



NEWS RELEASE

Singapore furniture companies forage into untapped markets of Eastern Europe

SFIC leads mission to gain market knowledge and lay groundwork for collaborations

Singapore, 26 May 2009 – From 27 May to 6 June 2009, the Singapore Furniture Industries Council (SFIC) will lead representatives from 10 distinguished Singapore furniture companies on a business mission to explore new markets in Eastern Europe. Supported by International Enterprise (IE) Singapore through its International Marketing Activities Programme (IMAP) as well as SPRING Singapore, the team will visit Hungary, the Czech Republic and Poland.

The mission aims to allow local companies to gather first-hand knowledge on the requirements of the Eastern European furniture market, raise the profile of Singapore's furniture industry, explore partnership opportunities and seek out new business leads.

The companies participating in this mission are SFIC members – Falcon Incorporation Pte Ltd, Jaco Furniture Pte Ltd, Keng Cushions Trading, Koda Ltd, QC@Paul Furniture, Sitra Holdings (International) Ltd, Star Furniture Industries Pte Ltd, Suncoast Sitra Pte Ltd, Univonna Pte Ltd and Valencia Design Pte Ltd.

The Singapore delegation will be led by Mr Jerry Tan, Vice President of SFIC, and Managing Director of Jaco Furniture Pte Ltd.

According to Mr Jerry Tan: "During such uncertain economic times, it is important for the Singapore furniture industry to be even more pro-active in seeking out new opportunities. This mission will enable our players to establish and develop bilateral trade contacts in Eastern Europe, a fast-emerging market which is still relatively untapped by our local furniture companies. We believe it possesses a wealth of business potentials and would like to give our members the opportunity to experience it personally."

Added Mr Kenny Koh, Deputy Mission Leader, Vice President of SFIC and Managing Director of Star Furniture Industries Pte Ltd: "Many Singapore furniture companies tend to rely on the traditional markets like Asia, Western Europe and North America for a steady stream of business. But for significant growth to happen, we must expand our reach. We cannot afford to ignore the new emerging markets as they potentially offer the biggest rewards. This business mission will drive understanding, networking and partnership opportunities between the Singapore and Eastern European furniture sectors. With the support from IE Singapore, we believe that this trip will be a fruitful experience for all of us."

Said Mr Tan Soon Kim, Deputy Director, Business and Lifestyle Services, IE Singapore: "Eastern Europe is a market our furniture players are keen to explore. IE had conducted a mission to the Russian market in 2008 with SFIC. We had also helped to invite some Russian buyers down to Singapore for the International Furniture Fair Singapore 2009/ 26th ASEAN Furniture Show in March 2009. Discussions between Singapore companies and the Russian buyers are on-going as a result. To keep the momentum for Eastern Europe going, IE and SFIC aim to deepen our engagement by conducting a business mission across Hungary, Czech Republic and Poland."

"Research by CSIL Centre for Industrial Studies Milano, an Italy-based furniture research firm has indicated that consumption of home furniture in the new EU Member States amounted to Euro 6.1 billion (at factory prices), over 80 per cent of which was absorbed by Poland, the Czech Republic, Romania and Hungary. This translates into potential supply opportunities for our companies, who offer a compelling proposition to both trade buyers and end consumers with their diversified production bases, strong fundamentals and superior offerings. Singapore's trademark reliability and consistency in supplying to buyers offer an added assurance to business partners," Mr Tan continued.

During the nine days on the ground, the 10 companies will be travelling around Budapest in Hungary, Prague in the Czech Republic and Poznań, Poland, visiting a mix of retail outlets as well as meetings with major furniture importers, retailers, manufacturers and trade associations.

In particular, the delegates will be meeting with the heads of the Association of Czech Furniture Manufacturers and the Poland Chamber of Commerce to explore potential tie-ups between Singapore and the two republics. They will also tour the Poznań Furniture Fair and attend the Home Decor, Furniture, Budma Interior and Luminexpo "Business Mixer", a business networking session jointly organised by SFIC, the World Trade Center Poznań and the Polish Information Centre in Latvia. The delegates will be meeting with over 100 Polish and foreign companies from the furniture and interior design sectors.

Singapore's total trade in furniture with Hungary, Czech Republic and Poland registered S\$5.7 million in 2006, S\$4.9 million in 2007 and \$8.0 million in year 2008. The bulk of the revenue generated was from furniture imports which accounted for an average of 97% of Singapore's total furniture trade with the three countries.

"Given Singapore's strategic location, our local furniture companies are able to offer buyers the best of both worlds through its unique blend of Eastern and Western business practices, dynamic design capabilities and versatile production resources - as encapsulated in the industry's modus operandi '*Conceptualised and designed in Singapore, Made in Asia, Sold to the World*'," said Mr Jerry Tan.

Singapore furniture players, through their regionalisation efforts, have the added advantage of being able to leverage on the key strengths of different Asian markets and their industry network. This further consolidates Singapore's position as the furniture trade hub for the region and even the rest of the world.

SFIC believes the mission will be an excellent platform for the Singapore furniture companies to share and exchange ideas with its international counterparts. Said Mr Tan: "We look forward to this trip as the start of many exciting industry collaborations and positive exchanges between Singapore and our counterparts in Eastern Europe."

For more information, please visit www.singaporefurniture.com.

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About Singapore Furniture Industries Council

Singapore Furniture Industries Council was established in 1981 as the official representative body of Singapore's furniture industry. It currently represents 95% of established furniture manufacturers in Singapore, of whom 65% have subsidiary manufacturing plants in the region including China, Indonesia, Malaysia, Thailand and Vietnam. Its primary role is to promote the interests of its members and the Singapore furniture industry. Many of its initiatives aim to facilitate members' exposure to the world market, develop local talent and encourage entrepreneurship. SFIC also organises the annual Furniture Design Award to spur trend-setting furniture designs from Asia. To ensure the industry's growth and viability, SFIC continues to forge close partnerships with the government and trade-related agencies to harness technology, knowledge and information for effective strategic planning.

www.singaporefurniture.com

About International Enterprise Singapore (IE Singapore)

International Enterprise (IE) Singapore is an agency under the Ministry of Trade and Industry spearheading the development of Singapore's external economic wing.

Its mission is to promote the overseas growth of Singapore-based enterprises and international trade. With a global network in over 30 locations and its "3C" framework of assistance - Connections, Competency, Capital, IE offers services to help enterprises export, develop business capabilities, find overseas partners and enter new markets. At the same time, IE works to position Singapore as a base for foreign businesses to expand into the region in partnership with Singapore-based companies.

www.iesingapore.com

About SPRING Singapore

SPRING Singapore is the enterprise development agency for growing innovative companies and fostering a competitive SME sector. We work with partners to help enterprises in financing, capabilities and management development, technology and

innovation, and access to markets. As the national standards and accreditation body, SPRING also develops and promotes internationally-recognised standards and quality assurance to enhance competitiveness and facilitate trade.

As the lead agency for the furniture sector, SPRING Singapore helps furniture manufacturers to build on their strengths and tap opportunities presented by emerging global trends. Our vision is to develop Singapore into an International Furniture Hub where value-added functions like headquarters, design and branding are anchored.

www.spring.gov.sg

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For media enquiries, please contact:

Juliana Teo (Account Director) / Sylvia Lim (Senior Consultant) /

Adeline Li (Senior Associate)

Foreword Communications Pte Ltd

Tel: +65 6338 5918

Email: juliana@foreword.com.sg / sylvia@foreword.com.sg / adeline@foreword.com.sg

Shermaine Ong (Executive Director) / Zhang Zhijia (Executive, Marketing Communications)

Singapore Furniture Industries Council

Tel: +65-6569-6988

Email: shermaine@singaporefurniture.com / zhijia@singaporefurniture.com