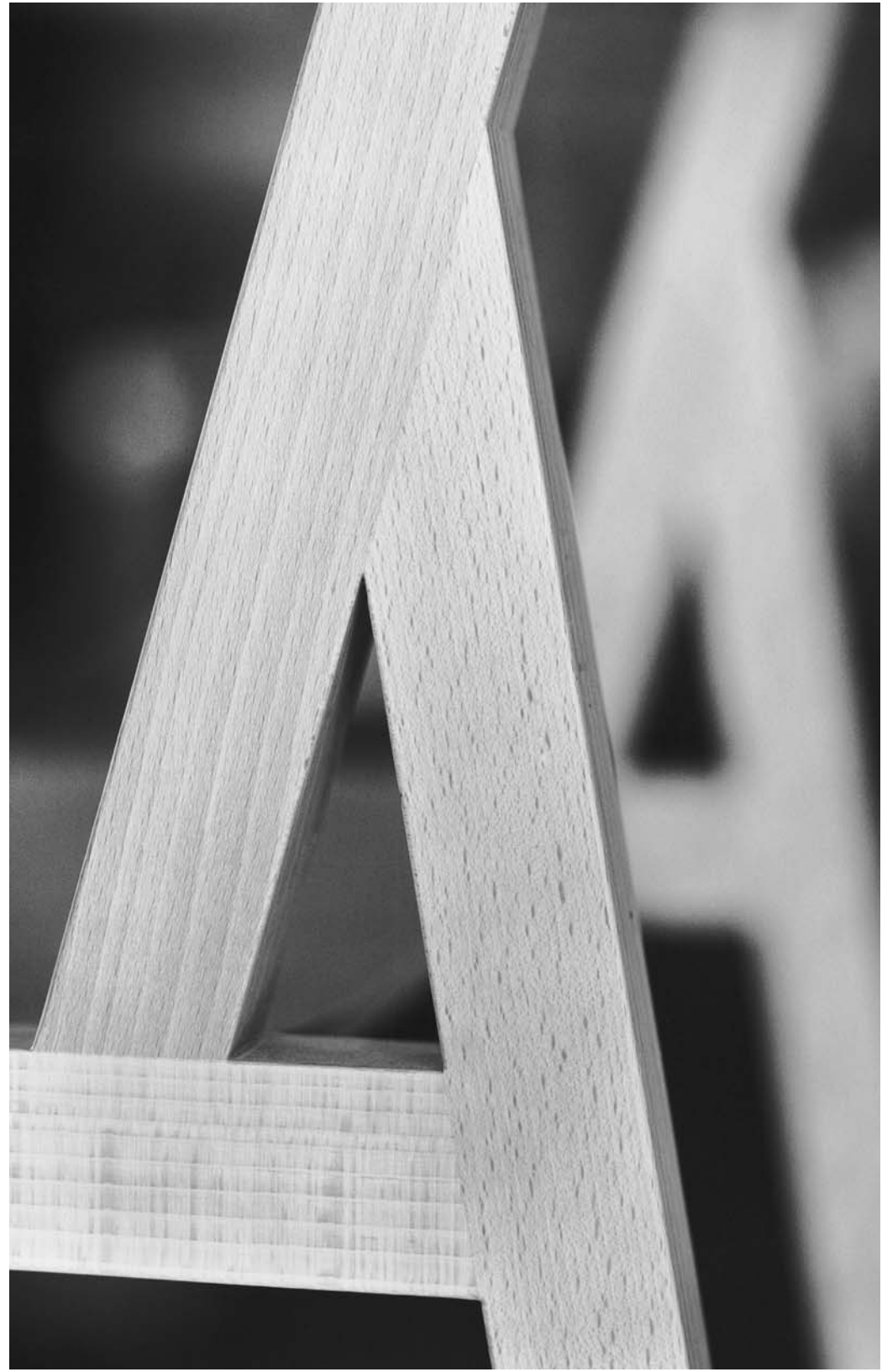
The *Werkraum's* contemplation of history isn't just theory. It has given rise to the *Lernwerkstatt*, in which apprentices are given hands-on instruction in the old techniques of the trade. The centuries-old houses in the Bregenzerwald are a daily challenge for the trades and crafts businesses. Often, when it comes to renovating old buildings, the craftsmen are the first and most important contact persons for private homeowners. The more a craftsman knows about old techniques, the more likely he will be able to influence the owner's opinion in favor of restoration according to monument preservation considerations. The old techniques, however, are carried out in a contemporary form, i.e. using modern technological equipment and know-how.

The *Werkraum* has found a partner in the community of Alberschwende, which years ago formed a committee to improve the design of the town center. The community made a building available that provides the opportunity for instruction based on a real project. An empty, hundred-year-old barn in the center of town is being renovated by apprentices and retired masters. Once restoration is complete, the building will be available to the community of Alberschwende and to the *Werkraum Bregenzerwald* as a multi-purpose hall and display room for exhibitions. A project that in the name of fostering traditions, technological progress, and vocational training allows cooperation between politicians, monument conservation authorities, and the *Werkraum*, stresses the importance of cooperation between young and old, and offers the attractive practice-oriented learning site of an old building.

Despite all political support, it is still quite amazing that such "totally different characters with such divergent interests" (Johannes Mohr) have banded together as a group that is more than merely a trade guild because it formulates objectives, discusses questions of quality, and reflects on the

Photo (see page 47) Michael Beer (left) and Michael Vögel, apprentices at HolzWerkstatt Markus Faißt, Hittisau





future and on ensuring the continuation of the trade. And in these qualities the predominant mentality in the Bregenzerwald certainly provides a positive environment. Thanks to this, the local craftspeople have developed a healthy sense of self-confidence and the capacity for self-criticism, without which the willingness to cooperate couldn't have developed. According to Hermann Kaufmann what is most important about the *Werkraum Bregenzerwald* is the fact that the craftspeople see themselves as an interest group and define common goals for themselves and not so much the publicity factor. Through their willingness to talk to each other, the craftspeople also indirectly strengthen their partnerships. The mentality of the diligent little house builder also has its negative aspects: there is the danger of leading a reclusive existence that prevents you from being able to see beyond your own garden fence. Much has already changed in the way group members deal with each other, says Wolfgang Schmidinger, who used to outsource work to other workshops even before there was a *Werkraum*. It used to be that if he got an order that went beyond his capacity, he would turn it down; whereas now, he'll usually accept it and incorporate other workshops into the project, or he'll refer the client to one of his colleagues. The *Werkraum Bregenzerwald* is an outward presentation that also, and to no small extent, produces inward effects.

www.werkraum.at

Founding

In 1999, some 100 workshops banded together to form the association *Werkraum Bregenzerwald*. Following a consolidation process it now consists of approximately 65 members. There are seven people on the board of directors, three of whom represent the Bregenzerwald regions Vorderwald, Mittelwald, and Hinterwald. One-third of the members are carpenters or represent the timber-working trade in a broader sense; in addition to one bespoke tailor, there are also a few locksmiths and craftspeople from other sectors. Most of these workshops are small enterprises with fewer than ten employees.

Photo (see page 48) Chair "Delta." Design: Christian Steiner, Vienna. Production: Schmidingermodul, Schwarzenberg

Activities

The association's main activities are the competition *Handwerk und Form* (Craft and Form) held once every three years and the publication of its annual journal. The *Lernwerkstatt* intends to teach apprentices the old techniques of the trade in a contemporary fashion.

An important platform is the website with links and useful information, news-groups, upcoming events, an apprenticeship openings list, and a members' list with links to their own company websites.

The association organizes regular lectures and discussions on business law, structural issues, and interdisciplinary subjects. A medium-term goal is the planning of a permanent exhibition on the Vorarlberg master Baroque architects.

Financing

According to the company Regional Development Bregenzerwald (Regionalentwicklung Bregenzerwald), the government-funded start-up capital for developing the project – consulting, discussion leader/s, services, etc. – amounted to 110,000 euros (50% EU LEADER II, 15% state, 15% local, remainder from sponsors and private companies). Financing for the first three years came to approximately 100,000 euros annually (one-third each from local, EU/state, and membership dues). The Bregenzerwald is classified by EU funding measures as a target 2 area, i.e. a region eligible for secondary priority funding. Current financial support received from the state of Vorarlberg (one-third) and the EU (two-thirds) amounts to 30% of the budget to be reported annually. The *Werkraum* headquarters are staffed by a part-time employee. The competition *Handwerk und Form* is relatively expensive due to space rental, jury, and infrastructure, but these costs can be covered almost completely by revenue from advertising and entrance fees.

Photo (see page 51) Felt cube. Design and production: Johannes Mohr, Andelsbuch

Photo (see page 52) Chair strung with leather cord. Design: Johannes Mohr, Andelsbuch. Production: Anton and Johannes Mohr, Andelsbuch

Photo (see page 53) Chair "Hop." Design: Lorenzo Merani, Genoa. Production: Schmidingermodul, Schwarzenberg









The design competition

Handwerk und Form

With the intention of drawing inspiration from outside the region, a group of Bregenzerwald craftspeople launched a design competition in 1999 – eight years prior to the founding of the *Werkraum Bregenzerwald*. The guidelines called for a craftsperson and a designer to team up in producing a prototype that was to fulfill the highest standards in both craftsmanship and formal design.

The furniture and everyday articles produced in this way were judged by a professional, paid jury of experts. The results were then presented to a wider public in a collective exhibition under the title of *Handwerk und Form*. The success the competition had with the general public and experts convinced the craftspeople that a collective presentation platform would be desirable in many respects and fueled the idea that eventually led to the founding of the future association. Thus it can be said without exaggeration that the competition *Handwerk und Form* was an important catalyst for the founding of *Werkraum Bregenzerwald*. After its creation in 1999, the *Werkraum* was put in charge of the competition, and the organization of this triennial event has since become one of the *Werkraum's* main activities.

Intensive collaboration between architects and product designers

The original competition procedure proved positive and was adopted permanently: a craftsperson seeking to participate finds a designer to work with – if possible from outside one's own region, in order to introduce new impulses. The collaboration is seen by both sides as extremely beneficial and inspiring. Still, one must be aware of the time and mental energy involved for all participants: the design work on the prototype takes place alongside normal business operations and is, according to past experience, extremely time and energy consuming. The entire process until completion of the prototype often takes months of exchange between craftsman and designer in order to harmonize practical construction methods and theoretical design principles. Quite a few prototypes created for the competition have since been manufactured on a small scale and have thus provided a partial compensation for the enormous investment of effort. Often, however, the prototypes must be adapted for the market in order to be able to sell them at a realistic price.

Photo (see page 54) “Sexy Sofa.” Design: Peter Zumthor, Haldenstein. Production: Johannes Mohr, Andelsbuch

The attraction of the competition, thus, has less to do with economic considerations; rather it can be seen as a stimulus to promote innovation and formal progress. This represents a future potential not to be taken lightly because the competition expresses the will to maintain not only a high level of craftsmanship but also cutting-edge design.

The competition *Handwerk und Form* is a good example of the fact that financial support doesn't necessarily just increase expectations, but can on the contrary also stimulate personal initiative and investment. Price competition between the individual workshops or businesses is mitigated by the solidarity of an innovative environment in which mental mobility forms a basis for the future. As a side effect, this might also produce a social dynamic, as demonstrated with *Werkraum*, that leads to cooperation and collaboration in other areas as well.

Key project insight

- The *Werkraum Bregenzerwald* reinforces the existing strengths of the region: high standards of quality, strong entrepreneurial spirit, self-confidence of the craftsman, openness to dialogue.
- It counteracts the weaknesses of the trades and crafts industry – lack of design impulses, poor public relations know-how.
- This collaboration promotes the awareness that the forces working in different directions are not necessarily mutually exclusive, but can converge and interact in a productive, energy-laden context. This lets the members present themselves as a collective industry without impeding the growth and development of different business philosophies.
- The design competition exposes the craftspeople to constructive and formal innovations.
- The competition guidelines of submitting a prototype developed as a team leads to intensive cooperation between the craftsman and the designer, usually an architect. This continually gives rise to new contacts that go beyond the framework of the competition.
- In the Bregenzerwald there is a tradition of intense contact between craftspeople and regional architects. In general, this close, fructifying cooperation – kept alive not least by the competition *Handwerk und Form* – is an interesting strategy for regions with a strong building trade.

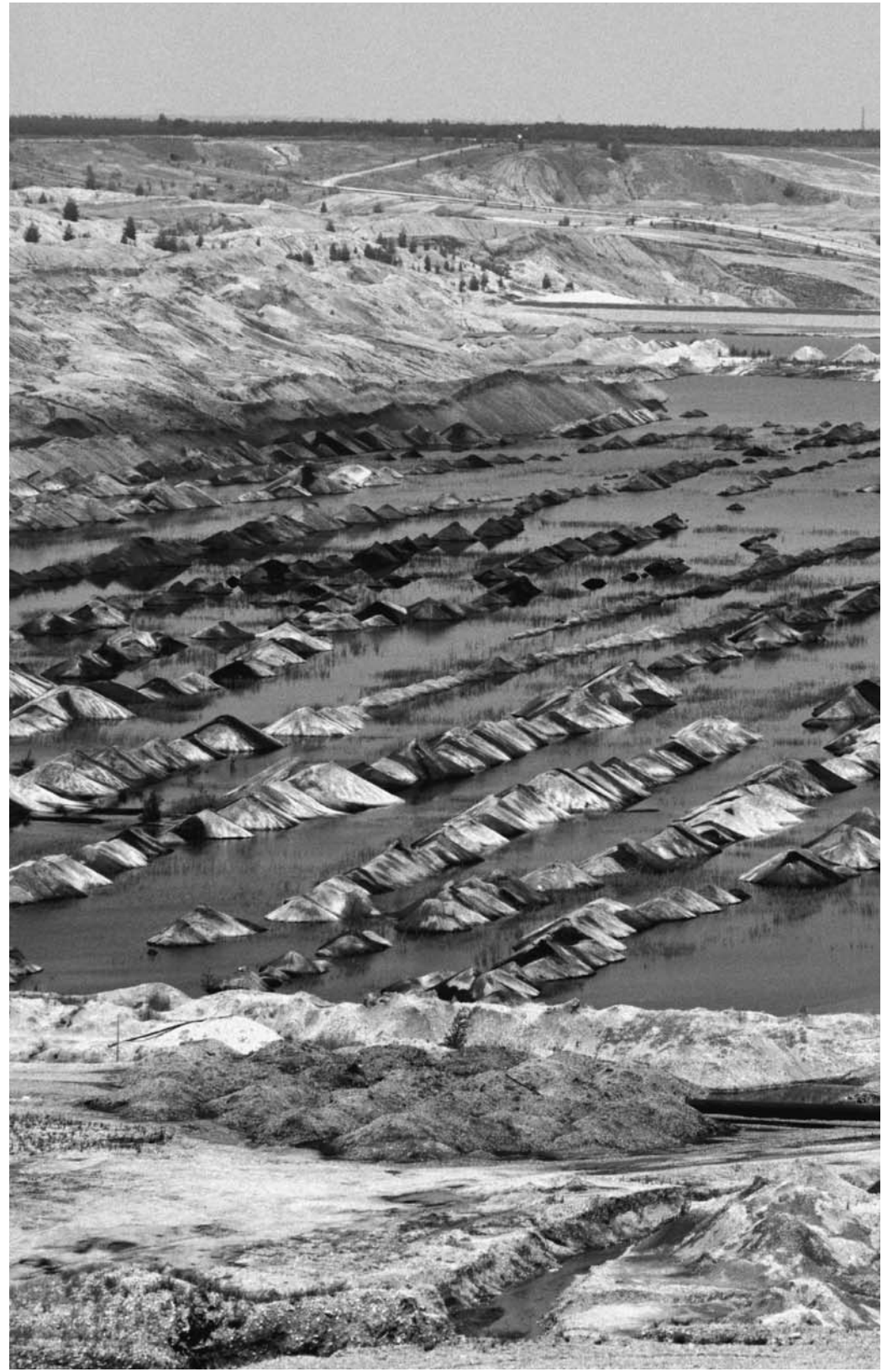


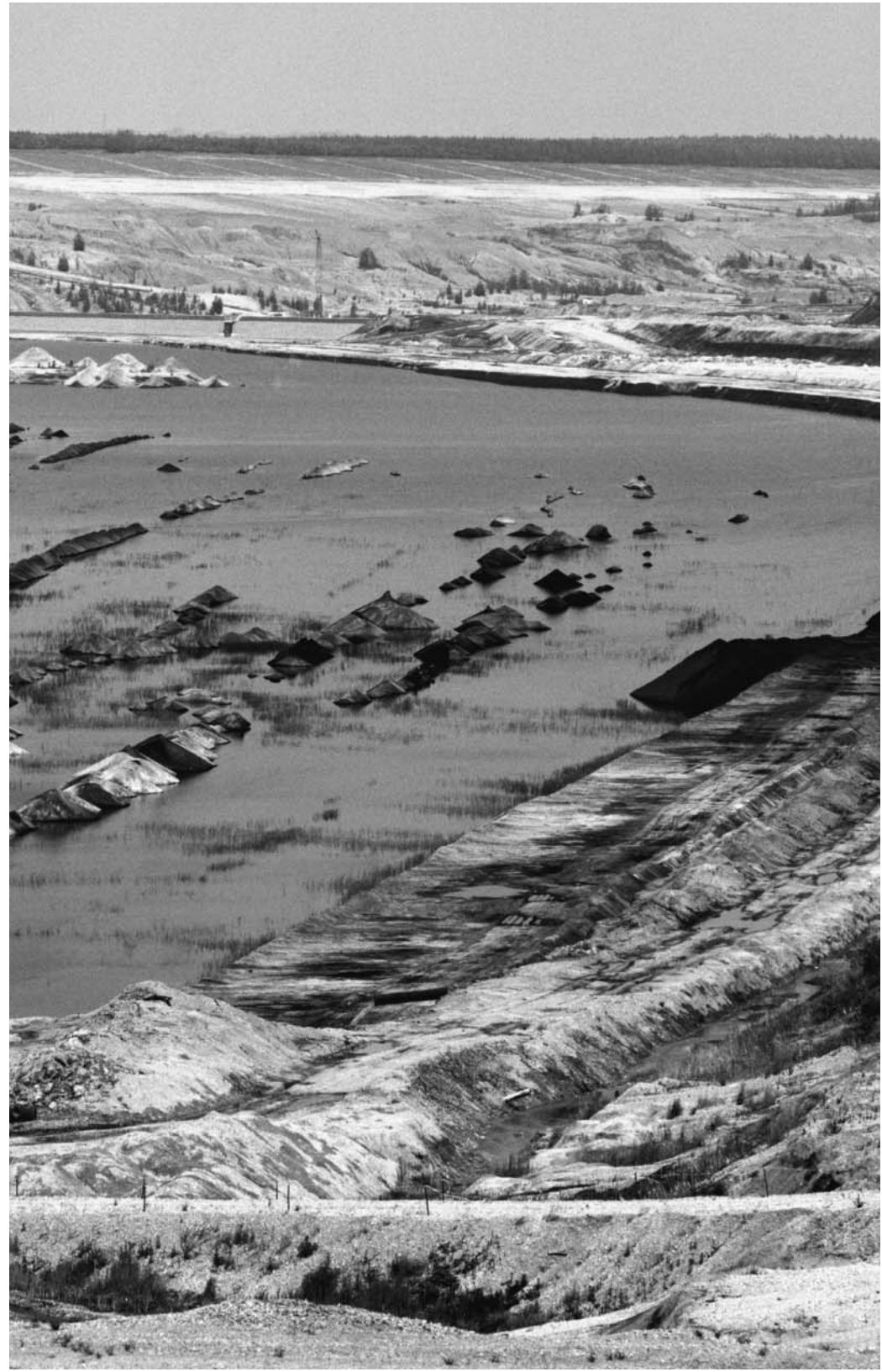
Tectonet: **400 Soloists or 1 Orchestra**

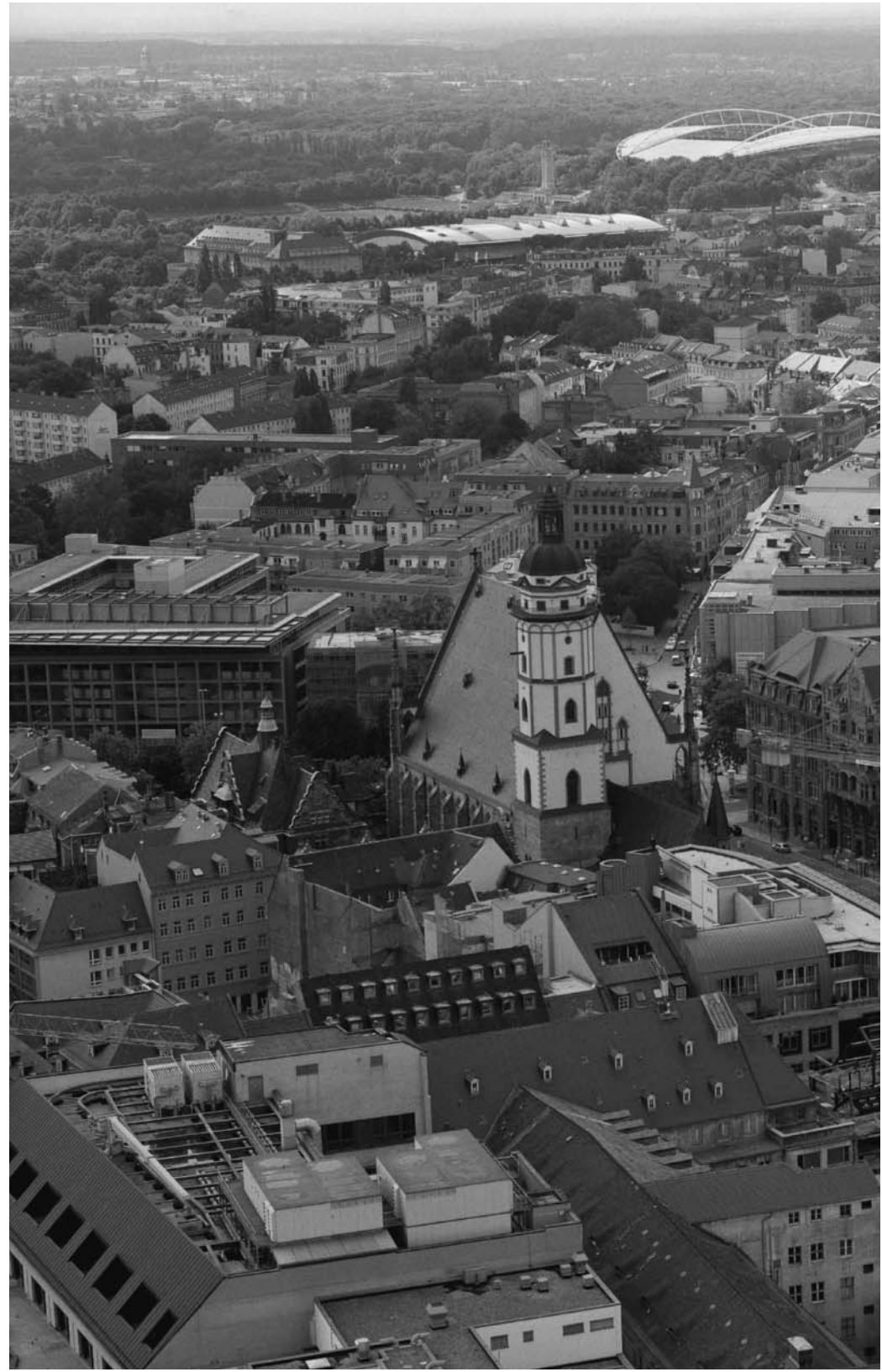
Text: *Fanni Fetzner*

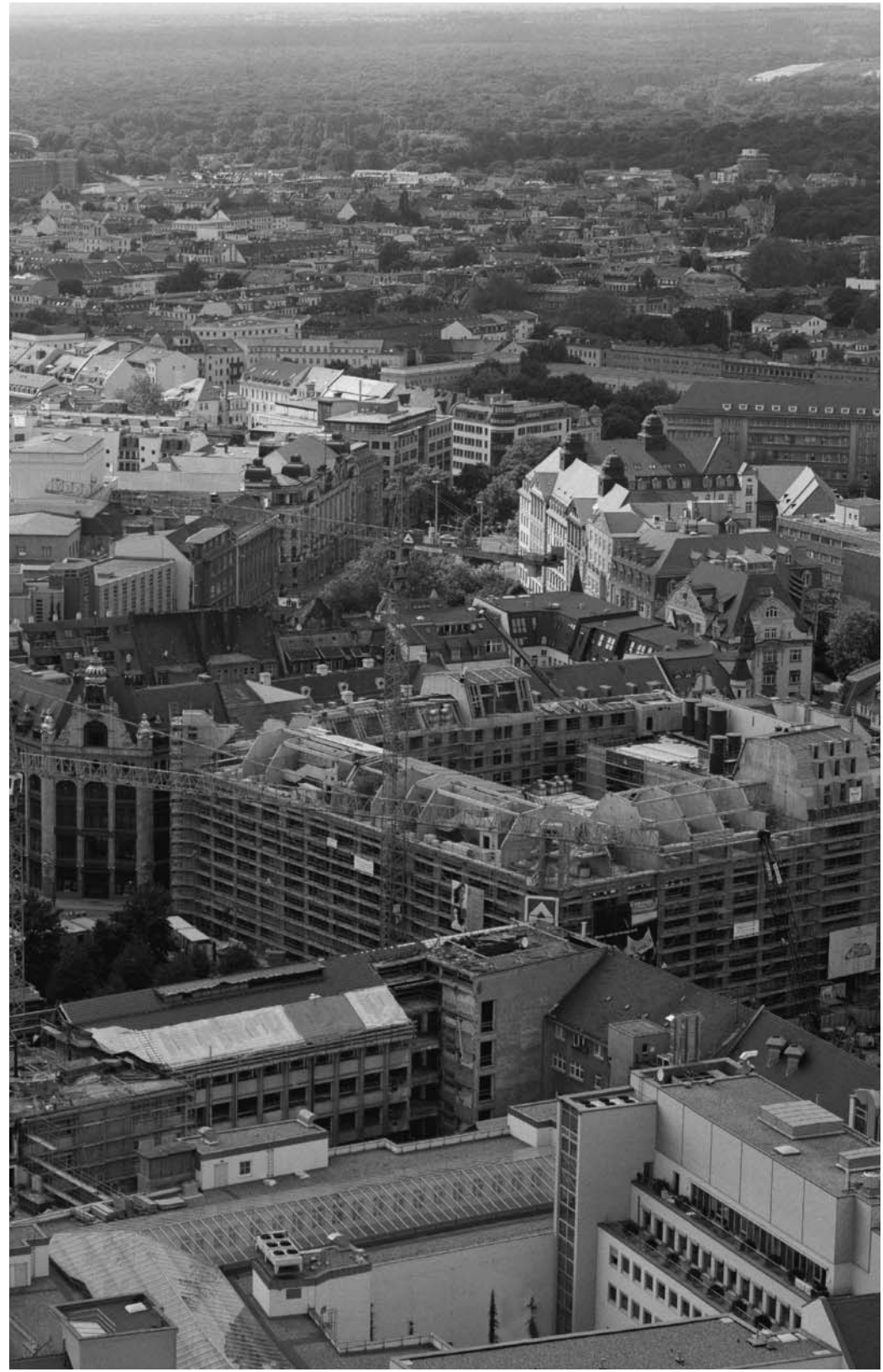
Photography: *Henry Pierre Schultz*

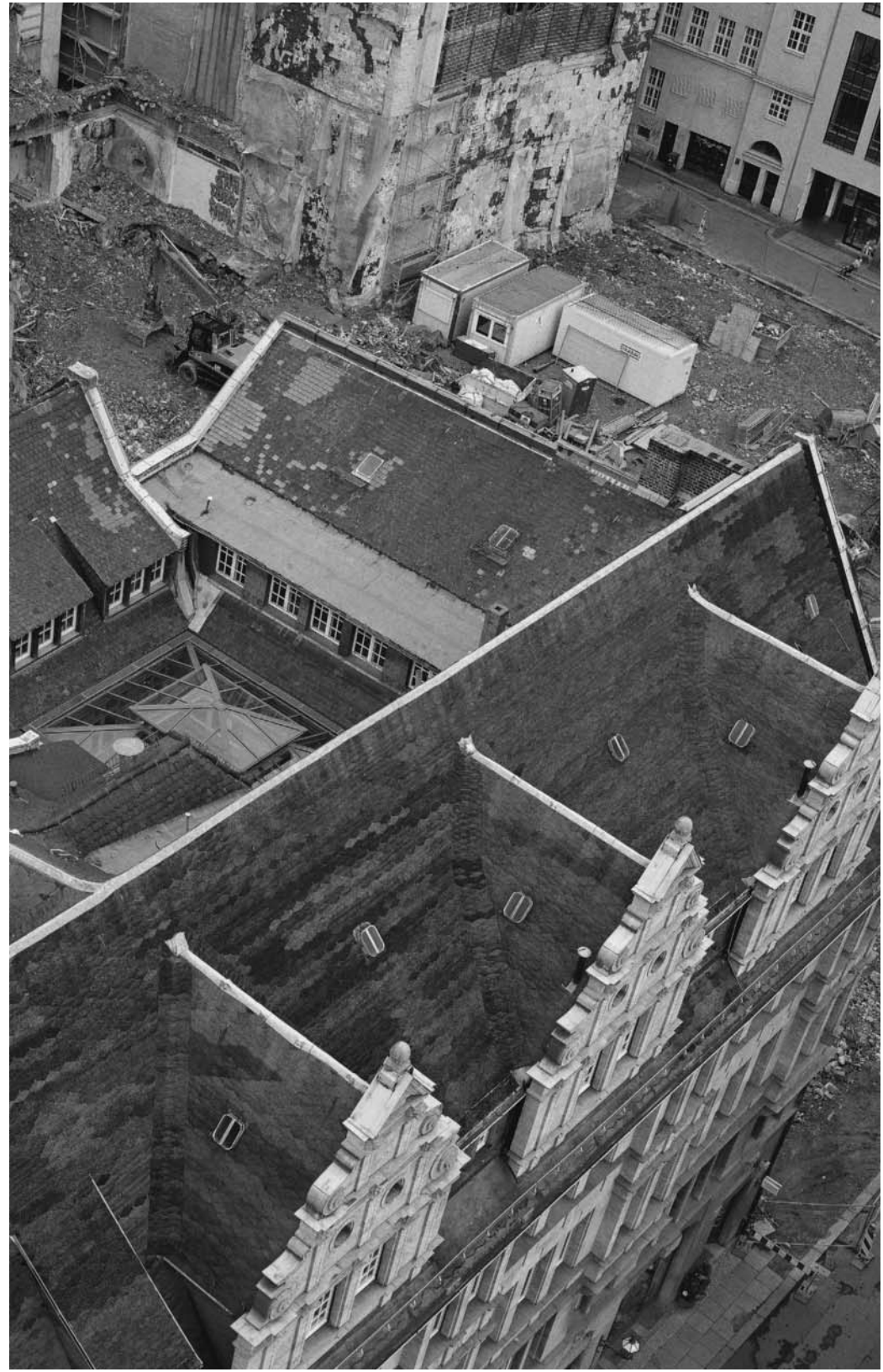
Trades & Network Management, Germany













How can small and medium-sized construction businesses compete successfully for government tenders?

How can smaller businesses turn their high standards of craftsmanship, personal commitment, and know-how to their competitive advantage even when it comes to big contracts?

How can the value added of a building contract be kept within the region?

The answer to these questions is Tectonet, an extraordinary network of construction businesses in and around Leipzig.

This young company demonstrates successfully how a professionally navigated fleet of construction businesses can outperform many corporate tankers.

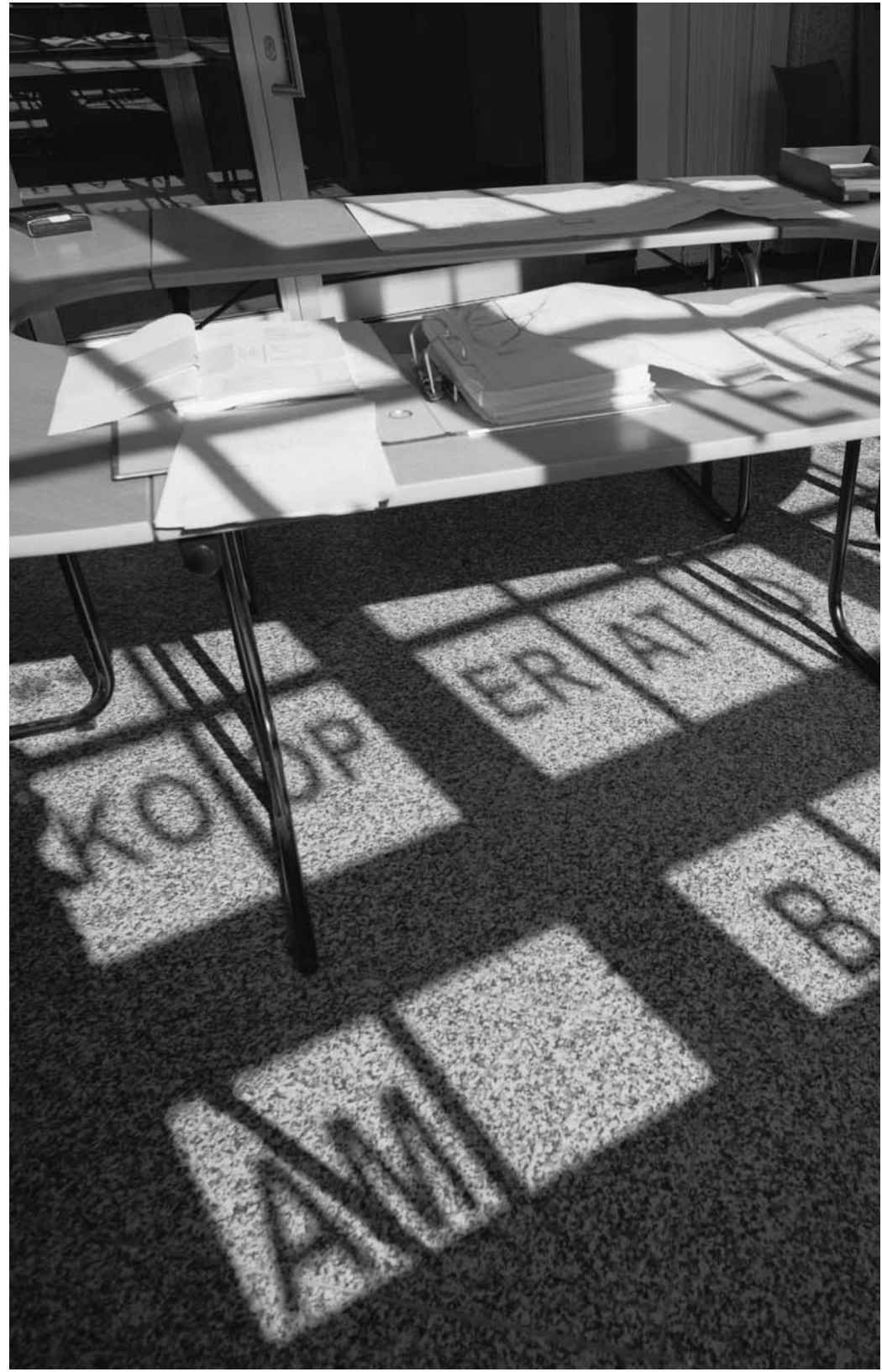
An awesome idea, a potential solution for many regions, but the success of day-to-day operations – as is often the case – comes from the skill and dedication of a special team.

Happy is he who arrives at the main train station in Leipzig not only to transfer from track 1 to track 18, that is to say to cross the concourse of Europe's largest railway terminal and transfer from the train to Munich to one to Stralsund... Happy is he who instead can walk out the front of this fantastic train station, because Leipzig is a beautiful city and well worth a tour. Perhaps along the Ring – the major street – which starting from the main train station proceeds – as its name suggests – to circumscribe the city center, passing the Bayerischer Bahnhof (Bavarian Train Station) along the way. From this historic site – the oldest terminal station still in operation in the world – the trains of the Bavarian National Railway once joined the two kingdoms of Saxony and Bavaria. Today it is only a regional station, but a planned "tunnel project" envisions connecting the two train stations via a roughly one-kilometer-long direct passageway. Leipzig thinks big.

Actually, it'll be a shame when they finish the tunnel and complete the Leipzig railway junction because the aboveground route around the city center affords the traveler a view of a spectacular assembly of

Photo (see page 67) Conference room at Tectonet

Photo (see pages 68–69) Tectonet partners Rafael Salzberger and Axel Dietrich







“Gründerzeit” architecture. Leipzig is an impressive city and many of its buildings have been renovated over the past 15 years – encouraged by a law that allowed taxpayers to write off renovation costs till the end of the 1990s.

This not only promoted the conservation of the old building substance, it also led to a boom for the Leipzig-based building industry and brought outside competition from all over Germany. After this tax law was cut in the late 1990s, construction contracts declined drastically; according to estimates, 30–40 percent of the local construction businesses aren’t really able to make ends meet, and the competition hasn’t diminished.

The concept

“This is where the Tectonet story begins,” says Axel Dietrich, and the charismatic Saxon smiles proudly to himself because Tectonet was his invention. In the late 1990s, commissioned by the Verein Mitteldeutsches Bauforum, Dietrich developed a concept for strengthening regional construction businesses. There were funds to subsidize the project, but what had been missing until then was a concrete idea for how to put the funds to work. With this objective in mind, Dietrich worked out the business concept for Tectonet. During this development process he drew his salary from the Bauforum, but the idea for Tectonet was all his.

Dietrich tested his idea on two or three projects, then he founded the company Tectonet and chose his partner, Rafael Salzberger, with whom he had discussed the project back in its development stage. Originally, Tectonet was conceived as a stock corporation or a limited liability company (AG or GmbH), but Dietrich’s research showed how short-lived this type of cooperation is. “Membership dues create false expectations,” he says and explains that craftspeople as shareholders tended to believe they had a claim to contracts simply by virtue of their membership and placed impossible demands on the AG or GmbH. How, then, does Tectonet work and how does the company finance itself without membership dues?

Tectonet doesn’t work according to a shareholding model, none of the independent construction businesses in the network can assert any



claims against Tectonet, no one can make demands; only internal competition determines who is awarded the contract. "Transparency is our principal objective," says Dietrich, it's the only way of avoiding tensions between the competing tenderers when allocating the contracts. In return, companies only pay a fee if their bid is accepted – or to be more precise, tenderers pay Tectonet a percentage of their contracts after having received payment for their services.

Since due to their size, small and medium-sized enterprises often don't get the opportunity or lack certain skills to be able to compete for large contracts (including government contracts), Tectonet has taken on the task of making this possible. A large contract is divided into manageable sections by Tectonet. Working with an engineer, Tectonet then itemizes a detailed estimate for the tender.

The engineer specifically looks for potential ways of cutting costs, for expenses where the planner miscalculated. Revised in this way and portioned into smaller subcontracts, the former large-scale project is now reopened for bidding among the medium-sized partner enterprises. Those who win the bid on this internal contract form a consortium, which then collectively submits its bid for the entire large-scale project.

Of course the construction businesses could organize into consortia on their own, but when bidding on a contract the temptation is high to not make the best bid oneself and silently hope the other partners in the group will keep the overall price down by making their bids lower. As a result, ad hoc consortia or ones arising among acquaintances aren't really competitive. As a rule, they can't rival a bid from a general contractor.

At Tectonet, by contrast, every company is competing within the network with other companies from its sector. In this way you always get the best bid. "When small companies with core expertise unite with other companies they become giants," says Salzberger about the concept. And he is convinced that the future of the construction industry lies in this type of network. Tectonet draws from a pool of 420 companies representing the entire range of the construction sector. Ideal projects are those between 500,000 euros to 3 million euros.

Leipzig's biggest (virtual) construction company

Tectonet concentrates on contracts that are too complex for small or medium-sized enterprises (SMEs) to carry out alone. This is where the value added contributed by Tectonet lies – but there's more. The engineers at Tectonet also provide consulting and calculation assistance on the tender offer.

What does it cost the individual companies in a consortium? Five percent of what the company receives as payment for its services is the fee to be paid to Tectonet once that payment has been rendered. That's half of what a general contractor charges; that's not much compared to the practice of some shady companies who promise to help already weak construction businesses with contract acquisition and charge fat commissions for these services in advance. Furthermore, Tectonet bids almost exclusively on government contracts. It may be true that this entails more complicated formalities, but the awarding authority can't go bankrupt. After all, the construction sector in general has a poor payment record, and a lot of companies may come close to insolvency themselves because private clients fail to pay on time.

In the beginning, however, Tectonet met with considerable skepticism. It isn't your classic engineering firm, nor is it operated by people from the trade, which was why government workers, at one point, refused to send Tectonet the requested tender documents. They were suspected of being investors who, under the name of Tectonet, were attempting to buy out the construction sector. Moreover, the trade itself was also mistrustful: too many companies had had bad experiences working with self-organized consortia or general contractors. Tectonet's unique role, therefore, consists in satisfying customers on two sides: the clients and the construction companies. And the fact that Tectonet is able to pull this off is due entirely to the personalities of the managers: Axel Dietrich and Rafael Salzberger.

When they talk, they constantly interrupt each other, not to contradict what the other is saying, but to complete his thought for him. Together they make a whole, they embody their principle of trust and open communication in an exemplary way. They are similar above all in their geniality and different in their qualifications, which complement each other perfectly – an asset they employ to Tectonet's advantage.

Salzberger, who passes easily for a business man with his sleek glasses, is a business engineer experienced in corporate strategy and corporate planning and is no stranger to the building materials industry. Originally from Bavaria, he's been living here since 1995 and says of himself: "I'm a Leipzigian by choice." He's the one responsible for communicating with investors from the West because he can relate to their start-up difficulties in the East and because he's kept his comprehensible high German. Dietrich, by contrast, with his degree in mechanical engineering and his heavy Saxon dialect, always strikes the right note at the construction site or with local craftspeople and clients from around the region. In these areas he is also able to use his technical know-how.

In addition, Tectonet is also made up of interns, student helpers, engineers paid on commission. The hierarchies are flat, the working climate pleasant. On the one hand, interns have insight into the entire process and can play an active role everywhere. On the other hand, Tectonet has specifically sought older employees in order to profit from their experience and knowledge. "For example, our engineer is 61 years old and was unemployed for two years. We use his knowledge in a modern way and tie it in with the input and flexibility of our students," Rafael Salzberger explains, but he also emphasizes that Tectonet has to be profitable and that the social approach is not the aim but a nice side effect. The 5 percent cut from the construction businesses doesn't afford much elbow room, so overhead costs are kept low and qualified workers are employed. "Tectonet gets a lot of applications because the economic situation is so strained," says Dietrich, "and we profit from this, for example one former intern is now a full-time employee and is glad he doesn't have to leave the Leipzig area to find work."

"We're Leipzig's biggest (virtual) construction company," Salzberger jokes. The number of different trades represented in Tectonet's database increases steadily because an engineer will search specifically for companies who offer the know-how needed to complete the projects. Thus with each new contract, the range of available trades grows. One of Tectonet's specialties is of course its expertise in revitalization work, particularly with "Gründerzeit" buildings. "Here in Leipzig there is an enormous concentration of know-how in this field and it could be transferred anywhere," dreams Rafael Salzberger, who refers to the craftspeople in Greater Leipzig as "undiscovered geniuses." Indeed, the economy of scarcity in East Germany demanded creative, innovative solutions. Many skills from this period – when building was governed by the principles of rationalization and mass production – have been maintained to this day. Moreover, Saxons are said to be particularly diligent and industrious. In East German times, the Vereinigung Volkseigener Betriebe Leipzig (TGA) supplied the entire territory of the "brother countries" with its ventilation technology. Perhaps this past reflects a hidden potential, but in any case Leipzig is the only city in eastern Germany that continues to grow in terms of both economy and population.



This also has to do with the excellent university and the education policies of the city – the capital of opportunities and possibilities, as the mayor calls it. Leipzig supports a number of out-of-the-ordinary initiatives. The bid for the Olympic Games 2012 was one such event. Regrettably, the candidacy was turned down by the Olympic committee in Lausanne. It would have given Tectonet a sure contract for 1.5 million euros because Leipzig's idea consisted of remedying the shortage of 5-star hotels in the region by restoring empty villas, which would have been sold to private customers after the Games. More important than the bid for hosting the Games and the renovation contract it would have brought for Tectonet, however, was the way the candidacy made the people of Leipzig feel about their city: that it's attractive, full of quality of life. Part of this feeling comes from the newly opened stadium that ingeniously extends the existing postwar infrastructure. Another part also comes from the new Max Planck Institute directly beside the *bio city*, a center that allows collaboration between highly qualified researchers, the university, and private companies.

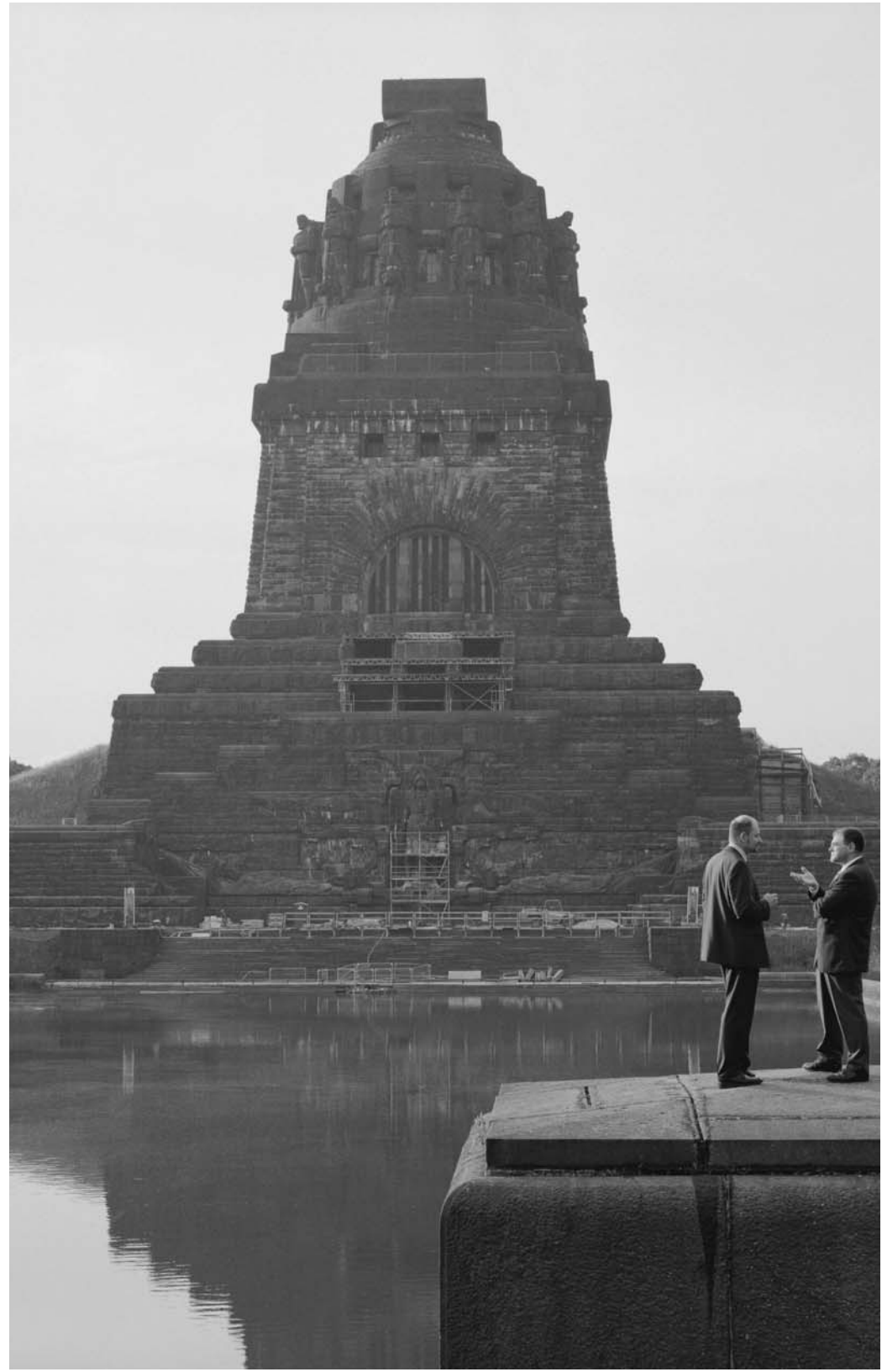
Tectonet was involved significantly in both construction projects, with contracts for 500,000 euros and 3.25 million euros respectively. All the railings and guardrails in both buildings were supplied by its consortia; at the Max Planck Institute Tectonet also provided the doors, the new library facilities, and the outdoor installations around the building. Rightly proud, Dietrich and Salzberger walk through the grounds, pointing out details in the workmanship and telling anecdotes about the construction stage. In keeping with its motto "nothing's impossible," Tectonet stepped into the breach at the Max Planck Institute after it became unclear as to whether the competition would be able to complete its contract to put in the metal roofs, due to insolvency. The institute had its roof at the opening, at the very least. And in fact, even the professor whose doubts had hampered construction work was very

Photo (see page 77) Leipzig's Battle of the Nations monument

Photo (see pages 78–79) Outside the historic entrance to the newly expanded sports stadium

Photo (see pages 80–81) In front of Leipzig's New Exhibition Center

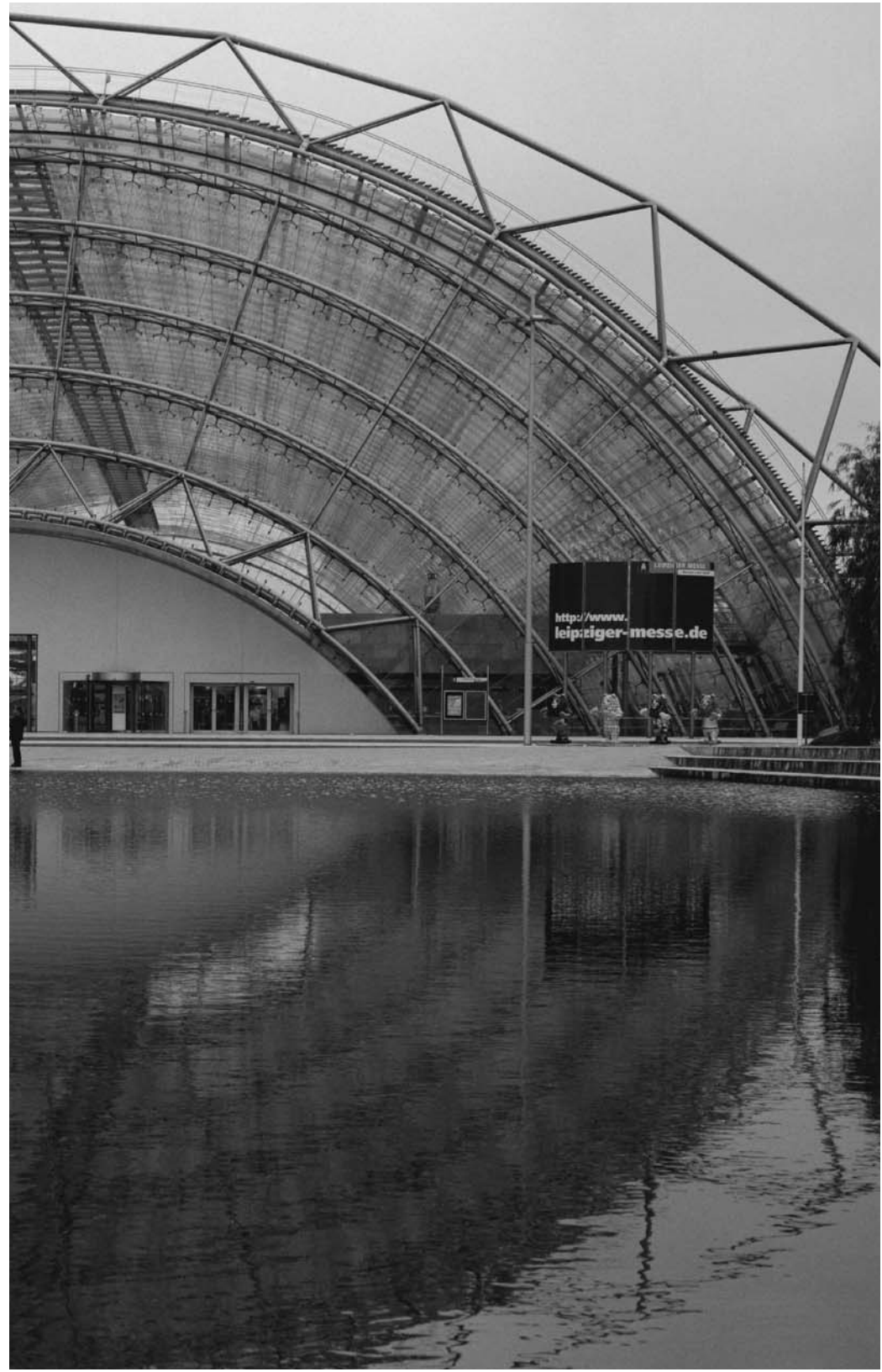
Photo (see pages 82–83) Inside the Max Planck Institute, part of the Leipzig business cluster















pleased in the end with the way the acoustics in his evolutionary biology language lab had turned out. This is one side of Tectonet's clients. And the other?

Rivals in cooperation

Traveling overland, flat land, Leipzig land. Where once brown coal mining supplanted agriculture, there now stand expertly renovated buildings, companies equipped with state-of-the-art technology interspersed amongst dusty, gray villages. One of these forward-looking companies is Kafril. One can hardly tell that the construction company is housed in a former farming facility. Where today a white and gold reception room welcomes visitors, there used to be the stables, and instead of a manure heap at the back of the grounds, this is now the machinery area.

It was intuition. Not long after the fall of the Iron Curtain, Mr. Karnahl, today the manager of Kafril, was at a machinery fair in West Germany. He saw a piece of heavy machinery which is used to cut weeds along the roadside and clear the tarmac of dirt and gravel to allow rainwater to seep into the shoulder rather than collect as backwater on the road. There was nothing like that in East Germany. Mr. Karnahl raises the money for the expensive machine, buys it, and shortly thereafter is awarded his first government contract in the Leipzig region – which earns him just enough to pay off his investment.

In the meantime the collection of machinery has grown, the company now employs 100 workers at 20–25 construction sites. Specialized in demolition and earthmoving, Kafril often works with major partners. A general contractor, however, takes a 10 to 12 percent cut; Tectonet only charges 5. “Besides, with Tectonet we aren’t subcontractors but equal partners on the market,” Mr. Karnahl explains. “That also means we’re closer to the money.” At Tectonet they open an account for each consortium so the individual companies aren’t subject to the general contractor’s payment practices. The companies in the consortium decide among themselves whether to manage the account themselves or delegate the responsibilities along with the other paperwork to Tectonet for a small 2 percent surcharge.

Mr. Karnahl brings up another good reason in favor of consortia: “They stabilize prices, the competition is drawn into the deal.” In this way, with the help of Tectonet, Kafril and its biggest local rival are currently bidding together on the planned tunnel project in Leipzig. What he refrains from saying, but that Axel Dietrich tells us after we leave: Kafril had made

an attempt to form a consortium like this once – with the competition but without Tectonet – but it ended with the partners splitting up on bad terms. When conflicts arise, Tectonet arbitrates between the partners of a consortium. Mr. Karnahl says that consortia are the rule in the construction business, but his company actually had to be talked into joining the Max Planck Institute project. Too strong was the mistrust. Too weak was apparently the need for a large, modern construction company like Kafril to rely very much on the support of Tectonet. Mr. Karnahl begs to differ: Kafril isn't Tectonet's customer but a partner. Dietrich, for his part, acknowledges the unspoken praise inherent in Kafril's willingness to once again cooperate with the competition under Tectonet's guidance.

The network is always open

Less than half an hour further out into the country – in the back courtyard of his metalworking shop – Sven Petter of Petter Metall sits with a cup of coffee. The workshop was founded by his father in 1990 and employs 22 workers. Unlike Kafril, the impression Petter gives is that his operation desperately needs all the support it can get from Tectonet. His company is too small for large contracts and too big to get by on just repair work for private customers. High overhead costs make one dependent, and Sven Petter will try everything to make ends meet: "Keep all options open, try everything, know as many people as possible." Petter is thus the ideal networker, even if he's had his share of bad experiences with cooperations. "One advantage of Tectonet is that they know the other companies in the consortium," says Petter, who of course doesn't have time to check out his partners on his own. Tectonet is open to all companies, affirms Dietrich: "Everyone is welcome as long as the price, quality, reputation, and communication are right. We're an open network."

Petter helped supply the railings for the stadium and the Center for Environmental Research. "But no doors, I don't want to do those," says the metal constructor. He couldn't match prices with a company that specializes in doors and gets special prices from its supplier. Without Tectonet Petter wouldn't have been able to bid on the contract, but with the consortium he could, because the doors were supplied by a partner. Petter's shop now does almost all its work in the West because, of course, the East Germans can offer better prices. Since German law requires a government contract to be awarded to the lowest bidder, there's no way of favoring regional businesses. This leads to dumping prices in the West and the East, where construction businesses from

eastern countries have already begun flooding the market. Moreover, banks want to see large contracts as a security, any large contract will do. This tends to drive prices down too.

Core expertise communication – dialogue as a competitive edge

“West German companies don’t act, Tectonet does,” Dietrich agrees. “We want the value added from construction contracts awarded to companies in and around Leipzig to stay here.” And the success rate speaks for Tectonet; on 5 to 10 percent of the projects Tectonet bids on, it ends up being awarded the contract. Tenders from individual construction businesses usually only win the bid in 4 to 6 percent of the cases. Of course, companies could always just take Tectonet’s information on a bid invitation and use it to submit their own tender behind Tectonet’s back. They would save themselves the 5 percent fee. Petter laughs: “I’m much too honest to do a thing like that,” and no doubt too friendly too. In fact, sometimes a construction company will hear of a contract it wants to bid on and asks Tectonet to find it the right partners for a consortium. Or a company will call Tectonet’s attention to an invitation for tenders for a big contract even though it has nothing to do with the services it offers. That means passing on information without knowing in advance whether you can profit from it in any way.

At least that’s the way it is in the case of potential contracts. It’s a little different when it comes to direct competition between companies from the same sector. “It may be easy to get new companies to join Tectonet,” Axel Dietrich and Rafael Salzberger agree, “but construction companies don’t necessarily recommend Tectonet to other SMEs. If something is good, one doesn’t let the competition in on it.” Companies hear about Tectonet by word of mouth, though, and slowly a network culture is beginning to grow. “At Tectonet, communication is a priority,” they both agree and stress that it’s a skill all co-workers must have when they start work at Tectonet.

Communication is also expected of the construction companies. Companies interested in the Tectonet network have to answer questions, but must also be able to raise questions themselves. Because only communication and transparency create trust, the prerequisite for the success of the cooperation. “If someone asks why his company isn’t part of a certain consortium, he’s already a networker,” Dietrich explains. The fundamental values of communication, transparency, reputation, quality, are things Tectonet also demands of itself. Upon request, a company

that was passed over on a tender will be given the reasons for rejection. With the consent of those involved in the internal competition, even the offers will be disclosed, or a Tectonet partner engineer will assist the company with its cost calculation for the next contract it wants to bid on.

New goals, strategies, and a hop across to the Isles?

Dietrich and Salzberger should be satisfied, Tectonet works as planned in the regional context of central Germany. And what could be a better compliment than that an initiative in North Rhine-Westphalia is interested in the Tectonet model? The managers' response is modest, "Sure, Saxons are special, but you can find special skills everywhere." They've already achieved their original goal, but it would be out of character if they didn't use the élan of their successful business launch to fuel further projects.

Tectonet started out with 25,000 euros capital. Not a lot of money, but banks don't fork out anything for the construction sector. "That made things difficult in the beginning because the potential for development wasn't being realized fast enough," says Dietrich, and the idea behind Tectonet demands constant development. After getting their foot in the door through complete renovation work, Tectonet is now also pushing building services, civil engineering, road construction. When it comes to large, prestigious building projects in Leipzig, there's an even greater motivation to be in on the contract. Such is the case with the tunnel project. As Salzberger says, one fixed rule of thumb is always: "experience makes the difference." Tectonet won't start a new area of expertise without a thorough analysis of its market opportunities.

In a city like Leipzig where the newly renovated old buildings remain vacant because people would rather stay in the familiar neighborhoods of their just as newly renovated prefabricated concrete apartment complexes (*Plattenbauten*), where apartments are advertised in the newspaper explicitly as "ideal as a shared flat" (not the best indicator for a large demand for housing), we need visions to help get through the stagnation in the building sector. Tectonet also plans to test further networking models. Recently, an intern working at Tectonet wrote her thesis on the advantages and disadvantages of other forms of cooperation. Dietrich mentions another option called private-public partnerships. In this model, private owners would build the public buildings for a community and the community would rent these spaces for long-term periods.

But Tectonet's most unconventional and at the same time most exciting prospect is its visions of expanding to Great Britain. Tectonet doesn't

plan to make a takeover of the island its core business; rather, expansion is an option being pursued as a promising export strategy based on market research. When it comes to large-scale renovation projects in Greater London, Leipzig's companies could provide an attractive alternative to the expensive and poorly trained British construction companies. Dietrich and Salzberger talk about the excellent model of vocational training in Germany and name several inexpensive air connections from Leipzig to London. Perhaps the Leipzig tunnel doesn't connect two train stations after all, but is the underground route leading beneath the Channel directly to the island?

The region

Leipzig: 4,385 km², 1.1 million inhabitants, the city proper has a population of 0.5 million. Rural region with an urban center. High unemployment, but the city of Leipzig is the only city in eastern Germany with positive population growth. Leipzig is a student town, the universities are important for the development of the city. Policymakers are working to build clusters, e.g. in biotechnology, which are based on infrastructure that can be used by both private companies and the institutes of higher learning. It is the city's express goal to enable the exchange between highly qualified researchers and scholars and to provide incentives that will draw people to Leipzig.

The company

Two managers, approx. 15 employees: 1 trainee (apprentice), 6 permanent employees, 4 degree students (interns), 4 freelance partner engineers on a commission basis.

Turnover: 2002: 145,000 euros (incomplete business year). 2003: 275,000 euros. 2004: 300,000 euros (targeted goal, consolidation).

The cooperation

Tectonet draws from a pool of more than 400 medium-sized companies, who have at some point offered tenders for a project and have thus documented their willingness to collaborate in a consortium on Tectonet's terms.

Tectonet is a network of construction SMEs from all fields with an emphasis on metal construction (locksmiths, steel construction),









carpentry (windows, doors, etc.), building services (ventilation, climate). Initial company focus was on complete renovation. Since the fall of 2003, activity has been expanded to building services and intensified in that field based on market projections. Other targeted core areas of expertise are civil engineering and public works.

Export

In the beginning the focus was on securing local contracts for the local trade industry. Meanwhile Tectonet has also begun taking on projects in West Germany. In 2003, contracts for building projects in Munich were signed.

Tectonet plans to expand to Great Britain, specifically Greater London. The air connections from Leipzig to London are good, the airfares low, the construction tradespeople in Great Britain are often underqualified and overpaid; plumbing is often old and dilapidated. Thus in the EU, prospects look good for German competition on large renovation projects. Expansion to Great Britain, however, is not the core activity of Tectonet but rather an option being pursued as an export strategy based on market research.

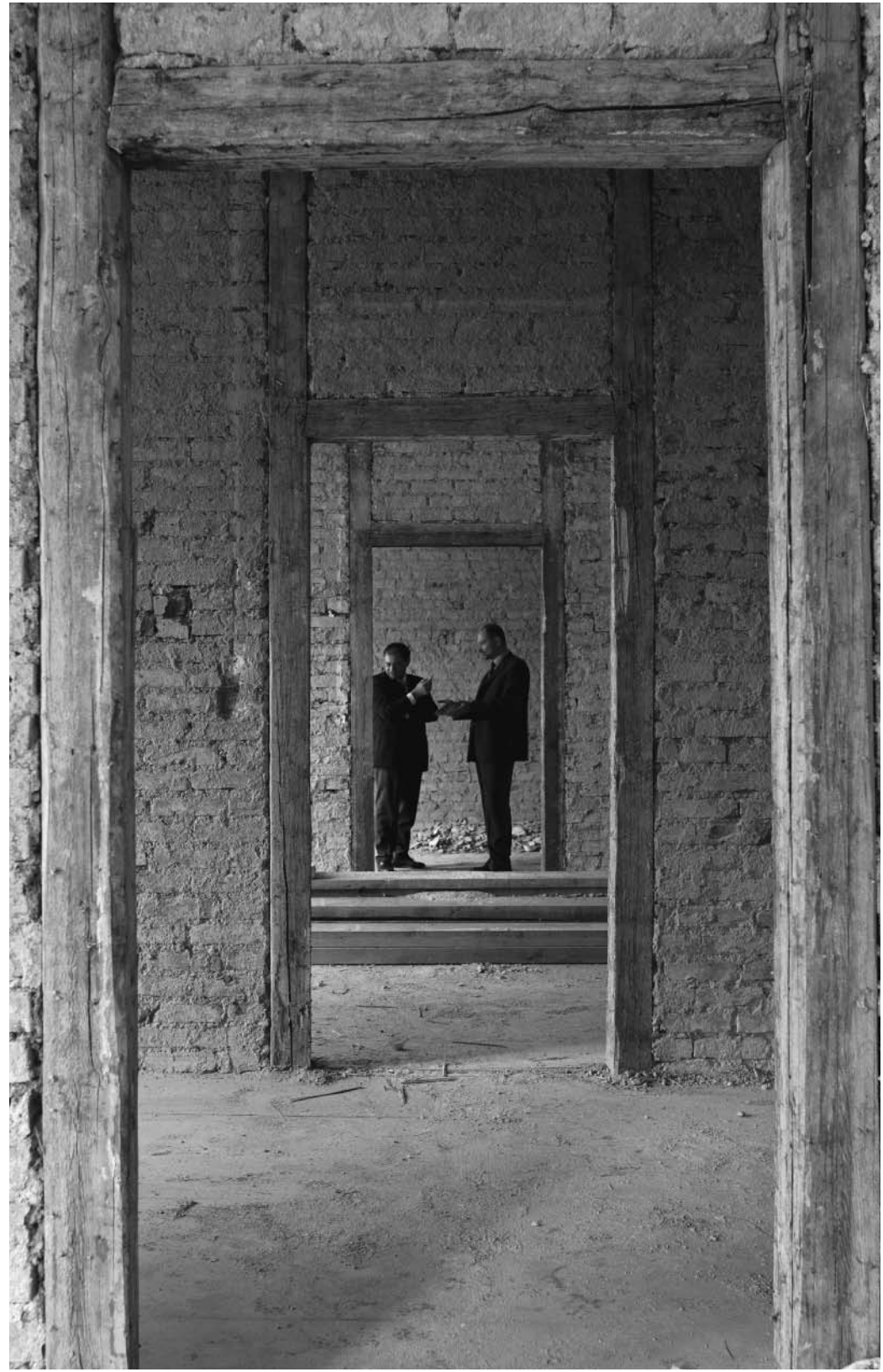
Expansion

In order to survive and grow despite stagnation in the building sector, new ideas are constantly being tested. Envisaged, for instance, are pilot runs with private-public partnerships (private companies build public schools for the community with the community renting these for long-term periods). The company also continually examines different forms of cooperation practiced in other countries and keeps informed on successful network models in the building sector.

Key project insight

- Unlike many other cooperation projects among construction companies, Tectonet wasn't set up by the partner companies and is thus not accountable to those companies. The network management is an unaffiliated company that operates independently of the private interests of the individual cooperating partner companies.
- The construction companies are not required to pay membership dues.
- Tectonet is always open to new members. This motivates the companies to offer the best price-for-service bids and introduces new know-how and dedication into the cooperation.

- Through its lean organizational structure, Tectonet is able to provide services at much more affordable prices than the classic general contractor.
 - Tectonet doesn't charge the individual construction company its commission fee until after the company itself has received payment from its client.
 - The construction companies are given information about how they fared in the internal bidding process. If needed, Tectonet will assist a construction company with cost calculations or in optimizing its services.
 - Tectonet is constantly under strategic development.
 - Generally speaking, Tectonet is a unique and interesting idea that can be implemented in many regions, but what essentially determines the success of the company is the professional, social, and especially communication expertise of the managers.
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Bornholm: The Isle of Artisans

Text: *Veronika Hofer*

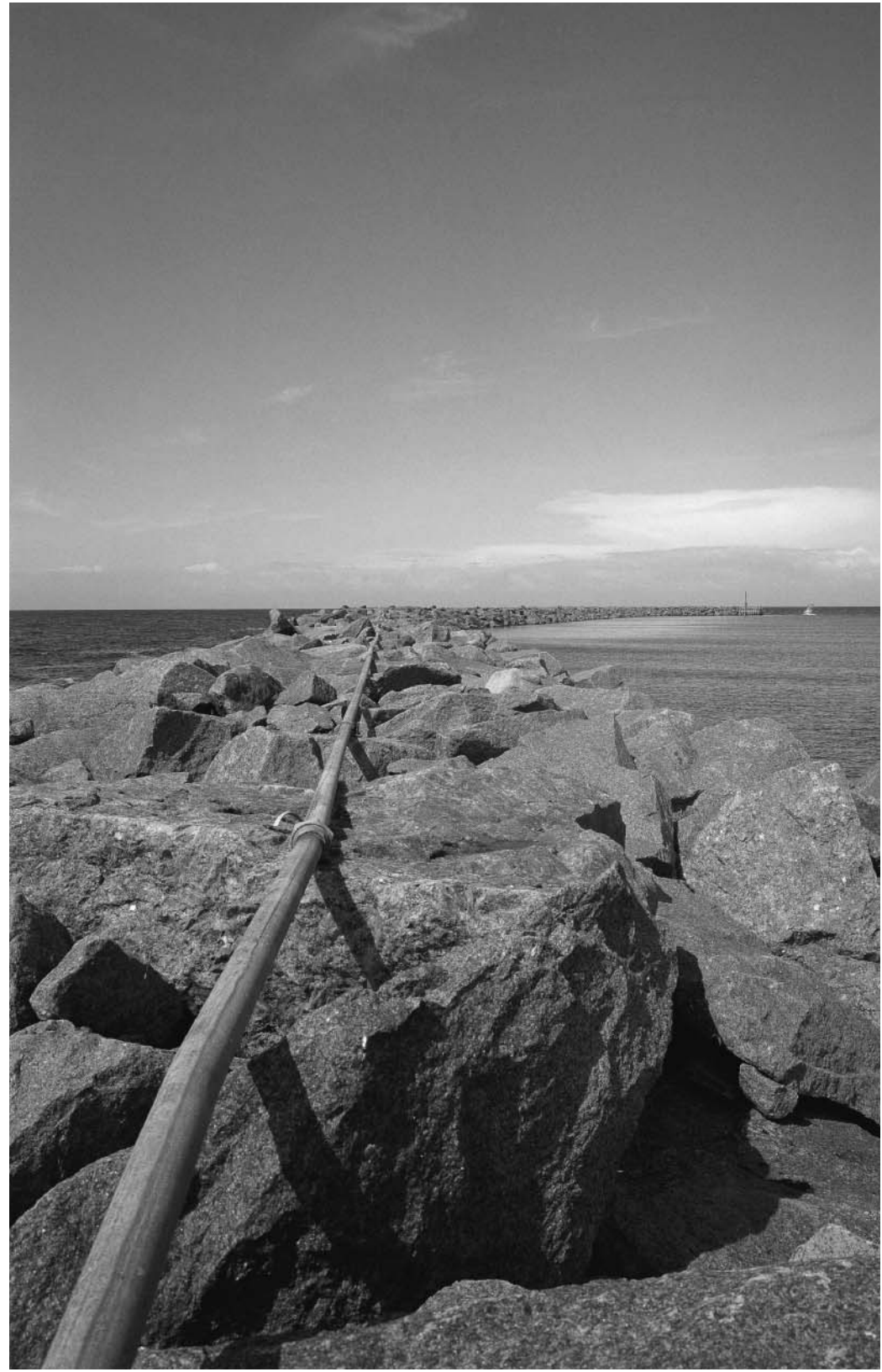
Photography: *Marko Lipuš*

Trades & Tourism, Denmark











In the 1980s the Bornholm fishing industry nearly collapsed completely, with all the consequences that go with it. Suddenly what had always worked in the past didn't work anymore. The bigger the enterprise the harder it fell; the smallest operations, however, became the island's link to the future.

Potters and glassblowers are a traditional part of the island; now they are gradually also becoming an important factor for the tourism industry – Bornholm's primary source of income. Together with the island's romantic, untamed natural beauty and the many interesting cultural treasures, they constitute a resource with a strong potential for development.

A project from which there is much to be learned: the focus is on what is there, professional networking and presentation, opportunities for ongoing training and further education, and a vibrant exchange between regional policymakers, the tourism industry, and the artisans on the island.

According to a Danish saying, when God finished creating the world, he took something from each land and made Bornholm. And it is true, nowhere in the world is one likely to find so much natural beauty in such a small area.

The fresh sea air invites visitors to take a walk on sandy beaches in the south and wild, romantic cliffs in the north. The land in between is vast and verdant, so vast that one imagines oneself atop a sphere; again and again one's gaze is drawn down to the blue sea that merges with the Elysian sky. In the little villages it seems like time stopped long ago, and the fact that time doesn't stand still is, alas, the problem. Once one arrives at the one-time fishing metropolis Nexø, however, one realizes that the present has caught up with Bornholm after all: anchored in the harbor are large ships no one needs anymore. Everything is rusted. On the docks stand the empty buildings of the plants where once freshly caught fish was processed directly. It smells like seaside, not like fish. In their yellow oilcloth, a few fishermen stubbornly defy the fact that here on Bornholm their trade belongs to the past.

Until the 1980s Bornholm lived from fishing. When that ceased to be the case, the whole island suffered, even the arts and crafts people. Yet Bornholm was still a center for ceramics and glass manufacturing in Europe. At the time, however, it was a bold dream to think that the cultural economy could develop into a promising sector. After all, how

could one expect people to abruptly give up something that had defined their lives for centuries?

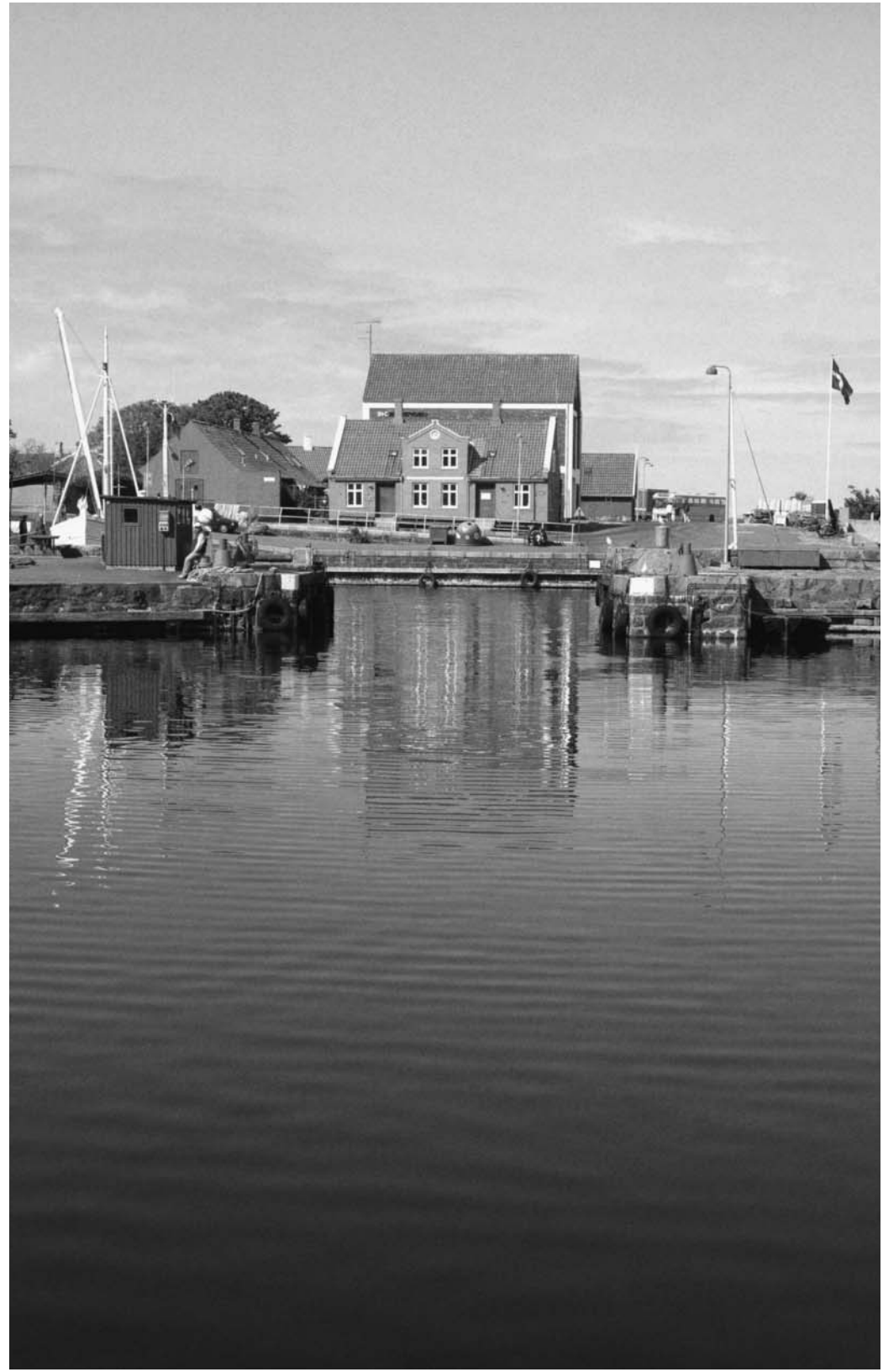
The networkers

Bente Hammer, textile artist, and Maibritt Jönsson, glassblower, have lived on the island for more than 20 years. Two friendly and easy-going women, but don't let that fool you: they can be determined and very persistent if they want something. For 20 years they have been talking about how to set up an umbrella organization for the artisans. They are both successful already, so forming this association isn't essential to their survival; rather, because they are doing well, they want to give something back to the island: "We didn't want to just stand by and listen to people complain that everything is going downhill, that everything keeps getting worse. We wanted the island to be associated with good stories again," says Maibritt Jönsson. She and Bente Hammer are true networkers: always in contact with the decision-makers and the active people on the island.

On their initiative, Bornholm's best artisans came together in January 2002 and formed the Arts and Crafts Association Bornholm. The ACAB gives 52 artisans the opportunity to present themselves and act as a collective unit. The association's aim is to draw attention to and promote the high quality of arts and crafts on the island, but its most important objective is to secure the livelihood of each of its members. At the moment, only a few of them are able to live from their trades, most are forced to earn their living in other ways.

On the group's Internet platform www.craftsbornholm.dk each artist presents him- or herself with selected works. The project *Digital Bornholm* not only served to set up a home page for the artisans but also an intranet to facilitate communication among members. Since it soon became clear that a lot of the artisans weren't very familiar with the computer, a program for further education was also included in the *Digital Bornholm* project.

Maibritt Jönsson and Bente Hammer had tried over and over to get the artisans to unite, and again and again they failed. Eventually, however, the moment for founding the ACAB was ripe. There are as many stories as to how it all began as there were founding members. In hindsight, what is important to the artisans on Bornholm is not whether what came first was the exhibition building for everyone, the personally committed consultant, or EU funding, but that they recognized the moment, were able to smell the time for change in the clear island air.



Small and large projects arose parallel to each other. One of them was the cultural center *Grønbechs Gård* in Hasle, a sleepy hamlet on the western coast. Taking the initiative, the villagers asked the mayor to have an old merchant's house and shop renovated as a cultural community center. The mayor went to work at it and managed to get EU funding. Maibritt Jönsson and Bente Hammer recognized immediately that the renovated building would be the ideal exhibition space for the artisans. They contacted the director of the building, Dan Mølgaard, who turned out to be an open-minded partner who happened to be looking for projects for cooperation anyway. It was time to give their dream another go, after all, now they had found a potential home base for everyone. All of a sudden there was a plausible reason for coming together: a collective exhibition space. They were able to convince artists who were otherwise not inclined to leave their ivory towers that this would be a good chance for gaining visibility. The five floors of the painstakingly refurbished merchant's house and shop offer plenty of room for exhibiting selected works by all of the ACAB members. The artists couldn't have hoped for a site with a more perfect atmosphere: they were able to retain the original wooden floorboards and historical ceilings with their exposed wooden beams. Simple, unpretentious exhibition architecture provides an elegant setting for display items.

The meeting, a building, and the digital directory

Maibritt Jönsson and Bente Hammer called a meeting; of the 100 they'd invited, at least 36 showed up. For the spadework, the two artists had enlisted the competent support of Eric E. Johansen, a freelance management consultant on the island, who had worked as an economic advisor at the Bornholm Business Center for three years in the early 1990s. His two main fields of activity were food specialties and arts and crafts. This gave him a good overview of the situation on Bornholm: he knew where the problems lay and where action needed to be taken. He offered the women his services free of charge, and met with Maibritt Jönsson and Bente Hammer countless times to discuss the guidelines and criteria for establishing an association of artisans on Bornholm. Eric E. Johansen's reasons for getting involved were his love for Bornholm and his conviction that only an island that is viable can be an island paradise.



At the exhibition hall in Hasle the artisans ventured a step further into the limelight: in addition to the actual works on display, two digital terminals were set up to provide visitors with additional information about the artists. The timing for this idea was perfect: suffering from the worst crisis in the history of the island, the project *Digital Bornholm* was granted 3 million euros from the regional and federal governments. The project received EU funding too, from the LEADER Plus program and from the European Social Fund (ESF). Thus all the artists were represented in one place, physically through their works as well as virtually in the form of self-portraits, a picture gallery of additional works, and directions on how to get to their studios. The main purpose of this collective information platform was to lure the tourists to the artists' studios.

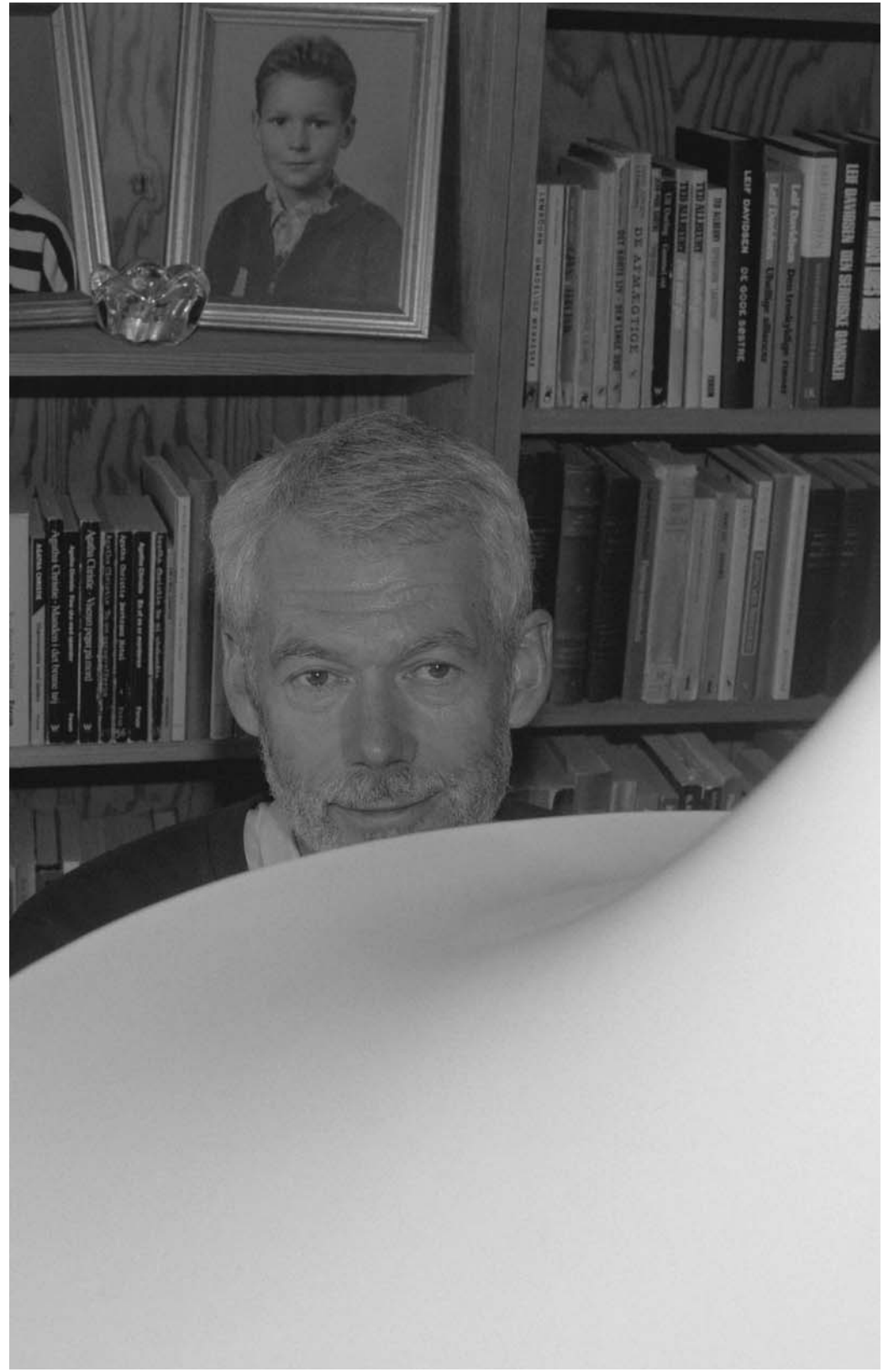
The artisans don't like to think of themselves as being part of the tourism industry on Bornholm, but they do like it when tourists show up in their studios and spend money. The ACAB is, de facto, a successful part of the tourism strategy on Bornholm. Every year 600,000 visitors come to the island. A statistical survey conducted in 2002 revealed that 55 percent had visited a glassblower's studio and 36 percent a ceramics studio.

For the tourism industry the idea was not to invent something new, but to concentrate on what was there. The arts and crafts trades have a long tradition on the island and the idea was to find a way to market this, to position Bornholm in the market as an isle of artisans. One important objective is to allow tourists to experience the works in the studios.

Baltic Sea Glass, the glassblower's studio run by Maibritt Jönsson and Pete Hunner, makes this concept clear: the studio, a former egg farm, is located directly on the seashore, and the windows of the studio also serve as showcases; one's gaze passes through the glass display objects, to the sky and sea beyond.

The backdrop is blue: sky blue and sea blue. The visitor might not be aware that these handblown objects are pure materialized Bornholm light, but he can intuitively sense the link between nature and art. Glass, as a material, corresponds so perfectly to this clear, often cold light, unadulterated by soft-focus effects. The light on Bornholm produces crisp, sharp contours. The studio is also a workshop where glass is melted in the furnaces and the glassblowers juggle the glowing mass and shape it into objects with quick, nimble movements. People visiting the studio





do not just buy a finished piece, they also buy the sensual experience. The exciting moments they witnessed here are taken back with them in the form of a handblown object. When they look at it at home, it is not only the glassblower's studio they remember but Bornholm in general. What a difference in substance when compared to run-of-the-mill souvenirs.

The Bornholm artisans have the next steps of their tourism strategy already cut out for them: to develop a logo for the group and a digital directory for the island because many of the artisans live in remote areas that are otherwise difficult to find. They already have a brochure of all the ACAB members, including a map of the island showing the locations of all the workshops, but that's not enough.

The organization

The Arts and Crafts Association Bornholm gave itself an organizational form that made sense: a board of directors consisting of three artisans who are elected by the members (Bente Hammer, Maibritt Jönsson, and the ceramist Lenny Goldberg). This facilitates communication with local authorities, officials, and museums. It's easier to talk with three people than with 50. This board of directors meets once a month; the general assembly of all members is held only once a year. Their economic advisor Eric E. Johansen and his wife Lis Borring serve as the ACAB coordinating office and work on an hourly basis; in return each artisan contributes annual membership dues of roughly 70 euros, which more or less just cover such things as postal expenses.

Quality workmanship is the guiding criterion; the ACAB's goal was to be an association of the best in the trade. This spawned the idea of having a jury to determine who should be admitted. To date 100 artisans have applied, 52 have been accepted. The applicants must have their permanent place of residence on the island and derive their main source of income from arts and crafts. The jury is made up of three non-association members and meets twice a year: the director of the Glass and Ceramics School, the director of the art museum, and a dentist, Torben Møller. Applicants submit three works for appraisal.

The jury assesses the submissions as a group and judges them based on craftsmanship and artistic expression. It does not have to justify its decisions; if an applicant is turned down, he or she has no direct path

of recourse. Decisions are unanimous. There are no written criteria or guidelines for decision making, “We look, discuss, reflect,” says jury member and museum director Lars Kærulf Møller.

Advancing with training

In order to maintain a high level of quality, the artisans must subject themselves to ongoing training, but the willingness to do so only came with the realization that this was a necessary thing. That was perhaps the true achievement of the project, convincing each member that he or she could learn something new. The will to learn requires openness and artisans are often headstrong and closed-minded people who don't like to leave their workshops or studios and are not particularly keen on getting advice. Many Bornholm artisans agree that the shift in their way of thinking took a long time. A prerequisite for this process was learning how to take more interest in their own survival and advancement.

Bente Hammer is one of the major initiators of the project, and along with Maibritt Jönsson she constantly and tirelessly works at improving the idea: “It took a while for the training program to get off the ground because none of the artisans had ever taken any classes before, and all of a sudden they were being told to do so. On top of that, they were being asked what they wanted to learn. It was a difficult process for everybody: to get them to change their attitude from, ‘I don't need any classes,’ to ‘I want to expand my knowledge and in doing so increase my income.’ In the beginning they only saw it as an opportunity to improve their skills, reach a higher level. And of course sometimes it takes a while to realize that it's a good idea to take other classes too. For a lot of us, for example, computers can be used in the design process, but in order to do so one first has to learn how to use a computer. As an association, it's easy for us to organize challenging classes because we only have 50 members. In the meantime, we have begun using the computer for normal everyday communication, with each other and with fellow artisans in different countries. Now we can exchange a lot of information, we have exhibitions at other venues, and can coordinate deadlines and that kind of thing. I think we've come a long way. We have to be careful to avoid stagnation. It is important to push ourselves a little every once in a while so we continue to grow.”

Photo (see page 113) Dan Molgaard, director of *Grønbechs Gård*



Meanwhile, the ACAB has expanded its course offerings, and classes are well attended. There are classes on techniques or materials, of course, but now it isn't unusual for members to attend courses on accounting, marketing, costing, sales, customer contact, and self-presentation as well. Each of these courses lasts three days, and the lecturers are carefully chosen and coordinated by the economic advisor Lis Borring or the ACAB coordinating office. Lecturers are paid with grant money from the European Social Fund.

The arts & crafts school as a regional development tool

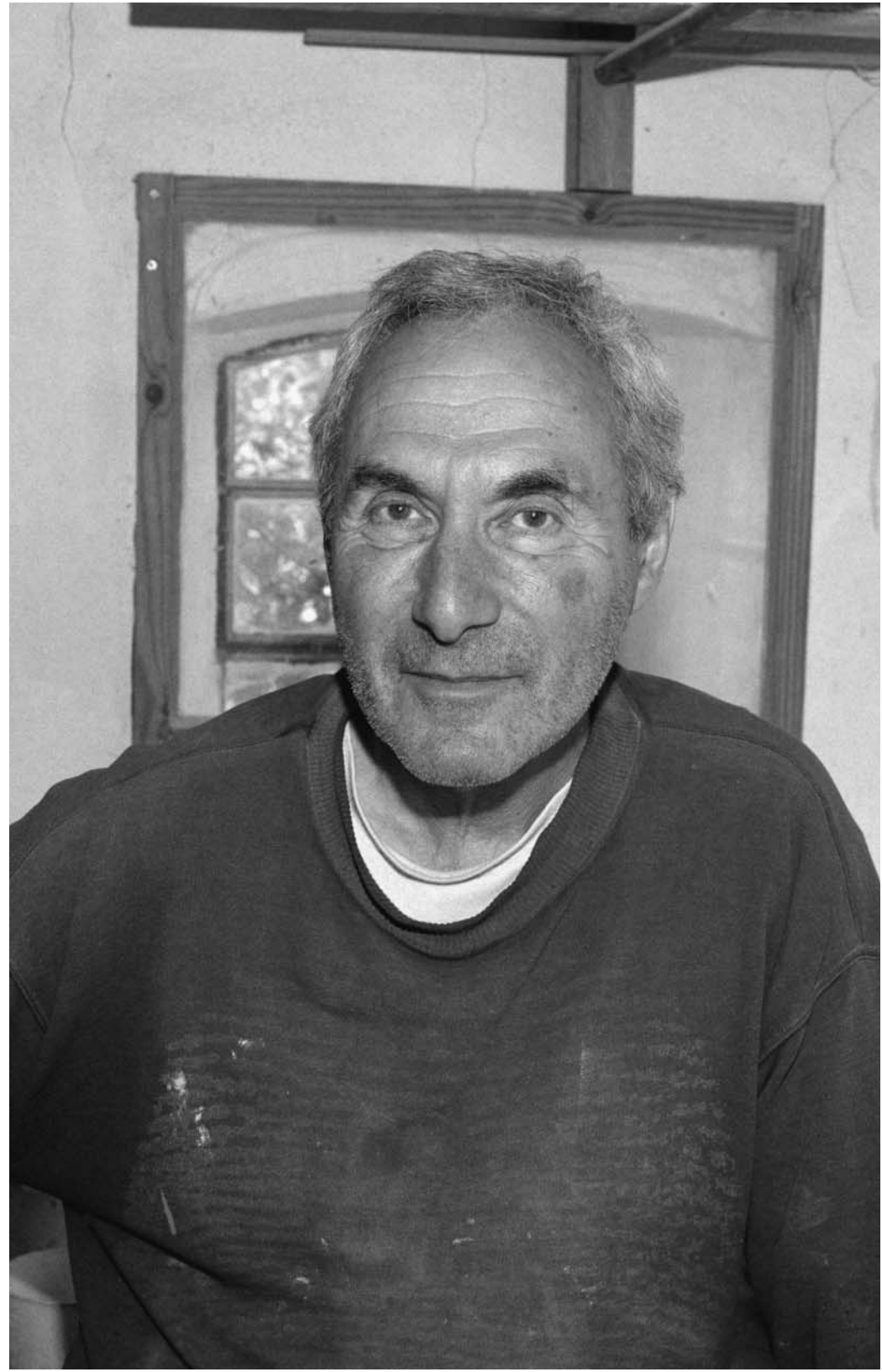
One learning incentive for ACAB members is the Glass and Ceramics School in Nexø. It was finally opened in 1997 after a handful of glassblowers had pushed for it for years. Since then, every year 40 to 50 new students from all over Scandinavia have been coming to Bornholm to complete this three-year program. Since there are more applications than spaces available, only the best are accepted. This translates to new impulses from young, creative people from outside the island. From each graduating class two or three will stay on the island and set up shop. This stirs up the competition and keeps the older artisans on their toes.

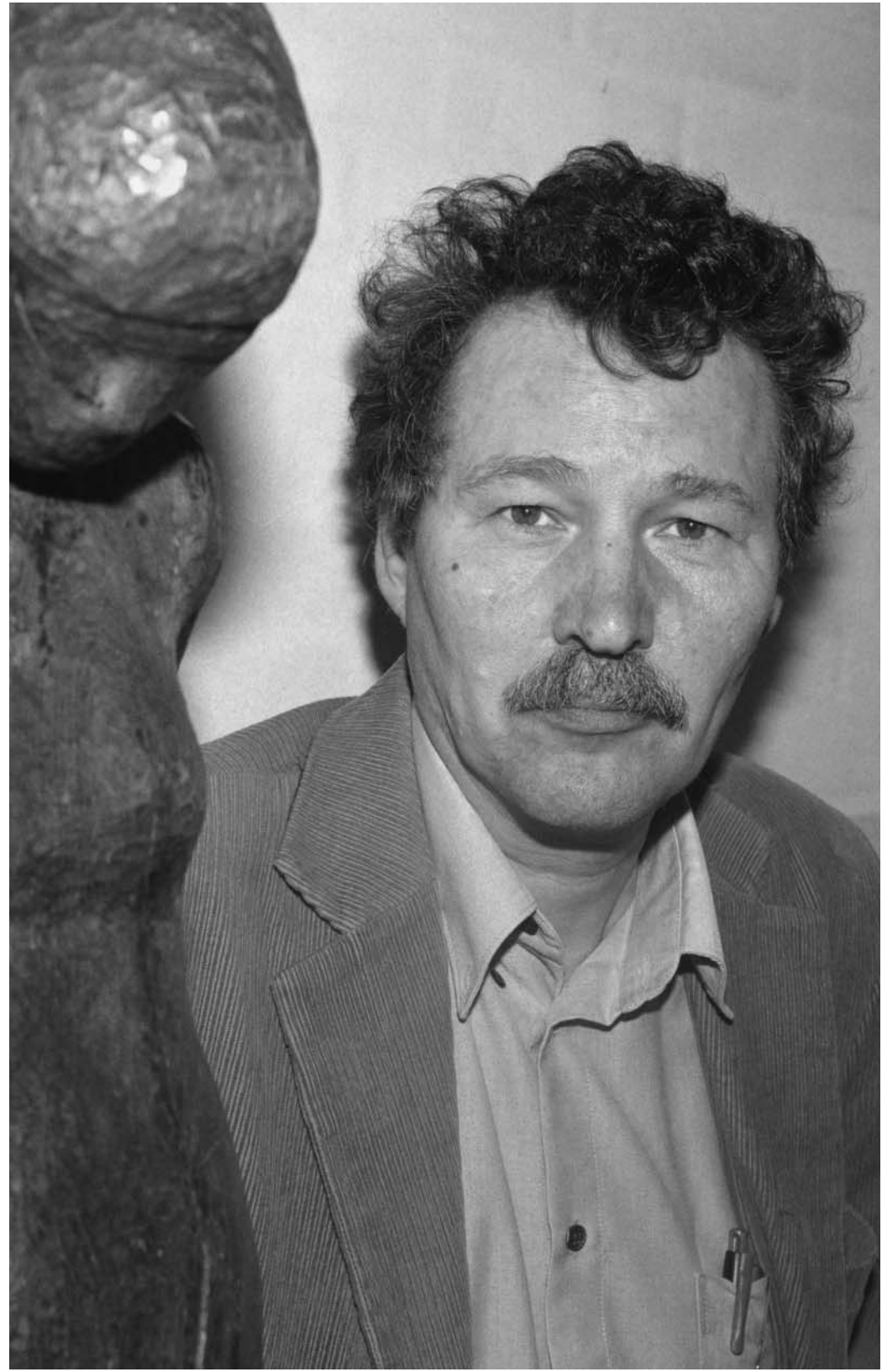
All the school's workshops and classrooms are on one level and are lit primarily from above. The even light seems to brighten people's spirits as well. The atmosphere is relaxed and friendly. There's usually nice, not too obtrusive music playing in most of the workshops. The students work with calm concentration; in the glassblower's studios they often work in pairs. Every day around lunchtime a farmer from the area comes by and brings what he happens to have: fresh eggs, butter, bread; today he's also got rhubarb and lettuce. The students cook their own meals in the cafeteria kitchen and there is an adjacent gathering room with a nice view of green surroundings. There is an assortment of Danish newspapers on the tables, and along the walls are shelves with every glass and ceramics trade journal available. A small library gives the students access to at least the standard works of their trade. Part of the room has been converted into a darkroom so the students can photograph their work. They managed

Photo (see page 115) Ceramist Lenny Goldberg

Photo (see page 116) Museum director Lars Kærulf Møller

Photo (see page 117) Mikkel Jensen, Director of *Destination Bornholm*







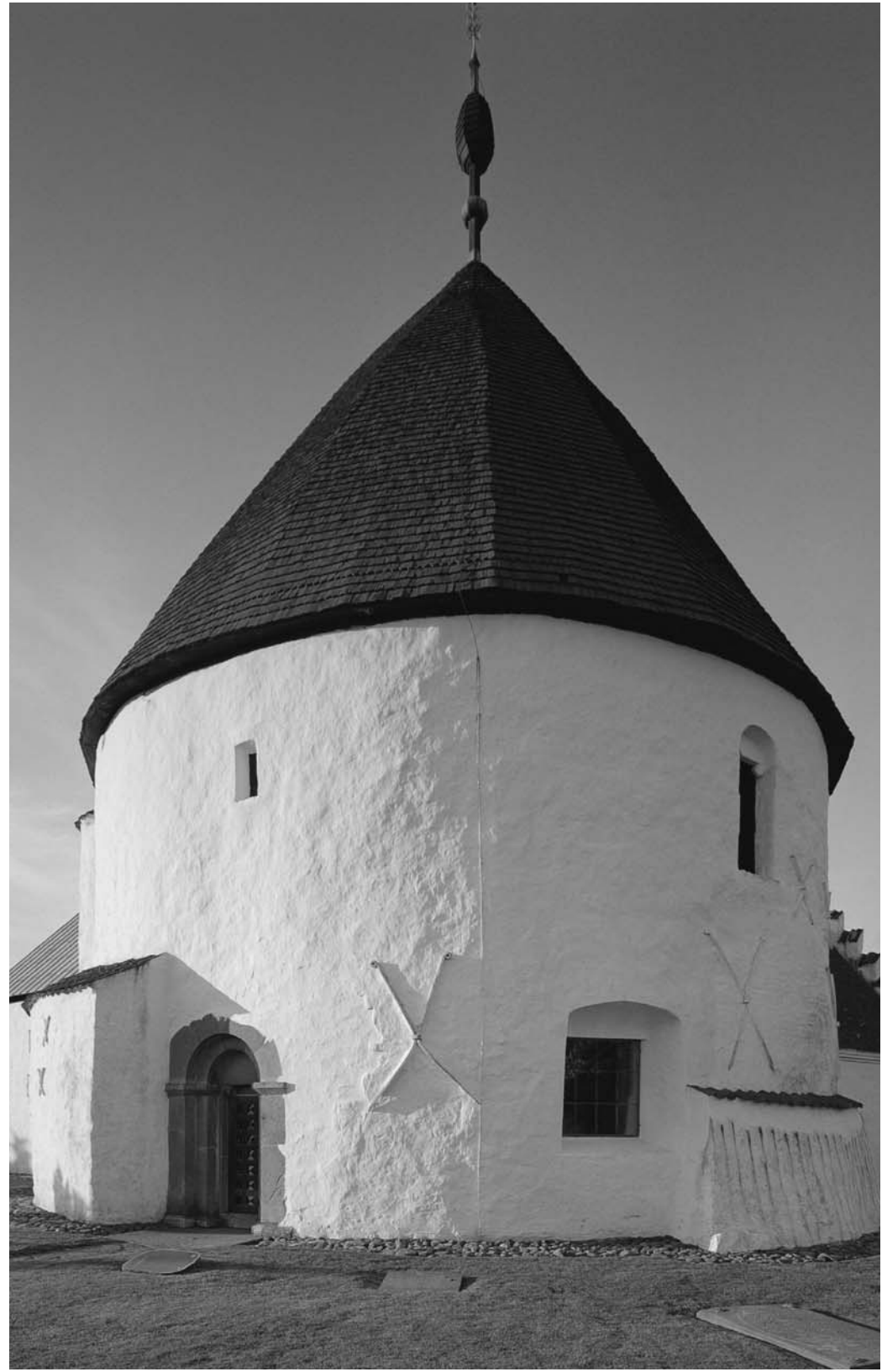
to convince the school board that it was a worthwhile investment to buy the photography and darkroom equipment. There is also a room with the newest generation of Apple computers. The students in Nexø have everything they ever dreamed of.

Here once again it was the crisis that led to the founding of the school. The difficult situation on the island, the collapse of the fishing industry, and the cutbacks in jobs in agriculture were what mobilized the regional developers to take action. How could they promote the economy on the island? Tapping into EU funds was a possibility.

Ten years ago people were just starting to realize that the cultural economy could be relevant for business. The necessary political will was there as well. The island government provided start-up capital for the school. Craftspeople, most of them glassblowers, and the ceramics teacher John Gibson from the Danish Design School in Copenhagen got together and started a group initiative for the school. They began searching for pedagogical models and eventually came to the conclusion that they wanted to do something that didn't exist yet: a school that oriented itself on the needs of the practitioners rather than on what the school bureaucracy wanted. The school also profited from a political development: it was placed under the domain of the Ministry of Culture and was thus able to benefit from strategic cultural funding. Now it is grouped with the Danish National Theater, the film schools, the Royal Ballet, and both schools of design, which also provides the opportunity for close cooperation. Thus, for example, lectures at the University of Copenhagen are transferred via video conferencing to Bornholm.

What is special about the Glass and Ceramics School is that it always welcomes outside influences. The curricula are flexible and constantly shifting. John Gibson, Vice Principal and ceramist, explains: "We're open to everything, we observe how society changes. We must constantly adapt our lessons to the world around us. One thing we place a lot of store in is 'reality teaching.' What is reality outside the school? How can we design projects that pose questions our students will be confronted with after graduation?" This demands flexibility on a personal level as well: the position of a full-time teacher is not filled by one permanently employed person, but is performed by alternating lecturers who stay at the school for up to five weeks. This ensures optimal lessons for the students and is constantly bringing new stimuli to Nexø from all over world.

John Gibson believes that one of the biggest challenges is teaching the students that they can integrate themselves into society. John Gibson: "Creative people are often egocentric and have a hard time with compromises. Often artists and artisans are outsiders of society because



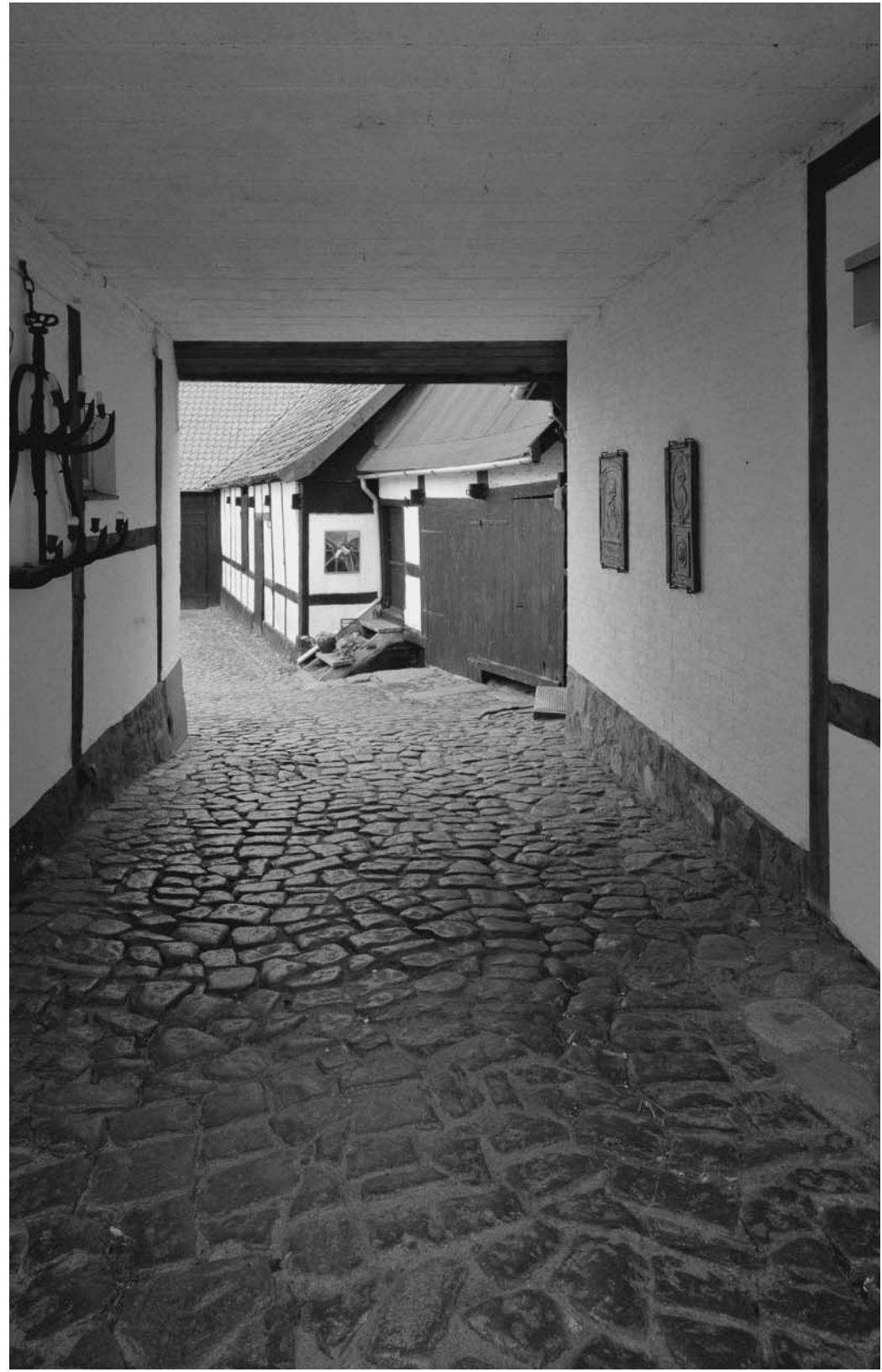
they can only see their own needs. They have to learn to communicate, they have to learn to listen to other people's ideas. They have to learn how to interact. It is only then that they are capable of survival." He goes on to explain that this is why there are so many group projects. For example, someone from outside the island is invited to play the customer, and the students have to found a fictive company and research, calculate, and carry out a contract as a team.

He explains that this also tackles another problem in the creative world: since a lot of times artists and artisans don't think in concrete enough terms, the students are taught to analyze ideas from the beginning. Certain words like "pretty," "nice," "interesting," are banned from the school altogether. And if someone talks about inspiration, they have to learn to determine exactly what that inspiration is, where it comes from, e.g. through formal analysis. The students learn how to develop an idea and in doing so to always orient themselves on the needs of the customers, and they learn how to think clearly and methodically with the aim of accurately assessing their role in society. In short, they are being grounded!

For Bornholm, the school is a wonderful opportunity to attract young, talented people. They stimulate the region, bring new ideas and energy. It's important to always consider which skills are already present in the region – in the case of Bornholm, arts and crafts. This demands a new and careful examination of a region's own potential.

Conflicts, communication: time for relationships

No matter who in the group you talk to, everyone will tell you the biggest problem is communication. "In the beginning the difficulties were of a purely personal nature, there were no problems as to the trade itself. It was a clash of two worlds," says Mikkel Jensen, of *Destination Bornholm*. "Again and again I was quite surprised to find how important each individual person was and how essential it is that everyone knows and likes each other," Kerstin Roslyng-Jensen of *Digital Bornholm* recalls. Maibritt Jönsson of *Baltic Sea Glass* concurs: "One thing you can't stress enough if you want your project to succeed is interpersonal communication." The textile artist Bente Hammer has had her share of experiences in this matter as well: "A lot of problems arise because people know too little about each other, because they don't talk to each other enough. And having the feeling that you never do anything right, that your work is never up to par, isn't the way for anything positive to develop either."



In this concrete case, the conflicting parties were the individualistic artisans, on the one hand, and the representatives of government and business on the other. This led to a clash of interests in the truest sense. The artists felt they weren't being understood: for them their work is also a way of life, not just a way of earning money. "Artisans define themselves through what they do and how they live, it's a lifestyle, not a means of making money. They don't appreciate being referred to as a one-man-business because they see what they do as their way of life," says Maibritt Jönsson. The representatives of the business world, for their part, dictated structures for operation and deadlines in their usual manner without considering who they were dealing with. Both parties had to learn how to become the kind of partners where each could learn from the other. The artists had to learn to comply with the conditions of the project in a given way; the representatives of government had to learn to adapt their pace of work to who they were dealing with if they didn't want to lose them along the way. Everyone involved says that today they would allow themselves more time and that at the beginning of a project with so many different types of people coming together there has to be the opportunity to get to know each other: a weekend retreat with a discussion leader. Considering the losses due to friction in a process that skips this preliminary stage, the costs for this would be relatively low. Today everyone involved finds it extremely positive to meet in new, ever-changing constellations and to be inspired by other people's ideas. They have learned how to care about what's important to others, to listen to each other. Now all of them know that we can all learn from each other.

Initial successes

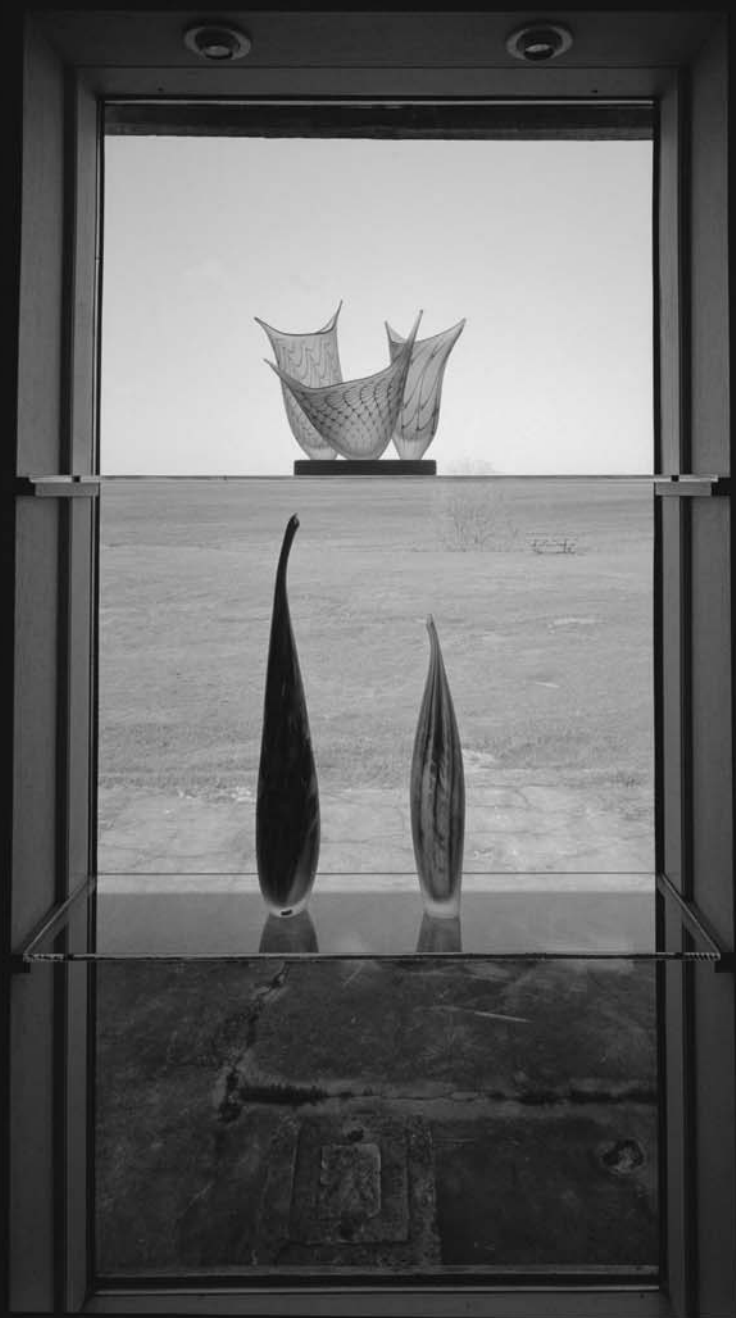
Since the ACAB has only been in existence since January 2002, it's still too early to evaluate overall results. But on an individual level there are already positive effects: in the summer of 2004, the members of the ACAB participated as a group in an exhibition outside the island for the first time, in Copenhagen. They combined the presentation of their work with lectures about Bornholm, photos of the island, and culinary island specialties.

Photo (see page 123) Exhibition spaces of the ACAB in *Grønbechs Gård* in Hasle

Photo (see pages 124–125) Glass objects in the studio *Baltic Sea Glass*







Even Marie Wiktor Møller and Per Andresen attended. They were in the first graduating class of the Glass and Ceramics School and have since started their own business with a joint studio on the island. With the help of ACAB they were able to start a cooperation with the largest and ritziest hotel on the island: the hotel offers weekend packages that include ceramics courses in their studio. This cooperation was made possible through active public relations work: the office of tourism on Bornholm is working to interlink all businesses that have even the most remote tie to tourism. That includes not only the hoteliers and restaurant owners but also the artisans. Personal contact and exchange give rise to joint ideas.

Incidentally, Marie Wiktor Møller and Per Andresen believe that at the moment Bornholm is the perfect place for artisans: "We have the ACAB, we have the website, the brochure, the courses. It's the only place in Denmark where you get all of this." They are planning an arts and crafts fair for Bornholm. It is essential to present themselves as a group in the "outside" world, but at the same time they believe it is just as important for artisans from the rest of the world to come to Bornholm. This is an especially interesting prospect for attracting visitors outside the peak tourist season.

For the further development of the project, they add, it is important to always keep in mind why one got started in the first place. One should stay focused on what one has achieved, remember the good stories. Every project needs a kind of "storytelling" says Kerstin Roslyng-Jensen of *Digital Bornholm*. "One has to constantly talk about how good a project is, tell this to one's colleagues, oneself, the newspapers, the public. One has to go out and keep looking for what's new and for the good stories. People never take enough time for this, and it's so important – for motivating each other, but also for the next grants. Only if we are able to convey to people that the project really is good, do we stand a chance of getting funding. The prerequisite for this is that every one of us must believe in him- or herself. The self-confidence of each member coupled with skill and knowledge are the basis for the success of the project."

Bornholm

The Danish island of Bornholm lies in the Baltic Sea south of Sweden. It comprises an area of 587 km², and has a population of 42,000 inhabitants of whom approximately 100 are artisans.



The island has the highest unemployment rate in Denmark (10% of the working population) and shows a population drop of 3,000 over the past ten years due to migration. Approximately 25% of the population is not originally from the island: mostly creative self-employed people whose work is not dependent on a specific location. Above all, people working in artistic trades are drawn here due to the brilliant light and unspoiled nature.

The real estate prices are low, half as high as in Copenhagen, but one mustn't underestimate travel costs. A flight to Copenhagen costs approximately 300 euros and takes 20 minutes; the journey by ferry and bus takes three hours and costs roughly 60 euros.

Key project insight

- Founding an organization is an important first step because it provides a structure and defines common goals.
- Non-islanders with specialized knowledge are essential for setting up a competent network.
- Individuals who are personally dedicated to the project guarantee continuity.
- A preliminary communication workshop with all those involved can prevent a "clash of two worlds" (for example the tourist industry vs. artisans).
- The training program is designed with the specific needs of the artisans in mind.
- A common exhibition space is important. Networks always also need a physical space where meetings and first-hand cooperation experience can take place.
- The school "produces" new businesspeople every year, which translates to colleagues with new ideas and fresh energy.

Project breakdown

- Founding of the umbrella organization ACAB – Arts and Crafts Association Bornholm, an association of Bornholm's best craftspeople.
- Selection of the members through an impartial jury of nonmembers.
- Installation of a digital platform www.craftsbornholm.dk, where each artist can present him- or herself.
- Intranet for internal communication among the members.

- Ongoing further education program for the artisans, with subjects pertaining to their trades, but also classes in business management, such as marketing, sales, accounting, etc.
 - Group exhibition building with two integrated digital terminals that present the artists and their works and provide directions on how to get to the artists' studios.
 - Integration in the island administration's tourism strategy network.
 - The Glass and Ceramics School with flexible models of instruction and a rotational system of visiting teachers from all over the world.
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Massschuh.de: Mass Customization

Text: *Verena Mayer*

Photography: *Andreas Balon*

Trades & Technology, Germany

"The market either offers shoes that fit or shoes everyone can afford. You can't get both at the same time," says Christine Ax, the initiator of Massschuh.de.

Massschuh.de breaks down the apparent contradiction between the work-intensive custom-made product and its globally mass-produced counterpart. By integrating new production and communication technologies in the master shoemaker's workshop, bespoke footwear can be made for half the price.

Cobbler stick to your last – the network described below echoes the truth of this old proverb, but suggests the craftsman enlist the help of a scanner. An example of how a trade association can escape from its luxury niche with the help of cooperation and technology.

The shop where customers can find bespoke shoes for everyone is on the Internet and is kind of like an IKEA catalogue. Here you'll find models with names like Derby, Oxford, or Stiefelette, which can be ordered in such variations as M 200, M 220, and M 240. If you click on one of these numbers, a window pops up that shows the shoe from all sides. The basic shoe can be customized by mouse click, allowing one to choose between various colors, e.g. Elite Calf Black, Scotchgrain Cherry, or Selecta Espresso. For the lining, sole, and shoe strings the choices are brown or black, and you can also specify whether you want your shoe to be made by hand or by machine, sewn or glued. All these considerations determine the price. In this virtual shoe shop a shoe is the sum of its parts and the customer is free to put these parts together himself, like a Billy bookcase. Your measurements are taken too, but not until later. To do this, a new technology is used, which is what makes this project possible in the first place.

Massschuh.de is the name of the Internet website where customers can place orders and have their shoes custom made. The contradiction between bespoke shoes – the mother of all unaffordable handcrafted products – and the Internet – the epitome of globalization – is, of course, intentional. Massschuh.de, the project that takes both mass production and customization to heart, believes everyone is entitled to a unique product. And just as every shoe consists of parts that have nothing to do with each other, Massschuh.de also combines the most diverse elements. Individuality meets global distribution, and that's just scratching the surface of an equally colorful mix. At the "Koooperation für meisterliches Schuhwerk" (Cooperation for Fine Footwear) – as Massschuh.de refers to itself on its home page – shoemakers work with software specialists, industrial workers collaborate with trade guilds, a factory from eastern











Germany teams up with craftsmen from the West, and the idea for all this came from a freelancer at home in the environmental field who had previously had nothing to do with shoe production whatsoever. But in the midst of precisely this incongruous mix of processes and systems suddenly shoemaking is back in its own element: in its original form of direct contact that gives it an edge over other business forms. Shoes made by Massschuh.de do not require costly warehouses, their disposal doesn't pollute the environment, and they don't even cost half of what one normally pays for bespoke shoes.

From princely privilege to the shelf next to the coffee

Shoes are culture: they are one of the oldest pieces of clothing worn by man. To the same degree that they reflect the personality of their wearer, shoes also stand for the society that produces them. The medieval shoe with a turned-up toe, for example: widespread in Europe at a time when cities were gaining force and with them trade and commerce, the shoe was meant to demonstrate class and dignity. Thus sovereigns and princes were allowed to wear shoes with two-and-a-half-foot-long toes; the man on the street had to settle for ones only a half a foot long.¹ Court culture of the seventeenth century invented the heeled shoe, or rather the beau ideal of the cavalier. The cavalier was supposed to jut out his upper torso like a goose – a posture that was impossible in a flat shoe.² One interesting note about the history of the shoe is that appearance has always taken precedence over fit. The lower classes were allowed to wear practical shoes, whereas for rulers shoes were a sign of social distinction, the more uncomfortable the better.

No wonder shoe fetishism was a man's domain for the longest time. For centuries it was considered unbecoming for a woman to show her feet or shoes, and thus for a long time women's shoes differed only insignificantly from men's models. It wasn't until the onset of the industrial age that men's and women's shoe models began to diverge in respect to form and function. While men required footwear to go with certain activities, women who could afford to live their lives according to bourgeois ideals remained idle, wearing all sorts of high heels or ankle boots. The women's shoe finally became an economic factor when the gradual

¹ Tamara Spitzing, "Auf Schusters Rappen durch die Geschichte," in: Z.B. *Schuhe* ed. Michael Andritzky, Günter Kämpf, and Vilma Link (Anabas, Gießen 1991), page 48.

² *Deutsches Schuh Museum*. catalogue (in German). Vol. 6. (Offenbach 1980), chapter 6.13.

process of women's liberation led to shorter skirts, and high heels and nylon stockings became the very symbol of femininity.

A further consequence of industrialization was the democratization of the shoe market. Shoes became an off-the-rack product and were no longer a status symbol. The economic boom following World War II made shoes an item of mass production. Today in Germany alone, the annual per capita shoe consumption rate amounts to four pairs, which translates to 300 million new pairs of shoes being bought per year. Shoes are a product of globalization par excellence. They are needed all over the world and manufactured where production costs are lowest.

They are sold everywhere, even next to the coffee filters and pot and pan sets. One of the largest shoe retailers in Germany is the multinational coffee corporation Tchibo.³

The bespoke shoemaker – an invaluable sculptor of feet

Matthias Meyer still runs the kind of shoemaker's shop one likes to imagine. It is located on a quiet street in Cologne. Meyer has taken over the shop from his father, who is also a shoemaker. Finished shoes are on display in the salesroom at the front of the shop. Huge skins hang on one wall, perforated or with a woven pattern, leather in black, brown, red, and white, from dark green to bright yellow. Cologne is a hub of carnival tradition and shoemakers from this region are frequently called upon to make carnival shoes. A narrow staircase leads downstairs. There is an old black Singer sewing machine here; sitting at a table is a Russian man cutting out pieces of leather he will use to make the top parts of the shoes, or uppers. A painstaking job. The necessary measurements of the foot are cubic measurements; the leather they are transferred to is an area. The final product, the shoe, will be a volume. Making the upper means constantly shifting from one dimension to the other; it's one of the most complicated procedures involved in the construction of a custom-made shoe.

Feet are a science in themselves. When the foot became the unit of measurement, it immediately also became the cause of confusion. In Germany, before the introduction of the metric system, the foot or "fuss" was by no means standardized. There was for example the "riemenfuss" (unit of square measure) and the "balkenfuss" (unit of cubic measure), and there were also widespread geographic variations, e.g. the English

³ The chain sold nearly 10 million pairs of shoes in 2003, cf. *Welt am Sonntag*, May 9, 2004.

foot (0.30479 m), the Prussian foot (0.31385 m), or the Austrian foot (0.31611 m).⁴ No less complicated is the conglomeration of measurements the shoemaker needs to make a shoe: one mold of the foot in pink foam, one blueprint of the sole of the foot, one outline of the foot. Then length, width, ball length, waist, instep, heel. All taken twice because the foot changes during the course of the day.

Before a single part of the bespoke shoe even exists, labor costs have already made it more expensive than a brand-name shoe on the market. Measuring, drafting, and producing a model for an upper costs approximately 165 euros. The bespoke shoe itself adds another 650 to 1,250 euros to the bill, depending on labor and materials. Thus a shoe that does nothing more than fulfill the basic requirements of an item of clothing – namely it meets the body's needs – becomes a status symbol, like the long-toed shoes of medieval times. An item that everyone in the world needs, becomes unaffordable to the majority of the population.

Thinking about this discrepancy led to the basic idea behind Massschuh.de. Christine Ax, the initiator of the project, wanted, as she put it, to solve a widespread problem. She wanted shoes that fit and were affordable. The market only offered one or the other. Another aspect was the disproportionality of wages that has been as much a constant theme in the history of the shoe as the difficult relation between aesthetics and fit. On the one hand, we have the bespoke shoe that charges horrendously high labor costs for the most uncreative work processes. On the other hand, we have the mass-produced shoe made in low-wage countries. Of the 100 euros that a brand-name athletic shoe costs in Europe, less than 40 cents are paid in wages to those who sew them in Indonesia, according to Christine Ax's calculations.

Bespoke work, personal contact, and technological innovation

Christine Ax, 51, is a theorist. She's done research, worked as a journalist, was involved in environmental projects for ten years. In the early 1990s she joined the trades and crafts research and consulting organization, Zukunftswerkstatt, a part of the Chamber of Handicrafts in Hamburg. After several years of designing concepts for the trades and crafts sector and publishing the book *Das Handwerk der Zukunft*⁵ in 1997, she wanted

⁴ Ot Hoffmann, "Fuß und Schuh. Maß und Maßstab in der Architektur," in: *Z.B.Schuhe* (see note 1), page 27.

⁵ Christine Ax, *Das Handwerk der Zukunft. Leit bilder für nachhaltiges Wirtschaften*. (Birkhäuser, Basel–Berlin–Boston 1997).

to put her ideas into practice. She had come up with the bespoke shoe idea in 1996. But Massschuh.de doesn't just want to be a trades and crafts project. It is a socio-economic model, an attempt to close the gap between mass production and individual needs by making customized items available to the masses and applying mass-production techniques in made-to-measure manufacturing.

The trades and crafts have seen better days, and the situation is no rosier in Germany, a country with such a strong artisan tradition that the cobbler Hans Sachs was even made the protagonist of an opera. According to the German Federal Statistics Office, the number of people employed in the crafts sector is decreasing steadily; the group that has been hit hardest is the clothing, textiles, and leather trade, which is the sector the shoemakers also belong to. Meanwhile, the number of employees is declining annually by 10 percent, and of the approximately 140,000 shoemakers' shops in operation following World War II, only 4,000 remain today. In the course of industrialization, the shoemaker's shop in general has changed from a production site to a repair shop. In addition to the 2,000 workshops that are now dedicated exclusively to repair work, there are another several thousand orthopedic shoemakers. They, for their part, have plenty of business. Diabetes is on the rise, which due to the amputation of toes often requires special footwear.

Shoe production always boomed for the most peculiar reasons. For example, a trade and commerce center was established in the southern Palatinate Forest because the garrison of the "Langen Kerls" was stationed there in the eighteenth century, and where there were troops, you needed shoes. As industrialization progressed, shoe production increasingly became the domain of women. Women were and still are the cheap labor behind the sewing machines of the shoe factories.

In Germany the shoe industry isn't doing very well either. While the number of operations in West Germany alone dropped by 50 percent between 1985 and 1995, the number of employees since 1970 has decreased by almost 80 percent. The main problem in local shoe-production operations comes from the much too expensive labor costs in both the trades and crafts as well as in the industrial sectors.

Christine Ax has examined both closely – the dire situation of the trades and crafts sector and the decline of the German shoe industry. She wasn't trying to create competition for the trades, nor did she see any sense in subjecting the trades to the same conditions found in industry. Instead, the strategy of Massschuh.de is to strengthen the specific advantages that the trades have over other economic forms by reducing the disadvantages that all trades businesses entail. The aim is not to

substitute technology for traditions, but rather what is being encouraged is an intervention in the traditional processes where the trades have become slow, inflexible, and expensive. In the case of shoemaking, one example might be the measuring of the foot.

The craftsman as a software developer – the scanner as the craftsman’s tool

The idea of scanning body parts is nothing new in the services industry: dental technicians were the first to use this technology. Christine Ax needed someone who could scan feet, but finding the right partner turned out to be no easy task. A research director from the shoe industry, whom she had told about her plan to use technology to make the production of bespoke shoes more affordable, turned around and immediately submitted a design under his name. Another company developed a laser scanner that didn’t accomplish much, but was to cost 25,000 euros. Finally she found the right partner in GeBioM (German Society of Biomechanics), a company in Münster that specializes in orthopedic measuring technology and software. The funds for financing development of the new software came from “Research for Tomorrow’s Production” a program of the Federal Ministry of Education and Research (BMBF). All told, *Massschuh.de* received 600,000 euros in funding, spread over a period of three years. By contacting the trade guilds, Christine Ax found shoemakers who contributed their practical know-how to the project. She started out with three orthopedic shoemakers; by 2002 that number was eight, and four more joined the group in the summer of 2004.

The shoemakers have met frequently at conference hotels or inns. It was no easy job and it took one and a half years before they could even imagine working together. Craftsmen are solitary people and “especially in our profession,” says the shoemaker Matthias Meyer from Cologne. This is because shoemakers always have to see things from the point of view of their customers, and that’s hard work. Cultural scientists also cite the low prestige the cobbler used to have, which is still reflected in sayings like “to cobble something together.”⁶ In any case, shoemakers in Germany didn’t only belong to one of the oldest trades,⁷ but also one that was most scrupulously determined to keep to itself. In some cities admittance to the guild was refused even to shoe menders. But

⁶ Claus Korte, “Literarische Schuh-Symbole,” in: *Z. B. Schuhe* (see note 1), page 30.

⁷ First recorded reference to shoemaker guilds was around 1104 in Trier, cf. *Deutsches Schuh Museum* (see note 2), chapter 6.40.

as the saying goes, there's something to be learned by everyone, and somewhere along the line, as Matthias Meyer tells us, the shoemakers started to share their experiences instead of always fighting over whether or not to charge extra for tacking.

Meanwhile, the "Kooperation für meisterliches Schuhwerk" has been established. It began production in the fall of 2004. It even has its own logo, black with a red and white border and two shoes merging together – one men's and one women's.

In a backroom at Meyer's *Cölner Schuhmanufaktur* stands one of the new scanners. Matthias Meyer's father always taught him that one shouldn't buy a machine until one has a use for it, but times have changed. Back then there were 300 shoemakers on one bank of the Rhine alone; today there are so few that the shoemaker guilds of Cologne and Bonn were forced to merge. One might say that Matthias Meyer is one of the "wild young" members of his guild. On the one hand, his workshop still produces bespoke shoes in the traditional manner, two pairs per day, whereby he does half of his business with orthopedic shoes. On the other hand, Meyer also works with designers who have him sew special sandals, and he himself has experimented with methods of direct measurement using a synthetic shoe one pulls onto one's foot. But that didn't materialize, so when GeBioM came out with its software, Meyer was immediately interested.

The scanner in his shop looks like a cross between a copy machine and a conveyor belt. This is where they got thrown off track in the beginning, Christine Ax explains. A scanner gives us millions of data about the foot. But it's not these millions of data that determine the perfect fit of a shoe, but the craftsperson's intuition. When one places first the left and then the right foot on the glass plate of the scanner, the program does exactly what a shoemaker would. Certain measurements are taken, the monitor shows the outline and various perspective views of the foot. What the computer does next is something that was also borrowed from the practice of the shoemaker.

The affordable last or foot sculpture via the Internet

What makes a shoe a shoe is an element that one never sees – the last. In earlier times, the procedure went as follows: having measured the foot, the shoemaker would go to the so-called last library, a rack or shelf which held the hundreds of lasts he had acquired over time. He would choose the last that came as close as possible to the new shoe and start modifying it. Here it was short a few millimeters and he'd need to glue









leather onto the last, somewhere else he'd have to sand off a bit – and so on until the last corresponded to the customer's foot. A long painstaking process that doesn't require much brain, but eats up a lot of time and money. Approximately 160 euros is what a shoemaker usually charges for a custom last.

The "GP Manager," the new computer program, has an archive of models of lasts analogous to the last library the shoemaker kept in former times. The shoemaker chooses one that roughly matches the contours of the scanned foot and modifies the last until it matches. Using neither tools nor leather, but equipped with only a mouse, he nevertheless does exactly what he has always done. There are countless new technologies for shoe production, but a computer program to replace skilled labor can only work if it can anticipate the processes of the task, like the command "Go to lathe," which shoemaker Meyer now selects. Machines have been used to lathe lasts for a long time now, but it used to be that the shoemaker had to send the measurements and the glued lasts to the factory by mail; with this software this can be done over the Internet.

The last manufacturing plant that turns Meyer's virtual last into a piece of wood, is located in a distant corner of the country, in Thuringia in eastern Germany. The landscape here consists of gently undulating countryside with abundant forests. The towns look the way one imagines towns that were once flourishing centers of artisan trade: narrow cobblestone streets, timber-framed houses, a marketplace. Even the last plant in Ellrich looks like it could have come straight out of a fairy tale. It is a brick building with a red chimney, and the owner's family lives right next door, just like during the industrial age. The plant is called M. Spenlé GmbH. In 1868, Matthias Spenlé, a distant ancestor of the current owner, invented a machine which could be used to simultaneously manufacture a left and right last. Prior to that, there were only symmetric lasts; the user was expected to wear the shoes alternately on both feet to let them wear out evenly. The old machine is black and has clunky flywheels. Standing there at the plant, it looks like something out of a museum, a little dusty, but it still works and the basic mechanism can be found in the state-of-the-art machines made by the Newlast Group. Despite all advances in technology, the principle of the old machine forms the basis of all later systems, like DNA.

That's the way Christine Ax thought of it too: you have your DNA – the shoemaker's work, the individual shoe. A shoe is always constructed







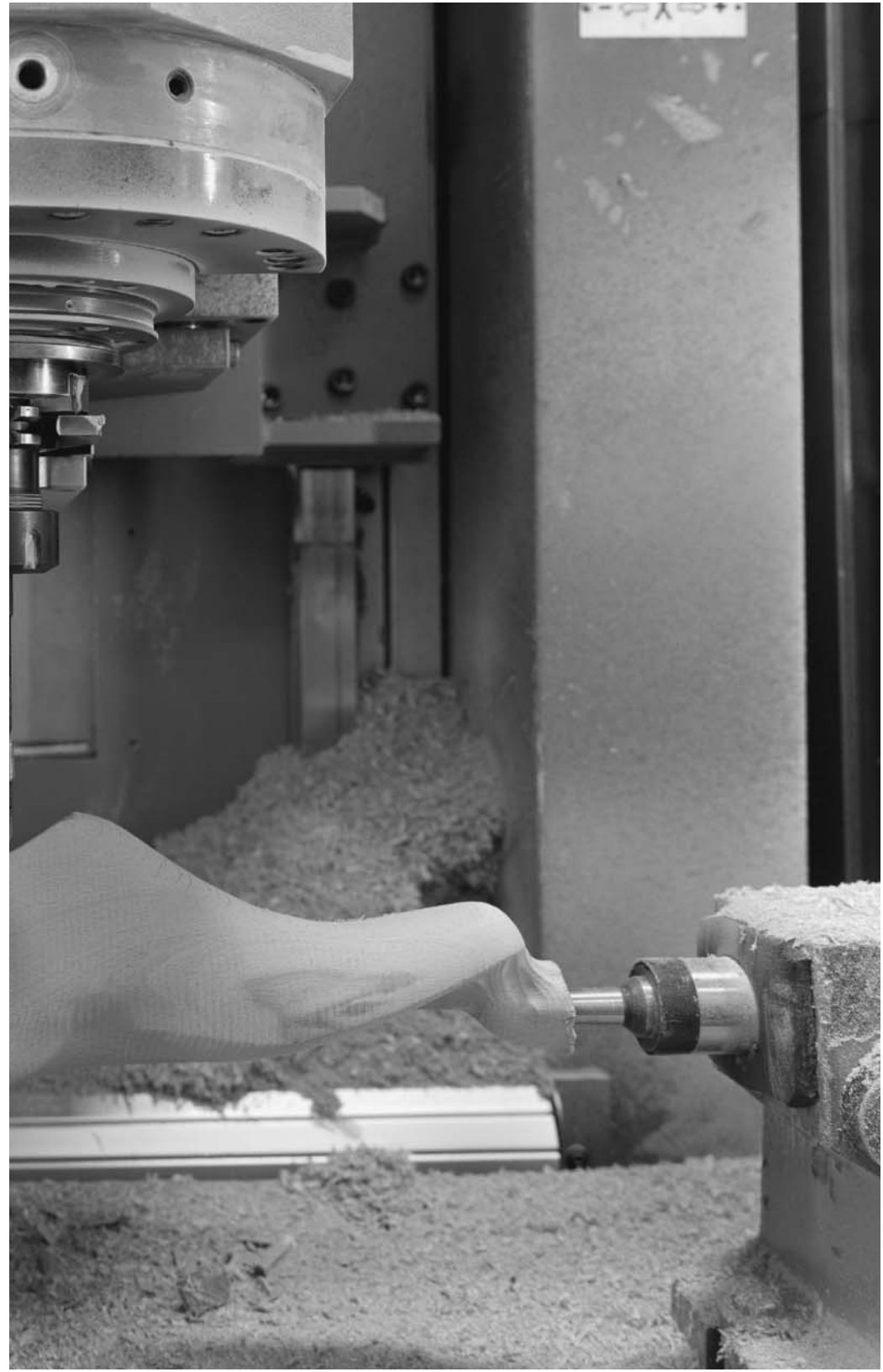


VORSICHT !!!

Nicht bei eingeschalteter Maschine
ein- und ausstecken









the same way, no matter if it's made by hand or by machine. You can't change these structures, you can only refine the way the structures interlock, the way the big shoe manufacturers do. They have a part produced industrially and only use manpower where it pays off. Afterwards, the product is tossed out onto the global market, if necessary placed on the shelf next to the coffee. The winner of this race wasn't the classic shoe industry with its permanent locations but the people who knew how to combine diverse economic systems, whether they be traditional crafts, the Internet, or industry. And this was what Christine Ax's cooperation oriented itself on. As small as Massschuh.de may be, it still incorporates several generations of shoemakers, and the World Wide Web is just as much a part as the family businesses and a manufacturing plant in East Germany.

The last manufacturing plant in Ellrich is its own chapter in German industrial history. Come of age through the Spenlé technology, it was then nationalized under East German rule. The owners were expropriated, shoes were produced in the collective combine. After the fall of the Iron Curtain, the former owner applied for reprivatization. The plant was in ruins, he had to start all over again. Today the plant uses the GeBioM software; this is where the virtual lasts sent by the shoemakers are lathed. Most of the lasts are for orthopedic shoes. Hans-Joachim Reichhardt, the managing partner, was introduced to Massschuh.de by GeBioM. The amount of work this cooperation brings him still only constitutes a fraction of his overall production, but the 56-year-old Reichhardt is open to new things, like he's always been. You've got to keep pace with progress, he says. "Traditions alone aren't enough. They make a nice decoration, but that's not going to get you any customers."

Procedure and business process

So where does one find bespoke shoes for everyone? The first step is the home page www.massschuh.de. "Wahrer Luxus, zeitlos schön & bezahlbar" (A true luxury, timelessly beautiful & affordable) is the motto. Then we are taken to a map of Germany. The problem with this trade is that the customer doesn't even know where it's being practiced anymore. How many people know where to find their local shoemaker? Through the Internet, shoemakers could once again be shifted into the center of society, where they resided for the longest time in the past. Click on the map, and you will be directed to your nearest bespoke shoemaker. The network of bespoke shoemakers is still a far cry from a tight web; at the moment not even the large cities are covered. Soon, however, there

should be at least one member in every federal state, and Christine Ax envisions the network in the future with a bespoke shoemaker in every city. Once you've located the nearest shoemaker, you go to him to have your foot scanned. Then you commission the shoe either directly from the shoemaker or via the Internet, having first customized it on the home page or planned it in person with the shoemaker.

This order and the measurements are now entered into the system, to which the entire "Kooperation für meisterliches Schuhwerk" has access. Now a process begins that may seem obvious, but from the point of view of many craftspeople is tantamount to a minor revolution: division of labor. One shoemaker designs the last, which is then sent electronically to the last manufacturing plant and lathed. The upper is sewn to fit and lasted in place by another shoemaker. Finally, the sole is put on. Which network member does what, depends on the availability of manpower, materials, etc. If shoemaker 1 doesn't have time to make the upper, shoemaker 2 does it. If shoemaker 2 has the leather the customer asked for, he sends it to shoemaker 1. Or vice versa.

Communication takes place via the computer, to which all members have access. A protocol is also kept as to where and how far along the shoe is at any given time. There is also room for comments like: "This customer has especially delicate feet."

The overall task of bespoke shoemaking is broken down into the natural processes of the trade. Each craftsman does what he can, when he can, and standardized elements are used wherever feasible. Thus one can order variations of certain models from the home page, such as M 200 or M 220. Shoemaker Meyer has developed a sole for the project, which he calls Vario. It is prefabricated industrially and needs only be adapted to fit the individual shoe. In this way bespoke shoes are just another consumer product: assembled through division of labor and ready for the customer relatively quickly – at least for custom-made shoe standards. Moreover, with *Massschuh.de* great quantities can be produced without the need for storage. Storage space has meanwhile become one of the highest expenses in the economy; the automobile industry switched to production on demand a long time ago.

One aim of the "Kooperation für meisterliches Schuhwerk" is to be open to expansion in all directions. Designers who create new collections are just as welcome as more shoemakers. One new member is a family business from Saarland that produces the custom uppers. *Massschuh.de* has also developed a new technology for the production of this part of the shoe. A computer program transfers the data of the last to the pattern for the upper. The shoemaker no longer has to go back and forth from

the last to the leather, trying to get the dimensions right; the adjustment between the three-dimensional last and the two-dimensional pattern is now done by computer. The software was developed decentrally by the University of Bremen.

Massschuh.de's organization is as decentralized as the country that gave rise to the project. One shoemaker is located in Cologne, the initiator in Hamburg, the last manufacturing plant in Thuringia, and the uppers come from Saarbrücken. What seems to go against the fundamental idea of a holistic craft, with all production located in one place,⁸ however, is nothing new but, like so many other aspects, it also derives from past shoemaking practice. Around 1750, shoemakers in a number of German cities, for example in Weißenfels, which would later develop into a shoe metropolis, made work arrangements among themselves. The masters teamed up to produce a stock of shoes and boots for the trade fairs in nearby cities; some made the uppers, while others concentrated on finishing off the shoes.⁹

The costs for sending the lasts, leather, or uppers from point A to point B are straightforward, 6 euros each way. What took some getting used to for the craftspeople was the new manner of communication. Many shoemakers barely have a fax machine, and now they are expected to go online and log on to the network to be able to view and process the orders placed at their virtual factory. You don't need a garrison of "Langen Kerls" to stimulate shoe production. In Christine Ax's opinion, a cooperation like Massschuh.de would work wherever there is a strong artisan tradition. It would also be a good solution for manufacturing customized clothing or furniture. Shoemakers from all over the world can join the "Kooperation für meisterliches Schuhwerk," even a bespoke shoemaker from Finland has expressed interest.

A one-person operation, as embodied by Christine Ax, blends seamlessly into the smorgasbord of business forms at Massschuh.de. Her product-life research institute "Institut für Produktdauer-Forschung" (IPF) is located in a small office in Hamburg's City Nord, in the same red brick building where Christine Ax lives with her family. Christine Ax is

⁸ Cf. Helga Schultz, "Handwerker, Kaufleute, Bankiers. Wirtschaftsgeschichte Europas 1500–1800," in *Europäische Geschichte*, ed. Wolfgang Benz (Frankfurt am Main: Fischer Taschenbuch Verlag 1997), page 96.

⁹ *Deutsches Schuh Museum* (note 2), chapter 6.40. In keeping with this, manager advice books in the 1990s recommended decentralizing operations and switching to "mass customization," cf. B. Joseph Pine, *Mass Customization. The New Frontier in Business Competition* (Harvard Business School Press, 1993).

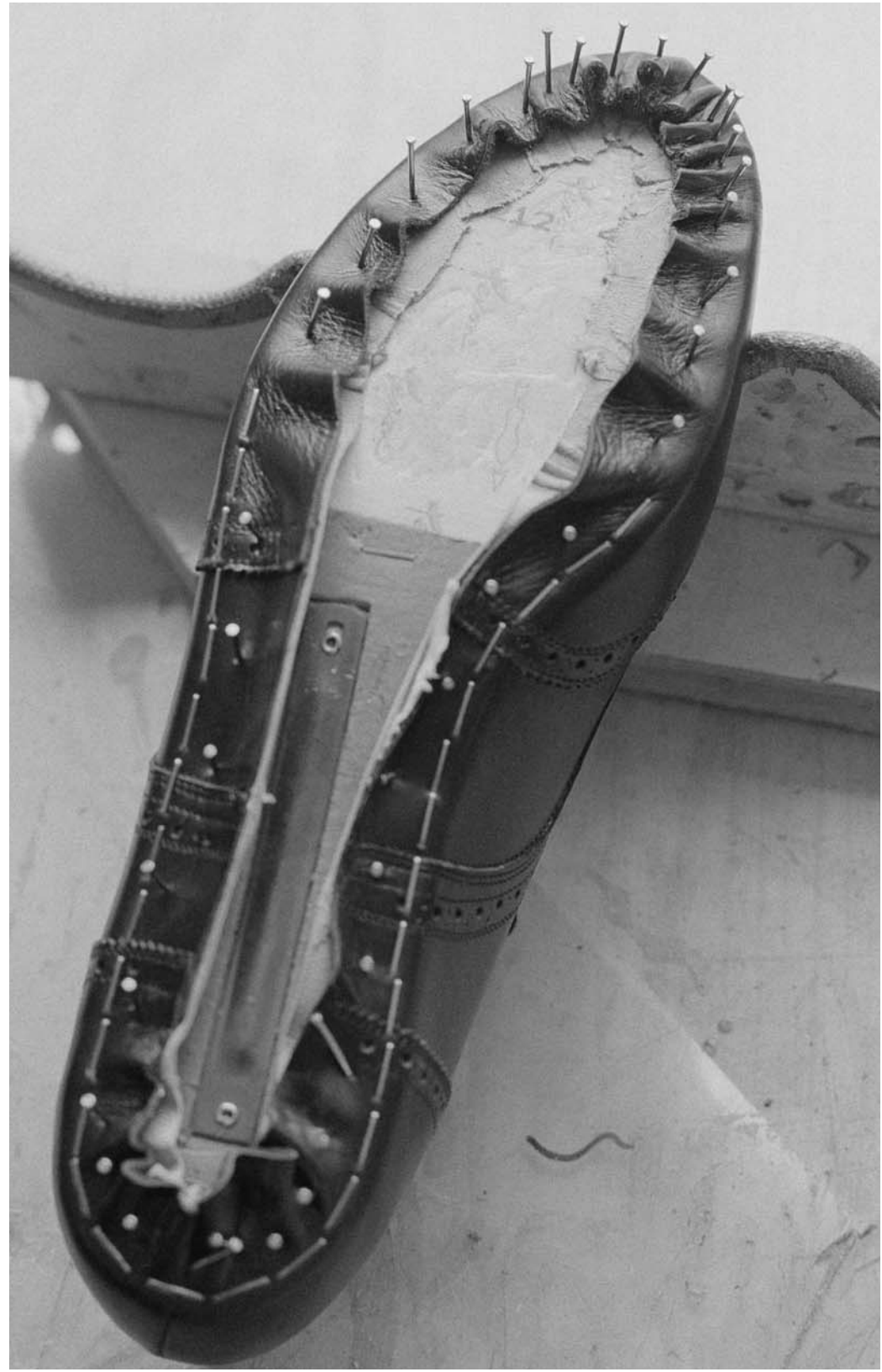


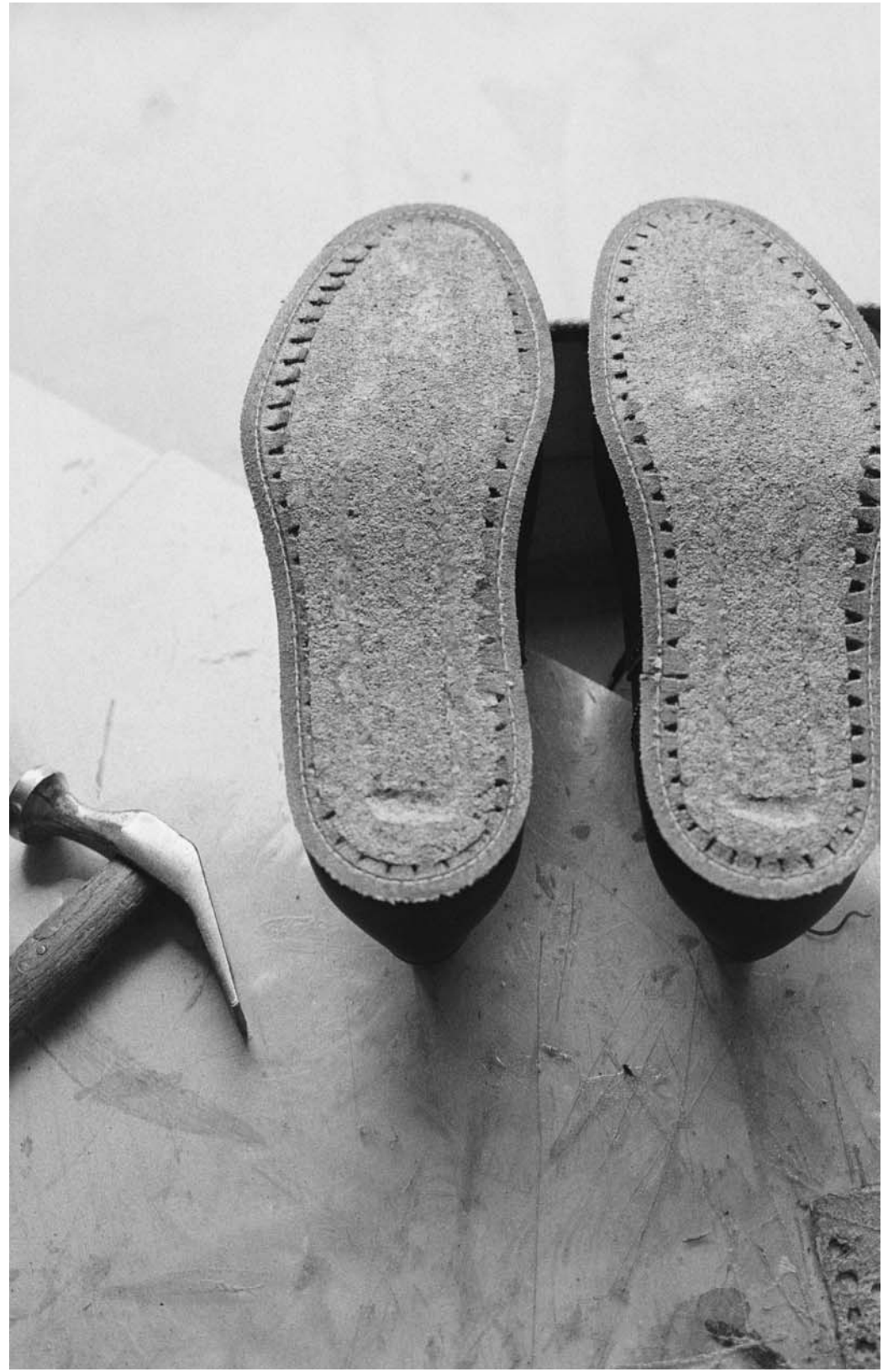














self-employed, is responsible for carrying her own insurance. She does have an accountant and a student assistant, but otherwise she develops and coordinates Massschuh.de alone, as one woman among men. But this, as she says, was not the biggest problem. What was much more difficult was connecting with the craftspeople, who are “not inclined to listen to the crazy ideas of theory-wielding scientists.” That means being “persistent and just as stubborn as the craftspeople,” she adds. The project has only worked this long, she continues, because she always oriented herself on what was already out there. She made her concept known to the craftspeople via the trade guilds; in the case of the software, she went straight to institutions with experience in the trade. The developers at GeBioM are specialized in the orthopedic field; prior to designing the software for the uppers, the University of Bremen had developed a computer program for dressmakers. “Preserving structures in new constellations is the best way of working with those structures,” says Christine Ax.

A market for millions

Following a long and difficult phase of development, Massschuh.de has now gone into operation with only the basic equipment necessary. There are as of yet no sales figures; the market for bespoke shoes does, however, exist: 21 percent of Germany’s population, according to Christine Ax’s calculations, are interested in bespoke shoes. Approximately 2 million people are willing to pay the 500 euros that a pair of shoes ordered via Massschuh.de costs. The price depends on how involved or complex the shoe is to make, but it is still 50 to 75 percent less expensive than what a conventional bespoke shoe costs. Christine Ax also envisions a larger collection of ladies’ shoes. Bespoke shoes should go back to being a women’s domain as they were in the past. At some point the exorbitant prices drove the female target group away. The bespoke shoe client became the man who had shoes sewn of a classic variety that hasn’t changed for a hundred years.

And what does the general public get out of a unique pair of shoes? Helmut Farnschläder, bespoke shoemaker in Bonn and president of the Zentralverband des Deutschen Schuhmacher-Handwerks (Central Association of German Shoemakers), once needed three pairs of shoes that were identical yet not new. A television station was planning a consumer service report on shoe repair shops, and it wanted Farnschläder to come up with the test shoes. He went to the city dump, rummaged around, and in no time he had found three pairs of shoes that were the same but not new. Farnschläder says that in Germany one out of three pairs of shoes

purchased doesn't fit right and gets thrown away. Per year in Germany, 300 million pairs of shoes end up in the dump: that's 100,000 tons of waste. A lot of shoes are made using synthetics, dyes, and toxins. It's eyewash to send shoes to the Third World, says Christine Ax, as could be seen with the clothes drives from industrialized countries. What sending tons of old clothes to developing countries ultimately did was ruin the last remaining local markets.¹⁰ This means that the shoes have to be disposed of. That costs another 2.50 euros per pair.

Helmut Farnschläder comes from a generation that regarded a pair of shoes as an object of great value, which was handed down from one sibling to the next until they fell apart. Farnschläder is also a member of Massschuh.de. He has the sample shoe he made for the project on display in his workshop. It's a brown Derby ankle boot with a Vario sole, model M 240. Farnschläder only needed five hours to sew it all together.

The region

Germany, 82 million inhabitants, is a country with a long tradition of trades and crafts. The shoemakers belong to one of the oldest guilds, with their first recorded mention in Trier around 1104. Nevertheless, for a long time it looked as if the shoemaking trade might die out. Following World War II there were 138,500 registered shoemakers' shops in operation; today there are 4,000. In addition, there are 2,000 orthopedic shoemakers and 2,000 workshops dedicated exclusively to repair work.

But the German shoe industry isn't doing much better. In the years between 1985 and 1995 the number of businesses in West Germany alone sank by 50%. The number of workers has shrunk since 1970 from 89,000 to 18,500. The reason for this trend in both cases is high labor costs.

The project

Massschuh.de, the "Kooperation für meisterliches Schuhwerk" (Cooperation for Fine Footwear) has been around since 1997. It all started with a Hamburg scientist and journalist's idea to support the handcrafted production of bespoke shoes using new technologies. In the first phase, a software company, in cooperation with eight shoemakers and orthopedic shoemakers, developed a CAD program for making the last. In 2002, eight project partners came together to form a production platform.

¹⁰ Ax, *Das Handwerk der Zukunft* (see note 5), pages 132ff.

A university developed the software for designing the uppers. Together with the initiator, an Internet agency designed the home page with its different logins for network members and clients.

In the autumn of 2003 after a long phase of development, Massschuh.de began production and distribution via the Internet. In the meantime operations have grown to include 12 shoemakers, a last manufacturing plant, and a company that makes the uppers. Turnover figures are not yet available, but the German market for bespoke shoes is estimated at 1.8 million potential buyers.

The platform is structured to be open in all directions. Further shoemakers or subcontractors in the bespoke shoe business are welcome to join, as are designers or a central assembly plant for sewing the shoes.

The project received support from the Federal Ministry of Education and Research as part of the program "Research for Tomorrow's Production." A major part of this funding was channeled into software development. In total, Massschuh.de received 600,000 euros in grants spread over a period of three years. In the future, cooperation should divide itself into a two-pronged system in which some of the members would form a limited liability company (GmbH) and the others would merely use the platform. For those joining later, one option might be for them to pay membership dues.

Organization and business model

Massschuh.de is a cooperation of German shoemakers who aim to produce bespoke footwear for a wider public. This is now possible through the development of CAD programs that simplify certain processes. For instance, the foot is no longer measured by hand but scanned. The model of the last is generated virtually and customized using CAD software, as is the pattern for the upper. The bespoke shoe itself is assembled in separate stages: the shoemakers measure the feet and construct a virtual last for the customer. In the plant, lathes are used to produce the lasts. The uppers are made by the shoemaker himself or by a subcontractor. The final assembly of the shoe is done either by a shoemaker or by a central assembly plant. Contracts are awarded via the Internet; the contractors log on to a special area on Massschuh.de to access the necessary data. The customer can also order his/her bespoke shoe via the Internet. On the home page there is a collection of standard models to choose from. The buyer can select leather, color, form, and lasting method.

Massschuh.de is based on two principles: craftsmanship shouldn't be an expensive luxury but a commodity for everyone. This idea, however, can only be realized if one acts, i.e. intervenes at those points in this traditional holistic process where the craft has become too exclusive and expensive.

New software supports the shoemakers in taking measurements and processing this data. To develop this program, software specialists worked closely with shoemakers, the program anticipates the structures of the trade – the last-lathing program, for example, is set up similarly to a shoemaker's workshop. Other techniques used by Massschuh.de were also developed based on shoemaking traditions. For instance, in the eighteenth century there were groups of shoemakers who practiced their trade by dividing the job into separate tasks done by different craftsmen.

The model of this type of network based on division of labor and incorporating the Internet and computer technology can be best applied in regions where the shoemaker tradition is still intact. The idea of mass customization seems to be a good solution for other sectors that manufacture custom-made products, such as furniture or clothing.

Key project insight

- Technology should conform to the needs of the craft, not the other way around. No matter how much technology is used in a project, what Massschuh.de believed was important was incorporating the craftspeople in the development process from the beginning in order to avoid concentrating unnecessarily on secondary concerns. For instance, what was needed was not a technology that would supply millions of data points but one that would concentrate on the information a craftsperson needed for his work. It was therefore essential that the individual cooperating partners always worked together even on the smallest developmental steps. The software developers constantly consulted the shoemakers for opinions and suggestions, and the craftspeople explored what was technically possible on the computer with the help of the software specialists.
- Making use of the infrastructure of the interest groups: for the initiator the best plan of action was to find her partners via the trade guilds since they had functioning communication networks and platforms for meeting and sharing information.
- Interdisciplinary teams: the cooperation between cultural scientists, craftspeople, and software experts ensures a wide range of expertise for finding new solutions.





- A customized product produced on a large scale is a logical solution in many sectors. As with all good ideas it's advisable not to announce them until you are almost ready to implement them. This was the mistake the initiator made with Massschuh.de: she excitedly told everybody about her project, and that resulted in someone submitting the project under his name.
-

Bleu de Lectoure: **The Blue Land of Cockaigne**

Text: *Nadia Jeanvoine, Philippe Bovet*

Photography: *Claudio Alessandri*

Trades & The Revitalization of Old Knowledge, France

Researchers, farmers, dyers, weavers, designers, and aircraft engineers look back at the sixteenth century and see the twenty-first. An old knowledge is interpreted anew.

In the sixteenth century the cultivation of dyer's woad (*Isatis tinctoria*) founded the wealth of the Lauragais, a region in southwestern France. To a great extent the importance of Toulouse today as well as its architectural heritage have their origins in the early trade in this natural pigment.

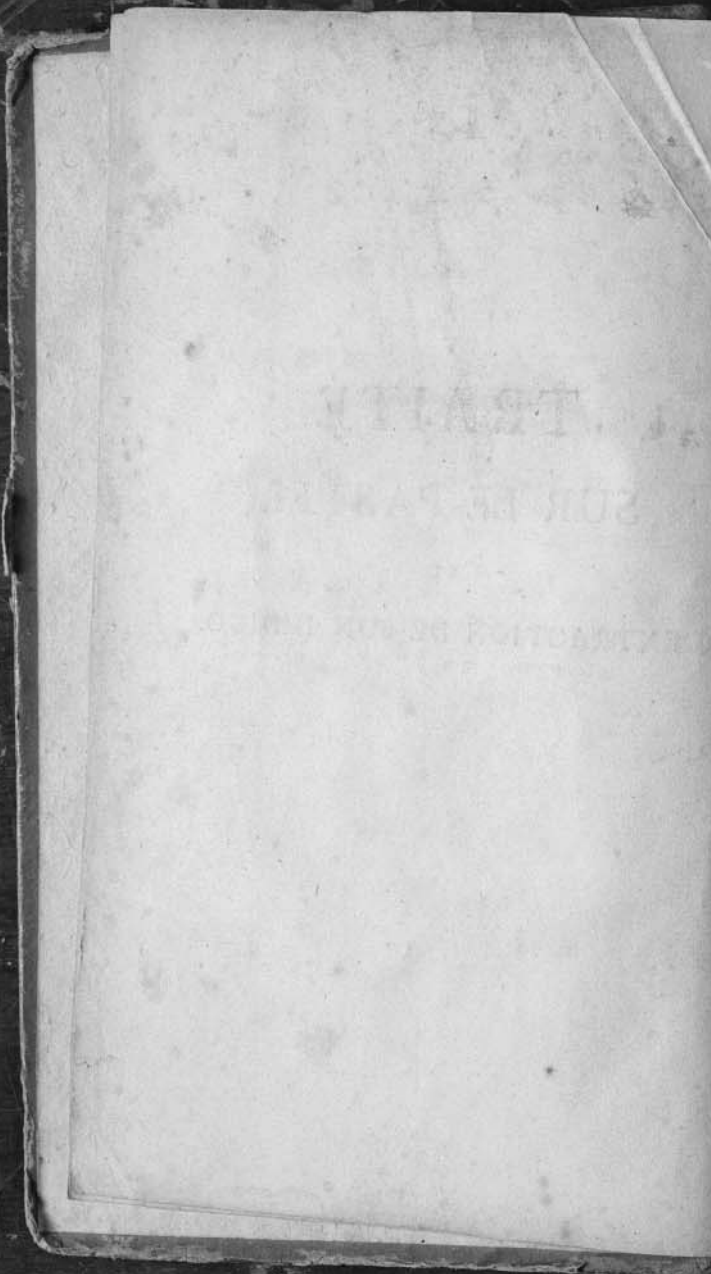
Woad was virtually forgotten after it was supplanted first by indigo from the New World and later by chemically synthesized pigments. Today this bright blue is being rediscovered for its extraordinary beauty, naturalness, and resistance. If the campaign to revive woad in Lauragais is successful, an entire network of individuals and small businesses will profit. The potential real net output for the rural area is enormous.

A report on the first 1 percent reality in a 100 percent vision for an entire region, or the first steps back to the future.

"Behind the decisive turning points in life are often mere coincidences." This statement comes from Gérard Vilarem, director of CATAR (Centre d'Application et de Traitement des Agro Ressources) in Toulouse, a center for the application and processing of agricultural resources, who is referring to a series of encounters that helped launch the project to revitalize the cultivation of dyer's woad. CATAR was founded in 1975 and dedicates itself to both basic and applied research in the non-food chemistry sector. Plants are dissected by researchers in order to isolate the greatest amount of useful parts and develop potential secondary sector markets. Thus the sunflower's inflorescence, the part of the flower that gives rise to the individual petals, contains extractable substances which can be used to make synthetic materials that are on a par with Styrofoam but completely biodegradable. Researchers at CATAR had been interested in natural dyes since the beginning of the 1990s, and one day in 1994 Henri Lambert showed up at their door. In addition to its mission of plant research, the laboratory also considers itself a site for innovation open specifically to small and medium-sized enterprises. This concept of publicly oriented research originated in the early 1980s in Japan: the Japanese had noticed

Photos (see pages 177–183) A book from Napoleon's day as a source of inspiration for a contemporary regional development strategy. Henri Lambert's activity is based on this standard work written in 1813.





TRAITÉ SUR LE PASTEL

ET

L'EXTRACTION DE SON INDIGO.

PAR M.^r GIOBERT,

Professeur de Chimie à Turin, Directeur de l'École impériale
pour la fabrication de l'Indigo, Membre de plusieurs
Académies et Sociétés savantes.

IMPRIMÉ PAR ORDRE DE SA MAJESTÉ
IMPÉRIALE ET ROYALE.



A PARIS,
DE L'IMPRIMERIE IMPÉRIALE.

1813.

point se conserver. Non-seulement j'ai soumis ces feuilles ainsi moisies , à la macération , à la manière de M. Henry , mais même je les ai traitées dans des solutions de potasse caustique, et je n'ai pu en retirer aucune fécule bleue.

Il me reste à desirer que d'autres soient plus heureux que moi dans l'emploi des feuilles sèches (1). Je me suis attaché à ce sujet avec une espèce d'opiniâtreté, parce que je me flattais de trouver dans cette pratique des moyens d'occupation pour les ouvriers en hiver, et d'éviter le désagrément de les licencier ou de les nourrir dans la fainéantise; je me flattais, en outre, d'éviter par ce moyen, la réunion d'une manufacture de pastel à l'indigoterie que j'ai conseillée dans la première partie de cet ouvrage; mes espérances ont été trompées.

Je terminerai cet article en observant qu'il y aurait de l'injustice à ne pas conserver pour M. Henry une très-grande reconnaissance. L'expérience de Margraff et nos essais nous entretenaient dans l'opinion fortement erronée, que les feuilles sèches ne donnent point d'indigo (2). M. Henry a dissipé

(1) Parmi les papiers que son Excellence le ministre du commerce et des manufactures m'a communiqués, j'ai trouvé au moins une trentaine de rapports sur le procédé dont il est ici question. Personne n'a pu en obtenir des résultats satisfaisans; M. Clou n'a pas même réussi à en obtenir quelqu'indice de fécule bleue.

(2) J'ai trouvé depuis que l'extraction de l'indigo des feuilles

cette erreur, et on ne sait pas, dans l'état actuel des choses, à combien d'autres découvertes la sienne peut nous conduire.

SECTION VI.

*Du Mode d'Extraction de l'Indigo du Pastel
préférable à tous les autres.*

CHAPITRE I.^{er}

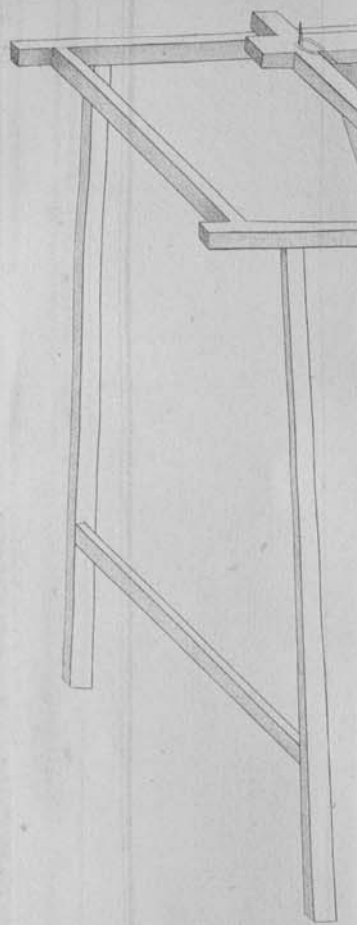
*Des Conditions que doit réunir le procédé d'extraction
préférable.*

DES différens procédés pour extraire l'indigo, la préférence, sur tous les autres, est due, sans doute, à celui qui, en dernier résultat, sous toutes espèces de rapports, se trouve le plus avantageux; et ces différentes espèces de rapports peuvent toutes se réduire aux conditions suivantes :

1.^o La plus grande simplicité dans son exécution, pour qu'il puisse être à la portée même des ouvriers.

sèches était bien connue en Amérique. Charpentier de Cossigny, dont je ne connaissais l'ouvrage sur la fabrique de l'indigo que par l'extrait qu'en a donné M. de Lasteyrie, annonce positivement dans cet ouvrage, que j'ai pu consulter à la bibliothèque du Corps législatif, à Paris, que les feuilles sèches ou simplement fanées donnent plus aisément l'indigo que les feuilles vertes par leur macération dans l'eau.

Fig. 6



Memo.

Seta. Cestanya 1801 del.

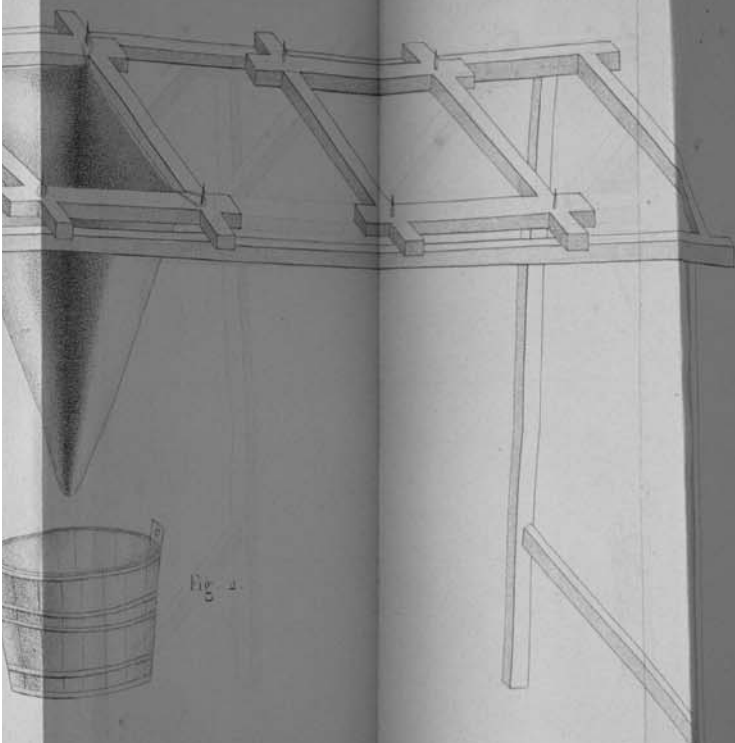


Fig. 1.



that while technical innovation was a motivation for the dynamics of corporations, the research laboratories didn't speak the same language as the corporations. The French have taken this idea and developed it in an effort to bridge communications between industry and research.

Back in 1994, Henri Lambert presents Gérard Vilarem with the results of his experiments and surveys. It seems the former owner of an art gallery with a degree in visual arts is interested in cultivating woad, a plant that yields a dyestuff for which he has developed a method of extraction that is quite a bit faster than the usual method and which with the help of a few partners he wants to continue developing using quasi-industrial methods. The qualities of this ancient pigment are absolutely modern: the extraction method and the substance itself are organic and thus environmentally friendly and dermatologically safe. The color is remarkable for its extraordinary resistance especially in textile applications. As opposed to chemical dyes, with woad, fabrics take on an even deeper hue the more they are washed!

And since so many agricultural and trades businesses are involved in the project, it would be possible to keep the profits in the region.

As the center of various networks, Gérard Vilarem explains, CATAR can provide him with the financial support for research work that would be too expensive for small and medium-sized enterprises. Moreover, it also has the necessary contacts for ensuring the agricultural means for producing pigment on a large scale, which would facilitate developing potential secondary sector markets.

The farmers' coop

If one keeps one's ears open in the agricultural sector, one is bound to hear positive things about CAPA (Coopérative agricole de la plaine d'Ariège), an agricultural cooperative in the Midi-Pyrénées region seeking to diversify. This cooperative is convinced that in the next few years the European Union will revise its agricultural policies along with its subsidies, which is why CAPA is looking for new markets; it wants to cut back the cultivation of grain that currently makes up 50 percent of its production and switch to more environmentally sound agricultural products, in respect to both water consumption and fertilization demands. It is also willing to plant niche crops because with its 500 members a small specialty crop can be maintained alongside mass cultivation practices.

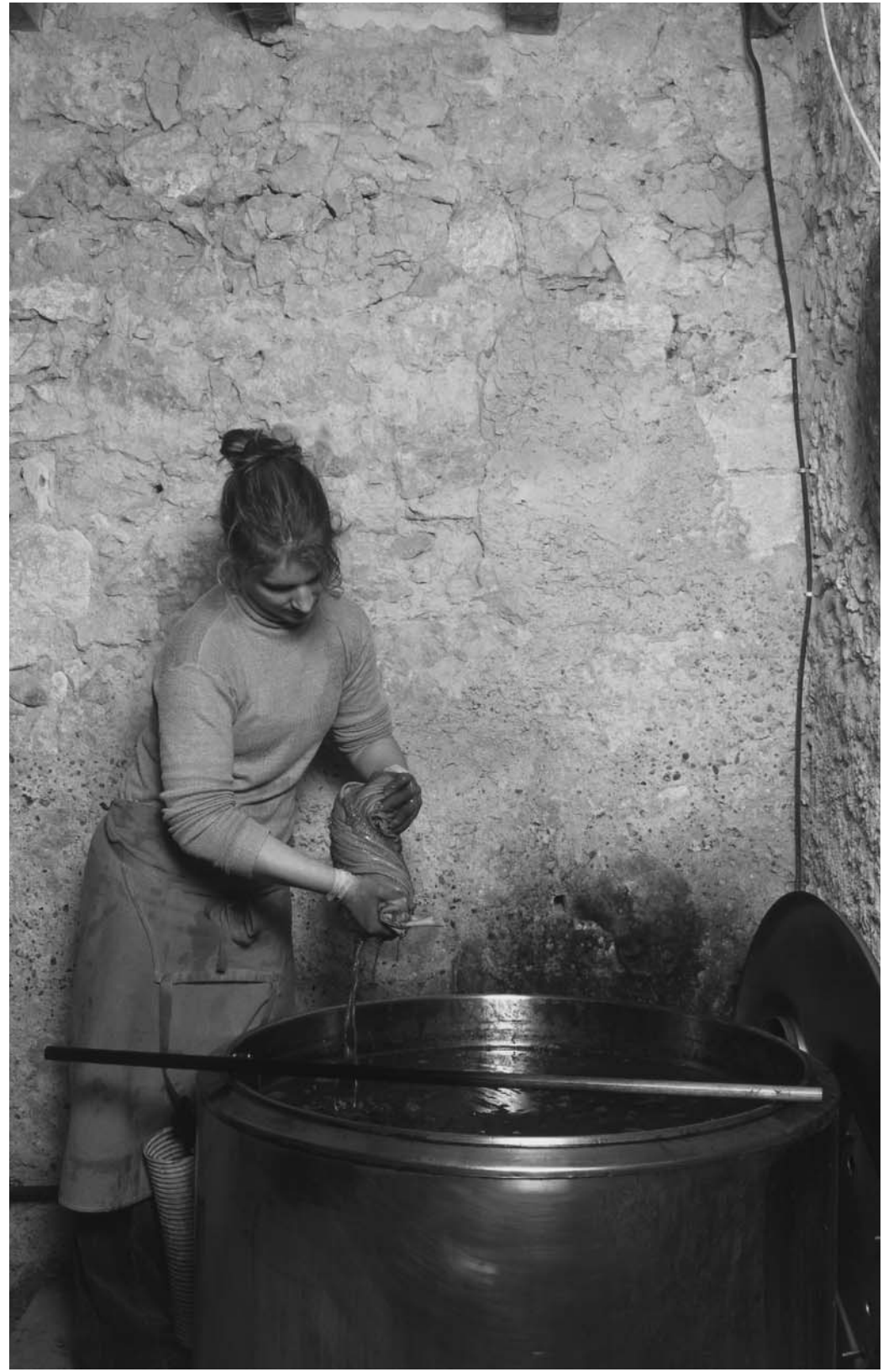












It has already begun growing the “Ariège” bean, which was widely cultivated in the region 400 years ago and is now being rediscovered as the main ingredient for “authentic” cassoulet. This first foray into diversification on the allotted 35 hectares, which will soon also include the cultivation of woad, is the central focus of CAPA’s activities. The coop was founded after World War II and practices a heavily mechanical brand of agriculture. Based on the principle of crop rotation, it plans to plant woad in the north of Ariège on fields currently lying fallow and which thus aren’t of particularly high priority to the farmers. The farmers needed to be motivated, but this wasn’t too difficult, especially since woad cultivation lasts two consecutive years: the first year is for harvesting the leaves, the second for retrieving the seeds.

Since 1994, CAPA has developed an in-depth know-how on this plant. At first its members envisioned complex production and harvesting methods, later they went back to the simple techniques. Enormous sums of money had to be invested to develop the proper machines, e.g. to remove the woad seeds from their pods and to process the tons of harvested plants into pigment; the role of CAPA in this cooperation project also consists in industrially manufacturing the pigment. Today the work from planting to pigment extraction is quantifiable, as is crop yield. The coop has already amassed a 1-ton reserve of pigment in its storehouses. “We’re already past the phase where we considered processing by hand,” Jean-Michel Léopold the commercial director of CAPA comments. “In all businesses, new projects have a disturbing effect and the development of the woad project was perceived as a disturbance. From now on production has to be successful in order to secure its acceptance. We have to tap larger markets.” CAPA is willing to dedicate much more than the currently utilized 20 hectares (less than 1 percent of its tillable land) to the cultivation of woad.

Yarn dyeing

The next stage is dyeing. The French Textiles Institute (ITF) referred us to Xavier Plo, the general manager of the company Henri Plo, which was founded in 1943 by his grandfather. This medium-sized company employing 25 workers is based in Castres and specializes in dyeing yarn for such sectors as the garment, interior design, and automobile and aircraft industries, and is willing to participate in research projects on



natural dyes. In the more prestigious days of the French textile industry the Plo company employed up to 45 workers – thanks to its adaptability it has at least managed to survive. A meeting with Henri Lambert and CATAR leads to the decision to utilize woad as a pigment, applying the industrial techniques commonly used by Plo. For Xavier Plo and his employees this idea presents a welcome technological challenge. They like the notion that here in what used to be called the Land of Cockaigne (*Pays de cocagne*) someone has managed to breathe new life into the old woad-dyeing trade and made way for a textile industry that might not achieve record-breaking production levels, but which could generate lively business activity in the region. The idea of working with a natural pigment using a relatively clean technology seems motivating to everyone. It would be strange if it were no longer possible to reproduce an artisanal technique that once founded the wealth of an entire region. Initial attempts are fraught with difficulties, and after a few unsuccessful runs, the machines are modified and some of the manufacturing processes revised.

Today the Plo company is able to produce skeins of yarn in considerable quantities. It gets fairly large jobs from Henri Lambert and his company Bleu de Lecture; between 100 and 400 kg of yarn have to be dyed at one time. Since production at Plo usually varies between 30 and 800 kg, such jobs are of industrial dimensions. Spread over the entire year, production for Bleu de Lecture constitutes less than 1 percent of total business, but for Xavier Plo and Henri Lambert the medium- and long-term goal is not only to process woad but also to contemplate a complete range of natural pigments. In the region only a dozen small and medium-sized dye works have survived the slump. The driving force in the French and European textile industry, therefore, must be creativity. In a market niche where quality is consciously placed above quantity, this firm strives to stand out through innovation. Xavier Plo believes the demands on quality must apply to everyone in the textiles sector, from the fiber manufacturers, to the spinners, weavers, knitters, fabric finishers, and dyers. The Plo company is one link in the production chain. Xavier Plo tempers his optimism about the future and stresses the need for the collective use of new ideas in order to make mutual cooperation more lasting.



Fabric, design, and cosmetics

The next link in the production chain of woad dyeing is Serge Montagne, general manager of the weaving mill Textile Montagne, which is also located in Castres. It was founded in 1870 by the owner's great-grandfather. Like Plo, this company also survived the French textile industry slump. In earlier times Textile Montagne employed up to 250 workers spread out over several plants. Now the company employs only 14 workers at a single production site. The entire region, where once 150 weaving mills flourished, today has fewer than ten. In the Textile Montagne workshops some 20 looms produce up to 2,000 meters of fabric per day. Serge Montagne can still remember the last woad vats in Castres in the 1980s, back when the woad leaf was still being processed. So when Henri Lambert contacts him, he is immediately ready to help revitalize woad: he tells us that one can't just let the plant that brought wealth to Lauragais be forgotten, and also that he's certain there will be good markets for natural products in the near future. In the beginning, there are technical complications with the practical implementation of the cooperation. These, however, are cleared up by talking with the other people along the chain of production. The price for the production of fabric using woad-dyed yarn is still between three to four times higher than the normal price. One reason for this is that this fabric is not yet being produced on a large scale. Once the customer understands what woad actually is, says Serge Montagne, we shouldn't have to worry about lack of interest. "Woad was used to dye the fabric for the uniforms of army soldiers, firemen, mailmen, every kind of navy blue garment. It is a very bright and deep blue, quite different from a synthetic blue." Woad-dyed fabrics constitute less than 1 percent of the company's production, which is why, as the boss says, there is still a lot of PR work to be done to make people aware of the merits of this natural pigment. "Worldwide competition has increased and many textiles manufacturers have made the mistake of compromising quality and opting for cheap products. Rather than a volume-oriented approach to production, however, what we really need is a quality-conscious, albeit more expensive one that would stress creativity and customer service."

Next, the fabric is sent to the tailor's shop, where it is transformed into a range of off-the-rack clothing for men and women, and subsequently sent to Henri Lambert's stores to be sold. Textile Montagne also supplies





customers who design their own collections. In addition to textiles, Henri Lambert has also created a range of products made out of woad pigment: oil paints and watercolors, wood varnishes, exterior and interior house paint as well as artist supplies.

Another innovative use of this prolific plant employs woad extract to manufacture cosmetics and body care products. What made the founders of Cocagne & Compagnie want to start their own company was the desire to be independent and to coordinate family and career. What moved them most in this context was their love for their native region Midi-Pyrénées and the passionate wish to bring out its heritage through a product that went beyond gastronomy and the already classic combination of goose liver and Armagnac. Nathalie Juin, pharmacologist by trade, and Carole Garcia-Huc, a graduate of the Bordeaux Business School, both believe it is important to be able to apply know-how acquired from previous job experience, i.e. product design in the pharmaceutical and cosmetics industry, on the one hand, and marketing and commercial management in the field of personal hygiene and beauty products on the other. Complementing each other in this way, they were able to start a business together. At the same time they have continued chronicling the history of woad, a medicinal plant that was once considered a traditional medicine for its dermatological properties. The active ingredients of woad were well known in antiquity, where it was used in poultices: Hippocrates mentions it for the healing effects of its leaves when placed on the skin. A recently published dissertation on the properties of woad oil caught the attention of the founders, but unfortunately it makes no reference to cosmetic applications. Nathalie Juin decided, therefore, to start her own research in order to chart the high content of essential fatty acids found in woad and their nourishing and smoothing effect on the skin.

Carole Garcia-Huc and Nathalie Juin were originally considering offering the project to a large company instead of developing it themselves. They realized, however, that large companies were more interested in marketing the naturalness of the product than stressing its significance as part of the heritage of the region. But it is precisely this aspect that fascinates the partners.

So instead they contact Henri Lambert, who encourages them to take the project into their own hands. Though he doesn't invest money in the project, he does supply them with woad extract and start marketing



their products in his stores. Cocagne & Compagnie was founded in May 2003; in October of the same year the first line of woad-oil products goes on the market: six body care articles manufactured by a laboratory in Toulouse. Further products are in pre-production, among them a makeup line – a daring move, for it would be the first makeup ever made from plant pigments.

If the company's founders have any complaints, then perhaps only that it's impossible to implement their ideas and plans as quickly as they'd like – for lack of money. The banks were never particularly cooperative. At first the company's liquidity wasn't that impressive because all their profits went right back into material purchasing and product design. The "Young Innovative Business Prize" awarded to Cocagne & Compagnie in December 2003 by the regional daily *Dépêche du Midi* at least gave the two women the opportunity to present themselves to the CEOs present at the awards ceremony. They were granted a five-year interest-free loan by Midi-Pyrénées Entreprendre, a regional initiative that sponsors young businesses with zero-interest loans.

The conglomerate Total, which subsidizes new, local, small and medium-sized enterprises, also granted Cocagne & Compagnie a four-year interest-free loan. This kind of assistance serves as the company's collateral in the financial community: their project brings together a sound basis with professional experience from the complementary fields of business and science. Today Cocagne & Compagnie's products are sold at some 40 locations, above all in southwestern France. Articles published in larger French newspapers also ensure them a degree of publicity beyond the borders of the region.

The pioneer

Henri Lambert is the man who got everything rolling and is now the interface where all current developments come together. In the 1980s he was an architect who specialized in visual arts and ran an interior decorating firm; later he opened and operated a gallery and art bookshop in a Belgian village as well as the adjacent restaurant and inn. In 1993, he and his wife left Belgium to settle in Lecture in an old tanning factory. Their eye was caught by the gray-blue color of the old wooden shutters, which despite the patina of age still looked beautiful. They decided to investigate and stumbled across dyer's woad. Since then Henri and Denise Lambert have been voracious consumers of everything that has to do with the history of this plant, with its green leaves, yellow flowers, and the blue pigment that can be extracted from it. Henri Lambert

BLEU
DE LECTOURE



likes to bring up the fact that just 150 years ago people used only natural dyes. Synthetic pigments didn't show up until the 1850s; by 1900, they were widespread. Nowadays people hardly know which plants produce natural pigments. Henri Lambert tells us, "We are capable of producing thousands of different blue tones, but they have no history or authenticity. As a former visual artist I am not settling in the south to fulfill the dream of owning my own vineyard, but to cultivate a dye."

Henri Lambert is not an industrialist and doesn't pretend to be. Together with partners, he wants to continue developing the know-how of the craftsman by combining it to a certain degree with industrial processes. Lambert's company *Bleu de Lecture* was founded in 1996 and employs nine workers all year round; a few seasonal workers join the crew during the summer months when tourists flock to see the plant where woad pigment is manufactured by hand. In 1996, *Bleu de Lecture* generated a turnover of 15,000 euros in six months. In 2003, this amount rose to 540,000 euros. Henri Lambert runs a number of sales locations too; one of them is in the center of Toulouse in an old patrician house that used to belong to a woad dealer. There one can find the entire product range developed by *Bleu de Lecture*: clothing, soaps, paints, etc.

The Lamberts have been awarded four prizes for craftsman's know-how, among them the "Club Dunhill Prestige International" in 1998 and the "Preis für handwerkliche Dynamik" in 2001, which is sponsored by a bank. These kinds of prizes open doors – not least via the media and the people present at the awards ceremonies. In this way Henri Lambert was able to make contact with the giants in the fashion business like Olivier Lapidus or Chloé, whom he also supplies with his fabrics.

From potential to business

For Henri Lambert bringing traditional craftsmanship and innovative ideas together in the same occupation is a special challenge. When he talks about his field, he likes to mention the magical alchemy of dyes and how important aesthetics and above all creativity are. What he sees as negative are the lack of adequate funds during the start-up phase of the project, the tough hours seven days a week, and the ever-increasing paperwork. He also finds it unfortunate that the municipal government from *Lecture* has taken so little interest, choosing instead to invest all its hopes in the expansion of the thermal baths in the center of town.

Denise Lambert, who originally comes from America, adapts quickly and easily as her countrymen are wont to do. "In the beginning the municipal government's approach was to just stick its head in the sand," she recalls. "Some were irked by the fact that non-locals were showing up and trying to reteach people about lost know-how." Henri Lambert is aware that the partnerships he has cultivated around him still are not at the advanced stage they eventually need to reach. Among his future projects, one promising field is automotive body painting. The idea of painting cars with natural pigments fits well with the car manufacturers' goal to produce clean cars. Henri Lambert also sees an innovative market in the field of aircraft manufacturing; he has already conducted tests on painting aircraft cabins with woad. Since it was the cultivation of woad that founded the wealth of Toulouse several hundred years ago and aircraft construction is what today constitutes the prosperity of the southwestern region of France, a marriage of both in such a prestigious project as the Airbus A 380 would seem an obvious objective.

Woad cultivation is inextricably tied to southwestern France. The entire product range, with few exceptions, comes from the Midi-Pyrénées region. It is something that is important to everyone along the production chain; they are well aware of the value added it generates. With every ton of pigment produced by CAPA, the cultivation of woad becomes less and less a utopia and more and more real and visible. Those involved in the project are already discussing the need to set up a more comprehensive commercial structure than what Bleu de Lectoure is currently capable of. Will the future prove them right? Whatever the case, they've got one thing going for them already: blue is the most-worn color in the world.

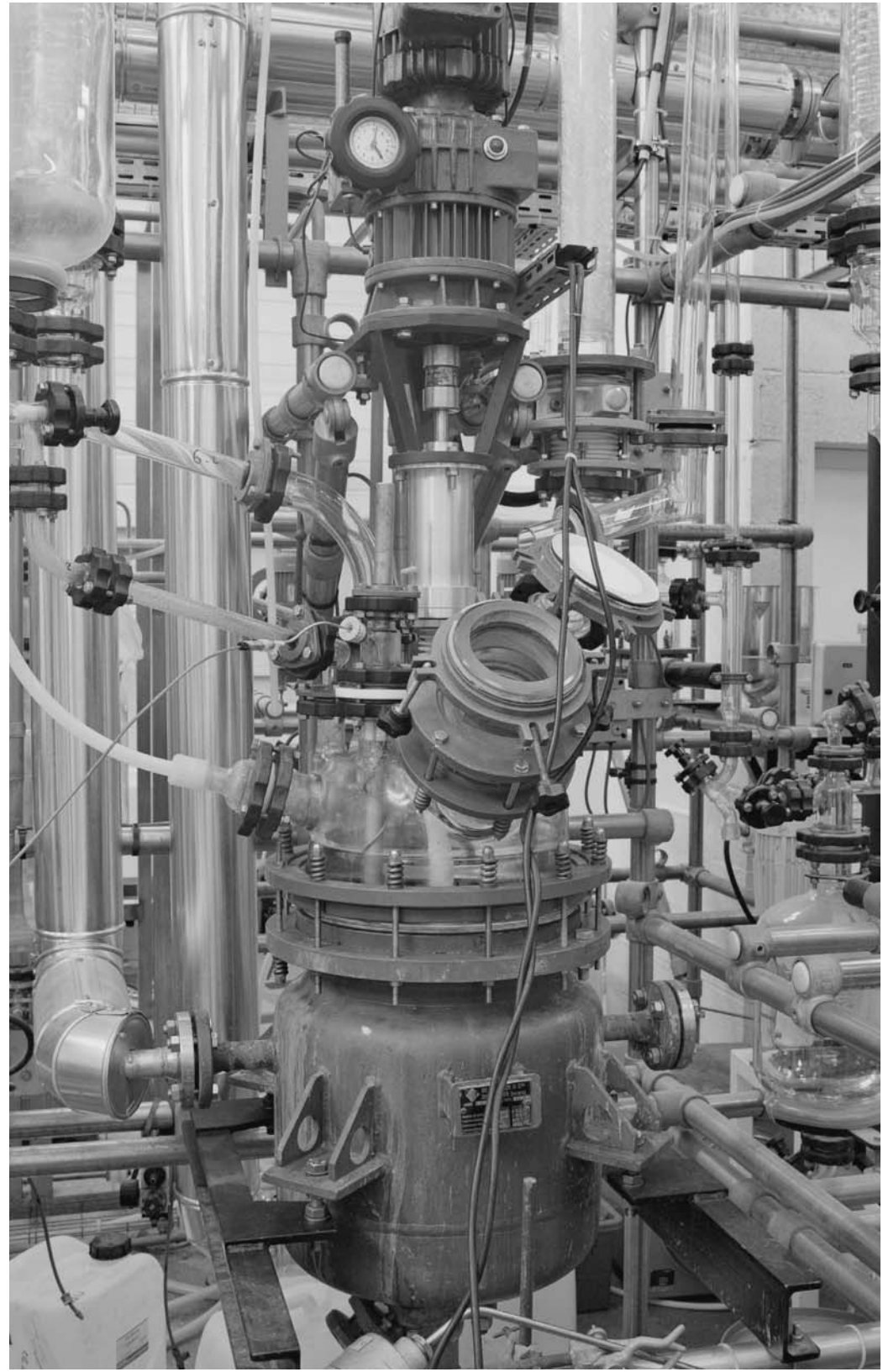
The Midi-Pyrénées region

With an area of 45,000 km², Midi-Pyrénées is the largest region in France and comprises eight *départements*. The region has a population of 2.6 million inhabitants.

The capital Toulouse with 770,000 inhabitants (including its suburbs) is the fourth largest city in France after Paris, Marseille, and Lyon. In the aviation and aerospace sector it is the leading constructor in Europe. It also boasts one of the most important universities in France, second only









to Paris, with a strong research focus: more than 10,500 people working in over 400 research units.

Lectoure has a population of 4,440; Castres, including its suburbs, 135,000.

The history of the woad plant and the *Pays de cocagne*

The cultivation of woad, a plant undaunted by both heat and cold, was common throughout Europe. From the late thirteenth century on and over the course of the next two centuries it continued to develop further in Lauragais, a zone between Toulouse, Albi, and Carcassonne, which was dubbed the “Triangle of Blue Gold” for its vast woad fields.

In this extremely sunny region, woad produced more intensive blue tones than in the north, where it had a touch of gray to it. The leaves of the woad plant were picked by hand and brought to woad mills, where they were crushed with a millstone. This produced a blackish paste which was left on the floor and allowed to ferment for four months. Afterwards, this paste was molded by hand into balls the size of oranges. A good molder was able to produce 100 to 120 of these woad balls (Fr. *cocagnes*) per hour. The balls were placed in the castle towers and allowed to dry for another four months, by which time they were small, light, and easy to transport. They were delivered all over Europe, primarily by river, so that Toulouse, thanks to its location on the Garonne, became an important city in the Middle Ages.

The woad balls were used for dyeing textiles, and the sediment that collected at the bottom of the dyeing vats was used to paint wooden paneling, doors, window shutters, and carts. Woad blue proved quite effective against wood rot.

For those who didn't have a castle tower, there was another method used for drying: the woad balls were placed in baskets and hoisted up wooden poles that had been erected in the villages and then covered with grease to keep thieves from climbing up them. These were the famous *mâts de cocagne* – climbing poles, which can still be seen at rural folkloric festivals. *Pays de cocagne* and *mât de cocagne* are therefore terms that make direct reference to dyer's woad. The *Pays de cocagne* was a place where people lived off the fat of the land. And it really did exist.

Henri Lambert and the craft of hand dyeing

Isatis tinctoria, commonly known as dyer's woad, is a green plant with yellow flowers that yields a blue pigment. Along with mustard, cabbage, radish, and rape it belongs to the family Brassicaceae (or Cruciferae) and is biennial.

The first year, woad grows close to the ground. Sunlight allows photosynthesis to take place, which activates the pigment in the leaves. These are harvested four to five times between June and November. In the second year, the plant develops a stem with dainty yellow flowers at the tip. The seeds are used for sowing future crops and for manufacturing woad oil, which is highly prized for its cosmetic properties.

In the dyer's shop the leaves are put into vats and soaked in hot water for several hours. From time to time they are stirred until a colorless pigment forms in the water. There are certain telltale signs that let the dyer, in this case Henri Lambert, know it is time for him to pour the liquid into another vat for oxidation. Using a pump, the liquid is agitated to bring the pigment in contact with the oxygen in the air, which is what brings out the color in the pigment. First it appears yellow, then emerald green, and finally blue. The liquid is poured into a third vat, where it is left to settle overnight. In the morning a mud-like pigment will have collected at the bottom of the vat. When dried, this so-called blue gold cracks and crystallizes. The crystals are stored and have to be rehydrated before use. Even CAPA employs the same process, albeit on an industrial scale.

Key project insight

- The strength of the project lies in the large number of regional businesses involved. From the farmer to the weaving mill, most of the value added stays in the region.
 - For the cooperation between the different businesses it was important that each participant committed himself to staying with the project for a given period of time. This encourages and promotes trust in the relationships and motivates all those involved.
 - At a certain stage of development it is advisable to free the pioneer from the responsibility of deciding all operative management questions by hiring a professional team to deal with these issues.
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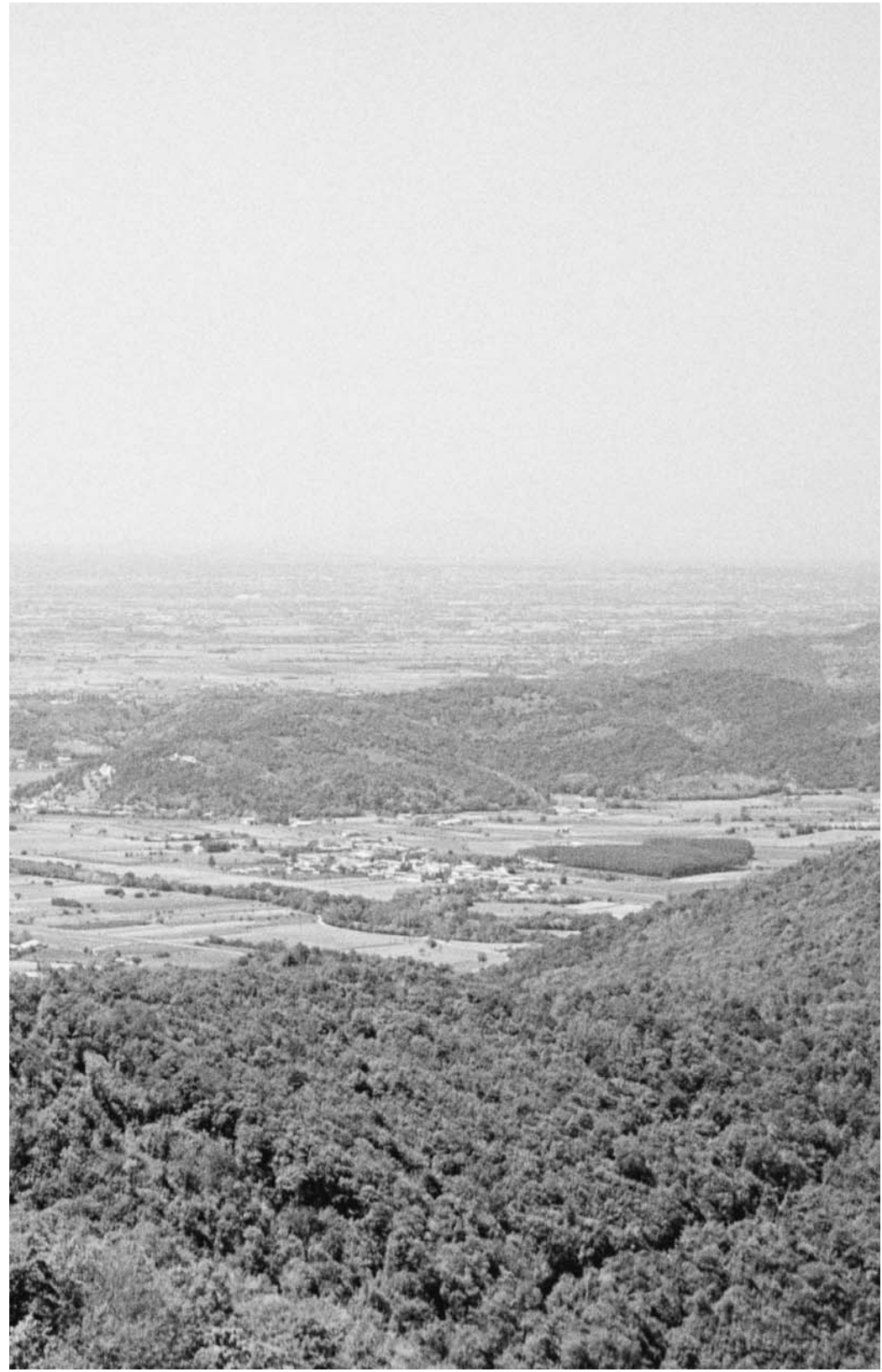
The Chair Cluster Friuli: In the Manzano Chair Triangle

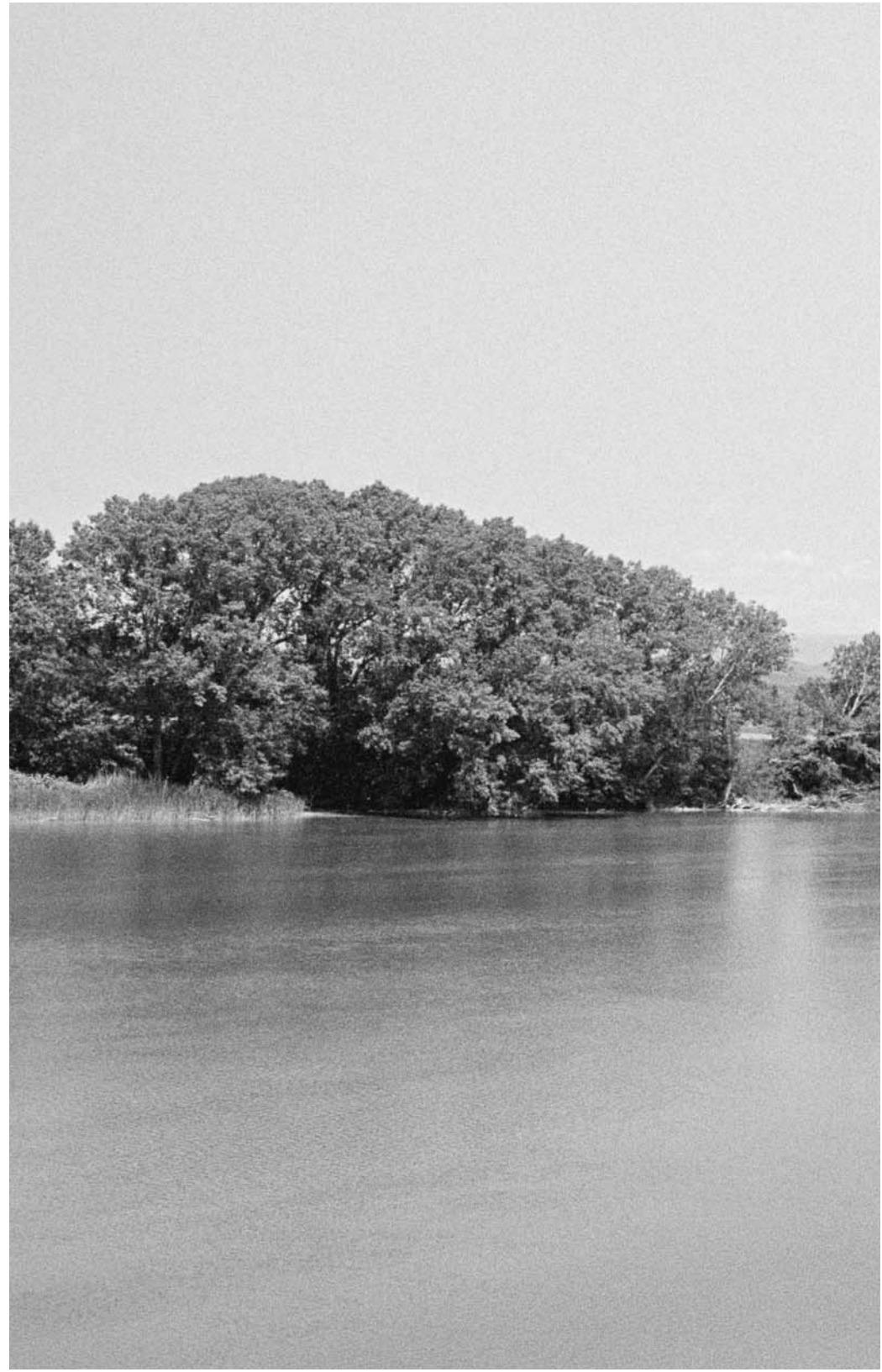
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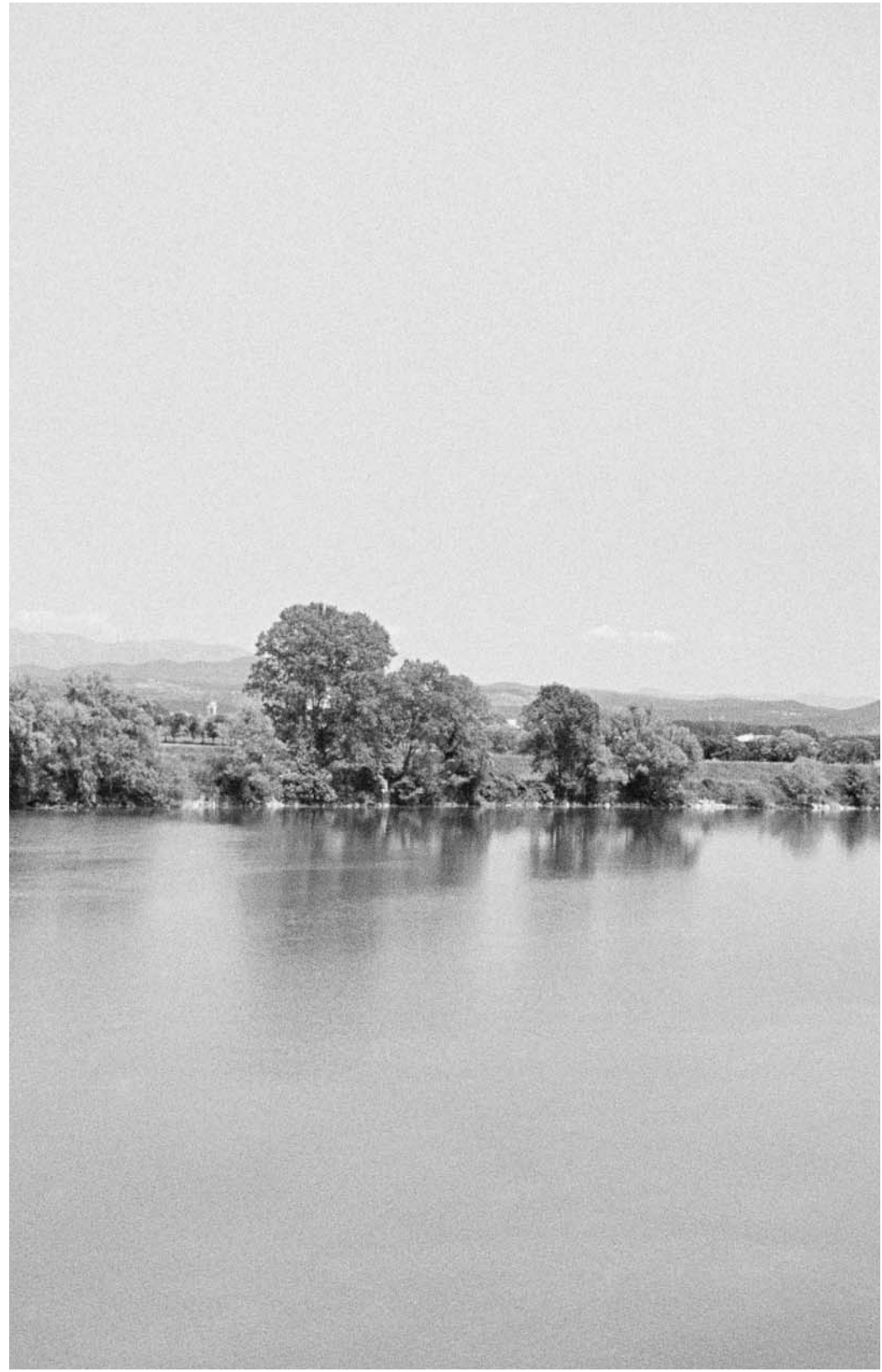
Photography: *Wolfhard Koeppel*

Trades & Marketing, Italy













In northeastern Italy is a largely unknown region, off the beaten track, and far away from the center of business activity, but solid in tradition and quality. Within it are some 1,000 small businesses who are vehemently against forming a union, individualists to the core.

For a long time everything runs well, but then all of a sudden business stagnates – and now these lone companies invent a new structure: a loose umbrella organization intent on making its product well known throughout the world – and successful in that intention. An umbrella organization in which the members are stockholders, have no further obligations, but are instead free to choose from the diverse services and activities the organization has to offer.

An organization that presents the product to the outside world, and leads the world inside, into the microcosm of the region.

A model that strikes a harmonious balance between the self-confidence of this locally rooted trade and its success in a global market.

“It used to be that chairs were just for sitting.”

Marcello Ermacora, *entrepreneur*

“The art of making chairs is a quintessence of Friulian culture.”

Gianni Bravo, *former President of the Chamber
of Commerce of Udine*

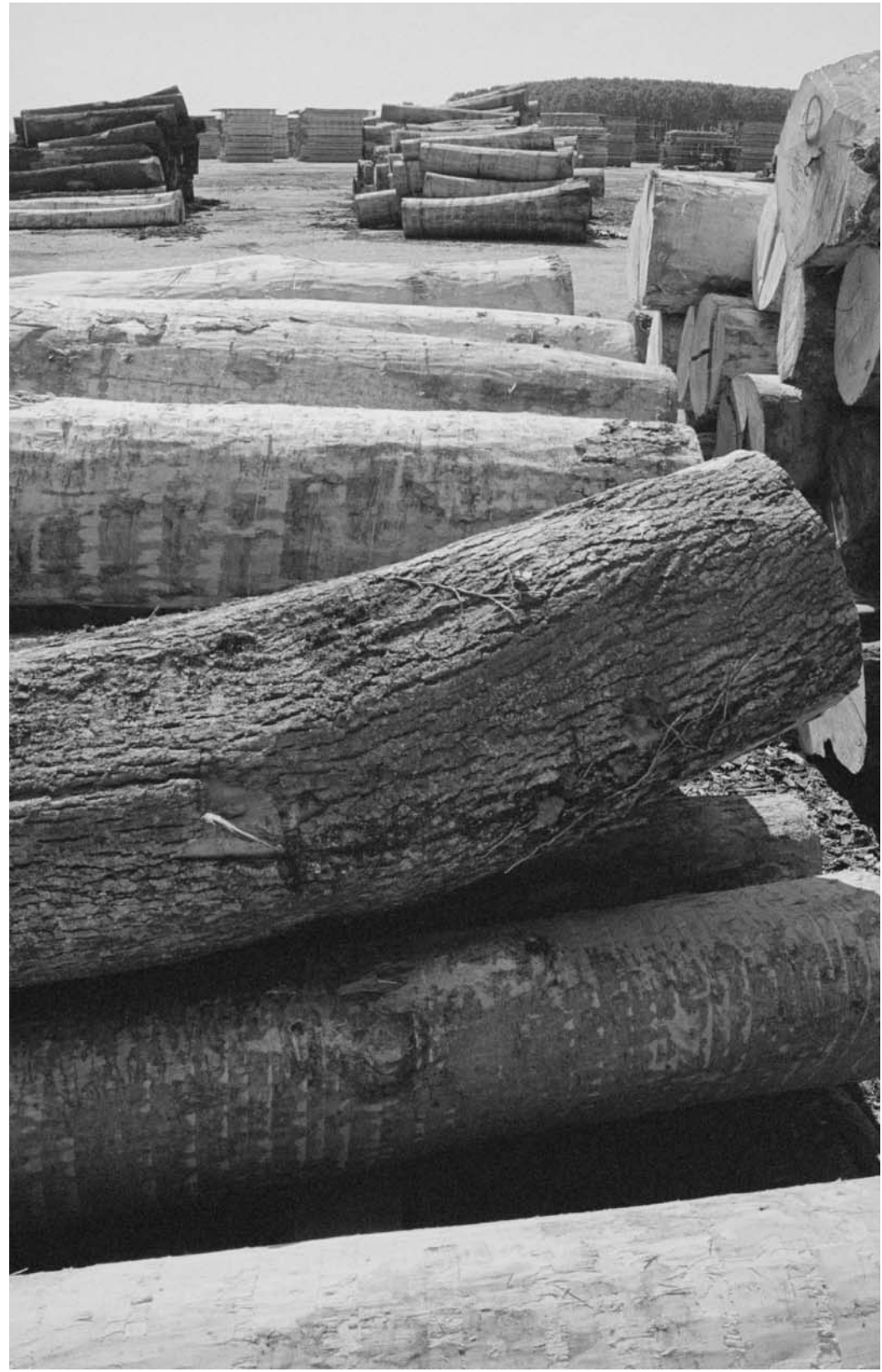
In the north, the Carnic Alps disappear into the mist, to the south the plains extend right into the sea. Flat country. On the road that stretches straight as an arrow from Udine to Trieste lies Manzano. Kilometer after kilometer of plants and factories; at the turnoffs, blue-yellow signs point to industrial areas. A region demonstrates quality – the industrial district of Manzano in the northeastern corner of Italy, where currently 50 percent of all European chairs are manufactured and where until recently 30 percent of worldwide production was concentrated.

Since the mid-eighties the region has been making quite a stir in business circles. For a long time marginalized in Europe and sniggered at for being a bit backwards, Friuli suddenly found itself at the core of an amazing economic boom.

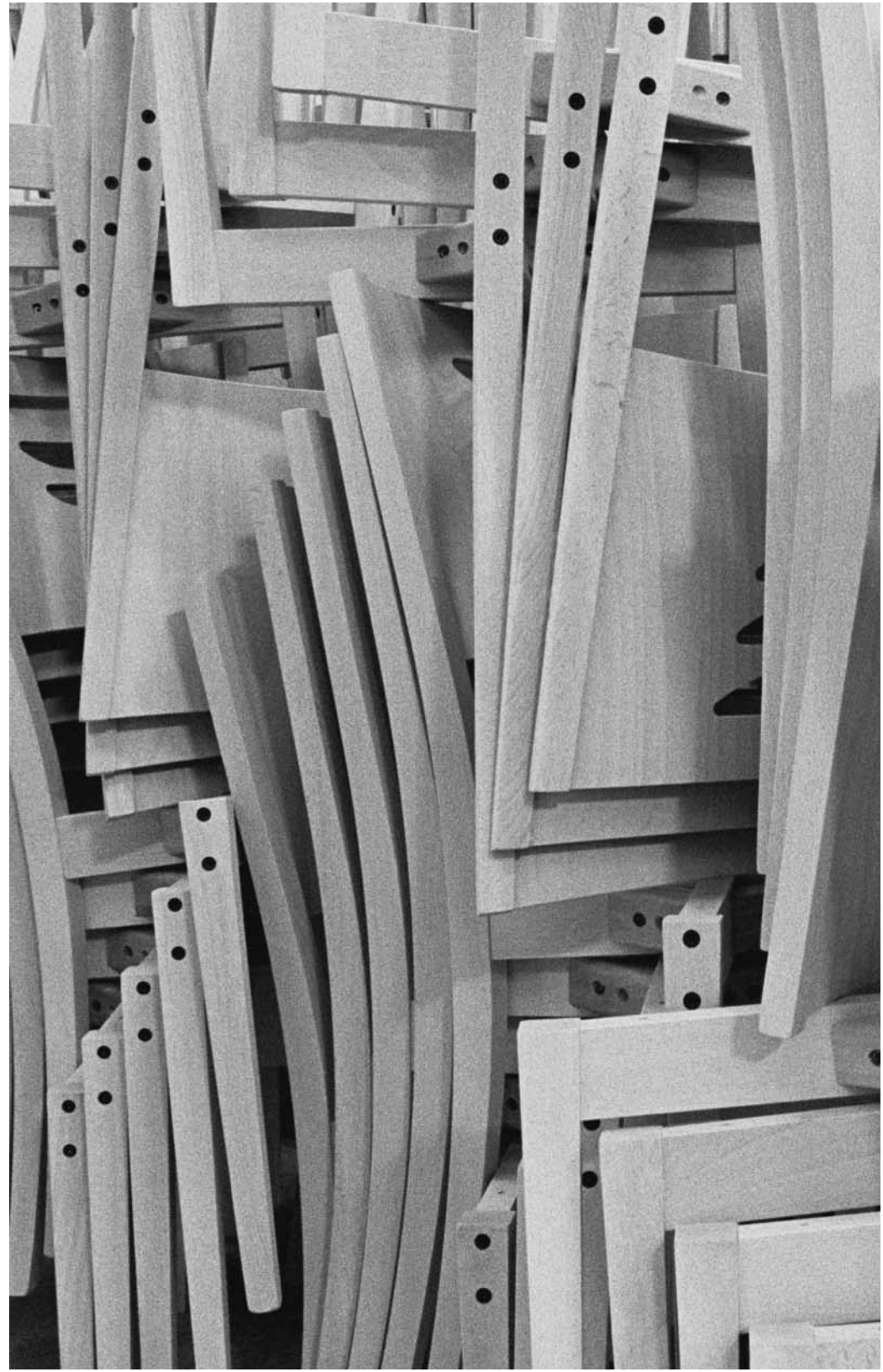
Photo (see pages 216–217) Sawmill near Manzano, one of the last ones in Friuli

Photo (see page 219) “The Manzano Chair” – a king-size landmark

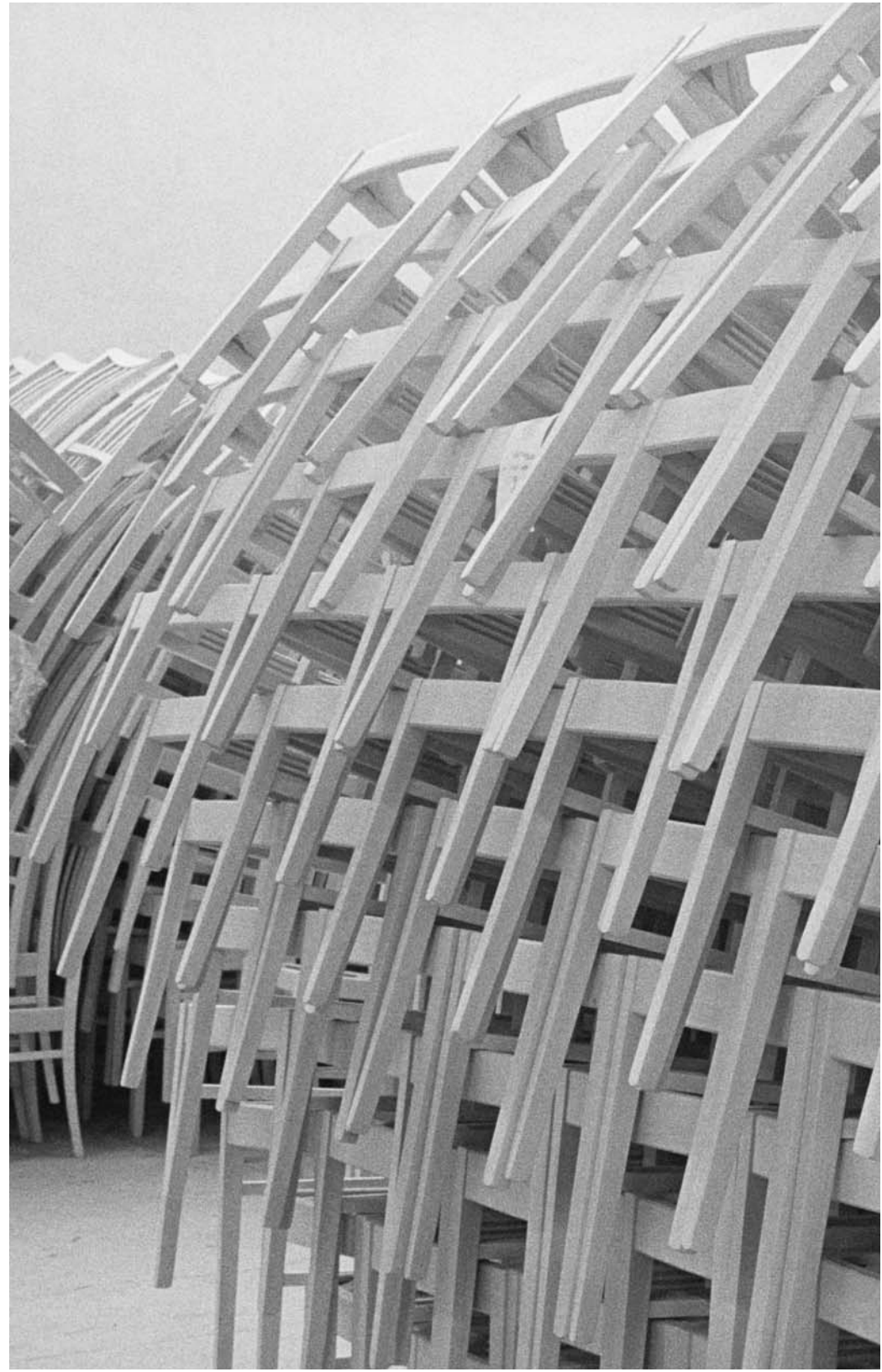


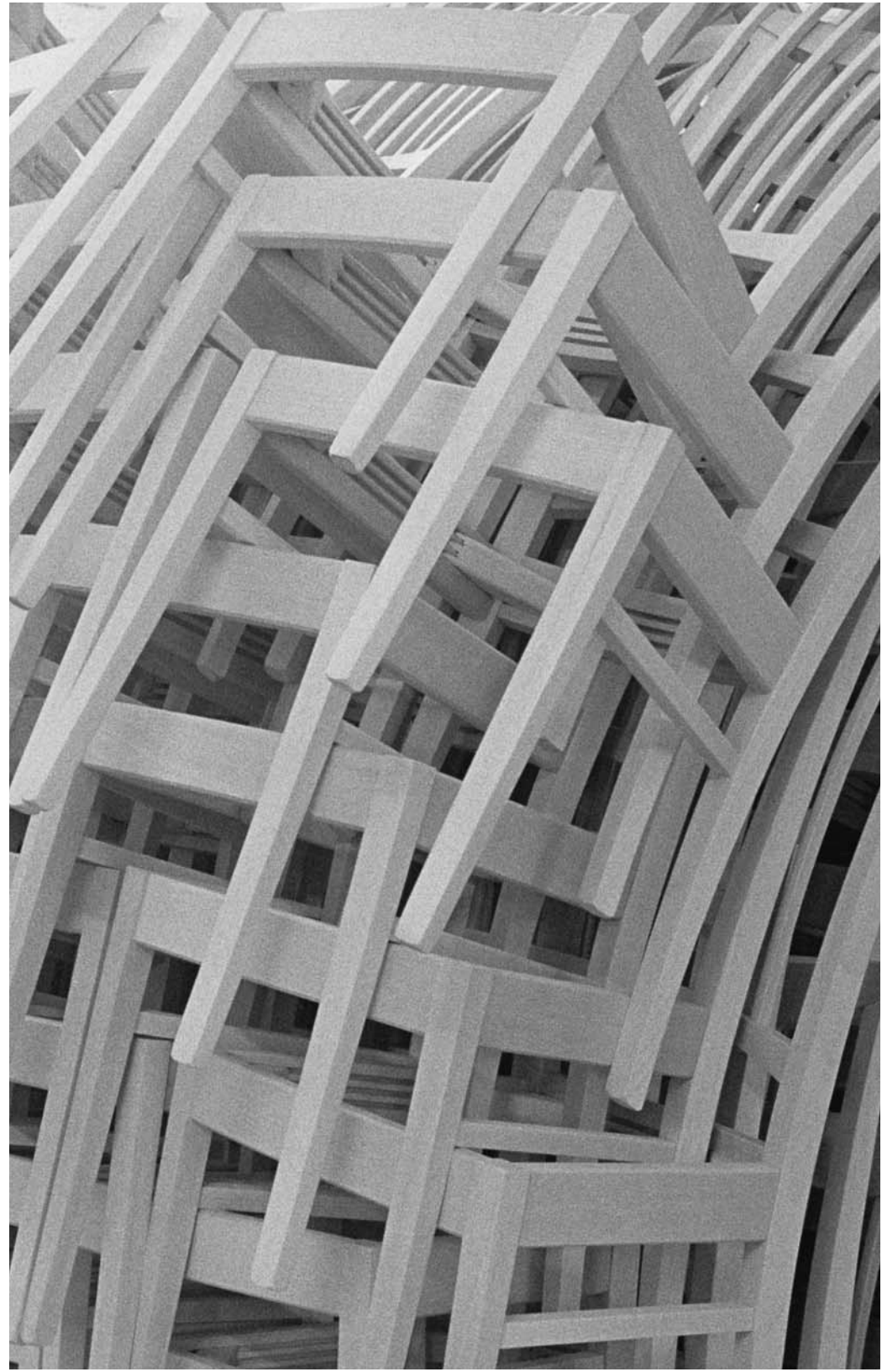












In an area comprising 11 communities 2–3 billion euros were generated by 1,000 companies – a large part of which are family businesses – employing a total of 15,000 workers. Between 1984 and 1995 the number of chairs manufactured rose from 8 to 24 million, reaching 40 million by the end of the 1990s. Such was the glorious situation until two or three years ago. The name Promosedia is closely tied with the rapid rise of the region. Founded in 1983, the organization is the most important marketing tool in the region.

Fabrizio Mansutti, a man with shiny black hair wearing a slightly wrinkled linen jacket, sits at his meticulously neat desk. The info packet on Promosedia has been prepared by his secretary, and Mansutti has already pushed it across the table toward me. Mansutti, mid-forties, is the president of Promosedia. Not an easy job. In recent years contracts have plummeted. “Our share in global production is diminishing steadily,” he acknowledges.

Today the company’s objective is to develop new strategies for making the Friulian chair competitive in the global economic world. Concepts that accommodate the structural changes. That’s what Fabrizio Mansutti is in charge of. This is about the future of the entire region. “If you want to find out about the history of the area and about the history of Promosedia, talk to Ermacora.”

Marcello Ermacora is 73, chair manufacturer. He is standing in the doorway in his blue workcoat; one wouldn’t be able to distinguish him from his employees if one ran into him at the plant. What’s there to say?, it all happened such a long time ago . . . At first he only brought out one chair, the simple wooden chair with the four-sectioned woven straw seat. “You know, it used to be that chairs were just for sitting.” Today this modest chair is no longer in the catalogue. “We’ve still got a few around the house, for the grandchildren, so later they’ll know how it all began.”

Ermacora gives us a short tour of the plant. La Furlana, the Friulian, is the name he gave the company; he belongs here. Ermacora has 11 employees. The big wooden boards delivered here are marked according to their origin: pink, blue, pale green, ash, beech, oak. Mostly the wood comes from eastern Europe, from Romania, Hungary, Poland, and the Ukraine. But with Ermacora’s company, just as with most of the other businesses in the area, more and more parts are being delivered already precut. Different-sized wooden blocks, all packed in shrink-wrap and stacked several meters high on the shop floor. The rectangular wooden pieces of varying lengths and widths are lathed into armrests, cross-pieces, legs. The work done at the plant, especially the models with curves and complicated joints, are examined in detail by the workers. In

certain cases screw clamps are even still applied by hand when gluing the arm- and backrests together. Ermacora is proud of the high quality of his chairs. "I always wanted to stay small, even when the others opted for expansion. I have to be able to see what's going on. I want to be able to oversee everything." Unlike other firms of the same size, he hasn't even invested in semi-automatic machinery. "Perhaps my sons will do things differently one day."

Pioneering days

At the age of 12, after finishing the fifth grade, Marcello Ermacora went to work at Fornasari, the oldest chair manufacturing plant in the whole area. A few years later, in 1959, he and a partner decided to go into business for themselves. "We had nothing, no money saved, no house, no collateral. But we started production. We got the wood because the supplier trusted us; the same went for a few machines. The two of us made the frames ourselves, a few women from Manzano wove the seats for us. Then came payday. I went to the bank. I needed a loan of 50,000 lire, but they turned me away. I broke down in tears in front of the bank. Just then, a man on a bicycle rode up. Someone from Manzano. He asked what was wrong. I told him I couldn't pay the women who worked for me. The man said, You're from Manzano, I know you, I'll buy your chairs. And that's how it all began."

Ermacora's company saw the beginning of one of the first incredible postwar booms to take place in the entire zone between Manzano, San Giovanni al Natisone, and Corno di Rosazzo, the "triangolo dell' sedia." Today the "Triangolo" is one of the four EU-funded industrial districts in the province Friuli-Venezia Giulia: a strongly networked, small area that stands out for its use of modern technology and excellent market-competitiveness – and where small or medium-sized enterprises manufacture a high-quality product.

But everything really began in Austria and a few kilometers further east, in Mariano del Friuli. In 1756, Mariano was part of the sovereign territory of the Habsburgs. The district petitioned Maria Theresia for the privilege of taking timber from the nearby woods of Ternova to build its parish church. As a result, a number of small workshops specializing in woodworking sprang up in only a few years, and by 1820, small-scale trade had developed with goods being delivered to Udine and Trieste. Especially chairs. By the mid-nineteenth century there were already 30 plants in operation in Mariano.

In 1866 the political situation changed and Veneto and Friuli became part of Italy. The new border ran along the Judrio river; Mariano, still part of Austria, was cut off from its Italian market, and, in addition, a 45 percent tax was imposed on the craftspeople. From the 1880s on, craftspeople began crossing over to Italian territory to set up shop in Manzano, a few kilometers across the border. The first to come were the Fornasarigs – where Ermacora was to work a good 70 years later. Other families followed. In 1883, the companies founded the first cooperative and started a vocational school for chair manufacturers. A small industrial zone was emerging, the early steps were taken toward division of labor. By 1890, 11 factories with approximately 300 employees were manufacturing 130,000 chairs per year.

In the decades to follow, the number of companies continued to rise. A few firms chose to mechanize their chair-manufacturing operations; others established themselves as small artisan businesses. Everyone profited from each other, a tight web of suppliers, wholesale customers, innovative artisan workshops, and newly emerging businesses developed. In the early twenties, with fascism on the rise, a new market opened up. Summer camps, kindergartens, factory cafeterias, cinemas, and worker dormitories all needed to be furnished. By 1928, the region had already produced a million chairs. This upward trend continued uninterrupted until the outbreak of World War II.

The economic miracle ventured and gained

In the 1950s and 1960s growth was all the more intense. More and more small enterprises were being established. Antonio Sibau and his partner founded their firm in 1964. “We couldn’t keep up with the demand for chairs. We didn’t have the production capacity. That was the problem – back then . . .” They were practically forced to start a new company. “My partner already had contracts before he had even decided whether or not to start his own business. We just started producing. It was easy in the beginning. German companies in particular would order large quantities and turn around and sell them on the international market for twice or even three times the price. So sometimes you’d get a Friulian chair that said ‘Made in Germany’ on it. We Friulians were just a kind of supplier. But business ran itself.” Gradually the Friulians started producing new models, usually special orders for big customers; they had begun to take over a higher quality and higher priced market segment. Most of the companies didn’t give much thought to sales strategies and future prospects. Business was going well and *basta*.

The area changed. Production plants were built on former agricultural land. The new companies settled in the industrial zones, giving Manzano and above all San Giovanni al Natisone a new face in the 1970s; old companies built modern facilities. As a last reminder of bygone days one can still see a lonely silo projecting from downtown Manzano, where sawdust and wood shavings used to be stored. Today the stretch between Manzano and San Giovanni is one huge, continuous conglomerate.

A crisis looms and initial strategies: "We have to do something"

Then in the early 1980s, the market crashed for the first time in more than 20 years, in the wake of the oil crisis. Sales plummeted. Old-established firms had to close down. Marcello Ermacora remembers how depressing it was in the early 1980s at the newly founded furniture exhibition in Udine. "On the last day, Gianni Bravo came by. At the time Bravo was the president of the Chamber of Commerce of Udine. We were all sitting there like beaten dogs. The exhibition had been a catastrophe. No visitors. No customers. Bravo asked if there were no optimists among us. I said that we couldn't sink much lower and that we had to do something. We had to do something as a group. Seven people came to the first meeting. Nobody believed in us."

Gianni Bravo attests to how hard it was to convince the Friulian companies to band together and do something about this deplorable situation. "In a certain sense forming an organization goes against Friulian nature. They are private people. Loners. Each of them wants to do his own thing. After all, that's why there are so many small businesses. They distrust everything that comes from outside, everyone who wants to meddle in their business. From a historical point of view it's not surprising. Everyone who came through brought destruction. The Huns, the Lombards, the Turks. It took countless working dinners to explain to the people here that they needed to take advantage of synergies. But our goal was to make the Friulian chair well known throughout the world. In the end, 12 of us founded Promosedia."

That was in 1983. Slowly people in the region started to realize that they had to come up with distribution and marketing strategies. Promosedia, in the beginning primarily financed by the Chamber of Commerce of Udine, was the means to this end. The main aims were to develop ideas as to how and where the individual companies could sell their products more efficiently and at the same time to increase exposure of the entire region. One of the first initiatives of Promosedia was connected with the furniture exhibition in Udine, which was founded

in 1980. Promosedia invited exhibitors from all over the world and the *Salone della sedia* gained international recognition – and renown. Represented at the event are chair manufacturers not just from Italy but from all over Europe, the USA, and now from China and Indonesia as well. In 2003, Promosedia proudly registered 13,410 visitors from 82 countries. Once a year, a design competition is held, the Caiazza Memorial Challenge, that awards prizes to the three most innovative designers under 40. Two prominent members of the jury are the editor-in-chief of the leading architectural and design magazine *Domus* and star designer Alberto Meda. The “TopTen Award,” another international prize, is awarded for formally and technologically innovative designs. Friuli has got the whole world talking about it when it comes to chairs and design, chairs and business. And people are talking to each other more than ever before. There are lectures given on ergonometry, innovative materials, technological equipment, new trade fairs and new markets. The company also publishes a semiannual newsletter for its members, informing them about important developments, competitions, awards, material research, exhibition reviews.

The Cassa rurale ed artigiana di Manzano played an important role in stabilizing the crisis situation in the 1980s by supporting local businesses, particularly during this dire time of need. Alberto Guenz, professor of economics, has called it the “key tool in local development” and stresses how much this strategy has helped in overcoming the crisis. Apparently the bank was more interested in long-term investments than in siphoning off quick profits, an exemplary practice, from which everyone profited in the long run.

During this time, Marcello Ermacora was one of the people responsible for granting loans at the Cassa rurale. “I never forgot how I was turned down. So if someone applied for a loan from us and didn’t have any collateral, I always went out and did my own research. I found out if he was a hard worker and whether people considered him trustworthy. After all, I know quite a few people. If I had the impression he was able and willing to work, I did my best to get the loan approved.”

From craft to marketing

“Up until then, if people wanted to buy a chair, they came to us. All of a sudden we were expected to go out and sell the chairs ourselves.” It was a time of radical rethinking. The new strategy was called diversification and applied to all levels. The basic idea was to locate new markets and it became clear that in the future one shouldn’t depend on just one or two

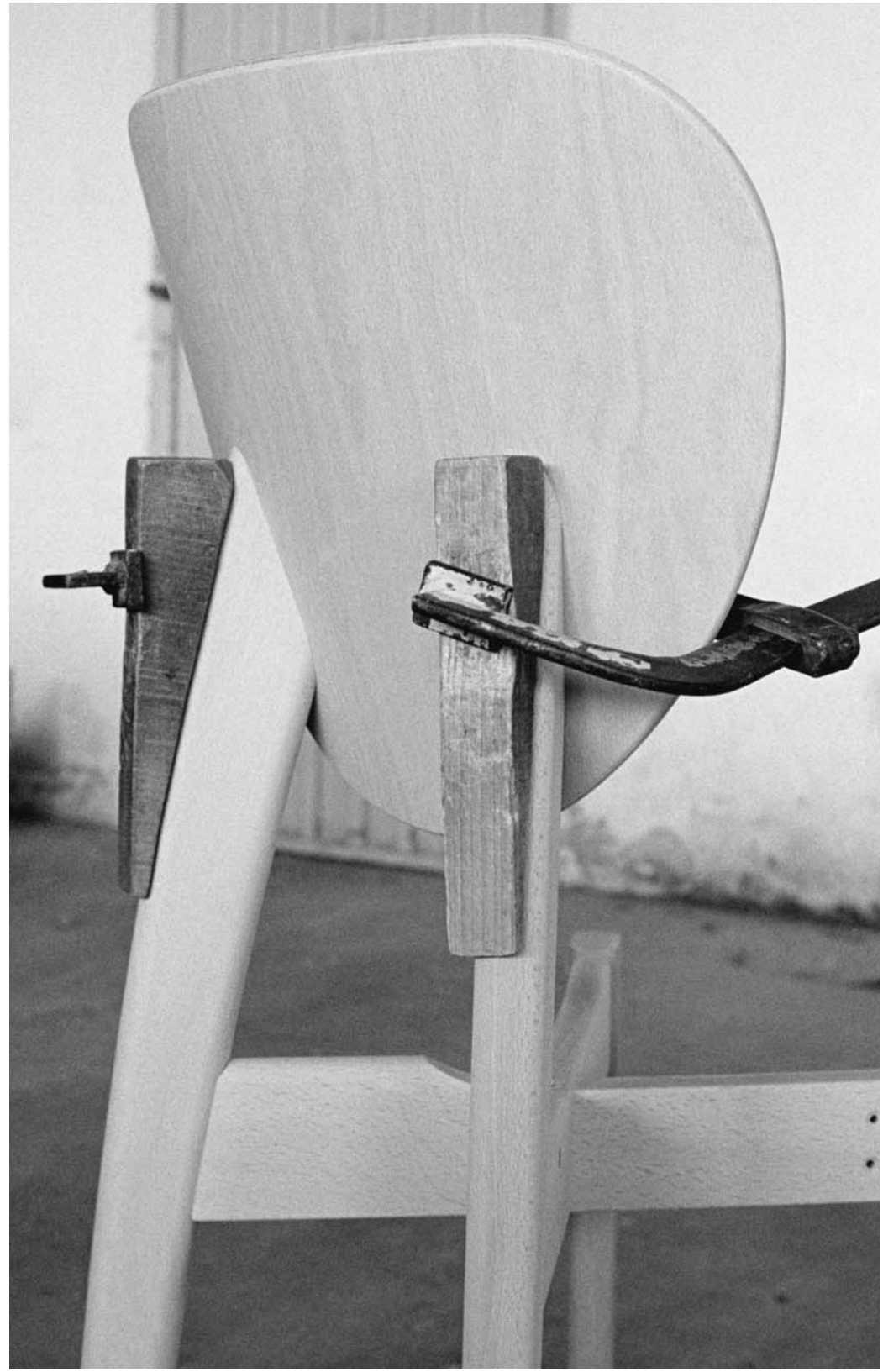
customers anymore. One aim was to secure several customers in different countries in order to reduce dependency on any one national economic situation. Another was to develop a large assortment of models in order to attract the interest of many different target groups. Furthermore, while one still catered to wholesalers, one also sought direct business contacts with furniture stores. In the long run, contracts proved to be the most lucrative business. Meanwhile, quite a few companies have begun equipping hotels or convention centers with entire product lines of chairs: they design a chair for the restaurant, a barstool, the chair for the lobby, the footstools to go with the armchairs, the chair in the guest room – every individual seat has a different function, has a different location within the whole – and yet a certain visual continuity is to be maintained. The chair is now an item of furniture. A consumer good.

The highly decentralized organization of the Manzano district proved flexible enough for all these innovations. A tight network of short distances, and long traditions. A network of people who know each other and know how to communicate. A network of social checks and balances – in the positive sense because the close-knit neighborhood stimulated ambitions. One reacted quickly to specific customer wishes, manufactured even small-quantity series virtually overnight. Above all, the supplier industry expanded tremendously during this time. Screws, nails, paints, bolts, hardware, adhesives, machine building, transport, work clothes. Sawmills, turner's, polisher's, upholsterer's, painter's shops. A lot of times workers who had operated the lathe or painted chairs at the same plant for years would go into business for themselves, where they continued doing these same tasks for the same companies only now as small businesses. After all, each knew and could trust the other. Many companies encouraged this trend and were glad to let young workers start their own businesses. They wanted to keep their own businesses small; as long as you've got fewer than 15 employees, the union usually leaves you alone. A kind of outsourcing – initiated by the employees. Of the roughly 300 businesses that manufacture chairs as finished products, only 1 percent were companies with more than 300 employees like Calligaris – something that hasn't changed to this day. The mix of medium-sized family business and industrial production seemed to be unbeatable.

Friuli comes into the world

But with the new millennium the period of unbridled growth once again came to an abrupt end. On the one hand, Italy and with it the Friulian

















chair manufacturers were hit especially hard by the introduction of the euro. "Up until then," explains Mansutti, "the Italians had a significant competitive edge over the other European countries: the weak lira. We definitely profited from this, especially on the German market. Every two or three years we would have another welcome currency devaluation of 20 percent." At about the same time, the Chinese and Indonesian cheap producers launched an offensive on the furniture market. They produce their products dirt cheap and they're not just making white plastic chairs anymore either. "They've got a lot of nerve, too," one businessman tells us. "At the exhibition in Udine their advertising pitch claims they can produce any chair the customer wants. One of them even had a copy of my catalogue at his stand. A customer had apparently asked for an estimate on a model from my product line."

There's nothing anyone can do about it, though every once in a while one does hear the critique that Promosedia brought on this ominous situation by opening the exhibition to these kinds of enterprises. More than anything it led to the abrupt loss of large customers. EU enlargement has brought cheap-labor countries like the Czech Republic, Hungary, Poland into the union. "Finita l'America," says Marcello Ermacora. The end of the American Dream.

"In Europe we have a system of total protection. People have to be protected, the environment has to be protected, everything has to be protected. But in the market we have to confront systems that don't protect at all. That's the way it is." In spite of this Fabrizio Mansutti isn't just pessimistic about the future. "Of course, the region has to open up," he says, "the companies have to become international. There are certain production phases we will no longer be able to perform locally." Already there are hardly any sawmills left in the region; lumber is cut to measure where the trees are felled. The on-site prefabrication of certain parts is even becoming more common. First of all, it saves wages; second, it reduces transportation costs. This trend will continue, and the sector that will be most affected by these changes will be the supplier industry.

On the other hand, Promosedia is working on utilizing the protection system to its advantage. Mansutti assumes that potential customers will demand this extensive protection more and more. In this respect Promosedia should work on systematizing the efforts made in the 1980s and 1990s. If Friuli is known for its quality, service, flexibility, innovation, its strategy should be to make this competitive edge immediately recognizable through the launching of a Friulian brand name.

In cooperation with CATAS, the center established in 1969 to support technological development in the chair production sector, Promosedia is

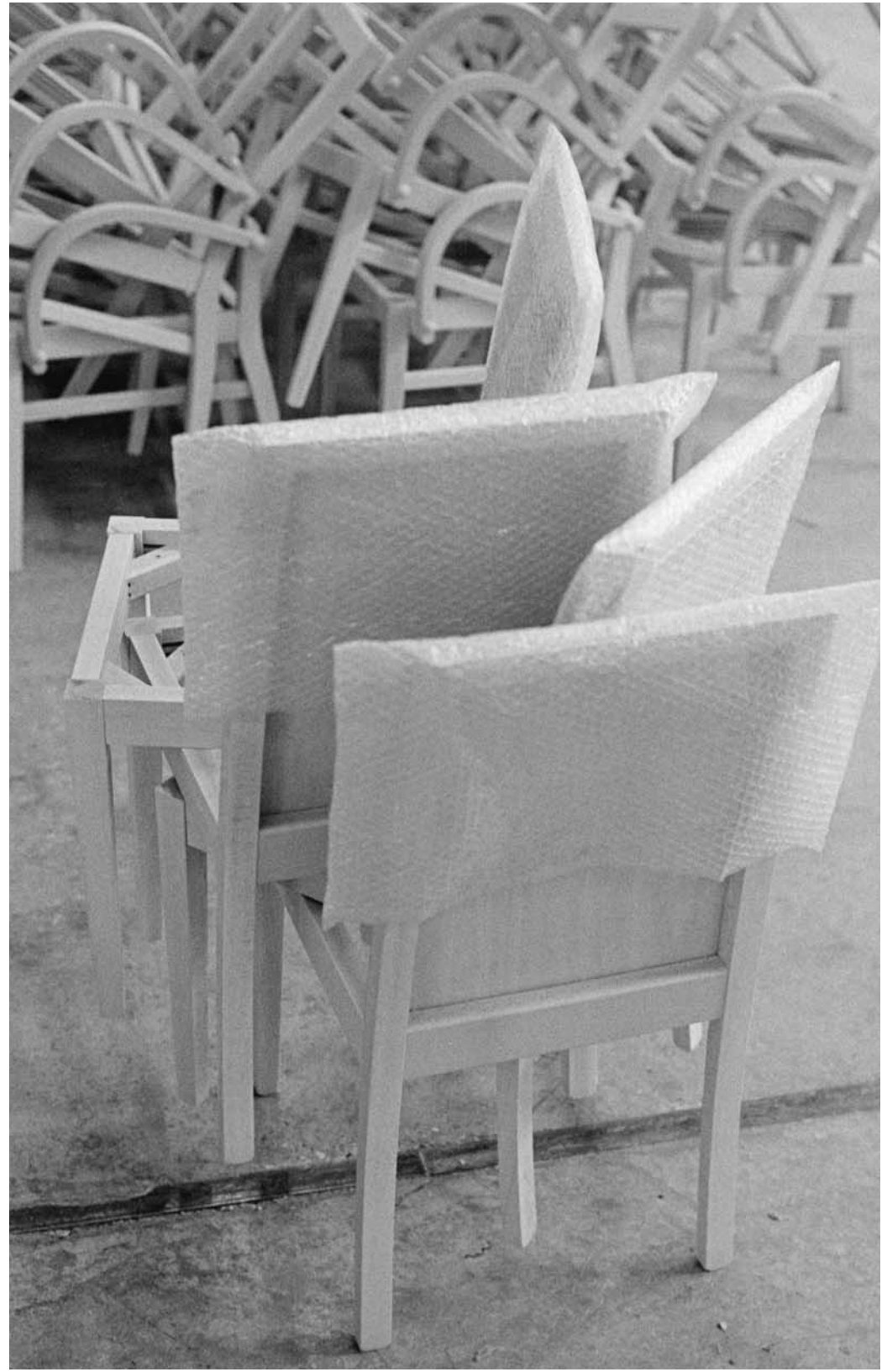


now developing and standardizing categories for a *marchio collettivo di qualità* which will ensure product quality. Until now, neither the Italian government nor the European Union have passed concrete regulations aimed at protecting industrial products from individual regions, and Promosedia emphasizes that traditions also influence the quality of an industrial product. The project *Marchio collettivo di qualità* is supported by the Law to Promote the Industrial District of Manzano that went into effect in 1995.

The materials used must correspond to certain standards, “the wood, for example, must come from woods where destructive exploitation of resources is not practiced.” Varnishes and paints have to be safe for the environment. Product testing will vouch for high quality and of course for the Manzano district’s centuries-long experience in dealing with wood, according to a report in the newsletter *Chairs*. Customer care and service shall also be guaranteed even after a sale; this is a service that the Chinese competition clearly won’t be offering for a long time to come.

A further advantage of location vis-à-vis the world market is the worldwide popularity of Italian design. Companies like Sibau or Billiani 1911, the latter having a long tradition and currently being run by the family’s third generation, work with freelance designers and are constantly developing new models – and researching new materials. Luigi Billiani is currently experimenting with fiberboard; as with fabric, where different color fibers can produce a pattern, with this type of process wood that is first ground and then compressed can be layered and glued together. A chair with a zebra pattern, a chair with pinstripes, everything is possible. “Design,” Mansutti predicts, “will continue to be one of the advantages our producers have over the competition.”

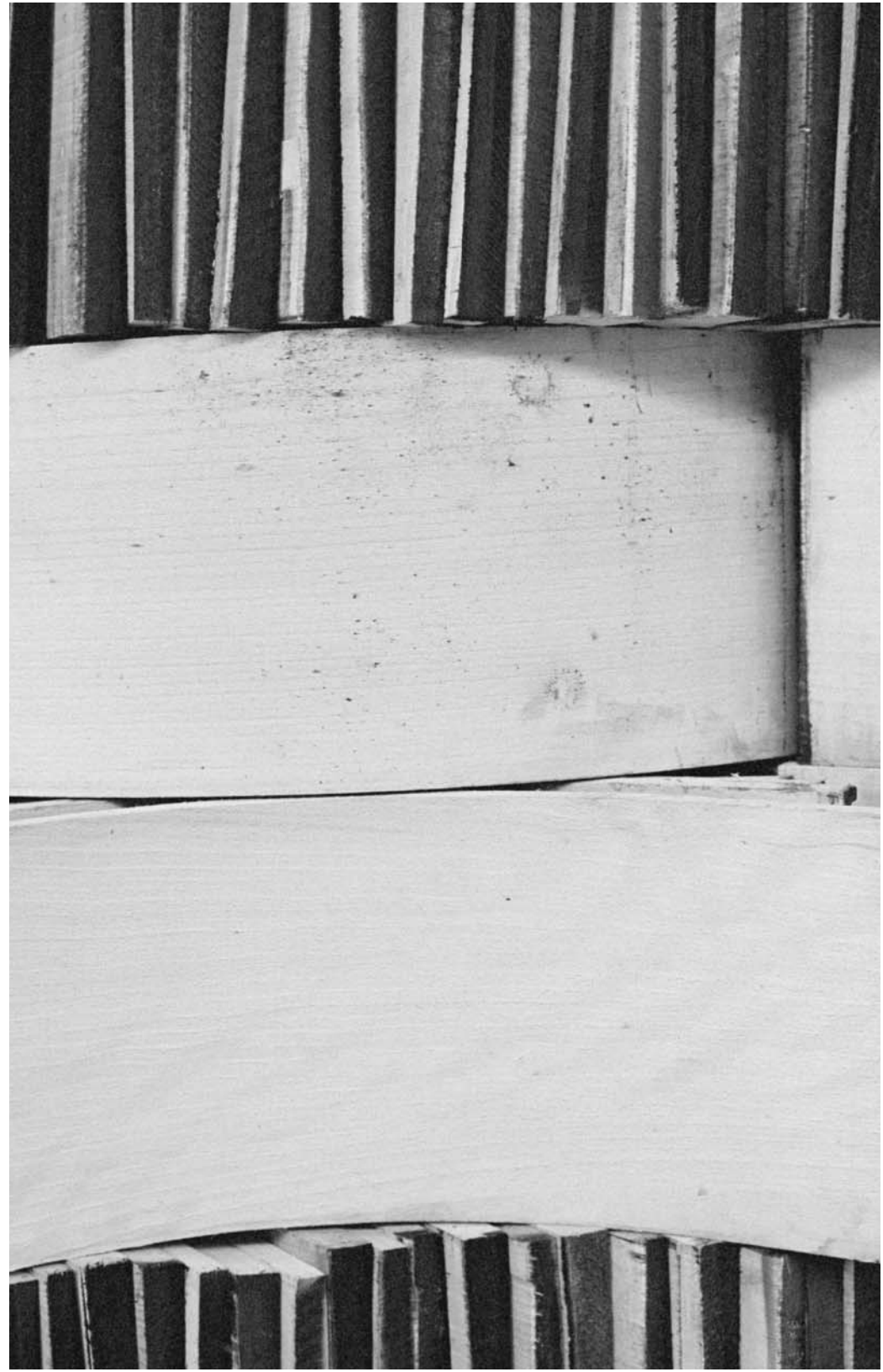
The consistent marketing of the Friulian chair is a continuation of the changes introduced in the 1980s. It doesn’t just set new standards on an economic level but brings with it far-reaching structural changes for the region as well. For one, the economic boom of the 1990s spoiled people. Young people of today aren’t necessarily interested in devoting their time and energy to the family business, and while before most of them stayed in the region, now they tend to study or work in Milano or Bologna. A considerable amount of cheap workers was lost in this way. At the same time the *padrone* type as personified by someone like Marcello Ermacora is being supplanted. Ermacora is a businessman of the old school. “For 45 years I’ve kept the same supplier, and for 45 years I’ve had the same customers. And for 45 years I’ve run this company. I’m the one who opens the shop in the morning, and I’m the one who locks up in the



evening. On Saturdays I make sure everything is clean, and on Sundays I come by and make sure nobody has broken in. I love this company.” Whereas Ermacora continues to work this way, Sibau has enlisted Paolo Bazzocchi in his company. He’s the new sales director, though he got his degree in architecture. Bazzocchi says himself that he doesn’t “know much about wood but makes up for it in design and sales.” Bazzocchi will be going to Dubai with a group of Friulian businesspeople. For the first time Promosedia will be coordinating a presentation of Friulian chairs at an exhibition in Kuwait. When they participated in an exhibition in Moscow a few years ago, they brought home good experiences. Like in the 1980s, they’ve got their eyes open for new sales markets today, too. This time in the Arab world and in the East. Whatever happens, it’ll be an adventure.

Promosedia is also being run differently today than 20 years ago. The majority of management is in the hands of private businesses. President Fabrizio Mansutti, for example, is the vice-director of the company Sedia-Friuli and owner of Tiemmeset; the Chamber of Commerce now only controls a 30 percent share. It also receives subsidies from the Friuli-Venezia Giulia region. The members hope that if business people are in charge, Promosedia’s initiatives will cater even more directly to the market. Promosedia dismisses the critique that the regional subsidies and the funding from the Chamber of Commerce benefit only its members: their goal, after all, is to promote the entire district.

“The art of making chairs is a quintessence of Friulian culture,” said Gianni Bravo, the initiator of Promosedia, back in 1983. The traditional Friulian chair with its woven seat will always be a symbol of the “Triangolo,” even if there are only a few companies that still include it in their product range. The symbol of a culture that has transformed from an agricultural to an industrial society. In the beginning there was wood and straw. In 1995, Promosedia built a ten-meter-high straw chair on the Piazza Matteotti in Udine. A landmark. Now the enormous chair stands in Manzano, along the highway to Trieste. Not to be overlooked. And that’s something Manzano hopes will also hold true in the future.







Friuli-Venezia Giulia

The autonomous region Friuli-Venezia Giulia lies in the northeastern part of Italy. 7,847 km², between the Alps and the Adriatic Sea, and borders to the north with Austria, to the east with Slovenia. It has 1.2 million inhabitants. Capital Trieste. Four provinces: Trieste, Udine, Pordenone, Gorizia. In addition to the official language, which is Italian, Friulian is also spoken, as well as Slovene by the Slovenian minority.

Until World War II it was predominantly an agricultural region; today it is characterized by small but efficient industrial centers (shipbuilding in Monfalcone; chair manufacturing in Manzano, San Giovanni al Natisone, Corno di Rosazzo; household and kitchen furniture in Pordenone; steel processing in Sesto al Reghena and Udine; ironworks in Osoppo; mechanical engineering in Udine). The region boasts a stable agricultural tradition with such fine products as prosciutto di San Daniele and above all Friulian wine; the white wine from Collio, an area in the east of the region, is one of the best in Italy.

In 1998, 23,000 people worked in the agriculture sector; 79,000 in trade and commerce; 166,000 in industry. In addition, tourism also plays an important economic role. Grado and Lignano as well as the coast between Duino and Trieste are popular seaside towns, and winter sports and hiking are popular in the Carnic Alps.

Chair production

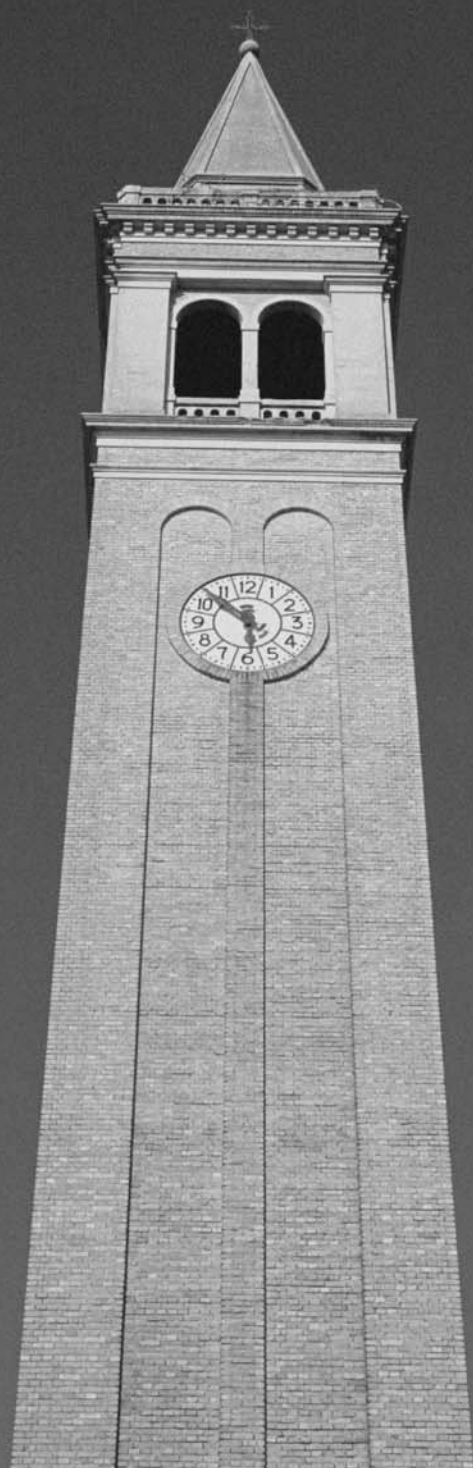
Chair production is concentrated in the geographical triangle of Manzano, Corno di Rosazzo, and San Giovanni al Natisone – 11 communities in a 248 km² area. Most of the businesses here can be found in an area approximately 70 km².

Predominant corporate structure: 1% of the industries employ more than 100 workers; 70% employ fewer than ten workers.

Production in the late 1990s: 44 million chairs; estimated turnover: approximately 3 billion euros; share of the worldwide chair production industry 30%.

Promosedia: a global umbrella marketing strategy for small and medium-sized enterprises

Promosedia, short for *promuovere la sedia*, is an umbrella marketing organization whose goal it is to make Friulian chairs a recognized product



throughout the world. Founded in 1983, it has been run as a limited liability company with currently 120 members for several years. Only companies manufacturing chairs as finished products are admitted as members.

The company is headed by a president and two vice-presidents; a director is responsible for the program. There is also a board of advisors composed of important people from industry and commerce, for example a family member of the largest chair manufacturer of the region, Calligaris, and Roberto Snaidero of Snaidero Kitchens in Pordenone, an internationally well-known producer.

Currently the Chamber of Commerce in Udine holds 33% of the company's shares; the member companies hold 58.5%; Friulia s.p.a., an investor company supported primarily by the Friuli-Venezia Giulia region, holds approximately 7%; a few percent are owned by banks and credit institutions.

Promosedia's activities

- Manages and organizes the annual exhibition *Salone internazionale della sedia* in Udine, Friuli.
- Hosts Caiazza Memorial Challenge, an international design competition that selects the top three works by young designers under 40 and recognizes outstanding student designs.
- Sponsors the "TopTen Award" for the best technologically and formally innovative design products.
- Publishes the semiannual newsletter *Chairs*.
- Organizes periodical information events on design, technology, environmental protection, etc.
- Organizes group presentations at other international trade fairs: in recent years, for example, in Moscow and Dubai.
- *Marchio collettivo di qualità*: development of a label that will ensure quality for the consumer by standardizing categories for chairs from Manzano (similar to the DOC for wine).

Key project insight

- Founding of a worldwide umbrella marketing organization for the support of small businesses during brand-name development and



acquisition. The joint organization represents regional and/or product-specific interests in a global market, regardless of individual producers.

- Professional experts and budgetary funding.
 - The members don't pay annual dues but choose from the offerings in the Promosedia program and pay only for what they utilize.
 - International design competitions generate worldwide publicity: advertising, business contacts, and access to innovations.
 - Intensive cooperation with a domestic bank as the key tool for regional development (loans for young entrepreneurs, long-term shared interests even in times of crisis).
 - Diversification of customers: distribution to wholesalers, retailers, and direct marketing to end customers such as hotels.
 - Range of individually developed product families: e.g. furnishing the seating for an entire convention center with all the necessary different types of chairs (restaurant, conference halls, bar, rooms ...).
 - The overall cooperation strikes an extraordinary balance between consistent worldwide marketing and maintaining the autonomy and self-will of the member operations.
-

The Petäjävesi Felt Center: A Model School for Wool

Text: *Wolfgang Mörth*

Photography: *Christian Pfaff*

Trades & Training, Finland













A woman, a farm, a school, a machine, a network, a vision. The sum of many unspectacular steps condensed into a sustainable synergy for an old craft and the people of a region. A structurally backward area far from major urban centers. The agriculture industry that dominated the region in former times has been supplanted, and while industrialization and later the information technology boom have brought prosperity even to this remote area, unemployment rates have to this day remained higher than average. A description that pretty much applies not only to this region in central Finland but also to other rural regions throughout Europe.

The project described in the following story draws a good part of its energy from just such conditions. It reactivates a domestic but neglected agricultural resource, namely wool; reanimates an endangered and almost forgotten craft, felting; and integrates the knowledge about these domestic resources at a place where people are trained to become craftspeople who will one day hopefully start their own businesses, namely at a vocational school for trades and crafts.

It's much warmer than we would have expected. A heat I sometimes wish we had back home, near Lake Constance. A pleasant climate, the kind one might get this time of year south of the Alps where the photographer Christian lives. As if Nature, inspired by the European Union and the single currency, had agreed upon a European common temperature for mid-June. It makes us want to live as one with the earth and the sky. "A sky older than the whole rest of the world."* We go to a supermarket to buy groceries and utensils for a picnic. In the aisles between the shelves, a feeling of ubiquitousness. Comforting, on the one hand, because the familiar arrangement of products, even the selection, helps us bridge the cultural gap, and yet sad because we are suddenly struck by the apprehension that at any given second somewhere a characteristic wish, a typical gesture, a small but under certain geographic circumstances useful talent is becoming extinct forever. In the fruit section we ask ourselves: Where can regional rote tasks, views, customs seek refuge in the Europe of the future? And by the time we get to the beverages, we

Photo (see pages 258–259) Leena Sipilä, the key figure for Finnish felting activities

* Arto Paasilinna in his novel *Ukkosenjumalan poika* (*The Thundergod's Son*)

wonder skeptically: Do we even need these rustic vestiges? Do we really have the right to preserve a species according to our whims?

The village

Petäjävesi, our destination, has a population of 4,000 and lies 35 kilometers west of Jyväskylä, the capital of the province of central Finland. The village looks more or less like the other settlements we've passed on our way here. A group of small gabled houses – for the most part hidden behind trees, the majority made of timber and often painted the color of oxen blood – but arranged with no recognizable cohesive plan. Later we learn that here, as everywhere else, all paths lead to the supermarket.

From the beginning, our center lies at the periphery. An Esso station off the main road. This is where we arranged our rendezvous, is where for the next few days we will eat breakfast, fetch beer in the evenings, and, in between, take in our share of Kaurismäki-esque Finland clichés.

The director

Leena Sipilä is a small, energetic person with painted red lips, dyed black hair, and pink felt earrings. She studied business and folklore, used to sell looms, is a fashion designer, and has been working with felt since 1969. Today she is the key figure for Finnish felting activities of all kinds.

Outside on the gas station parking lot she asks us if we know any Finnish, and Christian, who had once come to visit a Finnish pen pal for several weeks more than 35 years ago, counts eloquently from one to ten. She lets out a short laugh and comments that he's at the level of her two-and-a-half-year-old grandson. Then she gets in her Volvo and leads the way to our accommodations.

The project

Staying at a student dormitory fits in perfectly with the inner logic of the project. Almost everything we will investigate, inquire, and see in the next few days came or still comes from the school in Petäjävesi. Founded in 1905 as a vocational school for wood- and metalworking, the subjects offered were expanded over the years to include photography, doll making, paper manufacturing, and textiles production, the latter being divided further into sewing, weaving, textile printing, dyeing, and felting courses.



We're here because of the felting course. At some point in 1994 Leena Sipilä came up with the idea of introducing this craft as a subject at the school; in 1996 the first feltmakers from abroad began teaching here, and on January 1, 1998 an EU-funded development project went into action that was to lay the groundwork for a new Finnish felting trade based on existing regional structures.

Leena Sipilä worked out a concept that focused above all on availability of raw materials, product development, production planning, marketing, consulting, and training. Once her scheme was ready, she went to visit the various felting operations around Jämsä, 50 kilometers farther south, to solicit them as partners for the project. Her main motive, of course, was money, initially the 20 percent capital needed to complement EU funding, but she was also looking for partners for a future, not so idealist cooperation.

Leena Sipilä managed to come up with the private capital. And it was actually easier than she expected, she adds offhand, implying that it must have been the soundness of her concept.

The material

I'll admit I've never really been interested in felt before. I'd acknowledged felt as the surface of pool tables, as the material that prevented direct contact between chair legs and hardwood floors. But if someone had asked me how felt was made, I probably would have answered you: wash a woolen sweater in hot water by mistake and what you take out of the machine is felt and fit to throw away.

I have become wiser. I now know that felting can be addictive, and that the feltmakers of this world (mostly female) are a close-knit group that travels not only to Turkey and Hungary for symposia and workshops but also to more remote places like Turkmenistan, Kirghizia, or Mongolia, where they meet to learn the traditional methods of feltmaking, exchange knowledge and experiences, and demonstrate their own skills. "In order to felt you must feel the passion," we hear time and time again and recognize the gleam in the eyes of those explaining the material that makes up their world. It's not hard for me to plug into the principle of passionate dedication. After all, it's also productive and necessary with other materials that make up other cosmoses and are used to make objects of other kinds. No matter what material produces this feeling of rapture – it could, for example, be leather, glass, clay, or wood – the point where its naked existence moves us so intensely is where it begins to embody the very essence of the craft.

The headquarters

In 1999, the International Felt Symposium, which drew some 100 experts and interested people from all over Europe, pretty much put Petäjavesi on the map among insiders. And since then, even the school has more respect for the felt project, in which the felting course plays a major role. “The principal gives me free rein because he has the feeling I know what I’m doing,” says Leena Sipilä.

Today the project has its own office, right next to the felting workshop, and it is here, with the help of several assistants, that Leena Sipilä tackles the many and varied tasks.

Upon our arrival we are immediately handed a presentation folder that bears the straightforward title *Huopa* – felt – and contains a list of all the businesses participating in the project – at the time 25 – each with its address, telephone number, a short statement, and a product photo. The folder gives a professional impression: pleasant to the touch, clear graphic design, concise information, and photos that are consistent in style and quality. Each participant has been given ample space. For outsiders it is not immediately obvious whether one is dealing with a large operation or an individual feltmaker. The signals sent out by this kind of presentation are clear. First: joint statements generate a strong image; second: beneath the umbrella of the project all participants are regarded as equals.

For Leena Sipilä cooperation is the keyword. The main objective is to coordinate the activities of the feltmakers working all over the region. The project director is convinced that they wouldn’t be able to survive alone in the long run. That is why in the business and marketing classes she drills the principle of cooperation into the consciousnesses of her students. The new generation of feltmakers should learn from the start how to turn one’s own work into money, good money. Every year ten feltmakers graduate from the school: why shouldn’t that convert to three new businesses a year?

Thus Leena Sipilä’s students are introduced early and tirelessly to the pragmatic principles of business administration, division of labor, and cooperation. Almost all of the work is done in groups. Some draw up the designs, others take care of production, and still others develop marketing schemes. There’s no room for competitiveness in this system,

Photo (see page 265) Leena Sipilä and a student examine the quality of the felt



she says. And above all, it should be clear from the start that only a healthy balance of craftsmanship and automation, and a realistic calculation of all costs, can ensure competitive prices.

This is why nobody in the project gets anything for nothing. The larger partner operations charge rent by the hour for the use of their machines; not even use of the school facilities is free. "Because only those who get used to fixed costs now, will work efficiently in the long run."

The students

We meet an American feltmaker in the workshop. She comes from New York. She has another two days before her summer class taught by a German arts and crafts artist begins and is trying to use this time for her own creative work. The school has been dead since vacation started, and she's been kind of bored. She says she understands why nobody has taken advantage of the artist-in-residence program offered by the felting department. Everybody here is "really nice," but who wants to spend a year in this isolated area? But, she assures us, as far as the working conditions go, the equipment, the infrastructure, all that's better here than anywhere in the world. And she's certainly in a position to judge that because she's traveled far and wide to learn the felting craft.

We have a look around the workshop. A simple machine that looks like a motorized washboard, a large assortment of old wooden hat molds, a couple of newer models of hat presses, tools, and lots of big tables on which different colored wool and felt have been arranged.

In a big room three students are brooding over a carpet design. It's a group project they want to finish during the school holidays. They tell us that the designer insists on the exact rendering of her idea and point to the rough sketch they are supposed to follow. The designer probably needed three minutes for her part, they say; their job, on the other hand, the planning, all the tests, will probably take three weeks.

I ask them how they like the school. They hesitate because they want to say something concise and to the point; finally they agree on a "very positive feeling." They like it here. They are grateful that it's a practical training program. Theory is important, but they prefer to put what they learn straight into practice. Here, they have the opportunity to visit the workshops and factories and see how other people work and coordinate





their lives. And there are plenty of graduates from their school who have started their own businesses.

We ask if they know what they want to do once they've graduated. "Yes, we want to be self-employed and design textiles out of felt, produce them and sell them at markets." And in this context I hear the name Elina Saari for the first time. She's the greatest they say. Everybody wants to be like her, and even the American feltmaker nods in agreement because she thinks Elina Saari's work is amazing too.

The farm

Wherever you go in this part of Finland, you inevitably run into forests. Take two turns and you already get to practice your drifts in the tight bends of some little gravel road. Our drive to the Piesalas' sheep farm is no exception.

And suddenly, between a birch wood and a lake, the landscape parts to reveal a vast expanse of land. This is where Eeva Piesala and her husband run a ranch with some 200 head of Finnish Landrace sheep. It's an old and now endangered breed whose cultivation is subsidized by the EU. Eeva Piesala, trained textile designer and another one of Leena Sipilä's former students, was the one who suggested the felt project in 1998.

"The school has a felting workshop, there feltmakers can learn their craft, and I have the typical Finnish wool that is especially well suited for producing a typically Finnish felt," she told Leena Sipilä, and the idea was born. At the time two-thirds of the Piesalas' income came from meat; one-third from wool. Today, the man tells us, they sell more meat than before, but the ratio has shifted in favor of wool, and mixed with the pride over the general growth of business there is a faint touch of envy. "She's the one," he says, indicating his wife with the point of his chin, "who runs the wool business." And that's about all he says, which seems to be the nature of the men around here, monosyllabic, while the women we've met all seem to have an almost Mediterranean temperament.

After Eeva shows us the sheep, fast-growing animals that can bear young several times a year and have a strong fleece in either white, black, or gray, she takes us to her wool office, which is situated in an adjacent building apart from the stall and the house. A desk, a computer, a telephone, a storeroom with different colored carded wool on shelves. From here she runs her nationwide distribution of a product she has imbued with a special quality. And the demand is growing, she says. But when I ask whether they plan to enlarge the ranch, they hem and haw. The man







talks about the new land they're buying, about the high risks, and the still old-fashioned policies in EU agriculture funding. I nod because I can imagine how difficult it must be to find the right balance between the idyllic life of a farmer, the everyday routine, and agricultural production on a large scale.

Time to leave. The couple wave good-bye, surrounded by their children and dogs. And for quite a while we feel the ambivalent weight of gravity that naturally presses down on the farmer, an influence that always seems a little stronger, a little more fundamental than the buoyant spontaneous effectiveness of free-market ideas.

The machine

Today is the day the school's new felting machine will be delivered. It marks an important step toward automation. Over the past few months the felting department has been developing this machine in cooperation with the metalworking department, and since there have already been several failed attempts in the past, everyone is hoping that this will be the long-awaited breakthrough.

We arrive a little late. The machine would have been already up and running, but they wanted to wait until we got here. Though the principle seems simple enough, everyone is still nervous. Three rollers, two below, a large one above; in between, wool fibers sandwiched in bubble wrap are agitated back and forth. In a quarter of an hour we will know whether or not the result is any good.

While we wait, I talk to Eija Pirttilahti. She has traveled 50 kilometers just to talk to me about her business and show me some of her work. She's in her early thirties, married, has two children and an annual turnover of roughly 15,000 euros for her products. She makes felt animals, felt cases for pencils and gifts, as well as clothing and hats. The following day when we go to Jyväskylä, we will see some of her products in a showcase next to the Arts and Crafts Museum. Sammallammas is the name of her label. A word which translated literally means "moss sheep" and can be read from both ends, the way one can use both sides of a felt carpet.

The machine's work is done. The bubble wrap is rolled back and the consistency of the felt examined according to criteria that shall remain a mystery to us. Then everyone cheers and people throw their arms around

Photo (see page 272) Farmer and textile designer Eeva Piesala with her husband

each other. Eija Pirttilahti also looks, examines, and is elated because, as it seems, this machine will also be saving her a lot of elbow grease in the future.

Exhilarated by success, Leena Sipilä once again brings up the subject of automation. Now it will be very easy to produce a certain quality of felt here. This machine is another reason for the students to continue meeting at the school.

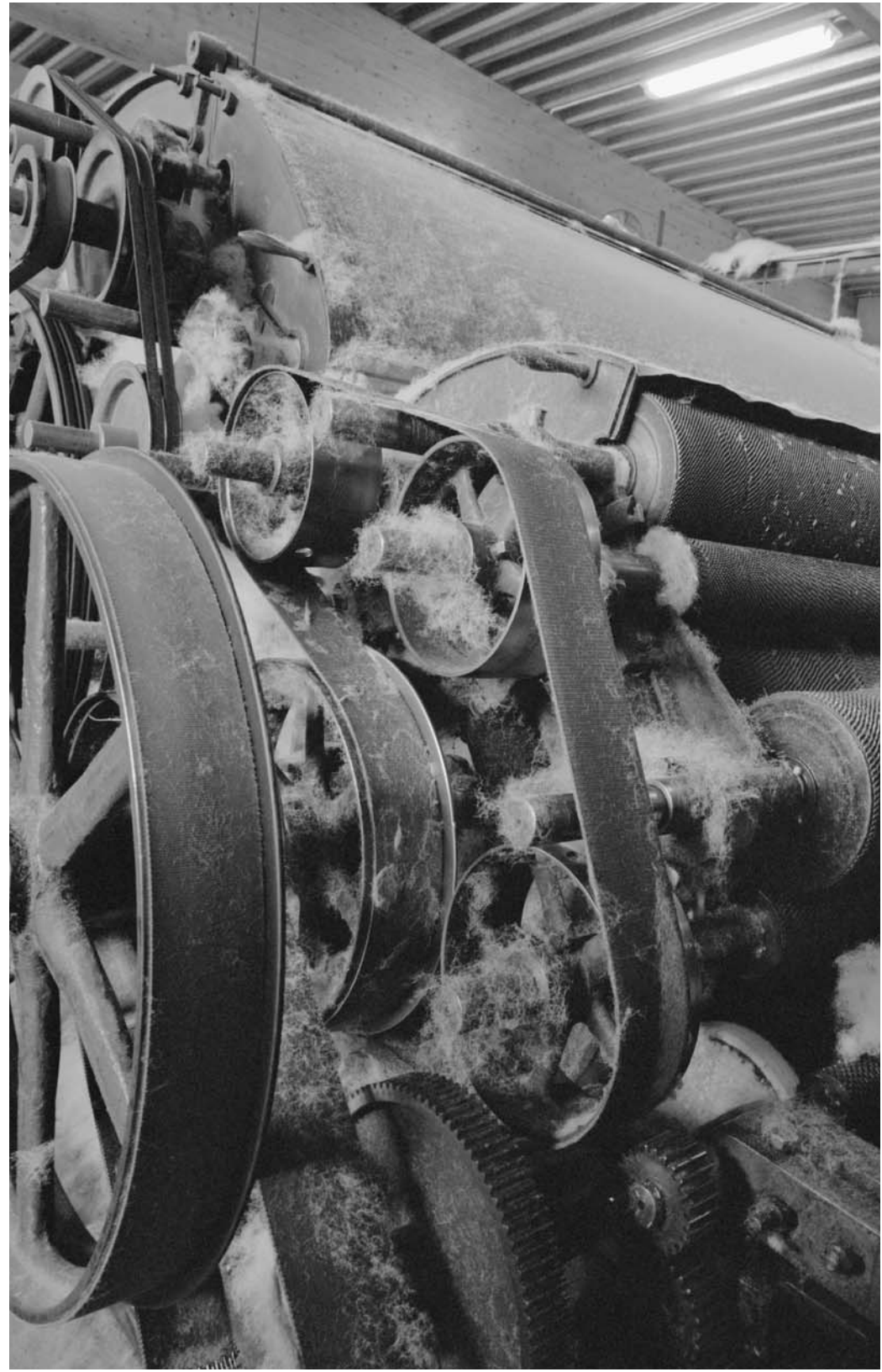
For the first time I realize that she is not just interested in creating the conditions for market competitive prices, but she also wants to force the feltmakers to converge and cooperate at certain points in the working process. A lot of them sell the same products and for that reason they should get together and produce in the same way. Not everyone has to be independent in every aspect.

Another reason for her stubborn insistence on this issue is a development that in her opinion could harm the joint project. A handful of talented feltmakers, who are also involved in the project, have settled somewhere in the woods, where they are cultivating a fundamentalist notion of the craft. They insist that their felt may only come in contact with their hands and they reject the use of machines for esoteric reasons. With a disdainful wave Leena Sipilä lets us know what she thinks of this stance. If one fails to see when handwork is necessary and when machines are practical, one ends up isolating oneself in one's trade and stagnates at the hobby level of business administration.

The boutique

Meanwhile our work rhythm now corresponds to the systematic layout of the project. We meet at office headquarters at the school, from there we drive to the various project partners, some closer, some farther away, and then we return to the school.

Our next visit is to Piia Kolho in Palokka, a suburb of Jyväskylä. Judging from our proximity to the supermarket, we must be close to the center of town. Still, this street doesn't look like it provides a great deal of walk-in-customers. Piia Kolho's shop and label are called Papiina. This may not be the place to share opinions of taste, but a quick glance around tells me that she's a talented designer. Moreover, she has incorporated a few clever product ideas. In the cradle of mobile communications, for







example, what could be more fitting than to produce felt pouches for cell phones? She says she sells plenty of them in Japan, that Japan is a great market for her collections in general, and that her stuff is popular in Spain too. Initially, she made contact with customers at trade fairs, later more informally.

On the table are business and fashion magazines with Piia Kolho's face grinning out at me and articles inside that might tell me more about Papiina, if only I could read them. Then again, maybe they all tell the same story she tells me, that in the near future she would like to get by without a large storeroom, without her own physical shop, without walk-in-customers because she wants to produce her goods exclusively on demand and for dealers. And perhaps she also told the journalists how torn she feels trying to decide whether to give up the job that pays the bills, her position as a teacher at the polytechnic in Jyväskylä, in order to just concentrate on her business. But she says she hasn't dared to take this step yet mainly because of her family.

The boot manufacturer

The partnership with 26-year-old Yukka Lahtinen is an exception in many ways. First, he is the only man we meet here who holds an important position; second, he is the third generation to run this business and is thus the owner of the oldest felting company in Finland. Moreover, unlike the others we have met, his products are the closest we've come to mass-produced articles. With his father, mother, sister, and a few employees he mainly manufactures felt shoes and felt slippers in different colors and shapes, especially the gray, knee-high felt boots Finland is known for. The factory produces a total of more than 1,000 pairs per year.

But it isn't the "kind" of product that makes Yukka Lahtinen's company unique, but his strategy of staging regional traditional crafts as folkloric attractions. Buses full of interested audiences are brought to the idyllic grounds. Here they are given a tour of the factory, which seems to have preserved the early industrial-age atmosphere of the 1920s. Ancient machines, cramped working conditions, blue-collar romanticism. The customers, us included, are grateful for the illusion and for the failure to renovate, and we spend generously and happily at the on-site store.





Leena Sipilä is visibly proud of young Yukka Lahtinen, who relates the concerns of the felting trade so calmly and yet so eloquently. She finds he embodies the symbiosis of craftsmanship and tourism in the most ideal way and thinks other project participants should follow his example.

The artist

In Jyväskylä we visit a felt artist. She too is, of course, a felting graduate of the felting department in Petäjävesi. Her studio is on the top floor of a brick building that must have once been part of a larger factory complex because standing as it is all alone at the edge of a huge empty plot of land defies all sense of proportion and perspective.

It is filled with spacious studios. “For the time being,” is my first thought, because my experience has been that if you find an artist in a nice location, it’s always only a temporary phenomenon.

Every Finnish sheep should be so lucky to have its wool end up in Arja Jäppinen’s hands. Technically, her sculptures are wire frames covered with a skin of felt. And yet she manages to get this often monosyllabic material to speak the most varied languages. Depending on the figure serving as the vehicle of speech, it can seem strong or gentle, dense or pliant, smooth or textured. It assumes perfectly the pose of a massive sumo wrestler, the acrobatic leaps of the Blues Brothers, even the facial expressions of Jean Sibelius replete with cigar. We are not surprised when we hear how great the demand for Arja Jäppinen’s sculptures are at the moment.

As far as the project is concerned, one really learns to appreciate the value of inspiration through art, especially when it is rendered, as in this case, with such expert skill. In other words, as part of a strategy to increase the general design quality and encourage the willingness to think beyond the bounds one has set for oneself. I too feel inspired and resolve to be more effusive in my prose from now on.

It is midnight as we head back home. We have visited the Arts and Crafts Museum, the university building planned by Alvar Aalto, and one or two bars afterwards. Above us, the sky glows blue, light rises from the lakes. Not a bit tired. In a glass case in the basement of the museum I noticed a kind of felt mask, elegant, powerful, and at the same time almost a little eerie, somehow Venetian. When I asked who had made it,

I was told Elina Saari: there it was again, that full and sensual sounding name.

The store

Not far from the supermarket in Petäjävesi stands the former police station. Today another graduate of the textile department of the vocational school sells wool from Finnish sheep in what used to be the office. She is also one of the few who risked importing large quantities of merino wool from Australia. In the meantime, business is going well and has expanded far beyond the borders of the region.

And where delinquents or drunks once spent a night or two behind bars, she now makes her own felt and designs her own creations. Together with her mother, who is her employee.

A customer

On the eve of our departure we visit the landmark of Petäjävesi, a wooden church built in 1764 in blockhouse style which is listed by UNESCO as a world cultural heritage site. The priest has agreed to show us the all-wood interior. In front of the altar lies a felt carpet designed specifically for this space by the students. We have already been told in secret about another job commissioned by the church. To preserve the valuable old wooden floors the church commissioned a dozen pairs of felt slippers for the visitors. The students made them, the priest thanked them, no one mentioned money. The slippers were admired greatly by the congregation and gradually they changed hands. For money. Now the church needs new slippers because the floor is in danger again. In business class the students will have to find a way to settle the deal so that the school comes out ahead this time.

The brand

Departure. We return to the gas station one last time and watch a few taciturn men with Leningrad Cowboy hairdos. Tucked away in my pocket is Elina Saari's cell phone number; we've arranged to meet her at the market in Helsinki. Since we were told that she makes her felt naked in



the sauna and looks like a photo model, we have become even more eager to check out the merchandise.

In Helsinki it's raining heavily and is even colder than we feared. The market is between the cathedral and the harbor, and Elina Saari's stand is the only one with any customers, despite the rain and cold. This is not only because of the assortment of remarkable hats, but also because of the irresistible way she and her Swedish friend approach their customers. There is no getting around them, no half-hearted browsing; these goods are desperately impatient to get out and see the world.

Like her name, her hats and garments match Elina Saari's face perfectly. All decked out for the photographer, she braves the rain with a smile. Then she turns to me and without skipping a beat describes her career in such bold intoxicating strokes that later I'll find the notes I've taken are absolutely useless.

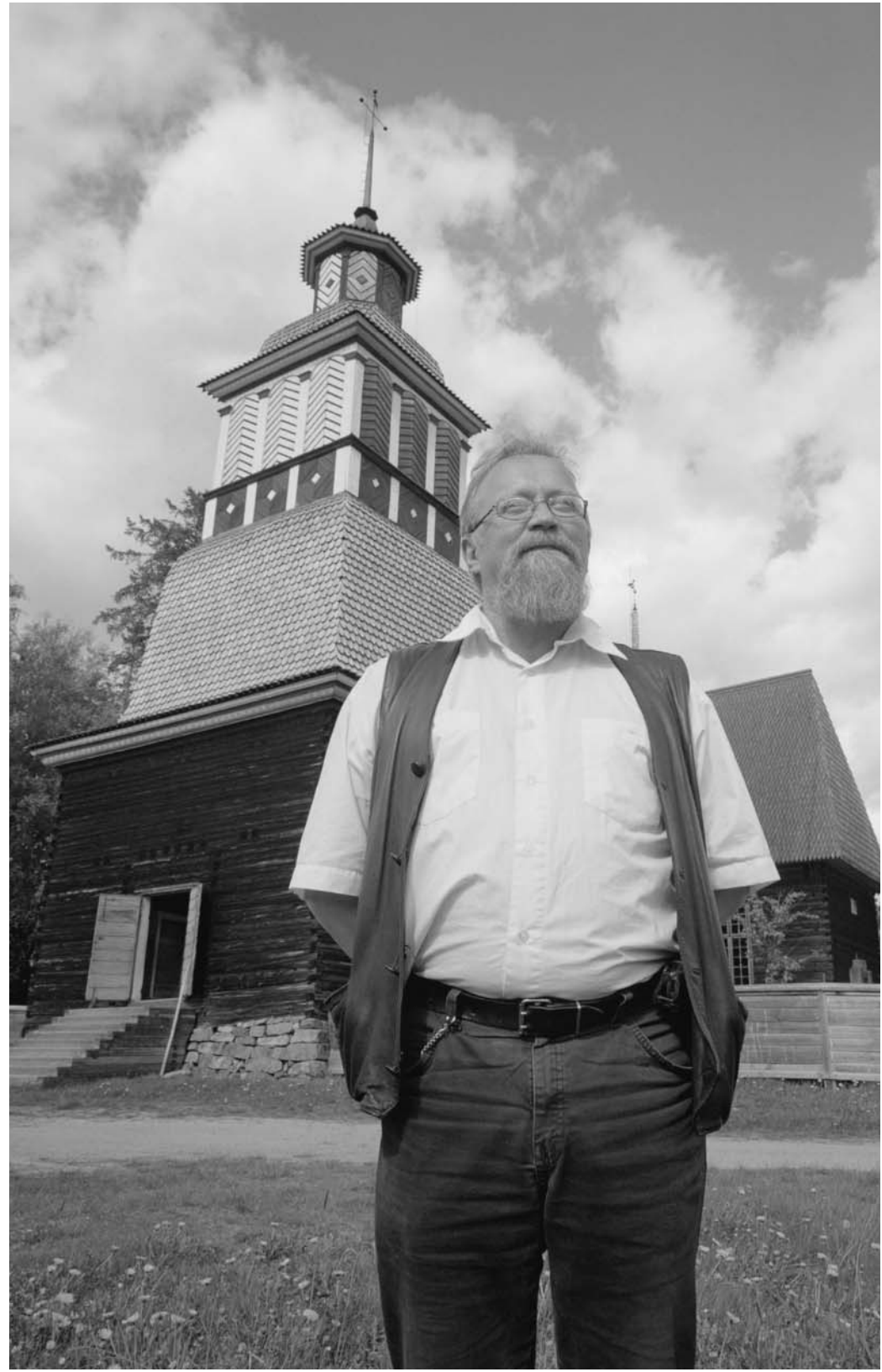
Her relationship to the material is more than individualistic, and at first even strikes me as highly neurotic. But precisely this extremist attitude is apparently her secret to success. She puts one of her hats in my hand, tells me to feel the special consistency of the material, to note the firmness of the antennae-like projections, and meanwhile she describes the process of how she makes her felt. She speaks of the special roughness of Finnish wool that has to be handled roughly, you have to work it with all your might and your whole body until you are raw and bloody. And as she is showing me her abused lower arms and describing the passionate battle she fights in the heat of the sauna, I realize that with this portrayal she is transforming the hat in my hands into a one-of-a-kind, harsh luxury article whose value is also tied to the physical risk she was willing to subject herself to in order to produce it.

She calculates her prices accordingly. Here they cost 300 euros on the average; of course, in London at the Chelsea Crafts Fair she charges more. The fact that her list of customers includes famous names like Jamiroquai or Kelly Osbourne is also consistent with her image of herself. She says she is happy with business and that the only natural limitation to development is that at the moment she is the only one who has the know-how to make this special quality of felt. But that will change, she

Photo (see page 285) The priest of Petäjävesi

Photo (see pages 286–287) The famous wooden church of Petäjävesi

Photo (see pages 288–289) Elina Saari at the market in Helsinki











tells us, because she plans to train other feltmakers, unless they have grown too soft in the meantime.

We have to leave for the airport. She gives me a farewell sip from her coffee cup to combat the cold that still doesn't seem to bother her at all. The schnapps flows directly into my consciousness where it produces a spontaneous spark of strategic understanding: harshness, sauna heat, willingness to take risks. If a product is able to absorb clichés and spit them back out as quality, that's the birth of a brand.

Not all feltmakers can work at the same energetic level of an Elina Saari, but there is a strong will to take advantage of the opportunities and live the vision of a contemporary philosophy of craftsmanship. "I think our training program is good for people who want to determine what they do themselves," Leena Sipilä told me at one point, and she added: "Today everyone thinks that if they do something with biotechnology or information technology, they are investing in the future. I think all innovative products are ultimately tied in some way to innovative crafts."

Economy in Finland

As we are passing Tampere headed north from Helsinki, we are suddenly reminded of a misconception we had both had. Back when cell phones were starting to become fashionable we had both been convinced that Nokia had to be a Japanese product. Passing the freeway exit Nokia it finally dawns on us. This small town had stoked one of the major fires to fuel the Finnish economic boom in the 1960s thanks to its timber and paper industry, which to this day continues to generate a large part of the gross national product.

Over the course of 20 years, Nokia, at the time just another one of the many paper mills in the country, managed by means of a clever procurement policy to develop from paper producer, to manufacturer of rubber boots, cables, and television sets, to one of the giants in the electronics sector. In the same span of time, a formerly agricultural Finland, which well into the twentieth century had been one of the poorest countries in Europe, transformed itself into one of the most highly developed industrial nations in the world.

The collapse of the Soviet Union in 1989 plunged Finland into a serious crisis brought on by the subsequent loss of its major export market. The main repercussion: up to 20 percent unemployment. Finland tightened its belt and embarked on a course that is considered exemplary to this day: strict cutting of public spending, privatization of state-owned

industry, currency devaluation. By 1995, Finland had already managed to balance its budget and was considered one of the model nations among the new EU member states. Not least also because the IT boom paved the way for another economic miracle that was and still is primarily being fueled by Nokia. Nokia generates an amazing 20 percent of the GNP and along with the paper industry absorbs a major part of the country's creative workforce, while remaining powerless in the face of a mean unemployment rate of 9 percent and in the region we visited an even higher one of more than 15 percent.

Education in Finland

The Finnish education system seems to have everything other countries dream of: comprehensive schools with a low student to teacher ratio, motivated teachers who have the respect of their students, students who know how to behave in class.

The PISA study gave Finland an outstanding report card. First place in reading proficiency, for example. What is striking is that Jyväskylä (population 82,000), capital of the region of central Finland and 35 kilometers from our target village Petäjävesi, has made a name for itself as a mecca of schools and training centers. In its brochures, Jyväskylä prides itself as the "City of Human Technologies" and in the first paragraphs presents its "vibrant, traditionally rooted university and up-and-coming polytechnic" to the reader. Further headings include catch phrases like "lifelong learning" and "know-how and cooperation," odd themes for a tourist brochure. The final paragraph makes explicit reference to "regional cooperation in business life" and "mutual exchange with the institutes of higher learning."

In this context, a description of a certain symbolically laden observation is perhaps worth mentioning. On this side of the bay, as one drives into Jyväskylä, one notices the gleaming white Nokia building, and next to it, also built of white stone, the Agora Center, an independent department of the University of Jyväskylä that deals with information technologies from the human point of view. And on the far side of the bay, connected by a white suspension bridge, rises the new wing of the University of Technology.

Woman power in Finland

The fact that this felt project is run for the most part by women may have something to do with the nature of the craft. There are, however,

clear indications that the concerns of women in Finland receive more attention than is the case in other European countries. By 1906, Finnish women were the first in the world to receive active and passive voting rights. Probably due to the poverty prevalent until well into the twentieth century and the late industrialization of the country, the male was never able to establish himself as the sole provider of the family.

Today, 85 percent of all women work, and Finnish women seem to think of equal rights as something that goes without saying. This can be seen in the fact that meanwhile half of all university graduates are women, that the local and regional government bodies are required by law to consist of at least 40 percent women, and that women also make up more than one-third of the Finnish Parliament. Finland also temporarily had two women holding the highest political offices. Furthermore, every ninth chair in the upper echelons of business management is occupied by a woman; in the middle echelons that ratio increases to one in three.

Felt in Finland

Felt has a long tradition in Finland. At least that's the way it seems to outsiders. Consider typical Finnish costumes, and one immediately thinks of felt socks, felt boots, and felt hats.

If one delves deeper, however, one learns that for a long time this tradition was not carried out by the Finns themselves but primarily by Russian itinerant craftspeople who began traveling from farm to farm around 1870 in order to process the small yields of wool from the few sheep each Finnish farmer owned, directly and on-site, and to make practical clothing and utility items.

Following World War II, the felting tradition was gradually forgotten throughout the country. With the exception of the area around Jämsä it virtually died out completely until the 1960s. One of the reasons for this trend was the structural transition the country was undergoing, the decline in agricultural production and a concomitant radical reduction of sheep husbandry, which in Finland had never produced great quantities in the first place.

An interesting illustration of the decline of this tradition can be seen at the Arts and Crafts Museum in Jyväskylä. Beneath a 10-meter-long installation depicting the historical development of trades and crafts from prehistoric to modern times is a sequence of samples of the typical materials used by the various trades in the chronological order in which each appeared throughout history. Of course the first in the series in Finland as elsewhere is stone. At the end, however, not until around the 1970s,

we find a strange constellation: sandwiched between the metal titanium and a piece of circuit board is a little swatch of Finnish felt.

Project objectives

- Planning the training program to teach feltmaking at the textiles department of the Petäjävesi vocational school for trades and crafts with special emphasis on the subject of starting one's own business.
- Inviting international felting experts within the framework of this training program.
- Organizing annual summer courses taught by internationally recognized feltmakers, with students attending from all over the world.
- Offering a designer-in-residence program to bring students in contact with international designers.
- Organizing joint participation at trade fairs.
- Providing students going into business for themselves with consulting in marketing and product development.
- Producing promotional publications as a group.
- Publishing a biannual newsletter, which reports on matters concerning the felting project, as an "internal" communication vehicle for the feltmakers in the region.

Key project insight

- To reactivate an old artisan tradition one needs good craftspeople who are also capable of thinking in business terms. A good vocational school allows you to strategically work these skills into the curriculum from the very beginning.
- It makes sense to physically integrate this kind of development project directly into a school setting because it can provide a frictionless transition for the trainees entering the practical work world.
- Use of the project infrastructure even after finishing one's training can be useful to the artisans in setting up their own businesses, but it also links them to the school and in this way encourages contact with the students.
- Many people, particularly the students, stress how important it is to have contact with successful and established workshops and businesses while you are still going to school.
- By stressing the economic aspect as part of the training program, one avoids the traps of isolation and remaining at a hobby level.
- A healthy mix of craftsmanship and mechanical automation is the prerequisite for market-competitive prices.

- The joint use of resources not only enables one to lower production costs but also to practice cooperation.
- The willingness to cooperate plays a key role in the effectiveness of the joint project.
- Calculating all costs realistically from the beginning will promote work efficiency.
- Original quote by the project director: “In the beginning some of the participants didn’t pay anything. That was a mistake I wouldn’t make again today. Unless one invests money now, one doesn’t care if something will pay off in the future. Today I would even go a step further and set entrance criteria, require aspiring students to present a portfolio with their ideas and designs to determine whether or not they are realistic. And essentially, not even this critical review should be free.”
- Myths are already beginning to grow up around certain graduates of the school, especially those who define themselves as artists or at least as artisans and who are already successful in selling their products. This “star status” apparently has a fruitful and motivating influence on the whole scene.



The Union of Craftspeople?: Small Enterprises in the Common Market

Interview: *Hans-Joachim Gögl*

Photography: *Petra Rainer*

Trades & Europe

This book began with an interview on “The Trades of the Future” and is ending with an interview on the overall economic and political conditions of the present.

It focuses on the various “economic cultures” and models of trades and crafts in Europe because the wide range of approaches, traditions, and solutions in the individual countries can often be a surprising trove of valuable experiences for successful strategies from all corners of Europe.

Bulgaria adopted the structural system of the German Chamber of Crafts, for instance, or one EU fund was inspired by the innovative financing model for start-up companies in the Netherlands.

Beyond this, however, the perception and funding of trades and crafts in Brussels warrants critical scrutiny. Is it a policy that far too often favors the individual strengths of the strongly regional small enterprises above the standardized services of the industrially dominant single market?

Our interview partner is *the expert* when it comes to trades and crafts funding in the European Union. Dr. Albrecht Mulfinger is head of the unit in charge of “Crafts, Small Businesses, Cooperatives, and Mutuals” of the European Commission’s “Directorate General for Enterprise.” In the interview below, plain text denotes the interviewer, italic the interviewee.

Dr. Mulfinger, as head of the crafts unit in Brussels, how do you deal with this term, which, after all, is interpreted quite differently in a number of European member states?

That’s true, in Great Britain it means arts and crafts; in Portugal, artisanal crafts and souvenirs for tourists; and in the German-speaking countries or Italy it includes some 100 different trades and crafts professions ranging from potters to plumbers to roofers. Did you know, for example, that in France a crafts business cannot employ more than ten workers or it is required to switch to the Chamber of Industry and Trade? The EU administration solves this dilemma internally by always referring to “crafts and small businesses.”

That’s more or less how we proceeded in this book as well; for simplicity’s sake let’s focus in this interview on “crafts” as meaning small and medium-sized enterprises that still do a large part of their work by hand, similar to the German, Italian, or eastern European concept of this term. In your opinion how important is this structure of the small enterprise within the EU as compared to big industry?

The facts speak for themselves: the structure of businesses in Europe is dominated by small enterprises: 92 percent are small and micro enterprises, 8 percent are medium-sized enterprises, and less than 0.1 percent are large businesses. We have 25 million enterprises in Europe; of those, 40,000 are large companies with more than 250 employees. Even in economically tight times like these, the small and medium-sized enterprises (SMEs) continue to provide work, while the large companies have begun outsourcing and cutting jobs.

That means that despite massive technological developments – which above all supposedly benefit big industry with its financial superiority – and despite globalization, European small enterprises are persevering as robust and viable contenders?

The average company size in Europe is between four and five employees. And 50 percent of the 25 million companies are self-employed people who work alone! This structure is extremely stable. During good years there is a positive balance between the number of companies being started and the number leaving the market, and during bad ones this ratio is reversed. Incidentally, according to statistics the probability of a small enterprise expanding into a large company is 1 in 10,000!

Considering the example of economic development of a rural region in Europe: where should priorities be placed in economic policy efforts toward the establishment of industry and the funding of small enterprises?

The best policy is always a healthy mix because a share of these small enterprises are suppliers for big industry and their employees ensure that there is effective demand, which in turn benefits the SMEs. This is why a funding policy should be well balanced.

Preserving the structure in rural regions is, however, one of the most pressing concerns in Brussels. In order to diminish surplus agricultural production in Europe, we must simultaneously strengthen regional small businesses to ensure that viable new jobs are created. This will be one of the main funding strategies of the EU in upcoming years.

Nevertheless, as a conscious observer of our age one has the impression that European economic policy is primarily industrial policy.

Not anymore. Over the past 30 years there have been failed industrial policies in a number of countries because governments, without considering the market, subsidized isolated branches of industry, like the coal industry or certain technology sectors, which were ultimately still not able to compete with imports. European policy has therefore abandoned sector-specific funding,

opting instead for a horizontal approach. The goal was to set up a framework to help both large and small enterprises.

This became the single market with its phasing out of borders, a self-confident policy of competitiveness that curbs large companies to some extent and protects the small ones, and a single currency that provides transparency in all member states and which has strongly supported certain sectors – including tourism, where most small businesses operate. This superordinate structure is a much better approach than seeking to subsidize individual sectors or branches of industry.

The EU's most important business development instrument is the "Fund for Regional Development," which is managed decentrally by the member states. It has been utilized frequently in recent years for funding the establishment of new industries. Disbursement of funds can take up to one year, which of course can pose problems for SMEs. It is, however, not Brussels that is responsible for this but the national and regional authorities of the member states. Generally speaking, business-development subsidies for medium-sized enterprises are allotted primarily from the funds of the individual countries and on a national level. EU funding reaches less than 1 percent of these businesses.

But the single market was, in effect, conceived for large companies; 80 percent of the business activities of small enterprises remain confined to a local or regional context. Only 5 percent have expanded operations beyond their borders.

That's true, only a fraction of small enterprises are transnationally active and unfortunately this percentage is increasing much too slowly. Of course no one is going to catch a plane to have their hair cut in a different country, but I see a number of export opportunities also open to SMEs.

A major obstacle for these small enterprises is their access to loan capital. In many cases the operations themselves are healthy but they have only a thin equity position with modest returns. What can you tell us in this respect about the funding policy situation in the member states?

Here once again the approaches in the different countries, let's call them business cultures, are quite varied. In France, 75 percent of new start-up companies can't get a bank loan, as opposed to Germany or Austria, where approximately 80 percent do get loans. On the other hand, the French system grants loans to those new companies that have survived in the market for at least three years. By then, they have survived the difficult start-up phase and their chances of standing up to the competition are good. The risk incurred by the banks is lower.



In other words, in France, the state has opted for a selection mechanism that might not be particularly inspiring for new businesses, but which minimizes the risk of wasting funds?

In France, investment capital usually comes from one's family or friends. It's just a different way of dealing with borrowed money. If the state didn't offer subsidies, small enterprises and new businesses would have even less access to loans. In Portugal, the government's priority was on subsidizing the 2,000 fastest growing enterprises. They received preferential loans, the rest were neglected.

In Germany or Austria, on the other hand, numerous very active savings and cooperative banks are interested in regional development and more than willing to support start-up companies. For the first two years, young Finnish businesses, and especially businesswomen, receive subsidies from the state, and the private bank sector is expected to take over subsequent financing.

Loan capital for SMEs is a very important subject. The funds for the "Program for Competitiveness and Innovation" have therefore been doubled!

A successful example for this from France: in Brussels we have developed a guaranty model that helps share the risk incurred when granting a loan. This means that banks no longer demand private collateral from craftspeople. In France, a similar form of support has been successfully employed as an immediate loan granted by the Banques Populaires to small enterprises that have been in business for three years. This could prove to be an exemplary financial-aid mechanism for many states.

Besides facilitating access to investment capital, what other funding policy topics do you foresee for the future of trades and crafts?

First of all, we should make information on existing European aid programs more readily available so that small enterprises will also be aware of their options. There are, to some extent, very confusing conceptions about what the EU is doing. On the other hand, we of course also hope that many companies will apply for grants under our different programs. Currently, the main sources of information are the Euro Info Centres, which are integrated in the regional chambers where they provide counseling and assistance. It is very important for us to continue to build and expand this structure.

A further focus is to incorporate the craftspeople in the European Standards Committees to make sure that their interests are properly represented there. There is a lot of catching up to be done here, because not all the existing standards make sense for the majority of small enterprises. Generally speaking, new standards tend to help the market leader, who has usually already implemented them.

Speaking of standards, the two main critiques of the EU are its rampant standardization and its bureaucracy. European standards have led to strict measures – like the separation of processing and sales operations for butchers, which can lead to additional expenses that small businesses are unable to pay. Or hygienic regulations which make it impossible for certain small dairies in Naples to continue producing their Tiramisu. Aren't these examples of something having gone wrong along the way, negative trends that are bound to prove fatal to the very backbone of European prosperity, the middle classes?

Basically, all these regulations have been called for by the consumer protection ministers of the individual nations. If a regional norm is replaced by a European one requiring high investments, I share the criticism of the small businesses, who are, after all, only operating on a local level. But, however painful, these are only isolated cases. All told, in Europe 120,000 national norms have been reduced to 20,000 European norms, and that has brought advantages for the economy on a whole.

In the meantime there are now service providers who are – similar to tax advisors – paid for filling out grant applications because this has already become a science of its own. Renowned research facilities have told me they no longer take part in EU aid programs because the administration costs are too high.

Absolutely, the Commission has recognized this problem and is working actively to improve its laws and regulations, including, for example, making funding more accessible or processing applications more quickly. And that is a novelty because it indicates that the EC has recognized that the bureaucratic burdens on small businesses are disproportionately greater than on large companies and is doing something about it. It is also true that our programs are no longer drawing the competent know-how we seek because many universities and companies aren't willing to put up with the red tape involved in applying. We have recognized this negative trend and are working on a solution.

Subsidiarity and reducing bureaucracy are important topics, but many people don't realize that the entire EU administration comprises just 17,000 public servants; that's less than the administration of a major city.

The EU's main project is the common market. In terms of this unifying mission, is the EU even capable of perceiving the local needs, the regional diversity, the ecological and social advantages of trades and crafts as considerations?

In Brussels we know that in the 1980s and 1990s we tried too hard to achieve total harmonization. This led to enormous additional expenses for

all those involved and wasn't always necessarily commensurate. Today we try to include only a minimum of requirements in the laws in order to preserve the different national cultures as much as possible. Of course, when it comes to health and safety, there is little variance. Railings on the roof of a house during re-roofing are important because Finnish bones break as easily as Sicilian ones. Today in Brussels, however, there is a growing awareness for national traditions.

What about the crafts lobby in Brussels? Can it hold its own against those representing the industry sectors?

The European crafts lobby is very powerful. Particularly worth mentioning is the UEAPME, the European Association of Craft, Small and Medium-sized Enterprises, with approximately 8 million members, which is very active and a frequent consultant to the European Commission. Important European Parliamentary decisions do take the interests of crafts into account. Of course, individual industrial associations have larger offices or more employees in Brussels, but those in charge are fully aware of the importance of the European crafts businesses, and their lobbies are sought-after discussion partners for the EP.

There are tens of thousands of electrical companies in Europe which together with other small enterprises constitute a source of economic wealth in Europe. Their needs, however, attract considerably less attention than the concerns of a single corporation. A consistent theme of this book has been cooperation. Whenever craftspeople manage to work together and coordinate their operations, they are successful.

There are extraordinary possibilities for cooperation: in various European countries membership in chambers of crafts is obligatory. This mandatory membership has enormous advantages because it produces strong crafts organizations, which in turn bring forth the highest quality in workmanship, e.g. through training opportunities. The dual training system found, for example, in France, Austria, or Germany is a prime example of this. Apprenticeships along with vocational schools produce excellent journeypeople and masters, who are also perfectly capable of starting their own businesses because their training programs include business management coursework as well. This is innovation in practice, which is only feasible if these kinds of structures are financed through cooperation.

In countries in which membership is not obligatory, in England, Ireland, or in many new member states, the chamber organizations are weak. In these countries the full range of information and training cannot be made available, which would surely increase competitiveness.

Dr. Mulfinger, through your position you are familiar with the different European cultures and their views on the subject of crafts. Where do you see strengths? From which countries are there lessons to be learned as far as SME policy goes?

An interesting starting point is the subject of "company size." Larger crafts operations, for example, have better access to capital, technology, or advanced training. Micro enterprises can make up for this deficiency by banding together as cooperatives while retaining full autonomy. In France and Austria there are wonderful examples of small construction companies that offer complete construction contracts as a group or a consortium, e.g. the "one-stop" complete renovation of old buildings.

We also know that craftspeople who are members of a purchasing cooperative have a better bank rating and thus have easier access to capital. Above all, because they have a range of services at their disposal, such as marketing or controlling, and can buy materials or services at lower prices than the individual competitor. I am familiar with examples of this in Germany; we are currently investigating whether this also applies in other member states.

In Italy there is a strong tradition of division of labor and clustering. Small and micro enterprises in one region manufacture a product together; individual companies are highly specialized, thus capable of extremely efficient production. These cooperations are competitive in a global market and represent sustainable models of SME export strategies.

Which countries have interesting national aid strategies?

Holland, France, and southern Germany have clever approaches to ensure smooth business succession in which employees are prepared specifically for the new management through company mentors. We hope that at the end of a feasibility study currently being conducted we will be able to launch a Europe-wide introduction of this model of mentor accompaniment through an EU program in order to increase the number of business succession operations after the founder retires. An Austrian study has revealed that 40 percent of the successor companies create new jobs! That's a key starting point for a business-funding scheme that pays off quickly.

What can we learn from the new member states in eastern Europe?

Above all, the courage to become independent, because what has been accomplished there is nothing short of a miracle. In Poland, for example, more than 1 million new companies were started in the first two years following the fall of the Iron Curtain! Of course some of them vanished just as quickly. But the entrepreneurial will is very strong in these countries, despite the fact that they are faced with enormous obstacles, especially in respect to bank loans.





Nevertheless, a good structure of new self-employment operations has already emerged here.

Does transborder contact exist between the crafts businesses in the East and West? The frequently cited specter in the French media of the Polish plumber who takes work away from western businesses isn't exactly conducive of cooperation.

The cooperation between the crafts chambers in the border regions is very important to us and we have already financed a few projects. Some 30 crafts regions from Denmark to South Tyrol have, for instance, sought cooperation projects with the objective of dispelling the fears of the craftspeople on both sides where you've always got more or less the same basic pattern of one side thinking: "The Czechs are cheap, they're destroying our businesses," and the other side thinking: "The Germans are so good we can't even compete." This program continues to be funded by the Commission. Thus we are breaking down reservations, building trust, and hoping to gain valuable insight on how to bridge the divide between the different crafts worlds. This requires a lot of patience since even the way the chambers are set up are quite different. An interesting example for this continuing exchange in Europe is, for example, that Bulgaria has adopted the German system for its own chamber of crafts.

In the referendum in France the majority of the French craftspeople voted against the ratification of the European Constitution. More than anything they were probably simply afraid of the cheap competition in the new member states.

This worries me. To some extent these are exaggerated fears, but they are also relevant and we have to approach the craftspeople and explain that this defensive stance does not in any way take market trends into account. The service sector is almost entirely local and has no reason to fear international competition. The free movement of labor from the new member states is restricted for seven years.

The myth of the Polish plumber in French elections was blown way out of proportion. Nobody had ever seen him. Sure he exists, but not the way we would expect; for example in Bavaria we have the Polish tile layer where there is a fictitious self-employed status in place for construction workers being paid rock-bottom wages in order to get around paying non-wage labor costs and social security contributions. This is social dumping and needs to be seriously combated by national governments. On the other hand, there are wonderful examples of cooperation in which, for example, a German carpenter has his roof frame-works made in Poland and sells them in Germany. The admission of the new member states and thus the current situation is a consensus of

European national policy; it was ratified unanimously by all the heads of states and governments.

What important challenges do you see for the businesses themselves? How will a successful crafts business continue to develop in the next few years, what skills will it have to acquire?

This is the core issue. One important goal is to encourage the international exchange between craftspeople so they can gain skills from a different country. Young craftspeople should go abroad, where they can learn a foreign language in the country it is spoken and expose themselves to new ideas, which they will inevitably bring back home with them. Programs that encourage this type of training cost money. We fund programs like these and plan to increase our support of transborder training programs in the future.

In this interview we have discussed a number of successful strategies for crafts businesses in Europe. If you could put together a good combination of the various existing models, what would this puzzle look like?

In my dream the optimal business would be founded in the Netherlands because they have a guaranty model for young businesspeople there that is supported by public funding. Austria has an excellent vocational training program that also teaches the skills necessary for starting one's own business. Germany is a pioneer in trendsetting cooperation projects in the field of technology, where close cooperation between university research facilities and crafts business is already taking place. This is a key step toward the development of new products and processes.

As for the southern European businesses, what I admire is their wise philosophy of flexibility and quality of life. Craftspeople in the south can achieve peak performance under adverse conditions – heat, high humidity. Portuguese construction workers are in great demand throughout Europe due to their excellent skills. Whereas the northern Europeans draw up a whole catalogue of norms and standards for themselves, which they also fulfill, the southern European businessman gives himself more personal space and elbow room. That's something we northern Europeans can learn from. But that was just a dream.

Mr. Mulfinger, thank you for the interview.

Contributors:

Self-portraits

Claudio Alessandri

Bought his first camera in 1971, studied architecture at the Milan Polytechnic, where from 1975 on, he assisted such trendsetting and now legendary photographers as Roberto Carra (art director of the Italian *Vogue*), Barry Lategan, Oliviero Toscani, and Norman Parkinson. In Cinecittà he witnessed the shooting of Fellini's *La Città delle Donne* and Ettore Scola's *Il Mondo Nuovo* as an illegal observer. In the early 1980s he became Gian Paolo Barbieri's first assistant, playing in this way an instrumental role in the conception and production of Barbieri's publications *Artificial* (Edizioni Fotoselex) and *Silent Portraits* (Massimo Baldini Editore).

Claudio Alessandri has been a freelance photographer in Vienna since 1988, he has won numerous prizes, works for ad agencies as well as on his own projects, such as the book (*women*)* (Edition Stemmle, Zurich–New York), and has had various group and solo exhibitions.

Andreas Balon

Born in 1968, studied at the Kunstuniversität Linz and the École d'Art Marseille. Since 1995, commissioned work (corporate, portrait, and fashion photography); lives and works in Linz and Vienna.

Philippe Bovet

Born in 1961. Develops an early passion for traveling. Starts in Africa with several motorcycle trips across the Sahara. Later he crosses the United States and Canada on a Vespa and starts writing travelogues, which sparks his interest in journalism. He becomes a journalist and

* "Sometimes to photograph the surface of things and people is a way to get deeper inside of them as they always have to take off their usual role, it is an unexpected moment of fragility and unveiled sincerity, one of the many possible truths."

photographer, above all for a French transport magazine. During this time he also becomes interested in environmental issues, the field he will later specialize in. Bovet focuses primarily on transportation policy and the development of renewable forms of energy. He works for *Le Monde Diplomatique* and *Systèmes Solaires*, among others. Lives in Paris. Philippe Bovet has been a freelance journalist for 15 years.

Fanni Fetzer

Born in 1974, grew up in the mountains of Switzerland. After high school graduation: escape to the city, where she attended the *vorkurs*, a university prep course in design at the Hochschule für Gestaltung und Kunst, Zurich. She goes on to study political science, folklore, and social and economic history. In 1998, volunteer work at the cultural magazine *du*. From 1999 till 2004, editor of the same magazine. Responsible for both text and photos of individual issues, above all in such sections as art, film, literature, architecture, and odd topics.

Since the spring of 2004, scientific assistant at the Kunstmuseum Thun and back at home in the mountains and with art. Various publications on art, everyday culture, and politics, for example: crossing Spain on foot, the touristic use of Dutch tulip cultivation, big noses, and quiet painters.

Hans-Joachim Gögl

Born in 1968 in Vorarlberg; as a child a good chess player, terrible grades, wanted to be a monk when he grew up. At the age of eight, he and Peter Vogler opened their own extremely successful business as vendors hawking beer and chocolate near the Lochau military barracks; at ten they started a duo (violin and accordion); first newspaper project at the age of 12.

Trains to be a book salesman since his grades aren't good enough to get him into an A-track high school. Afterwards, freelancer at the radio culture department of ORF, where he writes features, portraits, literature reviews for the Landesstudio Vorarlberg and Ö1.

In 1992, opens a public relations firm; till the present has developed and provided guidance on communication strategies for public and private clients with special emphasis on the fields of ecology, culture, and education. Numerous prizes, including being shortlisted for the Austrian "Staatspreis" for PR in 1999 and for marketing in 2004.

Since 1996, development and execution of “TRI,” an international architecture symposium for energy-efficient building held every two years in Bregenz.

From 2000 to 2003, project director of public relations for the “Entwicklungskonzept Alpenrhein” commissioned by the governments of St. Gallen, Graubünden, Liechtenstein, and Vorarlberg.

Together with Josef Kittinger, founder and organizer since its inception in 2003 of “Tage der Utopie,” a one-week lecture series held every two years in Götzis which addresses politico-social models for the future.

Since 2004, together with Clemens Theobert Schedler, project director of the book and seminar series *Landschaft des Wissens* commissioned by the eponymous association based in Klagenfurt.

Veronika Hofer

After finishing my art history degree, I worked for the Landwirtschaftliche Wochenblatt in Munich. At first it might seem strange for an art historian to be interested in agriculture, but to this day it is this balancing act between the aesthetic and the concrete that defines the field of my work.

I was born in 1961 in Gangkofen in Lower Bavaria, my father was a tailor: his workshop, housed in the monastery shed – today one would call it a primitive dwelling – with its round iron stove and thick, uneven walls, with bolts of material, a zillion buttons and spools of thread, was a paradise for us kids. But my great-uncle’s restoration workshop influenced me just as strongly. There were paintings, sculptures, and altars, bubbling pots, paints, gold, and silver! These days when you’re making a film, you’re so glad to find situations like these. Our work is becoming increasingly abstract and invisible, almost everything is produced by machines and computers. Making films that depict human occupations is becoming more and more difficult.

I have been working at the Bayerischen Rundfunk since 1988, first as trainee, then as a volunteer for one and a half years, later for several years as a permanent and freelance editor for television and radio; since 1998, as freelance writer and director.

I want to tell stories about people who have a lasting, positive impact on their immediate environment, or perhaps even change it. I always try to respond adequately to the trust with which the people I’m working with approach me. I want people to feel comfortable when they see or hear themselves on television, on the radio, or in a book. I prefer working with clients who don’t expect me, as the author, to give them sensationalist stories, to expose or compromise people.

Nadia Jeanvoine

Born in 1960. After receiving her degree in literature and languages, she teaches French as a foreign language for 13 years. The five years spent in Oslo, two in Barcelona, and ten in London have left their mark on her: Norway evokes a strong sense of environmental awareness and has an impact on the way she lives her life; Spain has a Mediterranean influence on her, and Great Britain expands her horizons with its multicultural setting and a capital that is constantly renewing itself. When she decided to change professions, the choice was clear: she has been a freelance journalist in Paris since 1999.

Wolfhard Koeppé

Born in 1952 in East Berlin; since 1976, in business for himself as freelance photo designer; since 1982, artistic works and objects made of wood and stainless steel, numerous photography trips, exhibitions, and publications. Lives and works in Düsseldorf. He tries to react to the world and the reality he finds there in an unbiased way and is thus not a constructivist but in the truest sense a reproducer.

Helga Leiprecht[†]

Born in 1965 in beautiful Allgäu in southern Germany. From there, forays into the close and distant world, first to Konstanz – where she studied Italian and Russian – and in between to Friuli and St. Petersburg, two magnets in her life which, along with literature and architecture, will become a central focus of her studies.

A third magnet was and is *du. Zeitschrift für Kultur* in Zurich (www.dumag.ch). In 1999/2000, brief interruption of her sojourn in Switzerland; a one-year grant for a research project on Russian avant-garde architecture financed by the Brandenburger Tor Foundation and the European Journalism Fellowship took her to St. Petersburg. Back in Zurich since 2000 and still with *du*.

Marko Lipuš

I was born in 1974 in Eisenkappel/Elezna kapla (Carinthia/Austria) and grew up bilingual in a rural area. In 1993 I graduated from the Slovenian high school in Klagenfurt and went on to complete a vocational training course in photography in Vienna (Graphische Lehr- und Versuchsanstalt,

Schule für künstlerische Fotografie) and in Prague (FAMU – Department of Still Photography). I worked for the Art History Museum in Vienna as a photographer until I took a break from Austria and photography for two years in 2000.

In 2002, I returned to Vienna and have been pursuing my “four pillars principle” ever since: a mixture of photographic craft (www.literaturfoto.net and architectural photography) and photographic art (experimental artistic photography and photographic cartoons).

Kimi Lum

Freelance translator since 1995. She has always felt at home with the written word but didn't discover the translator's trade and the craft of communicating between cultures until she made Vienna her home base more than a decade ago. Main focus: film, art, architecture. Graduated from the Center for Translation Studies, University of Vienna. Came to Europe at the age of 20, grew up in California. Born in Honolulu, Hawaii, USA.

Verena Mayer

Born in Vienna in 1972; studied theater studies, history, and German philology in Vienna. Worked for the Austrian daily *Der Standard* and the weekly city magazine *Falter*. From 1999 till 2002 she was a court journalist for the “Berliner Seiten” of the *Frankfurter Allgemeine Zeitung*.

She is currently a freelance writer for the *Süddeutsche Zeitung*, the *Tagesspiegel*, and the *Frankfurter Allgemeine Sonntagszeitung*, among others. She writes background stories, essays, and reviews; her court column “Prozess” appears every Thursday in the *Frankfurter Rundschau*. Verena Mayer lives in Berlin.

Claudia Mazanek

Born in 1951 in Vienna. Passionate reader. Throughout her forays into various professions including physical therapy, studies in philosophy and political science, and academic project work, her gently enduring love for books has always and steadfastly remained, revealing to her in the end that the apparently lonely job of the copy-editor is a perpetually pleasurable and interlinking occupation. Book people of all kinds enrich our lives. And whenever the letters threaten to become

overwhelming, there is always a ship that awaits her, and the vast open sea ...

Wolfgang Mörtz

Once the job title “author” has been uttered, it is always followed by a chain of queries whose strongest link is the question: “Can you really earn a living at that?” This always gives first meetings with virtual strangers such a threateningly existential touch that I usually think twice before I make such a claim. I only dare to consider using this designation in the first place because I was invited to Klagenfurt to compete for the Ingeborg Bachmann Award in 1999. I was proclaimed author virtually overnight. I automatically became a member of various associations, and since then the Finance Department, fortunately, no longer takes my business dealings very seriously.

Before I was entitled to call myself author, I used job titles like journalist, ad writer, or screenwriter, depending on what I was working on at the moment, and I still do. This doesn’t spare me the annoying questions, but at least the image of the starving artist doesn’t loom so large.

I probably started and stayed with writing because I’ve always to this day had a certain shyness about dealing with people. As a writer I can withdraw without being admonished for it. On the other hand, I am also allowed to sit in cafés for hours, at the strangest times of day or night, even in Bregenz – where I was born and live most of the time – because the nimbus of the loner and nonconformist is part of the image of the professional writer there too. And I don’t have to retire, which in times like these is an optimistic prospect. Who ever thinks of retirement when reading Franz Kafka, Joseph Roth, Albert Camus, or Friedrich Dürrenmatt, to name just a few of the literary heroes of my youth?

Incidentally, I enjoy writing small stories most. My big novel is a phantom. Should it ever appear to me, I will wrestle it to the ground.

Christian Pfaff

Born in 1949 in Basel. My life began at the age of 15 when I started attending the Kunstgewerbeschule in Basel. At the same time I started my vocational training as a reproduction photographer.

In 1966, I started working for the ad agency GKG as a commercial photographer, a job that took me to Milan, Paris, and Düsseldorf. Here, I worked exclusively for VW, Audi, and Ford. I spent 1969 studying in

the United States and in 1971 I founded my own photography studio in Zurich. In 1975, I got the chance to go to Vienna, and since Switzerland had always been a little too small for my taste, I seized the opportunity. I opened my own studio, which I operated successfully until 2001.

I have distanced myself from Vienna and classical advertising: visual standards have declined too much in recent years. Back in Switzerland I am trying my hand at architectural photography and I do work for art catalogues and exhibitions. My aim is the reduction to the essential. And yet in the end what counts is a "good eye."

Petra Rainer

"Looking, lingering here and now until faces, names, landscapes coalesce into stories and my photographs emerge."

Born in 1973 in Saalfelden/Salzburg, grew up in the mountains, received her photographic training at the Höhere Graphische Bundes-, Lehr- und Versuchsanstalt in Vienna. Her work includes series on mountain farmers, factory workers, fishermen.

Books: *En Détail – Alte Wiener Läden* (Verlag Holzhausen 2002), *Der Wiener Brunnenmarkt* (Verlag Holzhausen 2003), *Gartenmenschen* (Residenzverlag 2005).

Clemens Theobert Schedler

"Everything is authentic. Appearance is essential, it reveals the essence of a thing. Not how something looks, however, is essential but how it moves."

Born in 1962 in Munich, grew up in Vorarlberg, the Wild West of Austria. Has lived in Vienna since 1982: studied applied art. Freelance work for Walter Bohatsch and the ad agencies Demner & Merlicek and DDB Needham Heye & Partner, drummer in the band "in time." In 1990, founded his own company for graphic design in Vienna.

From 1992 till 1994, guest professor at the University of Applied Arts, Vienna: "Experimentelle und computerunterstützte Typographie." In 1993, founded the Bohatsch und Schedler GmbH, Büro für graphische Gestaltung, managing partner until 1996. In 1997, founded the Büro für konkrete Gestaltung – Begleitung/ Konzeption/Realisierung. In 2002 and 2003, guest professor at the Institute of Architecture and Industrial Design, Linz: "Entwurfgrundlagen – Umgang mit Text und Bild."

Two and a half decades of honing my perception skills through utter failure in various areas of life. Father of three daughters.

Henry Pierre Schultz

I was named Henry as a whim of my grandfather, Pierre because of my French-speaking mother. I was born in 1947 in Wettingen near Zurich and raised a privileged child; my father was a dentist, but when I was 12, he died.

I conducted my first photographic experiments with my father's camera. In junior high school I won a photo competition with pictures I'd taken on a trip to Rome. But as a boy what fascinated and influenced me most were the mountains because my grandfather was the hotel director at the "Grand Hotel" in Saas-Fee. With a business degree in my pocket, I saw Michelangelo Antonioni's *Blow Up* for the first time. I was fascinated and from then on hooked.

What is it that photographs reflect, are they more real than the world? How little can we trust their interpretations? Is truth fuzzy? – I became a photographer.

I completed my apprenticeship at a commercial and fashion studio in Zurich. Parallel to this, I discovered jazz and over the next four years I could be seen on countless stages, taking photographs. During this time, I worked on three photography books about the Montreal Jazz Festival.

An important phase in my work was the time spent as a photographer for Gisler & Gisler, BBDO, Zurich, then the biggest ad agency in Switzerland. It was a period of many prizewinning campaigns (Valserwasser, Feldschlösschen, ZVSM, Schweizerische Käseunion).

I have been a freelance photographer in Zurich since 1989. I have completed many ad campaigns, exhibitions, book projects, but have always continued to work on my own projects as well. A certain Swiss alpine valley has thus become an important place of reference to me: today Vals is famous for its water and the thermal baths designed by Peter Zumthor. I have accompanied this project.

For me my photographic work is the attempt to make the invisible visible. But it is only through light that we have shadow. And patience leads to clarity. Nature knows no boundaries, no dimensions. And yet it itself is the yardstick.

Claudia Schwartz

Born in 1963 in Graz, grew up in Zurich. Alas, the three years spent in Lucerne as a small child were not enough to prevent the charming Lucerne dialect from later being swallowed up by the Zurich one. Studied German philology, philosophy, and literary criticism in Zurich, working

all the while as a journalist – from 1986 on, primarily as a film critic – for various Swiss newspapers and magazines.

In 1994, became part of the feuilleton department at the *Neuen Zürcher Zeitung*; since 1998, Berlin cultural correspondent for the NZZ. Various publications, for example about the most historic house Switzerland owns abroad (*Das Haus im Nachbarland. Die Schweizerische Botschaft im Berliner Regierungsviertel*, Berlin 2001) or Berlin as architectural context (“Architekturkritik im Kontext. Berlin nach der Wende,” in Ulrich Conrads, Eduard Führ, Christian Gänshirt, eds, *Zur Sprache bringen. Kritik der Architekturkritik*, Münster 2003).

Writing about the Werkraum Bregenzerwald involved many intense encounters. I am grateful to Markus Faißt, Harry Metzler, Johannes Mohr, and Wolfgang Schmidinger for opening the door to an Austrian–Swiss borderland that has shown me that the “Wälder” are a pretty okay bunch of people.

Rupert Steiner

Born in 1964 in Radstadt/Salzburg; studies history and art history; attends the Höhere Graphische Bundeslehr- und Versuchsanstalt in Vienna. Since 1990, freelance photographer specializing in architectural photography and art documentation. Various publications in architecture journals, architecture books, and exhibitions. He currently lives and works in Vienna.

Paul Vécsei on Rupert Steiner: “He originally wanted to study music. His love for the piano never left him, but he earns his living with a different instrument now: the camera.

“Rupert Steiner’s road to photography has taken many detours. His love for art led him from music to studying art history at the university. But he wanted to get away from theory, was drawn to the practical craft and to finding his own form of expression. Photography gave him this opportunity. His style is marked by the reduction to that which is essential: ‘The large format demands a tripod and, thus, a clear stance from the beginning,’ says Steiner. The concentration on the selected frame, the well-contemplated shot, became his photographic language. ‘The photograph as the opposite of the snapshot’ is in this sense his philosophy.”

Landschaft des Wissens:

Association for the Promotion of Science, Business Culture, and Regional Development

Landschaft des Wissens was founded in 2004 in Klagenfurt, Austria. The members of the association are active figures in Carinthia's economic life who are concerned with the theory and practice of development strategies for rural areas. The association is not affiliated with any political parties, its projects are funded by grants from the European Union, the KWF – Kärntner Wirtschaftsförderungs Fonds, and sponsors.

Its main objective is the researching, discussion, initiation, and guidance of innovative projects for cooperation. The concentration on a culture of cooperation is based on a specific historical experience and on the assessment of a current and future necessity: Carinthia, a region whose cultural diversity is typical for Europe, now stands at the junction between the German-, Italian-, and Slovenian-speaking worlds – formerly with its back to the Iron Curtain; today with front-row seats at the central and eastern European stage of EU enlargement. In this sense, cooperation is a skill we grew up with and one that is alive in the minds of a large part of the population, but at the same time and especially in these border areas there is a deep-seated culture of fear of the proximity of the “foreign” as well as very real potentials for conflict.

The economic situation of Austria's southernmost federal state is marked by the absence of strong urban centers – parallel to a small number of large industrial enterprises there is a successful decentralized structure of many small and medium-sized businesses in the gastronomy, trades, and commercial sectors.

With increasing rationalization and centralization in a global market, the ability of regions, enterprises, and public institutions such as universities to cooperate with one another has become an important competitive factor.

Network management, clustering, temporary consortia, industry associations, etc. – the professional management of the cooperation between

independent small units is by no means to be regarded as just a defensive reaction to the efficiency of industrial production or centralized growth. The development in information and communication technology or in the ability to run complex structures through increased managerial training is already bringing forth organizational models that are on a par with the interaction between the departments of a corporation or the institutions of a metropolis.

The benefits of consolidation – in its urban or economic form – are being implemented increasingly in rural areas or between small enterprises. These are models that play an important role in the very projects presented in this publication and that serve as subjects for discussion to everyone involved in the field of regional development.

The concrete activities of the association

These are threefold – publication, discourse, and project development:

The publication series “Landschaft des Wissens” investigates cases which from our perspective constitute exceptional European projects on economic strategies for rural areas. Thus, on the one hand, we are collecting experiences on the development of rural areas from very different regions throughout Europe and bringing them to Carinthia, and on the other hand, we are sharing these experiences with other regions through this publication series. Themes to be covered after this volume (*Big Strategies for Small Business*) include successful models of cooperation between universities and businesses (*Knowledge Loves Company*) and innovative tourism projects. Further publications are in the planning stage. Each book will be published as separate unabridged issues in German and English.

The symposium “Landschaft des Wissens” is a biennial conference that will address the theory and practice of regional economic development, provide the opportunity to share experiences, and promote networking among the participants.

The workshop “Landschaft des Wissens” will focus on the insights gleaned and their practical application within the regional context of Carinthia. Its aim is to work with industry representatives, introducing them to selected strategies from the examples researched in the corresponding publication, and initiating project development or guiding participants through the development process. Each book thus serves as an incentive for regional research and development, providing new impetus that will be given a concrete implementation structure in the “workshop.”

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