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SUSTRAINY PROJECT



PANORAMA OF SUSTAINABLE BUSINESSES PRACTICES

CIRCULAR DESIGNS MODELS

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Category – Key words	circular economy, regeneration, transformation, business environment, circular innovation, circular model, reduction material, furniture industry
Who?	Ahrend established on the 1896 in Amsterdam, works with international sales, services network and customers, production sites are based in The Netherlands, Czech Republic and China
Location	Physical or online
Years of implementation	2011 - ongoing
Website	www.ahrend.com

Abstract

Since the early 1990s, Ahrend have designed all of their furniture products with life extension in mind. Their manufacturing facilities have been configured for over 20 years, with stations and processes specifically designed to create modular products. His philosophy of "form follows function" and "less is more" aims to remove all unnecessary detail until an object is in full harmony with the user and the environment and unobtrusively supports him in what he does best. Ahrend manufactures office furniture products with modularity, disassembly, and life extension as core design principles. In this way repair, upgrades, and modifications are easily achieved so that every single product can have multiple lives. Ahrend offers their customers furniture-as-a-service (FAAS) where customers pay a monthly fee and return the furniture when they no longer need it. The first Furniture As A Service (FAAS) model unlocks the potential of the new 'circular use agreement' relied on a number of important enablers:

- **Technology** the inclusion of QR codes on products, along with a new internal database, has allowed Ahrend to continually log, store, and track the history of all assets under their ownership. This ensures a smooth flow of information on the quality and health of their products, and important datasets to enable the scaling and management of the FAAS model.
- **Financing** the creation of an alternative financing model has provided the flexibility and experimental space needed for the FAAS model to work. Ahrend is private equity owned, allowing the business to create a separate financial entity called Circular Interiors that owns the products. This allows Ahrend, the furniture company, to free themselves from certain financial constraints, such as the need to generate short-term returns, which can often limit companies from piloting and implementing similar access-over-ownership business models.

Concept Addressed

Innovative manufacturing processes and use of high-performance recycled materials are great design strategies through which Ahrend has created circular products.

Relevance

Added value

A reduction in material usage and carbon emissions; closer relationships with customers, more profits, and a more secure materials supply chain; lower office set up costs and more flexibility in a fast-changing business environment.

The challenge - demand for office furniture is growing rapidly, by 2024, the size of the industry will be about USD100 billion dollars. Manufacturing office furniture requires a lot of materials and energy and 80-90% of these valuable resources are lost after a short use period. The office furniture industry should address rising demand in an increasingly resource constrained world.

Eventually accreditation

• Company awarded C2C certificate in 2011

Tips to implement

- If you are a customer you can return the furniture when they no longer need
- Recycle material is important to help the ecosystem
- According to European Federation of Furniture Manufacturers (UEA) statistics, in Europe as a whole, 80-90% of all furniture ends its life in this way.

Bibliography

none