

Makers: AMQ

By ROB KIRKBRIDE

AMQ's products are coming in at 30-40 percent lower cost than many competitors, it also has some very large companies taking notice.

The office furniture industry has always been unofficially based in the Midwest. There is no rhyme or reason for it other than that's where the industry's largest companies grew up. Places like Grand Rapids, Jasper and Muscatine became hubs for the office furniture industry.

And yet the epicenter of work has changed greatly since those companies started. The East Coast and Midwestern industrial cities, while still critically important to how we work, have given way to the high technology companies on the West Coast. The way in which people work -- around the globe -- is being shaped by the way offices are designed at companies in San Francisco, San Jose, Portland and Seattle.





AMQ Showroom San Francisco

So as an office furniture maker, does it make a difference to be located in the heart of the office revolution? The folks at AMQ think it does. And they have the sales growth to prove it. The company is betting it can leverage its experience in this high-tech, high-growth area of the country as it continues to roll the brand out across the country.

"I believe San Francisco has been the epicenter of the height adjustable and open plan (office concepts) for the last four years," said Chief Executive Officer Bruce A. Mallett. "With all the millennials coming through the high tech sector, the office has evolved and changed. People have had an allergic reaction to panels."

Companies across the country want to emulate the speed and success of the tech industry. The thinking process goes: If we want to create the fun, innovation and growth of Google, we should build an office that looks like Google. "High tech is greatly responsible for (the height adjustable, open office) trend moving across the

country so quickly," Mallett said. "I would say first and foremost, it is driven by cost per square foot. Secondly, I think the A&D community has greatly influenced things like lighting, airflow and collaboration."

As panels come down and in some cases go away, there are a few issues that the industry needs to solve. For all the ire directed at panels, they are an efficient way to move power across and office floor. Some in the industry -- AMQ among them -- are beginning to address this issue with some innovative new products.

The millennials have shaped the office as well. They want constant movement; a fluid environment. They want an office that is open and areas around the office that can transition from a cafe to a bar. "It is a big thing to understand this transition and be able to develop products to meet the needs of these workers. They have greatly changed the language of the office," Mallett said.

One of AMQ's "secret strengths" is its product development team. Working with the customer, they can con-



ACTIV and ILINE

ceptualize how an office can be designed to be most efficient. One of the largest companies in Silicon Valley buys bases from AMQ. The company was worried about privacy and acoustics, so AMQ's product development team helped. The product development team was able to prototype a product that would work for the customer. The product development team can also help bring products to the market much quicker. AMQ's product development team works from both the U.S. and Asia, meaning they are working around the clock on solutions.

"(Many of) our designs are customer-driven," said Stephanie Ariel, director of marketing. "We are able to prototype and tool very quickly."

AMQ focuses heavily on getting feedback from clients. It is a back-and-forth relationship between AMQ and its customers. Customers are looking for AMQ to help them visualize and see the market, Mallett said.

That visualization is turning into products. The company's new ACTIV sit-to-stand benching product is

launching now. It fits very well with AMQ's ILINE power/data beam product. ILINE is a power/data beam that runs between height adjustable tables to power up everything an office dweller might need. Power and data cables are kept organized in ILINE's built in wire channel.

AMQ customers can specify ACTIV as a stand-alone sit-to-stand benching product or in conjunction with the ILINE product. Together, ACTIV and ILINE create a kit of parts that can be used to control power, height, width and a variety of other configurations designers can specify. Once the beam size is specified -- with widths adjustable from 48 inches to 72 inches -- the kit of parts kicks in. It reduces the number of SKUs AMQ has to stock and means the company can handle extremely large projects without having any inventory problems.

Add to that the company's pledge to ship in five days and it is a recipe for tremendous growth. CFOs love that AMQ can provide "just-in-time purchasing." Since



AMQ's products are coming in at 30-40 percent lower cost than many competitors, it also has some very large companies taking notice. "We see a lot of Fortune 1000 companies buying our products for the open plan and then using the savings to buy better seating," Mallett said, calling it a "redistribution of dollars" spent in the office.

Dealers who work with AMQ are loyal to the company for several reasons. AMQ manages its distribution. Distributors are not fighting for the same product dollars. Dealers also like AMQ because the company built a strong inside sales and design team to support them. Once a dealer identifies a project, they can hand it over to AMQ to do all the work -- including specification and layout -- and get it back within 48 hours. "It's all about

making it easy for dealers to do business with us," Mallett said. "We have a tremendous amount of resources for a dealer."

AMQ isn't standing still. Mallett was in London a few weeks ago hiring a new design firm to add to its growing portfolio of products, including what he calls "a whole new category in the open plan." Mallett also brought industry veteran Tom Tolone onboard as a strategic partner. Tolone spent 20 years at Paoli before moving to Cherryman and then Maverick Desk. Tolone will help AMQ as it builds out its infrastructure, on operations and to help build a national distribution network. AMQ also built a number of showrooms to support the growth of the company outside its native California. 