

Zanjan Knife Cluster Development



Engineering

KEYWORDS: Industrial Clusters, Zanjan Province knife, Enterprises , Challenges and opportunities

KAMRAN YEGANEHI

Department of Industrial Engineering , Zanjan Branch, Islamic Azad University, Zanjan , Iran

SAEED GHAFARI

MSc student ,Industrial Engineering-Industrial, PNU (Payam Noor University)

**SEYED SOHEIL
MOUSAVI DOOSTI**

MA student , Business Administration-Financial Management, Islamic Azad University , Abhar Branch

ABSTRACT

Industrial Clusters are applied to a set of enterprises that have concentrated in a geographic region and an industrial branch and present the production and supply services and goods with cooperation and accomplish each other's activities and they enjoy from common Challenges and opportunities.

Zanjan Province is holder of four identified clusters and has formed about %2 identified clusters all over the country. Zanjan Knife Cluster is one of the most important of the clusters . There are some obstacles that make prevent of the cluster development as follow:

Shortages and high prices of raw materials, lack of adequate training, lack of deformation and innovation, lack of proper packaging and advertising, weak financial possibilities of cooperation, lack of modern technologies in Knife production and Irregular knives import from China.

1.Introduction:

The industrial clusters are one of the successful patterns in organizing small and medium industries which remove the small and medium industries shortages and fortify different benefits of small industries like flexibility and diversity. The small and medium industries are in the center of industrial clusters and there was happened many studies in decade 80 in Italy .

The small and medium industries of every country are as the complementary and essential section of its economy. The enterprises in many developing countries has important and determined role in developing and diversity of industrial production accompanied with main goals. It has also essential effect to access fundamental goals like employment; poverty uprooting, meeting essential needs of developing countries and

In many countries, small and medium industries and employment providers could be the factor of innovation and progress in industry. The enterprises shall play effective role in countries economic development in import area.

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Knife is the most important and famous handicraft of Zanjan province that it has nice and fame name in national and international level. In general, the knife making industry record should be searched in the times which having cool weapon (stabbing) was from the necessity of every person. In Mongol époque and then in safavid period , the industry developed extremely and in the recent decades , the industry has preserved its fame but in recent years , the industry has endured such a worried situation for grand problems like shortage and expensiveness of raw materials , lack of suitable education in the industry and entrance of Chinese different similar goods .

2- Zanjan Knife Making Industry Problems:

According to the researches and using from random sampling method in statistical society, unfortunately the results express production quality decrease and coming down procedure of the industry in zanjan and the affair has direct effect in decreasing

zanjan products purchase . From the most effective factors and identified problems that made knife making industry stagnation in Zanjan city are as priority follow:

- 1- Lack of governmental institute or organization as supporter of industry and artisan and also inadequacy guild union
- 2- Expensiveness and shortage of raw material and non-access to it
- 3- Deliver the productions to market without proper packing which should be appropriate
- 4- Non-attention to production as serial making
- 5- Decreasing work quality
- 6- Non-observing safety and health standards
- 7- Lack of suitable and necessary propagation
- 8- Existing of intermediate factors specially about raw material and also in selling productions
- 9- Lack of proper and permanent market to present productions
- 10-Increasing smuggled goods and entering external smuggled in to country
- 11-Lack of suitable designing to make diversity in productions (repetitive model)
- 12-Disability of Zanjan production rivalry with similar products from foreign countries
- 13-Lack of governmental possibilities for artisans
- 14-Delivery of productions without necessary quality by novice knife makers
- 15-Producing with high costs and selling with low price
- 16-Non-exist of space and proper place as knife – making workshop for artisans

3- Value Chain:

To determine the connection types and directions , it is necessary to study value chain and research team has determined the filigree work industry value chain of Zanjan Province as in Figure 3-1. As it is obvious , %55 raw material providing cost , %5 transportation cost , %20 energy cost , %6 wage and salary , %10 consumption equipments cost and %4 the rest of costs. Based on the value chain of Zanjan Provinceknife making , the most costs is related to raw material providing.



4- Essential Suggested Strategies to improve Cluster Situation:

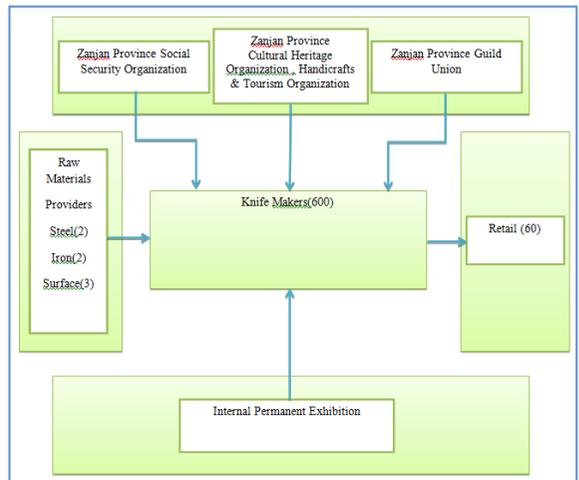
- Paying low-interest facilities to active workshops
- Suitable propagation and making information base in the field
- Using supportive policy via highlighting deliver present , handicraft prizes and ...
- Suitable market – Recognition goal market and customer interests
- Making association of knife-making artisans to interchange information and necessary co-cogitation to grow the industry
- Celebrating educational workshop , seminar , congress to present viewpoints and elevate production quality
- Celebrating educational workshop and marketing seminar
- Making sale small markets
- Establishing knife museum in province to attract tourist
- Preventing from foreign knife import
- Standardization of productions
- Vivification of making noble knife like nacreous handle
- Celebrating different festival of metal industries based on Zanjan knife-making
- Participating in international exhibitions to attract sponsor
- Developing raw material centers with high quality
- Proper packing

5- SWOT Analysis(weak points/ strong points and opportunities /threats)

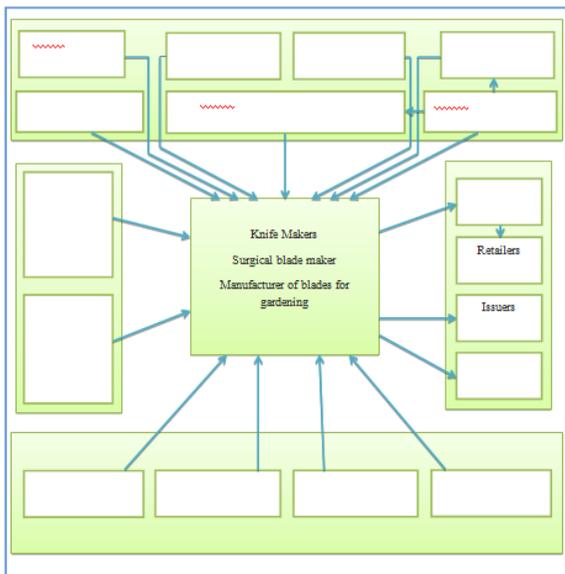
weak points	strong points
<ul style="list-style-type: none"> *Lack of governmental institute or organization as supporter of industry and artisan and also inadequacy guild union *Expensiveness and shortage of raw material and non-access to it *Deliver the productions to market without proper packing which should be appropriate * Non-attention to mass production *Decreasing work quality *Non-observing safety and health standards *Lack of suitable and necessary propagation *Existing of intermediate factors specially about raw material and also in selling productions *Lack of proper and permanent market to present productions *Increasing smuggled goods and entering external smuggled in to country *Disability of Zanjan production rivalry with similar products from foreign countries *Lack of governmental possibilities for artisans *Delivery of productions without necessary quality by novice knife 	<ul style="list-style-type: none"> *Placing Zanjan (the cluster location) in transit axle Tehran-Europe and railroad Tehran-Tabriz-Iolfa *Enjoyment from cheap labor power and possibilities *Closeness to external roots specially Ghafghaz and Turkey as Europe gate *Neighboring of Zanjan (the cluster location) with seven provinces

<p>makers</p> <ul style="list-style-type: none"> *Producing with high costs and selling with low price *Non-exist of space and proper place as knife – making workshop for artisans 	
Threats	Opportunities
<ul style="list-style-type: none"> *Non-access to high quality materials *Approval dated 2007 National Consultative Assembly , legal prohibition to manufacturing types of knife *Irregular import of foreign knife specially undesirable Chinese types *Unsuitable rivalry *Lack of suitable market *Lack of proper propagation by considering its oldness in Zanjan and number of active units in the field *Lack of employment security (disabled insurance –workshop insurance –treatment insurance) 	<ul style="list-style-type: none"> * Paying low-interest facilities to active workshops *Suitable propagation and making information base in the field *Using supportive policy via highlighting deliver present , handicraft prizes and ... * Making association of knife-making artisans to interchange information and necessary co-cogitation to grow the industry *Celebrating educational workshop , seminar , congress to present viewpoints and elevate production quality *Celebrating educational workshop and marketing seminar *Making sale small markets *Establishing knife museum in province to attract tourist *Preventing from foreign knife import *Standardization of productions *Vivification of making noble knife like nacreous handle *Celebrating different festival of metal industries based on Zanjan knife-making *Participating in international exhibitions to attract sponsor * Developing raw material centers with high quality * Proper packing

6- Present Cluster Plan:



7- Future Cluster Plan:



8-Conclusion:

The aim of cluster developing plan is fortifying present clusters and delivers an efficient frame for the cluster users. The achievement of the goal needs the access resources for cluster beneficiaries (like production technology, marketing and selling products, business develop services) and also changing their belief to connect different active persons via a coordinate strategy. Usually, changing idea needs long and concentrate interference of cluster develop factor. So, it is necessary to some supportive programs present in general frame to help to the beneficiaries to coordinate their activities. According to the historical background , climate situations , geographic conditions of zanjan province and also existing the skilled craftsman , the implementation of develop plan of knife industrial cluster has many benefits like cost decreasing and the most , employment . The art not only saves the traditional arts but also makes economic growth and dehiscence in the part of province industry.

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