

Lectra Expands Furniture On Demand to the Mexican Market

A solution powered to support nearshoring and the increase in made to order production

Mexico, September 12, 2023 – <u>Lectra</u>, a major global player in the fashion, automotive and furniture markets, today announced that <u>Furniture On Demand by Lectra</u> will be expanding to Mexico to support the acceleration of nearshoring due to supply chain woes and economic factors. This turnkey solution covers the entire furniture manufacturing workflow, from order processing to cutting. By manufacturing after order reception, companies are able to improve flexibility and offer a larger and broader catalog of products.

"The furniture industry has undergone a major transformation post pandemic as more and more products are being made to order and customization continues to grow in importance for consumers. As a result of this increase in demand, customers in all markets are rethinking their supply chain and turning to Industry 4.0 solutions such as Furniture On Demand," said Leonard Marano, Lectra's President, Americas. "Furniture On Demand is an answer to the economic complexities currently faced by the industry all the while improving speed, quality and traceability in the entirety of the manufacturing process."

With the emergence of new paths to supply chain, Mexico is primed for more demand in nearshoring, which would enable faster times to market given the proximity to the end customer. As this trend continues to accelerate, Mexico manufacturers find themselves in a time of transformation as they shift from mass production, which produces large quantities of standardized products, to a made to order model. Companies will need to rely on a partner who can help them scale by offering customization, speed and quality.

In response, <u>Furniture On Demand</u> leverages Industry 4.0 technology in order to further streamline processes for Mexico based manufacturers by automatically capturing styles, materials and components information of the product, directly from the customer's order and assisting in the production process from start to finish by utilizing:

- Automation Automation handles repetitive every day tasks. Manufacturers are now able to automate the pairing of multiple orders for max fabric yield, the cutting of plain fabric and fabric management, helping increase the overall speed of production
- The digital fabric library The digital fabric library is able to instantly pull order fabric and its specifications for quick processing.
- Order system integration This integration quickly pulls all pieces of the order pattern, fabric, configuration and sends to cutting in a matter of minutes.
- Optimized cost per piece Next generation part nesting and automated markers with real fabric width use the power of cloud computing to ensure maximum fabric yield, quality and savings.

By manufacturing after order reception, furniture companies are able to avoid overstocking their inventories and reduce waste, all the while increasing their sustainability efforts. Companies will also be able to actively combat labor shortages currently facing the industry by limiting the dependence on expertise thanks to digitalizing manual tasks.

Although the COVID-19 pandemic served as the initial catalyst for customization, leading to <u>78%</u> of consumers worldwide deciding that home was their haven, the industry has continued to see an increase in demand for made to order products and there will continue to be significant moments throughout time that will require on demand production such <u>back to school shopping</u> or the purchase of a new home.

With many solutions already implemented worldwide, leading furniture brands such as **Zanotta**, **Karimoku**, **Neptune**, **King Hickory**, **Leisure Creations** are using, Furniture On Demand to improve the efficiency of their day-to-day operations while reducing repetitive tasks, fabric, paper and plastic.

"What Lectra offered that I hadn't seen before was a beginning-to-end process from the order input to shipping the customer the furniture. At the end of the process, everything was tied together." Chris Williams, Owner & President of Leisure Creations, an Alabama-based, manufacturer of commercial pool and patio furniture.

About Lectra:

As a major player in the fashion, automotive and furniture markets, Lectra contributes to the Industry 4.0 revolution with boldness and passion by providing best-in-class technologies.

The group offers industrial intelligence solutions - software, equipment, data and services - that facilitate the digital transformation of the companies it serves. In doing so, Lectra helps its customers push boundaries and unlock their potential. The group is proud to state that its 2,500 employees are driven by three core values: being open-minded thinkers, trusted partners and passionate innovators.

Founded in 1973, Lectra reported revenues of 522 million euros in 2022 and is listed on Euronext (LSS). For more information, visit lectra.com.

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