"IT ALL STARTED WITH A CHAIR THE AVERAGE PERSON COULD AFFORD."
Founded in 1966, the Global Group of Companies is one of the largest manufacturers and marketers of office and institutional furniture in the world. Global produces seating, desking, wood casegoods and metal filing and storage in a wide range of price levels for all key market segments. We sell our products through a broad network of dealers, we do business in North and South America, Europe, the Middle East and the Far East.

"It all started with a chair the average person could afford."

An interview with Saul Feldberg, Chairman and C.E.O. of the Global Group of Companies, on the occasion of its 40th anniversary.
How did you enter the furniture business?

I learned the trade by necessity. I came to Canada in 1953. I was 17 and had to go out and work for a living. I landed a job at Nightingale Industries, a manufacturer of restaurant and beauty-salon furniture that eventually moved on to office furniture. It was a small manufacturing plant consisting of 15 or 20 employees.

Looking back at those days gives me the feeling of being shot out of a cannon into a different era. The industry was quite primitive. We were still using tacks and a magnetic hammer to upholster seats and backs. They introduced the compressor staple gun toward the end of 1953. It was a big breakthrough, like going from horse and buggy to the automobile.

I learned the trade starting from the ground up, springing the seat and preparing it for the upholsterers. I started at 75 cents an hour. Later, I stepped up into a more prestigious job as a cutter. I was cutting vinyl, primarily, for restaurant seating booths and breakfast nooks, and recovering theatre seats. At that time, the cost of vinyl was four or five dollars per yard. Unfortunately, the vinyl wasn’t stretchable. It was a challenge because I had to learn on my own, but I found a way to lay out patterns that saved tens of yards of material every day.

One day, my boss said that we needed 275 yards for a restaurant job. When I started laying out the vinyl, I noticed that he hadn’t calculated properly. I told him, “I’m sorry, but I don’t think we need 275 yards. We can make it out of 240...
“He said, "Okay, try it. Let me see." I proved it to him and he said, "Don’t ask me anymore. From now on, it’s your baby.”

After that, I learned the other parts of the manufacturing process: cutting the foam to size, upholstering, assembling, packing – the whole “how-to” from start to finish. I gained a lot of experience by improvising and making a product with my own two hands. After a while, my savings paid for the whole plant’s wages. By the time I was 21, I was promoted to plant manager.

Since then, the industry has changed dramatically. Nowadays, everything is mass produced. The seat backs come precut, the foam is already molded. Furniture-making is a much easier job. Many of the skills I learned years ago are no longer necessary. However, learning them enabled me to see the big picture. I understood the manufacturing process from beginning to end. I knew what we needed to do to increase our chair-making capacity.

“I gained a lot of experience by improvising and making a product with my own two hands.”
What led you to strike out on your own and start Global?

I had been with Nightingale for almost 15 years. By then, Nightingale had reached a plateau of 40 or 50 staff and wasn’t expanding anymore. A venture-capital group was planning a buyout. At that point, I was running the show in terms of manufacturing—buying, hiring and everything related to production. I also handled customer service. So I felt that after all my years of personal investment in the company, I didn’t want to work for complete strangers. I didn’t know who was going to take over Nightingale or whether I’d get recognition for all the years of hard work I had put into the company.

I had been thinking for some time that office furniture was so expensive that the average person couldn’t afford to buy it. With Nightingale about to be sold, I said to myself, “I’m young and energetic and now’s the time to make the move and start my own office-furniture business.” And that’s how I created Global. Along with my partner, Bill Kemeny, we founded Global in 1966.

Bill was an expert upholsterer who came to Canada in 1957 after the Hungarian Revolution. At Global in the early years, Bill spent much of his time making samples. He also opened up the factory every morning; in 40–plus years he has never been late. During a snowstorm one winter, when he saw that he wouldn’t be able to drive, he left his house, south of Lawrence Avenue, at 5 a.m. and ran up Allen Road to open the plant by 8 a.m. Today, at 90–plus years of age, Bill is still a contributing member of the Global family. He still gets to the office before 8 a.m. on a daily basis.
Where did the company name come from?

We thought big from the very beginning. Actually, when we went to our lawyer we applied for two names: Global and Universal. Universal, it turned out, was taken. There was a company named Universal Chrome. Canada barely had an office furniture industry. There were a few firms like Curtis, Murphy Miller and Royal Metal that no longer exist. Almost everything was imported from the United States. Cole Steel, for instance, opened a manufacturing facility here in the mid-sixties to produce files and seating. And then, of course, there was Steelcase, but they didn’t have many mid-priced products at that time.

And so we opened Global in March, 1966, in 3,500 square feet of rented space at Finch and Dufferin. There was Bill Kemeny doing the upholstery on a bench and Tommy Katsandris, the first Global employee, in assembly—he only recently retired in 2007. I was upholstering in the morning and cutting in the afternoon. I started to train new employees as we grew. I remember saying to Bill, ‘If just the two of us are going to do all the work, we won’t get too far.’

We completed our first catalogue in six weeks. My wife Toby, and I and our salesmen were working day and night. The names for our first chairs, such as Venus and Apollo, were inspired by space travel and mythology. Other names came from cars, like Monarch and Imperial. When the catalogue hit the street, the dealers couldn’t believe that all of this was accomplished in six weeks. When they saw it, they realized that we were here to stay.

Toby worked with me, shoulder to shoulder, from the very beginning. She was our bookkeeper and helped out whenever she was needed in the daily life of Global. She would squeeze in this time while dedicating the majority of her day to raising our children.

I was also the company salesman. I knew many of the dealers from my years at Nightingale. I approached them and they were willing to give me a chance. A few are important and loyal Global dealers to this day. In those days you didn’t have cell phones. I had to have a telephone on the post near the cutting table so that I wouldn’t waste time walking to the phone to take orders.

In 1968, after I attempted to secure the business of Simpsons–Sears, their buyers said they would visit us at Finch Avenue and make a decision. At that time, we had only 10 or 12 employees in our small plant and I knew there would be a
negative reaction to our size. So I asked our neighbor, who made manufactured doors, to lend me 20 people to ensure that we make a positive impression. I briefed them on their new roles and when the buyers saw all of those people drilling and putting screws in frames, they said, “You have 35 staff? Okay, you’re in.” I told that story to them 25 years later and they laughed.

Did you have a slogan?

Our slogan was, “Build a product that the average person can afford.” We certainly did that with our first product, a high-back executive chair in fabric and vinyl, the Executive series, that we sold to our dealers for ’68. To give you an idea of how radical that was, Cole Steel sold a similar chair for ’290 to their dealers, who of course marked it up before selling to an end user. Who could afford to buy it? For ’2,900, you could buy a brand new, fully-loaded 1966 Pontiac Parisienne. At first, some people didn’t want to believe that the Executive could be a well-made chair, but we were able to reduce the cost of the product while maintaining a high standard of quality. Those chairs were in service for 20 or 25 years and they made us an industry pioneer. We created the budget seating market niche for North America, not just Canada. No one else was doing it.

You saw at the outset that there was a big gap in the market?

Yes. The Americans were producing a very high-cost product. The low-cost product was imported from Japan. This was back when the label “Made in Japan” meant an inferior, if not very poor-quality product. So we were coming into our own at just the right price range.

We grew quickly. By 1969, we had built our own manufacturing plant, the 35,000-square-foot facility at 560 Supertest Rd. We also began our association with an independent designer, Greg Gabourie, who unfortunately passed away some time ago. He designed the Metric Series, which we launched that year. The Express Series included a budget junior executive tilter, a companion arm chair and a secretarial steno chair. Dealers sold the low-back tilter for only ’49. The Express took off like wildfire. Overnight, car and real-estate salesmen, even people in gas stations, felt like executives with these chairs. They had been sitting on old, rusted kitchen chairs and now they were tilting. I still see some of those chairs around today. So this was another big breakthrough for Global.
How would you characterize the Seventies?

By now, dealers accepted us and the concept of mid–lower–cost office furniture. In the beginning, they were leery. But once they saw that the lower prices attracted more customers, they were convinced. For the price of one competitor chair, customers could purchase four Global chairs.

In 1971, Global took the first step toward becoming a vertically integrated company. Why did you feel the need for such an ambitious undertaking?

In those days, buying components like metal and wood frames and plastic parts could be difficult. We realized that to become a major player, we had to start manufacturing our own components. This would ensure customers that we could deliver on time and that our product quality remained consistent. We entered into a partnership with a craftsman to open our first metal plant. He would run his own show as long as he supplied us with material on time and we could oversee quality and cost. This combination gave us the ability to ship at a speed that no one else in the industry could match. That’s still true today.

We built that first associate company out of necessity. The model worked so well that it eventually became a philosophy. Today, we have over 30 associated companies supplying components to Global. Together, these associate companies supply most of the components in our products. We can control the cost and delivery time and have superior quality. This vertical integration makes us unique. This has brought a lot of confidence to our dealers and customers.
Since the 1974 launch of Global Desks Concepts, Global has sought to manufacture the entire range of office products. Today, Global’s offerings include systems furniture, executive wood casegoods, laminate desking, metal filing and storage, and broad product offerings for spa and salon (Global Salon), healthcare and extended care (Global Care) and the education market.

Inset shots from left: Global End Table metal filing and storage; Evolve Systems; Whiterby desking system; Caprice seating series.

How fast is “fast” at Global? Can you share some anecdotes about quick turnaround time?

When Pope John Paul II visited the United States in 1988, he decided at the last minute to visit Philadelphia. A local supplier made arrangements to provide 1,000 chairs in white leather. Three days before the event, something went wrong. We received an urgent call and filled the order within 48 hours. This became an industry legend.

Then there was that terrible day, 9/11. The office of a prominent investment bank was destroyed. They put a call out the following Friday for 1,500 chairs and 1,200 desks. The following Sunday night, they were loaded off the Global trailers in New York. Their new office was up and running on Monday morning.

You also pioneered another unusual management model: the cell.

During the seventies, I began organizing new employees into production teams of about 50. The members would learn about manufacturing, assembly, quality control and distribution. We found it effective to grow the company one cell at a time. Each cell was accountable. We knew how effective it was and we could measure their productivity.

Years later, people said to me, “You had a vision, Saul. Now the auto industry is doing the same thing.” It was not so much a vision, it was a necessity and the best way to manage a growing workforce.

When did you expand into the United States?

As early as 1967, we had dealer representatives in the southeast U.S. We expanded into the U.S. in a big way in 1971 with the leadership of our new partner, Joel Appel, the Chairman of Global Industries, USA. We opened up a warehouse in New Jersey and put together Global Industries, our U.S. sales and marketing organization. Now we are a major factor in the U.S. market. Thanks to Joel’s vision close to 40 years ago, we are the only office furniture company to have our own distribution network, with our own warehouses, across America. We have 30 showrooms and 19 distribution centers located in key strategic markets – we also have 10 showrooms located across Canada.
How did business change during the eighties?

Computers changed everything. In the seventies, office designers would first specify the private offices for all the executives. Then, at the tail end of each project, they’d say, “By the way, we have £6,000 left in the budget. How many steno chairs can we purchase?” When computers replaced typewriters, secretaries and administrative assistants suddenly became important parts of the equation because the computer systems they operated were worth hundreds of thousands of dollars. From then on, employers made sure that these employees sat in nice comfortable chairs that felt good.

Then there was the rise in popularity of the home office. It became a big market for Global. People bought our product not just because it was affordable, but because it was attractive enough to make them want to use it at home.

The office furniture market was growing in other ways, too. By then, we had been in business for about 15 years. The reliability of our company and the product was proven. So Global products began to appear in more prestigious places. Designers with large corporate clients, such as banks and insurance companies, realized that by using Global products rather than products from big-name, better-known companies, they could furnish an office at half the price and the client would be perfectly satisfied.
Which chairs stand out from this decade?

We increased product introductions to approximately 20 models per year. The industry took notice. Our designer, Greg Gabourie, came up with some big successes. Metric was a stacking chair that could serve as a pull-up or guest chair; we nicknamed it the Everywhere chair. Axiom was our most stylish executive chair. Having been involved in seating for so many years, I also had a good feel for design. I helped create the Diplomat series, we sold two million of these chairs. I also helped design the Ultra, which sold over a million units. And our 1989 Obusforme chair is the only office chair endorsed by the Canadian Memorial Chiropractic College.

What were the big technical advances during the eighties?

The big breakthrough in the early eighties was the gas cylinder or pneumatic lift. Who would have guessed that it would become so popular today? The gas cylinder started slowly and picked up momentum in the late nineties as the price dropped. In the early eighties, it added maybe $75 to the price of a chair. By the late nineties, this innovation only added approximately $10. The vast majority of chairs now have gas cylinders. The hand-cranked, manual spin lift chair has almost completely disappeared.

Another big change was adjustability. Chairs were becoming more sophisticated in their improvements for seating posture. At one time, you might have only seen a back-height adjustment knob. By the late eighties, you would expect to see adjustments for seat and back angle, as well as lumber support.

“...was the gas cylinder or pneumatic lift... another big change was adjustability.”

It all started with the introduction of the Executive chair, Global’s very first product, in 1966. Over the decades, executive leather seating has remained a key part of the lineup.
What was the inspiration behind Global The Total Office?

Through the years, we were gradually widening our product range. Since 1974, when we launched Global Desks Concepts, we had the goal of rounding out the entire product line. Later, we set up Descor Industries to manufacture affordable wood-veneer casegoods. Boulevard, our first furniture system, launched in 1991. Actually, systems furniture first appeared in 1983, when we started Teknion. Teknion became its own success story, developing its own style, products and distribution. Today, Teknion is an independently operated company run by my son, David Feldberg, who is President and C.E.O.

We also added filing in the nineties. It took us some time to break into this part of the business because filing is a complicated and capital-intensive product. Steel has to be cut to size, welded and painted. To manufacture filing economically and compete with the big companies requires robotic welders. As part of the manufacturing process, files travel down the assembly line on hooks, just like in an auto plant. It was a significant investment for us.

How did your dealers react to the broader range? Did they worry that Global would lose focus on seating?

We still have more seating offerings than any other manufacturer. This is where we started and where we will always be very strong. On an average week, we ship 100,000 chairs. One facility alone can ship 35,000 chairs per week. But we had a long-term goal to position ourselves as The Total Office solution and offer one-stop shopping to our dealers. We were able to say to them, “Here we have a full, turnkey operation for you.”
We support our dealers. This is very important. We work hand-in-hand with our dealers. It’s a partnership. We have a loyal and intimate relationship. What’s good for them is good for us. We have frequent get-togethers where we encourage feedback and criticism. We even have traveled the world with our dealers on incentive trips to places like Hawaii, Israel, Tahiti, Bermuda, and most recently, the Bahamas.

In the early nineties, Global opened its own government-approved testing laboratory. What drove this decision?

Our associate companies gave us the capability to do rapid prototyping. But we lost precious time when it came to testing new products. By sending new chairs to an independent testing company, as many of our competitors did and still do, we had to wait in line. By setting up our own testing lab, we could run tests immediately and without limitations. Global is the only furniture company in Canada with such a facility. It’s part of our quality-control program. We want to ensure that our products remain trouble-free for our dealers and their customers.

What was the big technical breakthrough in the nineties?

On the manufacturing side, the big technical breakthrough was the C-Gex upholstery press. It was designed in France, and it’s the biggest breakthrough in chair manufacturing in the last 50 years. Here’s a glimpse at how it works: the operator sprays adhesive on the back of the fabric and places the fabric, foam and wood combination on the heated bed, which helps cure the fabric to the foam. The fabric is then secured by a string pulled by two pistons on either side of the machine.

In the eighties, an individual had to be Superman to make 100 chairs in one day because there was so much hand-stapling. Very few operators could do it. Now, with the C-Gex press, a good operator can make 250 chairs a day. And it takes much less physical effort. The press also makes for greater consistency, whether it’s 9 a.m. or 6 p.m., at the beginning or end of a shift, whether the operator is energized or tired. The beauty of it is that you no longer have to apprentice for many years to become a craftman. In my time, it took quite a few years to be able to upholster a chair properly. Now, within a few weeks you can become a professional.
The Global Group Center, won an Ontario Association of Architects award for its design by Moriyama and Teshima Architects. This dedicated, customer-focused building has become a benchmark in the industry. The 110,000-square-foot facility encompasses showrooms, a learning center and customer presentation rooms. Dealers, customers and end-users from around the world come here for training, professional seminars and product launches.

Inset photos: Above, the ribbon-cutting ceremony at the Global Group Center opening in October, 2000. From left, Janice and Jeff Bly, Bernie Feldberg, Elyssa and David Feldberg, Toby and Saul Feldberg, and Melissa and Joel Feldberg. Inset below, interior views of the Global Group Center.

What’s on the horizon for seating in the new millennium?

Task chairs today are so adjustable and ergonomic that they’re not so much chairs as machines for sitting in. We’re currently making the adjustment mechanisms more intuitive. To differentiate ourselves from the rest of the industry, we continuously introduce unique designs at affordable price points. We do all of this to ensure that the customer experience is simpler and more enjoyable.

To start the new millennium, we introduced our patented push-button technology located in the arms of our chairs, comparable to aircraft seating, with the NuCAS and Concorde series. This button adjustment is as easy to operate as it gets. It’s as revolutionary as going from a stick shift to an automatic transmission. We call our top-of-the-line Concorde model the Presidential because several presidents and prime ministers actually sit in it.

In 2003, we introduced the Ride chair, designed by our talented in-house Global design team. It has gearshift-like controls on each side of its seat that let you adjust tilt and height without having to strain to reach levers on the underside of the seat. Global was recognized with its first Best of NeoCon Award for the Ride chair.

Karizma, introduced in 2005 and designed by Zooey Chu, has elastomeric bushings, like rubber engine mounts, that allow the backrest to flex in any direction. We call it the True Response Support System. The concept is to allow the chair back to mimic the user’s own back movement and offer full support, no matter how one moves.
You can see where this trend is heading. The final step, and it’s such a big one that no manufacturer has done it, is the completely self-adjusting, “smart,” chair, driven by a computer chip. We could manufacture one today, however, it would cost $6,000 and no one would buy it at that price. To be practical in the marketplace, the smart component would have to add no more than $100 to the cost of a $500 chair. We’re working on it.

In fact, we’re already integrating seating and electronics. At the Consumer Electronics Show in Las Vegas a few years ago, we introduced the Power Play chair, our first media chair, with full surround sound and an integrated motion shaker. It’s our first entry into the home entertainment industry and quite a departure for us.

Most importantly, we aim to stay true to our original goal, to build a chair that the average person can afford. However, today and in the future, we will continue to do so with a focus on a high level of design and innovation. This will differentiate us from the rest of our competition.

How are you expanding your dealer network internationally?

To give confidence to our international dealers and end-users, we have opened manufacturing facilities and showrooms throughout the world. We have manufacturing plants in Great Britain, France, Australia, Brazil, Malaysia, Israel, Italy and China. This breadth enables us to set up the same environment for opportunities to our international customers that exist here in North America.

What is the predominant market trend affecting Global?

It’s more a case of Global creating the trend that affected the market. Years ago, there used to be clear delineations in the marketplace. There were low-, mid- and high-end manufacturers and they generally didn’t compete against one another. Now the market is a big grey zone driven primarily by price and value. There are flexible divisions as opposed to the hard divisions of the past. Global’s position as a value-based mid-market manufacturer is as valid now as it was when we began. In addition, Global has been able to extend its manufacturing and design capabilities to the healthcare market for both hospitals and long-term care facilities.
You’re well-positioned to take on any and all North American competitors. But how will Global hold its own against the onslaught of low-cost Asian goods?

We can compete with China because of our speed to market and diversity of product line. What the low-cost, offshore manufacturers gain in price advantage, they lose in logistics. Our dealers can custom order almost anything to arrive in a matter of days. This advantage makes us one of the few North American manufacturers — maybe the only manufacturer — to compete successfully against Asian producers in home-office stores such as Staples and Office Depot.

Global has been particularly blessed in its labor relations. To what do you attribute this?

From the beginning, we called ourselves the Global family. These aren’t just empty words. We truly feel for our people.

Thirty years ago, we started our profit-sharing plan. Employees join it after working here for one year. Global contributes thousands of dollars a year per employee, which is substantial. The company also provides a full range of benefits, from dental to drugs to life and long-term disability insurance. Not surprisingly, we have very low turnover. Many employees are children and grandchildren of the first wave that started here 30–plus years ago. This continuity gives me great personal satisfaction.

It shows that although we’re now a big company, we still have that small-company feeling. The entire management team, including me, is accessible and in touch. I listen to people’s problems. They’re always asking me for advice; it’s like Fiddler on the Roof. If someone gets married or has a child, their co-workers will throw a little party. I’m always there to celebrate with them. If I’m out of town on a sales call, they’ll postpone the party until the following week.

I don’t think that this relationship between employees and management exists in many corporations today. We have a slogan, among ourselves: We want to be successful, but not at any cost. There are certain things in life that dollars and cents cannot buy, and the feeling that maintaining our Global family brings to each of us is one of them.
You are also a believer in giving back to the community.

We donate to many charities, including University Health Network: Princess Margaret, Mount Sinai, Toronto General and Sick Children’s Hospitals. We also support the Starlight Children’s Foundation International which grants the wishes of critically ill children. Furthermore, we support the Reena Foundation which helps developmentally challenged children. We provide design scholarships to several colleges and universities in Canada. I sit on the B’nai Brith Canada Board.

Our family was directly involved with the Yad Vashem Memorial Committee in Toronto to help build a Wall of Remembrance in Earl Bales Park to honor Holocaust victims. I’m a great believer in doing things for your conscience without making a big noise. Like the Bible says, if you do something good and do it quietly, you double its value.

You mentioned your wife Toby’s role at Global. What about your children?

Toby and I have been blessed with four wonderful kids. David, Bernie, Janice and Joel all worked at Global before joining the company full time. All of our children spent summers working in various departments: payables, customer service, purchasing, shipping, the assembly line, getting to know the business from A to Z.

David, a lawyer by training, began at Global in 1984 and worked at the company for close to 15 years, during which he served as President. He was instrumental in building Global into a world-class organisation. David was the architect of our sales, marketing and distribution network. In 1994, David became President and C.E.O. of Teknion, where he continues to hold this position today. Bernie has been the longest-serving Global employee of all the children. He has worked at Global for over 25 years and is a very valuable and active member of our company’s Finance/Accounting Department. Joel, also a lawyer, is the current President and C.O.O. at Global. He joined Global in 2002, after practicing corporate law for several years. Janice is also a lawyer by training and she helped start the Global Legal Department over 10 years ago. She is currently active in other aspects of our family business. In addition, Jeff Bly, Janice’s husband, has been with Global for close to 20 years. He is the Senior Vice President, Supply Chain Management for the Global Group. It feels wonderful to have all of my children working for the company, especially since they’re here by choice. I like to think that the hard work and dedication of Global pioneers like me has set an example. The new generation will pick up the ball and run with it.
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