

BANGLADESH BUSINESS AWARDS 2001

BRINGING GLOBAL CORPORATE STANDARDS TO BANGLADESH



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Introducing aesthetics in furniture

Enterprise of the Year 2001

OTOBI LIMITED

M SHAMSUR RAHMAN

He was a man who would hold paint and brush in his hands. But that was long ago. He made a career switch and climbed the height with metal and wood revolutionising the country's furniture industry.

Way back in 1975, there was no precedence that an artist had become a successful entrepreneur. But Nitun Kundu, who never stood second in his life, had no other option but to give it a try as he got married and wanted to settle in life.

For the last 16 years, he had tried his options, but maverick Kundu always found something to be missing, a place where he could dedicate all his time in creating something unique. So, in 1975 he started from his drawing room, making wooden ashtray and flower vase, and selling those to people he

tion, Otobi, employs 100 executives and 800 employees. Otobi also has numerous dealers all over the country.

But during all these past years he had to go through lot of odds to make his organisation successful. Initially it began with slogan of "Designing for modern living" in 1975, then changed to "Where quality comes first" and presently markets his product under the banner of "World class furniture".

In 1959 Kundu graduated from Institute of Fine Arts, Dhaka securing first class first. In the same year, Nitun Kundu started his career as a designer in the United States Information Service (USIS) Dhaka. He left USIS as chief designer in 1971 and participated in the liberation war. After the war he turned into a free-lance painter.

At the outset, he started manufacturing decoration item at his

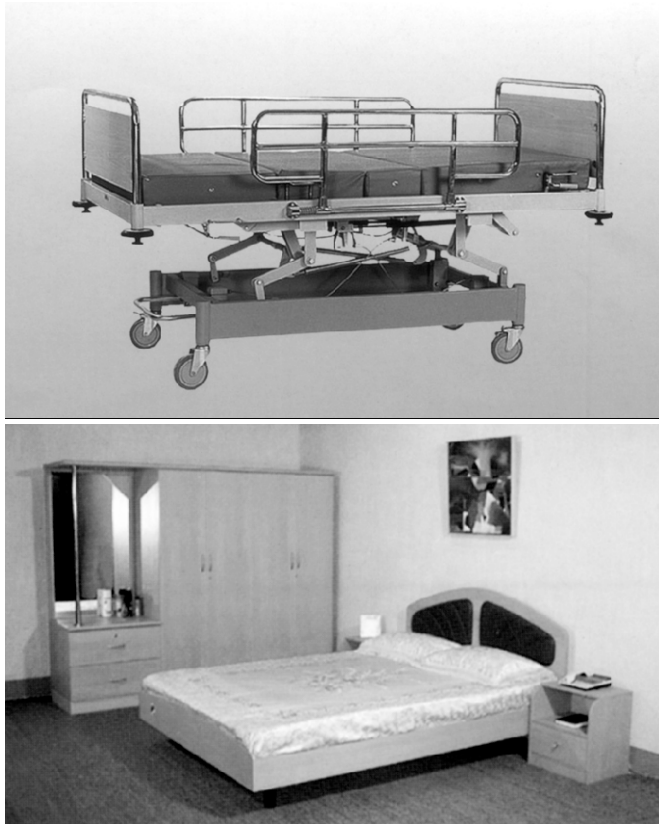
Here, he diversified his products and included new ones in the list of his sales that included coat pin, cup, crest and trophy. He started manufacturing decorative items, table lamp, and various types of metal furniture also.

Bangladeshi customers traditionally use wooden furniture. But forest resources being extremely limited, Nitun Kundu anticipated the market for metal furniture.

Product designing and manufacturing was not a problem for Kundu. But the problem he faced was with marketing those. "I am not a professional man. I enjoy designing innovative products," he says.

With the view to marketing his products in 1978 he opened a show room at 230 New Elephant Road, Dhaka and gradually started marketing all kinds of metal furniture in a proper manner.

During the next few years, he travelled widely all over the East and West gaining sufficient experience and confidence by 1984, when he started commercial production under the brand name Otobi. A great deal of emphasis was



Pictures show hospital, home and office furniture of Otobi.



He has his touch everywhere: Nitun Kundu watches one of his staff working in the Shampur factory.

knew. He was adamant to reach a monthly sale target of Tk 5000. He failed in the two consecutive years and succeeded in the third year to reach the magic turnover figure.

Now 27 years after the artist-turned entrepreneur has more than 150 items on his production list with an annual sale figure of around Tk 14 crore with 35 per cent growth rate. The items include a wide range of modern furniture for home and office. Presently his organisa-

residence and later shifted to a place at Shukrabad. Anyway, he also continued with his normal activities of painting and sculpture. The name of this mini workshop was "The Designers", employing only three to four people.

Having reached the targeted figure of Tk 5000 sale figure a month Kundu decided to set up a small workshop in a tin-shed house at Tophkana Road in February 1977 and named it "Art in Craft".

given to meet the need of customers and Otobi products started gaining popularity.

Considering the successes, one may think Kundu had to travel through very rough path but it was rather a "comfortable journey" for him all the way. "It was not a problem for me. All I had to do was to concentrate on my work and give full attention."

Even now at the age of 67, almost nine years after under going

a heart surgery, Kundu with a pacemaker in his chest, reaches office before others.

Kundu still feels shy when anyone make queries regarding price of a product. "What can I say, how can I say any price ... the product of my company is like my child so how I can charge for my own child," he says.

Currently the company is introducing numerous new products and has brought about qualitative improvement in the existing product line with imported high quality raw materials. It has also introduced a wide range of products of economic series to satisfy the demand of various segments of the society.

In addition to furniture, the company is also doing interior decoration and has a full-fledged service centre for after-sales-service.

Currently Ottobi Limited is the largest furniture manufacturing company in Bangladesh. Based in Dhaka, it has two factories at Mirpur and Shayampur. The factory at Mirpur is housed in a five-storied building, each floor having 14,000 square feet area while the factory at Shayampur is an under construction 10-storeid building each floor having a capacity of 17,000 square feet area. With the completion of the construction, the production capacity of the company is expected to increase manifold.

The success of the company is reflected in the transition from a



Under construction 10-storey Otobi factory at Shayampur

small handicraft shop to a well managed and professional world class furniture manufacturing company in Bangladesh.

The products include office furniture, household furniture, plastic furniture, hospital furniture, computer furniture, kitchen cabinet, storage rack, decorative items and interior decoration.

Today he plans the future of his company to gain international

exposure by engaging the best people having knowledge in state of the art technology.

He believes in quality and views that Bangladeshi companies should strive to manufacture quality products.

Kundu established corporate governance believing that knowledge is power and has given relentless effort to educate himself through reading books, magazines,

journals and interacting with others. His corporate governance is also based on establishing professionalism in all sectors of the company operation. With that aim in mind he has engaged his son to work as management trainee despite being a director of the company.

He believes that every person should go through training on quality and every element of the total process of the company must

have quality check to ensure total quality management (TQM). Kundu attributes honesty and hard work to the success of Otobi. He thinks business environment should be friendly with improved communication network. And he believes in transparency in business.

He boasts that he never stood second in his life. During the period from 1956 to 1987, Kundu took part in various art exhibitions. He won the Ekushe Padak for the year 1997 for his outstanding contribution in art and culture.

The success of Nitun Kundu as an artist lies in designing and construction of liberation war memorial "Saabash Bangladesh" on Rajshahi University campus and SAARC Fountain at Dhaka. Very recently, he has completed a sculpture titled "Sampan" at the MA Hannan International Airport in Chittagong. The country had recognized Nitun Kundu's passion for excellence and creativity and he won national award for painting in 1965 and Bangabhandu Award in 1992.

Some of his other major design works include President's National Film Award, National Export Trophy, Export Fair Trophy, Industrial Export Trophy, President's Gold Cup for Football, Wills Asia Cup for Cricket, Monogram for President's House, Hemisphere Fountain at Tophkana Road, fountain in Sangsad Lake, and fountain in the Ansar Training Center lake at Shafipur.

Message

It is with great pride and immense satisfaction that we introduce the Bangladesh Business Awards-2001. This prestigious award, with the motto of bringing "Global Corporate Standards to Bangladesh" has successfully completed its second year of journey. We believe that the introduction of this award has helped to create a new kind of awareness in the public mind as to the contributions made by the leaders of our business community for the growth of our economy. It is our considered view that sustainable growth of economy can only be ensured by the growth of a modern, competitive and efficient private sector. For that to happen we need entrepreneurs with vision, courage and leadership skills to break new grounds in the complex world of business. But to have such entrepreneurs we need to create the appropriate environment in which such talents can flourish. That precisely is the aim of our Awards.

Though the growth of Private Sector in Bangladesh is a recent story, this sector is now the main driving force of the economy. We think there are many leaders in our private sector whose exceptional qualities of entrepreneurship and vision need to be brought into the limelight and given due honour and public recognition. It is with this purpose in mind that The Daily Star and DHL Worldwide Express jointly decided to start the Bangladesh Business Awards last year. By recognising these exceptional personalities and enterprises we hope to show that in spite of all the problems that we face our business leaders can still achieve laurels if they have the courage, the determination and of course, the vision.

We in The Daily Star and in the DHL Worldwide Express are extremely privileged to be able to honour exceptional leaders and enterprises of our business community.

Thank you.

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Mahfuz Anam
Editor & Publisher
The Daily Star

Quiah
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Country Manager
DHL

Swimming against the tide to reach the pinnacle

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evaluating her business, the organisation granted her Tk 2 lakh loan without collateral. Thanks to the loan, Rehana increased the number of sewing machines to 37 from 18. The amount of loan without collateral now rose to Tk five lakh. She did not face any problem in repaying her loan to MIDAS and is quite confident that if she applies for a bigger loan next time, she will not be refused.

The number of workers in Rehana's Dhaka factory is now around 50. There are four sections in the factory that includes embroidery, tailoring, block print and dye. Basically, Saatrang specialises in all types of contemporary fashion trends like block print, tie and dye, applique and both hand and machine embroidery. However most of the hand embroidery work is done out of Dhaka, mainly Pabna, Jessore and Jamalpur. Saatrang has about 400 workers at Kashinathpur in Pabna, 150 in Jamalpur and 100 in Jessore catering to specific demands. Her workers are earning Tk 1500 to Tk 7,000 per month. Around 50 per cent of her employees are skilled and the rest are raw hands.

In Rehana's hometown Pabna, there are 400 skilled workers who are adept in different kinds of stitching. Very fastidious about the quality of her creations, Rehana ensures that designs are properly followed according to her instruc-

tions. Her products are also available at different markets in Sylhet, Chittagong, Jessore, Moulvibazar and Syedpur. Retail selling from her house is still continuing and Rehana's major production goes to some 20 wholesale buyers in Dhaka, Chittagong, Sylhet, Rangpur and Moulvibazar.

Rehana feels there are lot of

scopes to expand her business and she has many things to do. "In the early days, I used to produce different dresses and other handicraft items and most of them had good demand in the market. But things are changing very rapidly. People have become more fashion conscious. Now I produce different items keeping in mind the buyers

demand."

Besides retailing and wholesale from her house-cum-factory at Adabar, Shaymoli, Rehana is one of the leading sellers of MIDAS Mini Mart at Dhanmondi and Bailey road in the city.

"There are always a very good demand for my products," she maintained. "A major part of my

buyers includes foreigners and Bangladeshis living abroad are also in the list of my buyers."

She started producing hand-made quilt last year. "I think hand-made products always have very good demand in the market," she added. Although her business has grown over the years, she is yet to open up her own showroom.

Rehana gave priority to good relations with her employees. "In fact, they have become the members of my own family. There are some employees who started work with me in their early age and still they are here," she went on.

She thinks her business can be expanded further. There are some categories, particularly dress for girls of 10 to 12 years, in which foreign items are dominating the local market and their prices are also very high. "If we start producing those items, the prices would come down significantly and we would get very good response from the market. As I am getting old, it has become tough for me to expand."

Still there are very few producers in the market who really develop their products and the present market trend is to make copy of others. Those who want to swim against this trend and add creativity have good prospect, Rehana felt.



Rehana Kashem showing her creative products to the customers.

PHOTO SOURCE:
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