

# German furniture industry

## Furniture exports are increasing

Monday, 02.03.2020



Photo: Markus Distelrath/Pixabay

Sales of German furniture abroad developed positively last year with an increase in exports of 2.1 percent. Imports remained relatively stable at the previous year's level (+0.8%). The furniture industry's foreign trade deficit decreased by 7.24% or over 130 million euros.

"Our international competitive situation has improved again in the past year and the overall situation in the industry has stabilized," analyzes Jan Kurth, Managing Director of the Association of the German Furniture Industry and the Herford furniture associations.

It is encouraging that with France (export share 14.5%) and Switzerland (share 10.4%) the two most important export markets with 7.2% last year to a volume of EUR 1.63 billion or 7, 3% on exports in the amount of EUR 1.72 billion.

## **Main export markets for furniture clearly differentiated**

With a growth of 13.1% and 13.4%, Belgium (position 6) and the USA (7) stand out in foreign trade statistics. Kurth added: "Business with the United States has an unbelievable amount of potential, regardless of current trade differences, and the VDM Export Working Group identified North America as an important target region last year."

However, exports to the People's Republic of China - at number 12 an important, so far strongly growing sales market - collapsed at -16.5%. The background seems to be the trade turmoil between China and the USA, which inevitably also affected other countries and sectors. A change for the better is hardly to be expected: at least in the first quarter of 2020, the demand for German furniture in China should remain limited due to the corona shock.

## **Kitchen furniture industry remains "export world champion"**

The kitchen sector pushes foreign trade in furniture as a whole. The German kitchen furniture industry generated export revenue of EUR 2.1 billion in 2019, an increase of 2.16% compared to 2018. Imports of kitchens to Germany fell again (-2.43%) and amounted to EUR 95.35 million. On balance of foreign trade sales, the branch generated a clear plus (EUR 2.024 billion) - in contrast to upholstery (EUR -1.395 billion) and living space (EUR -738 million).

## **Upholstery and living dominated by imports**

The statistical analysis in the "Upholstery" segment shows the dominance of furniture imports in 2019 as well. Upholstered furniture imports to Germany grew only slightly (1.05%), but amounted to EUR 2.093 billion at the end of last year. In contrast, export earnings of EUR 698 million were achieved, which corresponds to a decrease of -1.99%.

Foreign trade in the "Living room, dining and bedroom furniture" segment is also summed up by the growth in imports (6.2%), with Polish goods dominating (39.2% share). However, exports also increased at a lower level. In 2019 home furniture was exported for 939 million euros, which corresponds to a growth of 6.4%.

"Due to the expected small growth impulses in Germany, the intensification of international business is more urgent than ever for the German furniture industry. Disruptions, such as the Brexit for kitchens and upholstery, are much more difficult to manage without flourishing exports," concludes Managing Director Kurth.

## **Furniture exports are increasing**