

Aiming for Simple

The company is officially relaunching at NeoCon. The new mantra is seating made simple: simple sell, simple use, and simple service. **By Rob Kirkbride**

Good, better, best.

In the world of retailing, that easy-to-understand ranking system has become part of the culture. For example, if you want a good Volvo, you buy the S40. Want a better Volvo? Try the S60. And if you want the best Volvo sedan, pick the S80.

But until now, the sometimes-complicated and confusing office furniture industry has been oddly resistant to change to a more simplified model.

Highmark, the Huntington Beach, Calif. seating maker, is undergoing a major brand reinvention, launching a new task chair and at the same time, simplifying the way it relates to its dealers and customers.

It also is simplifying its product lines. First the customer picks the chair from the good, better or best category. Then he outfits it with components from a bronze, silver or gold package.

There are list prices, but dealer discounts still apply.

For industry veteran and Highmark President and Chief Executive Officer Chuck Loeb, the decision to reinvent the company is a return to its simple roots.

“We’re going back to basics and a mantra of seating made simple,” he said. “There’s a shorter learning curve and faster sales cycle. There are new people coming into the industry and they don’t have time to learn hundreds of new products.”

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The simplified Highmark belies what has been an intensive branding effort by the small, privately held company. Loeb



said that he was motivated by the belief that today’s marketplace demands an easier approach to the seating industry.

“The industry has gotten so complex in the way we sell and the way we design chairs, even industry veterans have a hard time figuring it all out,” he said. “The world is moving way to fast to be weighed down with complexity. We thought it was time to bring things back to earth.”

The move by Highmark is also a way for a small, mid-market company to distance itself from competitors and carve out a niche in an increasingly difficult market.

“There are quite a few chair manufacturers in

the United States at all prices and all categories,” Loeb said. “We thought about how to differentiate Highmark from all the other brands out there. And not only do we have to compete against chair manufacturers now. Systems furniture companies are now getting into chairs. Our idea was to come up with something that would make it simple for customer to specify Highmark.”

Loeb said he and other managers took a step back and sought the help of a brand strategist who urged the leadership to focus on the goals of the company and ways to differentiate it from other chair makers.

“The approach was to recognize a way to get us back to the customer in a simple way,” he said.

Highmark comes up with the chair designs and sources parts from around the world



Company HQ in California

Loeb is no stranger to the industry or how it works. He has been in the office furniture market since 1975. He was an industry rep and later started his own repping firm.

He founded Highmark in 1992 and by the late 1990s, the company was named to Inc. magazine's fastest growing companies list.

It is a design and source company. Highmark comes up with the chair designs and sources parts from around the world. The components come into the company's 60,000 square foot plant in Southern California where the company completes the assembly and adds upholstery and all the options.

Still, the company is small. It has 65 employees and sales of \$14 million.

One way the company hopes to expand is through new products. Highmark is launching its In Motion task seating line with InSync, a high-performance task chair designed for Highmark by Francisco Romero of Phidesign in cooperation with Leggett & Platt design and engineering.

Featuring weight-activated counterbalance technology ala the Humanscale Freedom and Knoll Life chairs, Highmark promises similar performance at a much lower price point. InSync will list at about \$799 while the Knoll and Humanscale chairs each list at more than \$1,000.

"We came up with price points we feel will be popular," he said. "Highmark is focused more on the middle market. The prices will represent good buys."

The InSync chair has just one lever. The rest of the chair functions with the movement of the user's body. It continually adjusts itself with every movement or change in posture and balance. Since it self-adjusts, Highmark claims it eliminates human error, thereby reducing workplace injuries and stress.

The chair features a floating lumbar, customized by Romero, offering in-

creased support, especially to the extensive task user. It uses a knitted back upholstery that fits over the frame of the chair.

Loeb said he jumped at the chance to bring what he calls the first affordable counterbalance chair to the market.

"It is just more intuitive," he said. "InSync uses very simple controls. It's the kind of chair you get into and enjoy."

Loeb hopes the chair will gain favor with Fortune 500 companies that need a highly ergonomic product at a lower price point.

InSync is 98 percent recyclable and is made of 21 percent recycled post-industrial material. The company also is seeking LEED certification for the chair. It comes in mid-back or high-back options, fixed or height and width adjustable arms and three finishes.

The company's showroom on the 10th floor of the Merchandise Mart is being remodeled as well. To follow with the company's "keep is simple" strategy, the showroom design is clean as well.

Highmark collaborated with Jane Kobayashi and Maggie van Oppen of 5d Studio on the showroom redesign. The showroom is dressed entirely in white with splashes of warm color. The company said the minimalist decor is a reflection of its new stripped down policy.

InSync will be front and center in the new showroom as the company tries to capitalize on the buzz from the new product. The company also is offering to get NeoCon attendees' bodies "in sync" by treating visitors to massages in the InSync task chairs on Monday and Tuesday from 1-5 p.m.

Loeb, who said he works best when using his own intuition and gut feelings, is counting on the simplification strategy to keep the company moving forward in a slow market.

"It is tough," he said. "Business is slow. But what we're doing is pushing the market forward right now. A lot of mid-market furniture makers are taking a step back. It is a challenge, I'll tell you that, but instead of going back, we decided to go forward."

"The need for a good product doesn't go away. There is a market for a quality chair that doesn't cost an arm and a leg. Our goal is to be the brand for mid-market seating." ☞

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