

ACADEMIA INTERNACIONALIZAR AICEP

WEBINAR

**EM FOCO EUA**

**Mobiliário e Iluminação**

25.03.2021 – 16h.



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(BARRA – INDICADOR VISUAL  
DO CAPÍTULO/TEMA DO PPT)

## COVID-19 UPDATE

## MARKET OVERVIEW

## TRADE RELATIONS

## MARKET APPROACH



## COVID-19 UPDATE

**Cases: 30 580 794**

**Deaths: 556 014**

**Recovered: 22 846 674**

**Vaccination: 14% Fully;  
25% at least 1 Dose**

**Data as of 23<sup>rd</sup> March 2021, 11.00am ET**



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**COVID-19 UPDATE**

**MARKET OVERVIEW**

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## MARKET OVERVIEW

**The United States are the world largest consumer and importer of furniture and lighting goods.**



## MARKET OVERVIEW

- Furniture industry has a large tradition in the US market in the states of Illinois, New York and North Carolina.
- In the 90's, due to the scale of domestic production and to globalization, US companies established offshores partnerships in Asia, mainly in China, and transferred most its production output.
- Today, North Carolina state is the center for the furniture industry national production. In NC operates 3,000 commercial facilities and takes place the largest industry tradeshow.
- Currently, there is an onshore trend for domestic production which is leveraged by the tariffs imposed to China and by local production incentives.



## MARKET OVERVIEW

- It is estimated that in 2021, the consumption of furniture will reach USD 119.8 billions (+5% than in 2019).
- Price remains as the main decision factor for the consumer.
- Preferred stores for furniture purchases in 2019: Ikea (10%), Ashley Furniture (8%), Walmart (6%), Amazon (3%), Rooms to Go (3%), Wayfair (3%).
- Most purchased products in 2018: beds (30%), entertainment (20%), sofas (16%), bedroom furniture (14%), desks (13%), dining room furniture (10%).
- Main retailers: Ashley HomeStore, Ikea, Williams-Sonoma, Rooms-to-go, RH, Berkshire, Big Lots, Bob's Discount, Raymour & Flanigan, Crate & Barrel, Art Van, American Signature.



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# TRADE RELATIONS

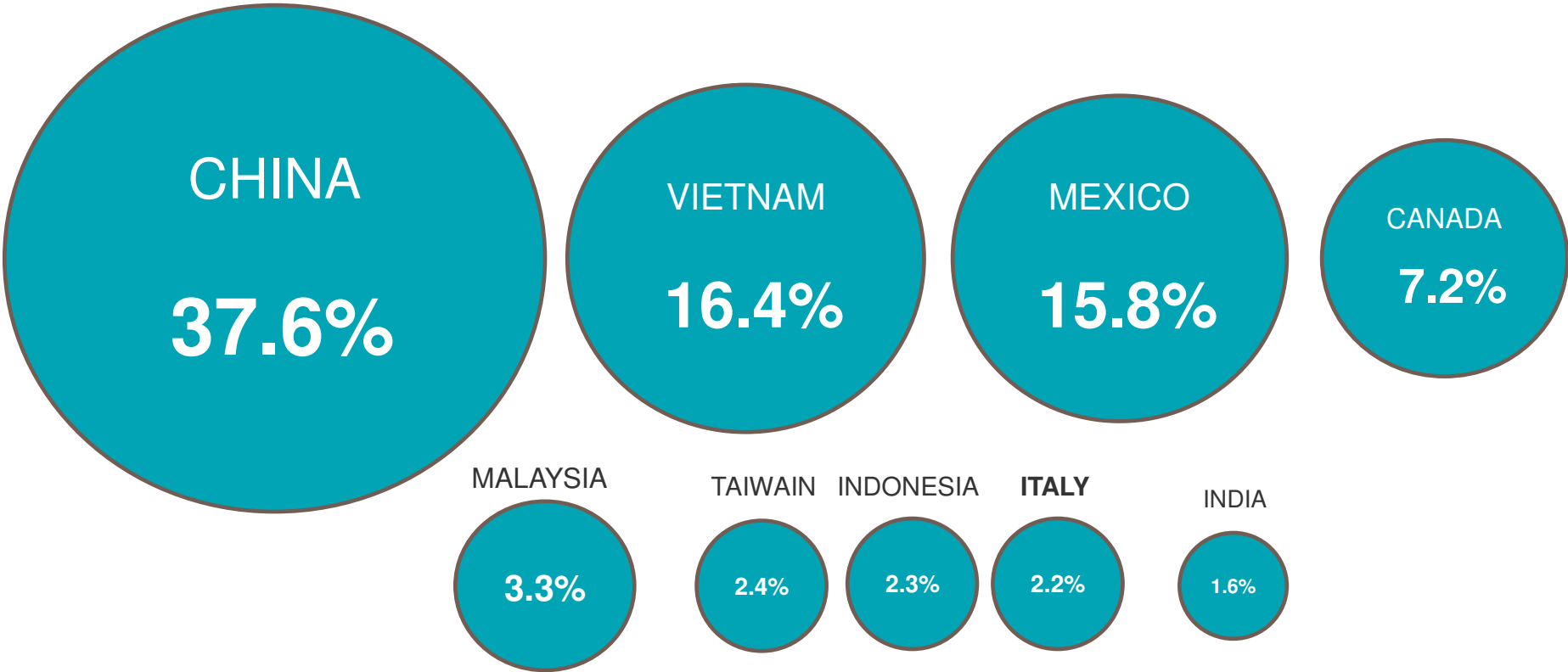
## 1. UNITED STATES WORLWIDE IMPORTS OF FURNITURE & LIGHTING

PP	Description	2018	2019	2020	% Change 2019 - 2020
9401	Seats	24,326,921,114	23,113,410,886	21,311,111,198	-7.80%
9402	Medical, Surgical, Dental or Veterinary furniture	966,372,283	1,066,222,963	1,051,180,705	-1.41%
9403	Furniture (General)	25,275,821,498	23,350,870,916	23,556,710,035	0.88%
9404	Mattress supports	4,068,852,009	4,272,062,479	4,585,629,592	7.34%
9405	Lamps & Lighting fittings	11,927,976,367	10,280,788,785	9,479,013,197	-7.80%
9406	Prefabricated Buildings	354,245,422	391,389,881	389,188,981	-0.56%
<b>TOTAL:</b>		66,920,188,693	62,474,745,910	60,372,833,708	-3.36%

SOURCE: [USTIC](#) - United States International Trade Commission

# TRADE RELATIONS

## 2. UNITED STATES TOP SUPPLIERS OF FURNITURE & LIGHTING



SOURCE: [USTIC](#) - United States International Trade Commission

# TRADE RELATIONS

## 3. US IMPORTS OF FURNITURE & LIGHTING FROM PORTUGAL

PP	Description	2018	2019	2020	% Change 2019 - 2020
9401	Seats	8,078,494	10,282,088	10,349,133	0.65%
9402	Medical, Surgical, Dental or Veterinary furniture	169,001	225,166	1,252,391	456.21%
9403	<b>Furniture (General)</b>	<b>91,244,229</b>	<b>89,383,014</b>	<b>72,284,752</b>	<b>-19.13%</b>
9404	Mattress supports	6,295,695	6,805,794	9,338,087	37.21%
9405	Lamps & Lighting fittings	3,541,802	3,452,697	3,224,409	-6.61%
9406	Prefabricated Buildings	20,905	0	161,742	N/A
<b>Total:</b>		109,350,126	110,148,759	96,610,514	-12.29%

SOURCE: [USTIC](#) - United States International Trade Commission



# TRADE RELATIONS

## 4. PORTUGAL AMONGST THE US SUPPLIERS OF FURNITURE & LIGHTING

Portugal is the US 20<sup>th</sup> largest supplier of furniture; and the 34<sup>th</sup> supplier of seats.

Portugal weight on total American imports of furniture and lighting

PP	2018	2019	2020
All 94	0.16%	0.17%	0.16%

SOURCE: [USTIC](#) - United States International Trade Commission



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## **MARKET APPROACH**

**A) CASE GOODS vs UPHOLSTERY vs CABINETS**

**B) OWN BRAND vs PRIVATE LABEL vs CONTRACT MANUFACTURING**

**C) OTHER ASPECTS TO CONSIDER**

**D) MOST RELEVANT TRADESHOWS in the US MARKET**



# MARKET APPROACH

## A) CASE GOODS vs UPHOLSTERY vs CABINETS

### 1. CASE GOODS

- i) Opportunities for custom, high end and high design furniture
- ii) Trade show participation is a must... (High Point, ICFF, etc)



# MARKET APPROACH

## A) CASE GOODS vs UPHOLSTERY vs CABINETS

### 2. UPHOLSTERY

- i) Not impossible, but difficult...
- ii) A lot of production in the US or imports from Asia (mainly China)
- iii) Opportunities in very high-end segment only





## MARKET APPROACH

### A) CASE GOODS vs UPHOLSTERY vs CABINETRY

#### 3. CABINETRY

- i) Kitchen and Bath design companies
- ii) Most production local because it involves installation
- iii) Some opportunities for custom components with exotic woods, different finishes (ex. Kitchen Island)
- iv) Cabinets & Closets Tradeshow, TX



# MARKET APPROACH

## B) OWN BRAND vs PRIVATE LABEL vs CONTRACT MANUFACTURING

### 1. OWN BRAND

- i) Focus on high-end market
- ii) Need your own collection
- iii) Product with design, custom, differentiated... (ex. Italian furniture)
- iv) Own showroom vs Existing showrooms vs Interior Designers
- v) Own showroom – expensive: requires a lot of marketing investment
- vi) Own Showroom – Design Centers can be an excellent starting option (ex. D&D or 200 Lexington)
- vii) Existing Showrooms – less expensive but hard to find and competing with other products
- viii) Interior Designers – need to create a trust relationship



# MARKET APPROACH

## B) OWN BRAND vs PRIVATE LABEL vs CONTRACT MANUFACTURING

### 2. PRIVATE LABEL

- i) Difficult but possible (ex. Roche Bobois has production in Portugal)
- ii) Price is the key element

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## MARKET APPROACH

### B) OWN BRAND vs PRIVATE LABEL vs CONTRACT MANUFACTURING

#### 3. CONTRACT MANUFACTURING

- i) >16 billion dollar market
- ii) Highly competitive (dominated by big players)
- iii) Work with a designer is a must
- iv) Contract manufacturing Furniture Tradeshows



## MARKET APPROACH

### C) OTHER ASPECTS TO CONSIDER

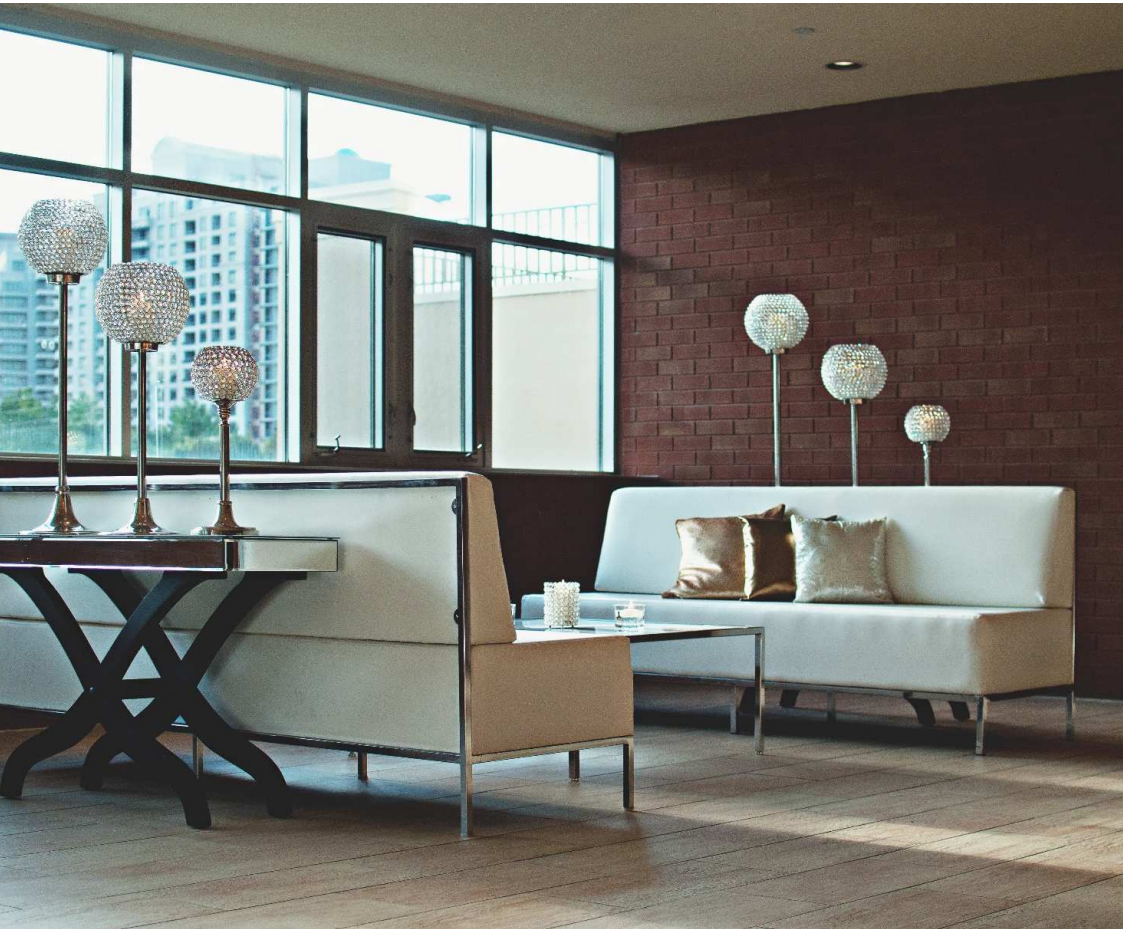
- 1) Always follow 100% the signed contract/order
- 2) Import duties are not relevant
- 3) Some legislation to take into consideration (TSCA Statement; upholstered items licenses)
- 4) Logistics and customer care are the key aspect – need to work with local partner (White Glove Service)



## MARKET APPROACH

### D) MOST RELEVANT TRADE SHOWS IN US MARKET

- 1) [High Point Market](#)
- 2) [Las Vegas Market](#)
- 3) [ICFF](#)
- 4) [New York Luxury Design Fair](#)
- 5) [NeoCon](#)
- 6) [Hospitality & Design](#)
- 7) [NY NOW](#)



**AICEP PORTUGAL GLOBAL**

**Obrigado**

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