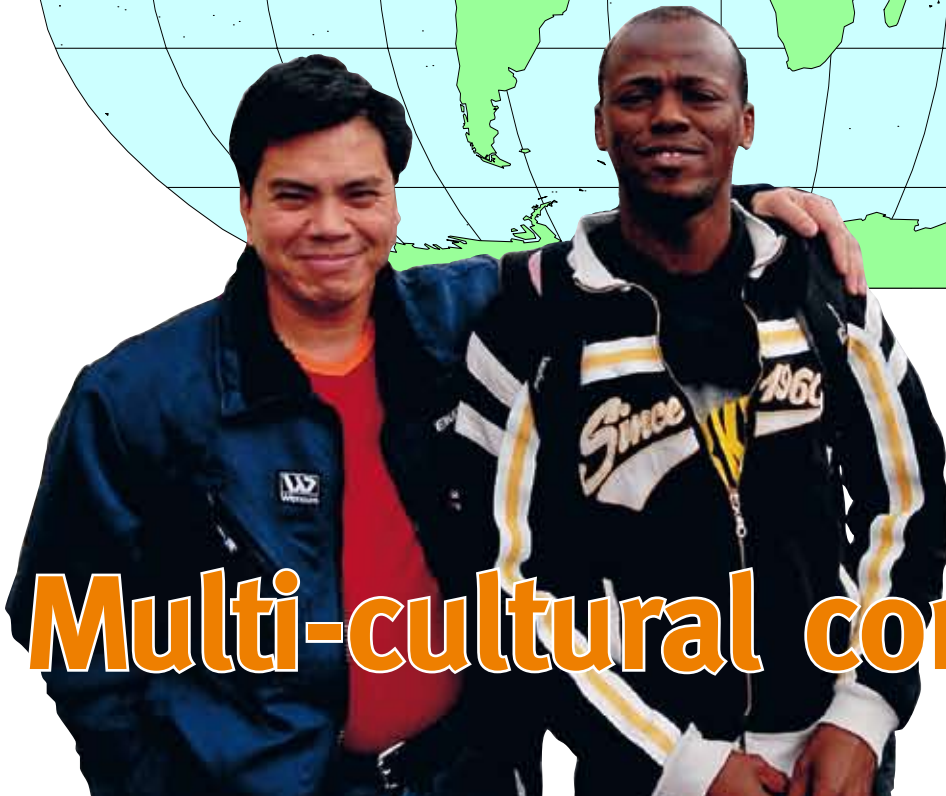


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NILS-FREDRIK DRABLØS
Group Managing director

Challenging Management Tasks

Last weekend I had the good fortune to participate in a management meeting for managers in the factories in Sykkylven. The theme of the two-day meeting was personnel management.

The duties of those with management responsibilities in the production units are very challenging, regardless of their seniority. They are responsible for ensuring that production runs as planned, resolving all the problems that arise in connection with this, and also dealing with problems and challenges that are brought to their attention by the workforce: problems that by no means are just to do with the workplace. I have written about the authorities' requirements concerning follow-up of those on sick leave before, however these form a part of this.

Ekornes is a decentralised organisation; we have no personnel department such as those found in many other companies of our size. The reason for this is our fundamental philosophy, which is that problems are best resolved where they arise, and the best decisions are taken when those involved are allowed to participate and the decision-maker is close to those who are affected. Given these premises we cannot have a personnel director or a department that resolves problems that are sent up the line.

As a consequence of this, the management tasks are especially challenging for those who hold these positions, and one has to give a lot of oneself all the time.

In the production departments they encounter logistics and quality problems associated with raw materials and the flow of goods, technical problems vis-à-vis production equipment and, not least, we find colleagues of all types here with varied backgrounds and qualifications. Personnel decisions must always be tailored to the person/people to which they apply.

The fact that the workforce in Sykkylven now includes no less than 34 nationalities, and that the Norwegian course that recently started here has 70 participants, says something about the challenges the line managers face.

Norway's management culture also encourages one to involve employees in decisions and decision-making processes. We do not want employees who blindly follow orders. We want initiative, ideas and points of view. To achieve this, those with management duties have to give of themselves and provide as individually oriented personnel management as possible.

This is demanding and difficult, but it provides the best results, as both our experience and research in this area shows.

Given the demands that are made on managers it is also fitting to make demands of the other employees and colleagues. Everyone who works for Ekornes, regardless of their position, has a responsibility to contribute to good teamwork, good collegial relationships, and a good working environment. This also entails one having to take responsibility for developing good productivity and contributing to ensuring the products are of the right quality when they leave the factory.

The vast majority help to do this, but now and then it is necessary to remind people that this is how we want things to work.

Nils-Fredrik

Dock almost completed Tynes emerging



The deepwater dock that adorns the outside of the site at Ikornnes is nearing completion. Most of the concrete surfacing is in place, and when this is ready it will have an 81 metre long front. The total area will be around 2,000 m². Price tag: NOK 20 million.



Up from the deep it rises: the foundations of the lacquering and lamination department at Tynes. Despite the summer holidays having taken place since the last edition of Inside, the workers have managed to progress vis-à-vis the 4,600 m² of new buildings.

Ekornes chat in mosquitoes' paradise

Johannes T. Håskjold experienced a week he won't easily forget when he jumped on his bike and went on holiday. Here is his travel report from Finnmark:

"The bike ride started in Kirkenes with a tent, sleeping bag, food and other necessities for such a trip. Shops are few and far apart, and there are only three places one can obtain provisions on the stretch between Kirkenes and Alta (540 km). The result was a heavy load.

One of the highlights of the trip was meeting a Dutch man who had cycled 4,000 km with a 28 kg load on his bike with trailer. He was so weary he gave away things he could do without so he wouldn't have to carry them. He gave me a cycling shirt. Another highlight was when I was offered warm waffles by a Sami couple in Tanadalen. The waffles tasted great, and we had a good long chat – also about Ekornes – about which the message was clear: "They have to make chairs that are small enough for Sami people!" I tried to explain that we now have three sizes, but the lady of the house was qualified: she was a physiotherapist and couldn't be budged.



The trip moved on in sun and rain, with mosquitoes and flies in tow. Every time I stopped the mosquitoes caught up with me. In the end I forgot the mosquitoes and enjoyed the views of the countryside instead. The mosquitoes had their fill, so next year I will probably have a lot of mosquito offspring after my blood in Finnmark!

Finnmark is an exotic place for us southerners. Those with an adventurous spirit, who relish a challenge, should pack their bike on an aeroplane and start the journey home. After all, it's downhill all the way!"

No Babylonian confu



Ruben A. Pueblos and Fadel Traore, originally from the Philippines and the Ivory Coast respectively, are two of the participants at Ekornes' new Norwegian course.



Full concentration as the exercise book is opened for the first time.

"It has not been very difficult to figure out, but there is always more to learn," smiles Ruben A. Pueblos from the Philippines. He hurries up the stairs to the first floor in Verkstaden Bistro. Right at his heels follows Fadel Traore, originally from the Ivory Coast. He has been in Norway for three years, one and a half of them in Sykkylven. When he speaks you can clearly hear the influence of the Sykkylven dialect.

"This is a great initiative. I have already had some Norwegian tuition arranged by the Municipality of Sykkylven, and am looking forward to continuing," says Fadel, before joining 20 or so other colleagues at their desks facing language teacher Monica Hjelmevoll.

"Impressed"

An eagerly awaited initiative started at the factory in Ikornes after the summer shutdown. The Norwegian course was welcomed by the management, employee representatives and employees alike.

No less than 34 nations are represented. Many of the people have already been in the country for several years, and have learned Norwegian on their own. However, it is one thing to understand the words – it is another to discern meaning from them when they pour forth from a person from Sunnmøre's mouth at turbo speed.

"I am impressed by the standard. However, of course I will always find something new to teach them," says Monica Hjelmevoll, who has been hired in from Sykkylven lower secondary school and training centre.

Norwegian tadpoles

Around 70 employees will take the Norwegian course over the autumn.

"This has been a wish for a long time, and we are very happy that it is finally in place," says senior employee representative Asbjørn Sjøstad.

The mood in the workshop is great. The first exercise book deals with Norway's geography, among other things.

"Norway is shaped like a tadpole," reads Monica. This is a word that requires a little explanation.

"It is very nice to be offered this by our place of work," say several of the participants who will acquire a steadily increasing vocabulary over the autumn.

vision

34 different languages are spoken in the factory in Ikornnes – so some coordination is required.



Monica Hjelmevoll has been hired from Sykkylven lower secondary school and training centre as a language teacher.

The following countries are represented at the language course:

- Poland
- Lithuania
- Somalia
- Iran
- The Czech Republic
- Bosnia
- Sri Lanka
- Sweden
- Morocco
- Vietnam
- Slovakia
- New Zealand
- Croatia
- Germany
- The Philippines
- Estonia
- Laos
- Thailand
- Latvia
- Kenya
- Colombia
- Bulgaria
- Iraq
- Turkey
- France
- Kosovo
- Finland
- Denmark
- Eritrea
- Iceland
- Brazil
- The Ivory Coast
- Chechnya
- Hungary

The IT revolution is coming

In the future you will be able to ask for time off from work via the Internet, and dealers will be able to check the status of orders directly from their shops in Taiwan. Meet SAP.

These are some of the 15-20 people who are working to secure your IT future. From the left: Runar Myhre, systems architect, Tor Ervland, IT solutions architect, and Olav Aasen from Spring, with Stig Vatne from Ekornes.



Major investments are often visible in the form of impressive building works, such as the deepwater dock being constructed outside the factory in Ikorndes. But there are also those that are less visible, though this does not make them less important. Right now, between 10 and 15 IT consultants from Spring Consulting are laying the groundwork for an advanced sales, reporting and accounting system in Ekornes. Most employees will notice the results within five years.

Japan pushed the project

“What pushed the need for this project in 2003 was the fact that we needed an order system that could handle Japanese. Over time the vision developed into a total renewal scheme that would take place over time, and that would cause as little disruption as possible. We are now in the third phase of the work, namely testing out the order registering system and financial functions in Ekornes Scandinavia, division Norway,” says IT solutions architect Tor Ervland.

The consultants from Spring have spent many long days at Ikorndes, analysing the flow of information in everything from orders to the accounts system.

“It is still the case that we need to visit our clients and understand who we are building a system for. Otherwise we risk creating an extremely good tool for the completely wrong tasks,” says Olav Aasen.

Functional people from Sunnmøre

The system will, among other things, enable dealers around the world to log onto a dealer portal, enter orders and claims, check the status of orders and download brochures and assembly instructions.

“I think this will affect most employees at some time or another. For example, through pages on the intranet that contain information about your own department, with an opportunity to ask

for time off, etc. Middle managers will especially notice this and their workloads as far as personnel planning and other tasks will be reduced. The point is that to a large extent we can tailor this system to do what we want,” says Ervland.

And this is where the tailors from Spring come into the picture. They have become half locals in recent months and will be around a lot for the rest of the year. By the end of 2008 the sales companies will also have been incorporated, and by 2010 all of the factories will also be included.

“We have pretty much taken over Aursnes Hotel and are starting to get to know the area really well. The people from Sunnmøre are great to work with – they want simplicity and functional solutions on all levels,” says Aasen.



The theme here is packaging and consignments in the SAP system. From left: Siv Aunaas, Torhild Ekornes Brandal, Erik Espe (sitting), Margrethe Lund Ervik from Spring Consulting, Svein Inge Strand.



209 years of experience

One of our British dealers, Lucas World of Furniture, was recently visited by this 100-year-old woman who took the comfort test and gave it a thumbs up. The visit ended with her leaving the shop after ordering both a stool and a footstool. The fact that the shop can look back at over 109 years of history is pretty unique as well. Together this resulted in a transaction conducted with a steady hand and great experience on both sides of the sales desk.

Five on the floor

What motivates you to contribute to your workplace?



Liv Rismyr, Fetsund:

I am motivated by the good colleagues I have at work, and look forward to going to work. Receiving a pay cheque from time to time is nice as well, so that is also good motivation.



Leif Magne Midtflå, Stranda:

I listen to music and audio books. A pleasant place to work.



Eva Karin Huneide, Grodås:

It is great when one can manage many different machines to achieve good product flow. We have very nice foremen, good management and a very good working environment!



Jan Birger Sunde, Hareid:

I have fun together with my colleagues at work, and am very motivated to ensure that we are able to deliver on time. This results in satisfied customers. Besides this I make something new every week.



Arve Ekornes, Sykkylven

I would first like to thank you for regarding me as someone 'on the floor', I take that as a great compliment! My most important motivation at work is looking at all the areas in Ekornes where we can make improvements. Things are going well, but it is not a given that this will always be the situation. If we all improve a little every day, the chances of the trends and success continuing will be greater. What is good enough for today is not good enough for tomorrow.

Stressless® reaches new heights

Our international marketing director, Svein Lunde, is taking the marketing of Ekornes to new heights – now also to the summit of Kilimanjaro! Together with him on this trip in the summer were Lloyd Davis and Liz O'Brien, Ekornes' sales representatives in Florida.

The explorers spent the night at altitudes above 5,000 metres, which was not a wholly pleasant experience.

“Quite simply it was impossible to sleep properly because of the lack of oxygen. Many people underestimate this mountain because it is volcanic and does not require a lot of technical climbing. However, both the weather and altitude make it a tough climb,” says Lunde, who planned the trip with his American colleagues of many years as early as last autumn.

“Once the trip was booked there was no way back really, and we ended up having a fantastic adventure,” says Lunde.



On the way to the top.



Our “porters” met us with songs and dancing when we finally reached the camp.



new employees

J.E. Ekornes AS, Ikornnes

Raimundas Miseikis
 Bjørn Fransson
 Anne Merethe Tennøy
 Lidvar Utgård
 Philip Petterson
 Sarah Hjorthol
 Adam Krzesinski
 Rolf Ståle Barstad
 Jonach Ali
 Aleksander Soltvedt
 Egedijus Burzdzius
 Svein Magnus Kvaløy
 Ann Elisabeth Hustad
 Elise Bonesmo Barmen
 Charlotte Adine Sætre
 Kristin Eliassen
 Pawel Arciszewski
 Aleksander Kvelstad
 Hege Helseth
 Hanna Lovise M. Josefsen
 Anne-Rita Tafjord
 Kristian Krabbestig
 Marius Ulriksen

Apprentices

Aleksander Vongraven
 Jens Petter Olsen
 Andreas Aure
 Stine Seljen Torheim

Ekornes Møbler AS

Div. Vestlandske
 Mahn Nguyen Cuong

Ekornes Møbler AS,

Div. Tynes
 Odd Jamtøy

Ekornes ASA

Karin Håvik Eide
 Daniel Lade Nedregård,
 Apprentice IT

Kai-Ørjan Bergmann, an apprentice at IT, has been hired full time at Ekornes ASA.