



UNION EUROPEENNE DE L'AMEUBLEMENT  
EUROPEAN FURNITURE MANUFACTURERS FEDERATION  
VERBAND DER EUROPÄISCHEN MÖBELINDUSTRIE



## FURNITURE IN EUROPE

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# The UNION EUROPÉENNE DE L'AMEUBLEMENT

was created in 1950 to promote the co-operation among the furniture manufacturers in post war Europe and more specifically to reintegrate Germany into the European community of furniture manufacturers.

Together with the European Union it has evolved over the years to assume an increasing importance as more and more legislative power was concentrated in Brussels. It has an explicitly European vocation and as organisation it will always opt for a European approach in any issue.

*The founding fathers of the UEA*





## THE OBJECTS OF THE UEA

1. To maintain and to promote permanent contact between the member industrial organizations and to act as the voice of the furniture manufacturing industry towards other trade organizations, all EU authorities and international organizations such as the WTO, OECD, EFTA, UNIDO ETC.
2. To establish and represent the general interests of European furniture while ensuring the greatest possible influence on the rules, decisions and directives made or issued by international organizations and authorities.
3. To ensure a systematic and a complete awareness among its members of industrial, technical, fiscal, economic, social and research problems of the European furniture industry as well as about the regulations, decisions and directives relating to the industry made at European or international level.
4. To act as a link between the furniture organizations in the European countries in connection with the promotion of the sales of furniture in all markets.
5. To maintain and strengthen a flow of information between the UEA member federations and the furniture industry at large and to act as a forum of arbitration for the friendly settlement of disputes which may arise between members or individual member enterprises of member federations.
6. To represent and promote the furniture industry in its various aspects.
7. To this end to bring about its co-operation with national and international exhibitions.
8. To promote training of personnel and, in general, to act as a provider of services for the furniture industry.
9. To represent the employers in the EU furniture sectoral social dialogue.

# THE ACTIVITIES OF THE UEA SECRETARIAT CENTRE AROUND FIVE POLES

1. The institutional secretariat work for the UEA and the connected organizations.

2. Manage projects within the priorities defined by the UEA General Council.

3. Provide information on EU initiatives to the sector and to the authorities and the general public.

4. Make studies on the furniture industry, its sub-sectors and its markets both within and outside the EU.

5. Lobby the European, international and national authorities on subjects of interest for the sector both concerning legislation and the application of legislation.



## THE UEA MEMBERS

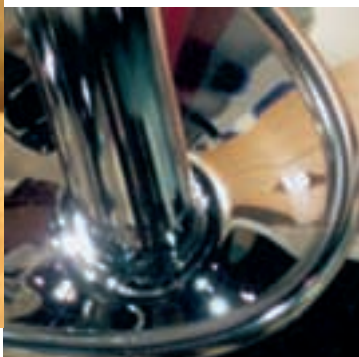
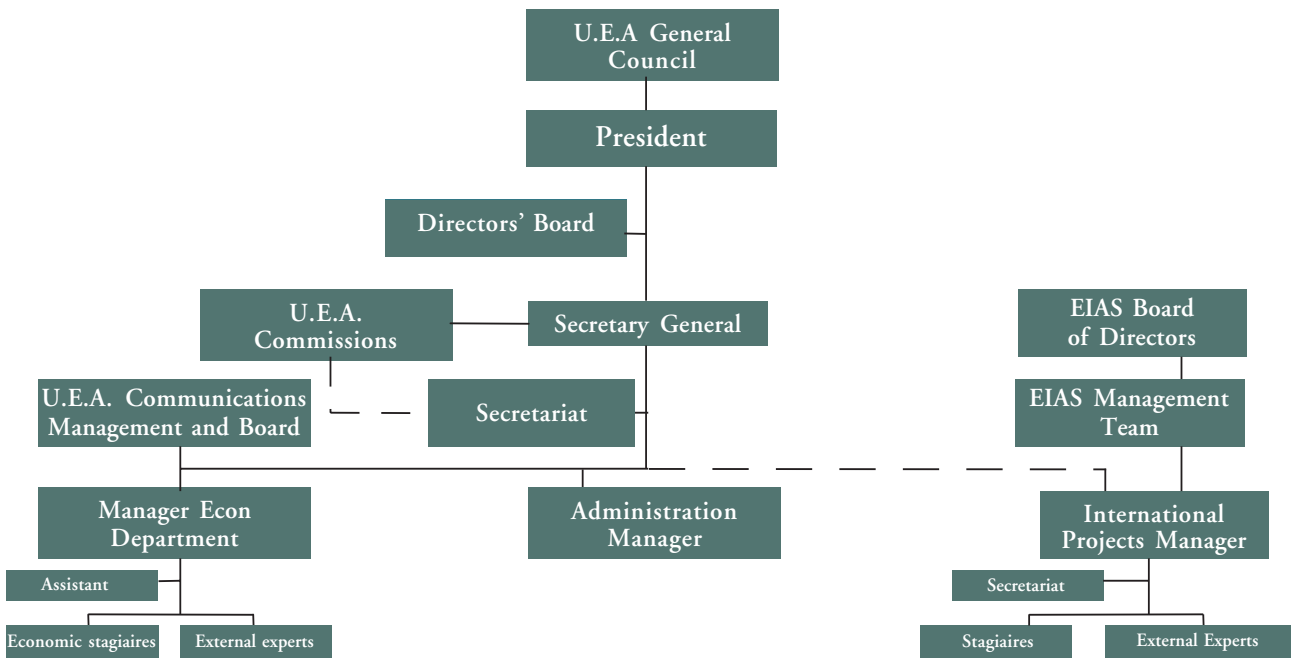
	ASSOCIATION	URL
	UEA <i>Union Européenne de l'Ameublement</i>	<a href="http://www.ueanet.com">www.ueanet.com</a>
	AFI <i>Austrian Furniture Industry</i>	<a href="http://www.moebel.at">www.moebel.at</a>
	DRVO BIH - BOSNIA-HERZEGOVINA	<a href="http://www.drvobih.com.ba">www.drvobih.com.ba</a>
	BBCWFI <i>Bulgarian Branch Chamber of Woodworking and Furniture Industry</i>	<a href="http://www.bkdmp-bg.com">www.bkdmp-bg.com</a>
	PASYVEX <i>Cyprus Furniture &amp; Woodworking Industry Association</i>	<a href="http://www.pasyvex.com.cy">www.pasyvex.com.cy</a>
	ACN <i>Association of Czech Furniture Manufacturers</i>	<a href="http://www.volny.cz/asocnabyt/">www.volny.cz/asocnabyt/</a>
	EESTI PUUTÖÖLIIT <i>Estonian Woodworking Federation</i>	<a href="http://www.furnitureindustry.ee/">www.furnitureindustry.ee/</a>
	AFFJI <i>The Association of Finnish Furniture and Joinery Industries</i>	<a href="http://www.puusepanteollisuus.fi">www.puusepanteollisuus.fi</a>
	UNIFA <i>Union Nationale des Industries Françaises de l'Ameublement</i>	<a href="http://www.mobilier.com">www.mobilier.com</a>
	VDM <i>Verband der Deutschen Möbelindustrie</i>	<a href="http://www.hdh-ev.de">www.hdh-ev.de</a>
	MAGYAR BUTOR ÉS FAIPARI SZÖVETSÉG - HUNGARY	<a href="http://www.butorszovetseg.hu">www.butorszovetseg.hu</a>
	ASSARREDO <i>Associazione Nazionale delle Industrie del Mobile e dell' Arredamento</i>	<a href="http://www.federlegno.it">www.federlegno.it</a>
	ASOCIĀCIJA LATVIJAS MEBELES - LATVIA	<a href="http://www.finieris.lv">www.finieris.lv</a>
	LIETUVOS MEDIENA - LITHUANIA	<a href="http://www.lietuvosmediena.lt">www.lietuvosmediena.lt</a>
	MALTA FURNITURE MANUFACTURERS ORGANISATION	<a href="http://www.mfmo.org">www.mfmo.org</a>
	TBL <i>Federation of Norwegian Manufacturing Industries</i>	<a href="http://www.tbl.no">www.tbl.no</a>
	OIGPM <i>National Chamber of Commerce of Furniture Manufacturers</i>	<a href="http://www.oigpm.org.pl">www.oigpm.org.pl</a>
	APIMA <i>Portuguese Furniture Association</i>	<a href="http://www.alvo.com/apima">www.alvo.com/apima</a>
	APMR <i>Association of Romanian Furniture Producers</i>	<a href="http://www.mobilier.com/apmr">www.mobilier.com/apmr</a>
	ASSOCIATION OF FURNITURE & WOODWORKING ENTERPRISES OF RUSSIA	<a href="http://www.amedoro.com">www.amedoro.com</a>
	UWPM <i>Zvaz spracovatelov dreva Slovenskej republiky</i>	<a href="http://www.zsdsr.sk">www.zsdsr.sk</a>
	ANIEME <i>Asociacion Nacional de Industriales y Exportadores de Muebles de España</i>	<a href="http://www.anieme.com">www.anieme.com</a>
	TMF <i>Swedish Federation of Wood and Furniture Industry</i>	<a href="http://www.traindustrin.org">www.traindustrin.org</a>
	SEM <i>Association of Swiss Furniture Industries</i>	<a href="http://www.sem.ch">www.sem.ch</a>
	CBM <i>Centrale Bond Van Meubelfabrikanten</i>	<a href="http://www.cbm.nl">www.cbm.nl</a>
	BFM <i>The association of British Furniture Manufacturers</i>	<a href="http://www.bfm.org.uk">www.bfm.org.uk</a>

# ORGANIZATION CHART

The General Council of the UEA defines the priorities for the sector. Current priorities are the internationalization of the sector and the use of the information and communication technologies within the European furniture sector.

The President, assisted by the Directors' Board decides on the execution of the UEA policy.

The UEA is using a project-based approach to its activities with the creation of the necessary ad-hoc structure to address the issues. This allows to keep a limited structure centred around the basic tasks and main priorities as defined by the Council.

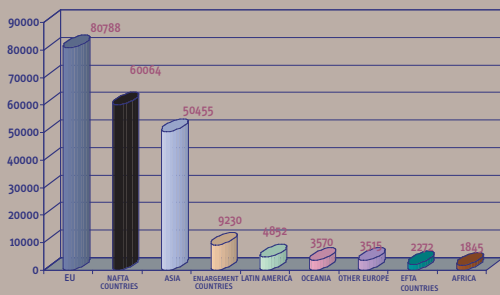


# THE EU FURNITURE INDUSTRY

## WORLD PRODUCTION

The furniture industry is one of the largest manufacturing industries (80.8 billion Euro worth of turnover in 2003: -3.9% compared with 2002) in the EU15. The EU15 furniture industry accounted for about 38% of the world furniture production but its part is decreasing (50% in 1998). The total world furniture production was estimated to be 216 billion Euros in 2003 (+1.6% compared with 2002).

WORLD FURNITURE PRODUCTION: 216 BILLION EUROS  
PRODUCTION BY MAIN WORLD REGIONS IN MILLION EUROS - 2003

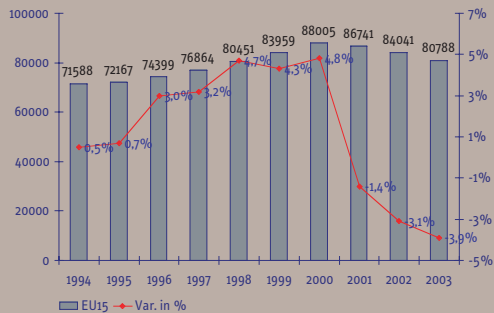


## EU PRODUCTION

2003 was the third year in a row, when the production value decreased both in value (-3.9% compared with 2002) and in volume.

The total EU15 production of furniture amounted to 80.7 billion Euros or 8 billion Euros lower than in 2000, a record year.

EU15 FURNITURE PRODUCTION VALUE IN MILLION EUROS.  
ANNUAL VARIATION



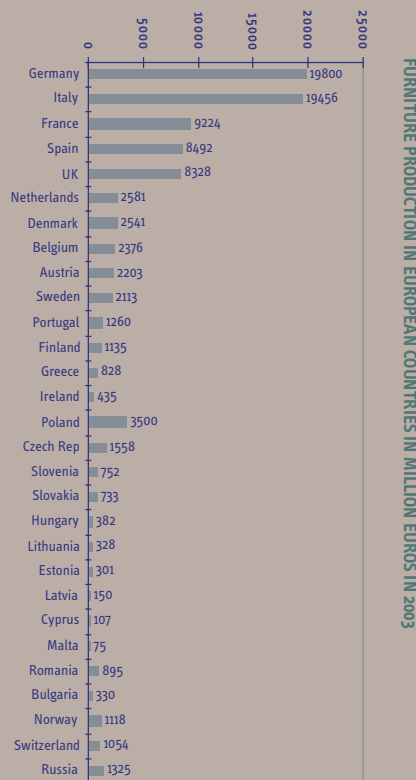
## EU PRODUCTION BY COUNTRY

Germany was the largest furniture producing country accounting for almost a quarter of the EU15 production. Italy accounts for 24% of the production value. Three countries (France, UK and Spain) are closely following with a production value accounting for a third of the EU15 total.

The production in the new member states has positively evolved these recent years. The production value increased by 30% from 2000 to 2003, thanks to strong exports to the EU and to their neighbouring countries.

Poland is the largest producing country among the new member states with a total production value of 3.5 billion Euros.

However, if expressed by inhabitant, the production level is the highest in Estonia where it is 200 Euros/inhabitant (90 Euros/inhabitant in Poland).

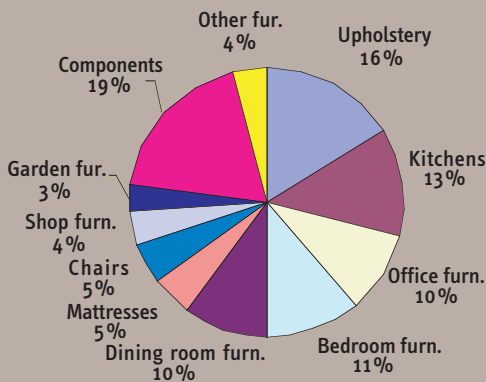


# THE EU FURNITURE INDUSTRY

## TYPES OF FURNITURE

The furniture manufacturers are often specialized in one type of furniture and furniture manufacturing is made with different materials. The largest sector is the upholstered furniture industry (16% of production value or 13.1 billion Euros in 2003), followed by the kitchen furniture sector (13% or 10.6 billion Euros) and the office furniture sector (10% or 8.9 billion Euros).

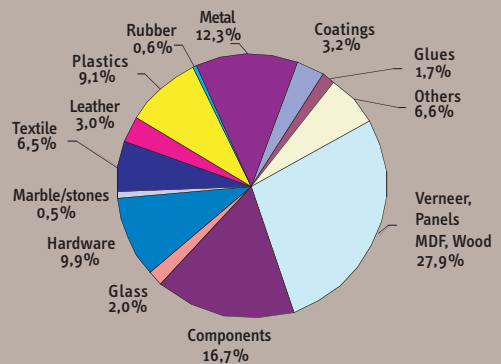
TYPES OF FURNITURE PRODUCED IN EU. IN % OF TOTAL



## MATERIALS

The EU furniture industry is a market and product oriented industry using a large variety of materials. Material innovation has become a crucial part to maintain one of the major strengths of the sector: its product development and design capabilities. 45% of total production value consists of purchase of specific raw materials or semi-finished products by the furniture industry from other manufacturing industries.

TYPES OF MATERIALS USED IN THE FURNITURE MANUFACTURING MATERIALS = 45% OF PRODUCTION COSTS



## COMPANIES

In the EU15, there were 8,800 enterprises with more than 20 employees employing 600,000 persons in 2003.

There were also more than 94,000 enterprises with less than 20 employees (employing almost 300,000 persons).

24,800 companies also manufacture furniture in the new member states

## EMPLOYMENT

The total number of employees working in the furniture industry is almost 1.1 million (866,075 persons in EU15 and 214,964 persons in the new member states).

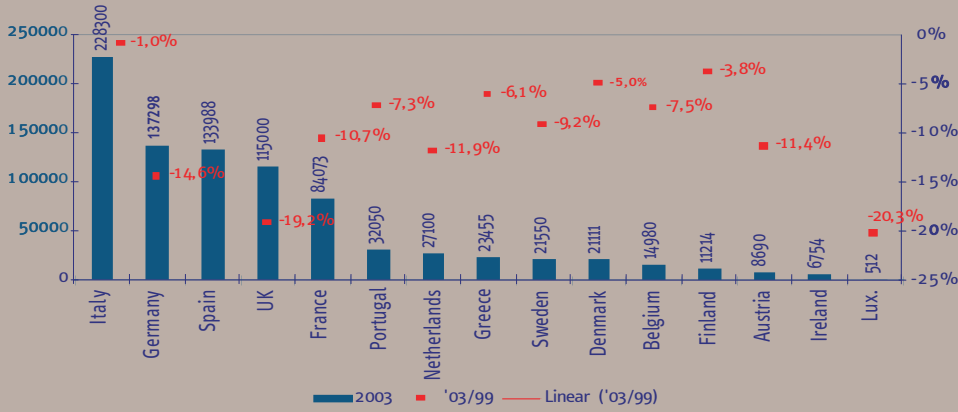
In terms of employment, the furniture sector in the different EU15 countries showed similar trends.

The evolution of the total number of employees followed, in parallel, the evolution of the production value both in the increase and the decrease periods. However, since 1999, the EU15 furniture industry has continuously lost jobs (even during periods of recovery): some 60,000 jobs or more than 6% of the level of employment recorded in 1999 which was the highest in history (-6.7% in four years).



# THE EU FURNITURE INDUSTRY

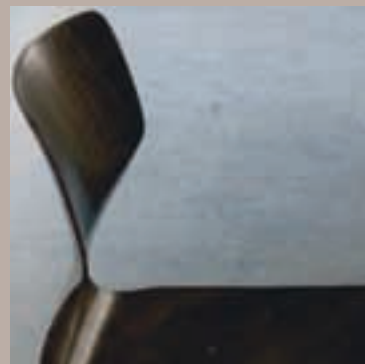
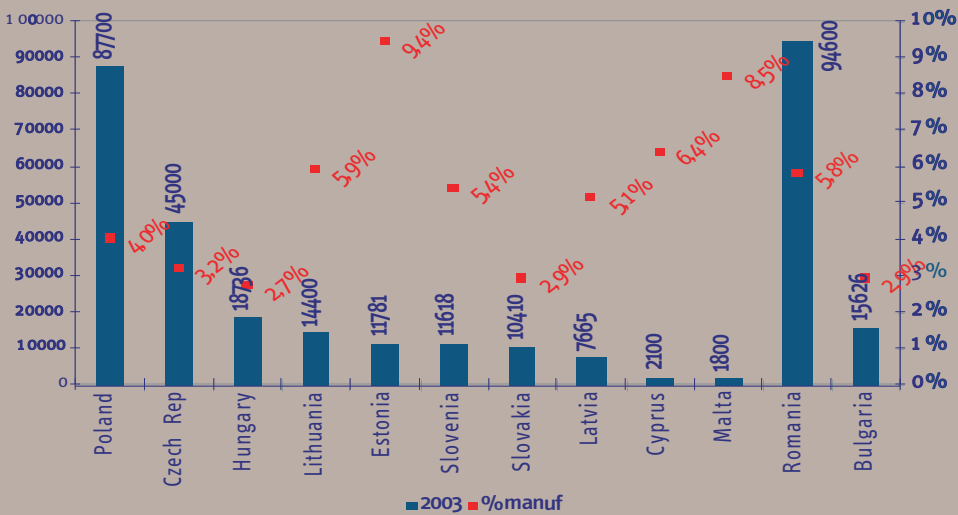
EMPLOYMENT IN THE EU15. FOUR-YEAR EVOLUTION BY COUNTRY.



EMPLOYMENT IN THE EU15. ANNUAL VARIATIONS.



EMPLOYMENT IN THE NEW MEMBER STATES & ENLARGEMENT COUNTRIES  
PART OF EMPLOYMENT IN MANUFACTURING INDUSTRY

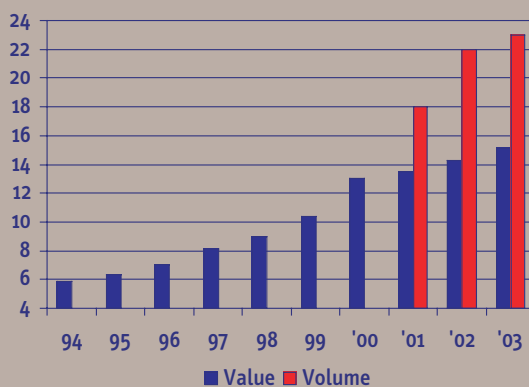


# THE EU FURNITURE INDUSTRY

## PENETRATION RATE

The imported furniture market share now accounts for about 15% of the EU market (5% ten years earlier) in value but more than 21% in volume.

FURNITURE IMPORTS: EU MARKET SHARE IN %

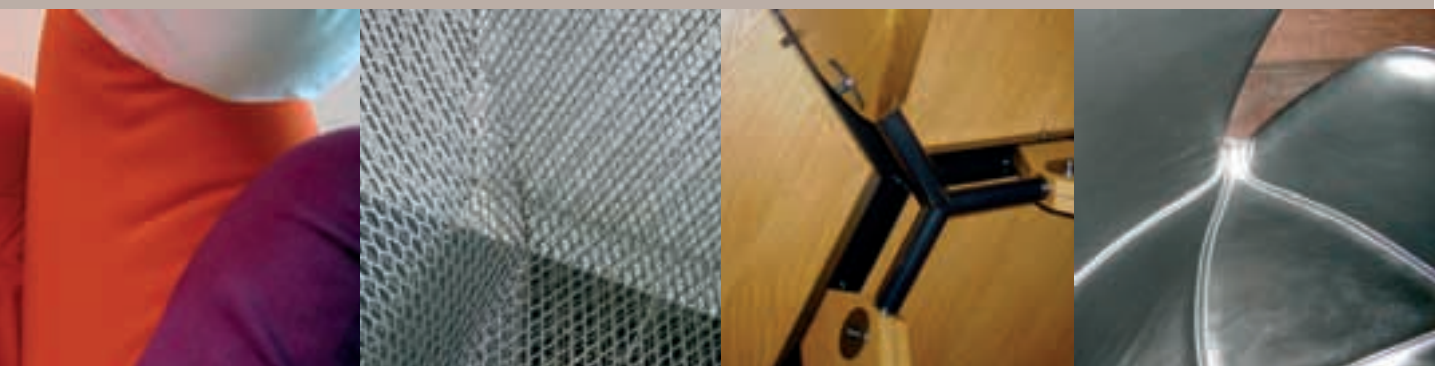
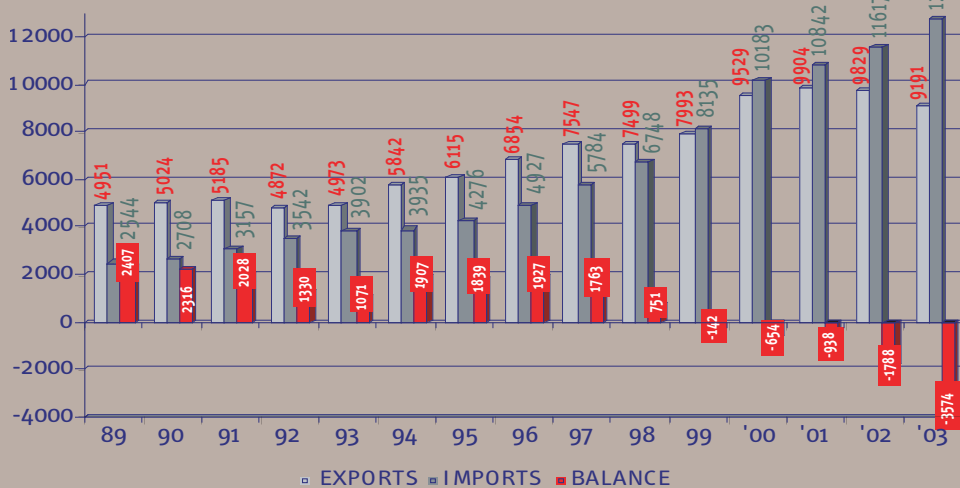


## FURNITURE TRADE

In 2003, the extra-EU exports continued their decline whilst the growth rate of extra-EU imports reached 10%.

The trade deficit amounted to 3.6 billion Euros and was the double of the previous year's deficit.

EXTRA-EU EXPORTS & IMPORTS OF FURNITURE TRADE BALANCE. 1989-2003. MILLION EUROS.





## STRENGTHS

- Flexibility of manufacturers
- Quick adaptation to changing demand
- Quite advanced technology
- Efficiency of production facilities
- High quality manufacturing
- Wide choice in the production
- Existence of clusters with co-operation
- Compliance with voluntary performance standards
- Co-operation with suppliers & retailers
- Design & product development
- Use of various types of materials
- Large & sophisticated market

## OPPORTUNITIES

- Restructuring networks: reactivation of supply chains
- Manufacturing improvements: new machinery, automation, just-in-time, ...
- Use of IT and electronic networks
- Higher specialization
- Capitalize of environmental investments
- Enlargement: outsourcing but also markets
- Furniture gradually positioned as a fashion item
- Better communication with retailers
- Increased use of design
- Attract new talents
- World consumption should double within a generation time
- Co-operation with multimedia producers
- Personalizing products

## SWOT

### WEAKNESSES

- Fragmentation of the industry due to the family structure
- Lack of investments in modern technology
- High labour costs
- Skills shortages / Ageing workforce
- Inadequate training
- Costs of legislation
- Low use of information technologies
- Slow innovation rate through the supply chain
- Weak protection design
- High costs for raw materials
- Concentration in the suppliers' industries
- Cyclical production
- Concentration of the distribution
- Quality perception: similar for European and imported furniture
- Majority of furniture sold in discount environment
- Parts of retailing still conservative
- Mature overacting market
- Harsh competition in export markets

### THREATS

- Lower labour costs in third countries
- Mega factories in China
- Extremely low social & environmental standards in third countries
- Part of the industry slow to adapt to changes
- Irreversible high costs for doing business in the EU
- Wider concentration in distribution
- Saturation of the EU furniture market
- Competition from other goods & services
- Copied furniture on the market before originals
- Strong Euro





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