

Press

DOMESTIC MARKET DOWN EVEN IN 2013 FOR WOOD AND FURNITURE COMPANIES

Projects for 2013 based on the FederlegnoArredo Sales Thermometer show that the internal market is still in great difficulty. Exports do better, although so far only for a few companies.

From an analysis of the Sales Thermometer figures effected by the FederlegnoArredo Studies Centre, it transpires that **at the beginning of 2013**, 60% of companies registered a drop in orders; a further 30% were in the doldrums, and only 10% recorded growth. The fall in the Italian market is heavily affecting the over situation as regards orders, especially in those sectors dependent on the construction industry.

The forecasts **made by the companies for the whole of 2013** for the Italian market are no more positive: this market is growing only for 17% of the companies participating in the survey.

Forecasts for exports, however, remain positive. Here, for 64% of companies, the market is growing. Considering the number of respondents, it can be noted, however, that this growth will only affect a minority: only 4 businesses out of 10 (39% of the respondents) believe that 2013 could be a year of partial recovery compared to 2012. The rest (28%) expect a further slump or no change (33%).

In 2012, exports for Furnishings Macro-system to Russian grew by 9%, but there was a slump of 29.3% as regards the Wood-Construction Macro-system. If we consider that Russia represents the fourth export market for Italy, with €888 million and that orders have been particularly dynamic at the beginning of 2013, we may deduce that it is one of the most promising markets for companies in the wood and furnishing sector.

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WOOD AND FURNISHING MACRO-SYSTEM

(Figures in millions of euros at current prices)

Furnishing+Wood	var. % 2013**/2012	var. % 2013**/2007	Loss 2013-2007
Production turnover (a)	-4.5%	-36.3%	-€15,450.48
Exports (b)	5.2%	-8.3%	-€1,178.49
Imports (c)	-5.8%	-20.7%	-€1,148.26
Balance (b - c)	11.8%	-0.3%	-€30.22
Apparent internal consumption	-10.6%	-45.6%	-€15,420.26
Export sales (% b/a)	10.1%	44.1%	15%
Workforce	-4.3%	-15.9%	-€67,653.34
Businesses	-6.7%	-18.4%	-€14,676.13

Balances as per March 2013

** Projections as per March 2013

Source: Cosmit/FederlegnoArredo Studies Centre

Bearing in mind that the prospects for 2013 are a year of further difficulties for the internal market (the projections suggest a further fall of 10.6%) and that world demand could slow down, the need to relaunch internal demand to reactivate a system that is in serious risk of “collapse” is clear. How? With a simple yet effective operation: the inclusion of furnishings among the works with a 50% tax allowance, as is the case for building refurbishment, and make this measure structural until 2015.

“This measure, shared and undersigned for the first time by all the major players in the sector – industry, trade unions, commerce, manufacturers and small enterprises – is based on the notion that furnishings are an integral and substantial part of property renovation and of a family’s wellbeing, and poses no additional cost for the state as regards the existing decree”, explains **Roberto Snaidero**, president of FederlegnoArredo.

“We estimate”, continues Snaidero, “that this measure (which the Supervisory Authority for SMEs has presented to the Prime Minister and which must be one of the priorities of the new government) would succeed in generating an increase in national consumption in furnishings of 20% (worth approximately 1.2 billion euros), enabling a recovery from the slump registered since 2007 and thus offering a little injection of energy after 5 very hard years”.

Milan, 9th April 2013