FINLAND: Sustainability and Innovation

Fiskars Group

Shaping the everyday into something extraordinary

One of the EU countries least-affected by the covid-19 pandemic and its economic impact, Finland is well-placed to rebound, according to the European Commission’s Winter 2021 European Economic Forecast. The Commission’s report noted Finland’s recovery in the second half of 2020, and forecasts continued momentum in 2021, with broad-based growth driven by private consumption and investment. Praising the Finnish economy’s resilience, the report said that it “could turn out to be a positive accelerator in the recovery phase”.

The EC says that rising consumer confidence will boost growth, and indeed the Finnish consumer market is looking strong going into 2021. Official figures show that consumer confidence reached its highest level for two years in January 2021.

We need to look more at how we can see consumer needs. Its digital development has positioned it strongly in direct and indirect e-commerce, allowing its brands to reach more global customers. As Ahlström notes, Fiskars has many home markets, including Finland, the UK, and Sweden to name a few, which she describes as "heritage places from which we can expand".

"When we look at what we attract, with our global reach and global passionate talent, we are a good home for a potential acquisition target," she says. "We can give the scale, the reach and all the analyses that we already have, plus the reputation of being a company with focus on design, functionality, and high quality are financially very strong.”

Sustainability, a watchword in global business, the current era, has been at the core of Fiskars’ business since 1649. The company aims to reduce its own, carbo-emissions by 60% between 2017 and 2030, while working with suppliers and partners to decarbonise its supply chain. It is also committed to sustainable and circular materials, and business models that reduce waste.

Fiskars’ strengths in uncompromising product quality and sustainable protection of the environment in many ways reflect the values of Finland itself. “I think we have so many strengths to be proud of,” says Ahlström. “One is the fantastic talent in the country. The ease of doing business in Finland is just unheard of, the ease of getting sound investments forward is there. There is a common motivation in the country, to build profitable growth for Finland.”

"Our enclosures are safe, and easy and quick to install," he says. "In the coming years, Fibox aims to use these capabilities to build on its strong position in markets as diverse as the North America, China, Europe, and Australia. Over the past five years, the company’s strategy has shifted towards having more diversified production across its global manufacturing operations, with each plant making a range of products. As a result, the company is closer to its customers, and can respond rapidly to their requirements. What makes Fibox a force to reckon with is the ability to offer the same premium quality service for customer’s products close to where they are located. "We changed from global dependability to proximity," says Niemi. "We can produce the same thing in different places. This was a test for the strategy. This test is going pretty well. We had to close our factory in China for three weeks, but it only affected that factory, we didn’t have any delivery issues from other factories because of that.”

This shift entailed investment in highly automated manufacturing capacity in Finland, at a time when many companies were shifting production away from Europe to other markets. “We’ve invested in Finland, though we could have invested elsewhere,” says Niemi. “We invested in Finland because of the people. They are very self-reliant, driven, and we have a good education system that makes people very quick to adapt to new technologies and ideas.”

As part of its expansion plans, the company is now seeking partners, potentially through mergers and acquisitions, which will help broaden its product range, and bring in new customers across a range of markets. "We are looking for related products to add to our range,” says someone could distribute them all over the northern hemisphere. If we find a company that has good products, but limited geographical reach, I think that would be a good option: it would be good for them as they achieve more sales, and good for us as we bring in products that we are currently missing.”

Fibox brands are of high quality and reliability. The demand from the end user is on a high level. Fibox is a trusted and valuable partner for distributors and wholesalers. A trusted brand that brings confidence to sales and attracts new potential customers just opportunities. It’s characteristic for Fibox to build long term relationships with customers, we like to talk about decades rather than years. Fibox is also growing by offering injection moulding of technical plastics and control panel assembly through its factories in the USA, Germany, Poland, China, South Korea and United States. Products and services are used in several industries like telecom, industrial and medical. Understanding customer needs and building customer innovations is one of Fibox’s core competencies and this we achieve by specialising in the in design, assembly and manufacturing of electrical systems.

Niemi emphasises that Fibox is more of a trusted partner than a supplier to its clients, supporting their operations with high-quality innovative products to meet their evolving needs. As such it helps partners’ businesses become more efficacious as well as more secure.