

furniture industry overview 2010

2010 was another challenging year for the global economy, but Singapore showed great resilience amid the uncertainty with nearly all industries reporting significant growth.

Singapore's furniture industry, comprising over 1,700 companies that employ nearly 17,000 workers, is no exception. Despite the rapidly changing market conditions, the industry demonstrated its adaptability and rallied from the downturn to grow 8% from S\$4.69 billion to S\$5.08 billion. This is a testament to the foresight amongst industry players to pursue domestic as well as international expansion, leveraging the strength of Singapore's reputation for quality and sound business practices.

Built around simple core values
- flexibility, prompt delivery,

quality service and competitive prices – Singapore's furniture companies continued to aggressively pursue greater differentiation from their competitors in areas of supply chain efficiencies, sourcing of material and labour, innovative design as well as research and development of new materials and processes. These knowledge-driven advancements, combined with Singapore's geographic advantages and its "melting pot" culture blending East and West have helped Singapore furniture companies maintain a strong leadership position in the region and the world.



Internationalisation is also a hallmark of Singapore's furniture industry. The economic recovery has opened up new opportunities overseas and furniture companies have actively pursued these opportunities by expanding operations in foreign markets. Countries like Vietnam, Australia, India and China represent the key growth markets, joining more established markets like Indonesia, Malaysia, the United

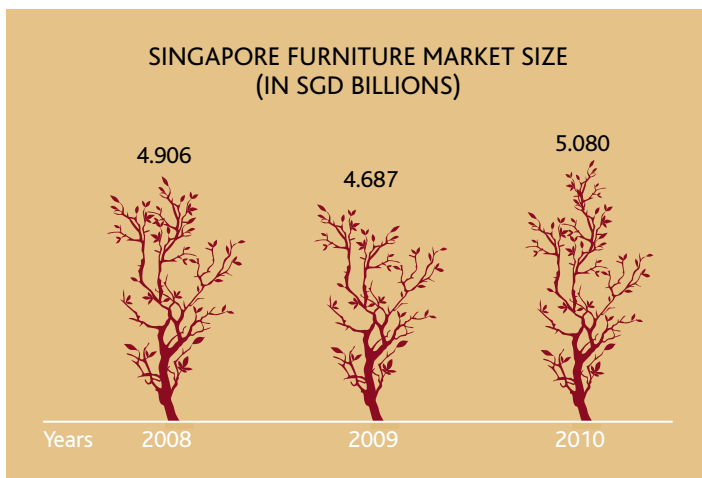
States and Europe as major customers for Singapore's furniture companies.

The strengthening Singapore economy and the rising opportunities in emerging markets have also allowed local manufacturers to strategically expand their manufacturing bases outside of Singapore to be closer to these new markets. This trend of expansion is expected

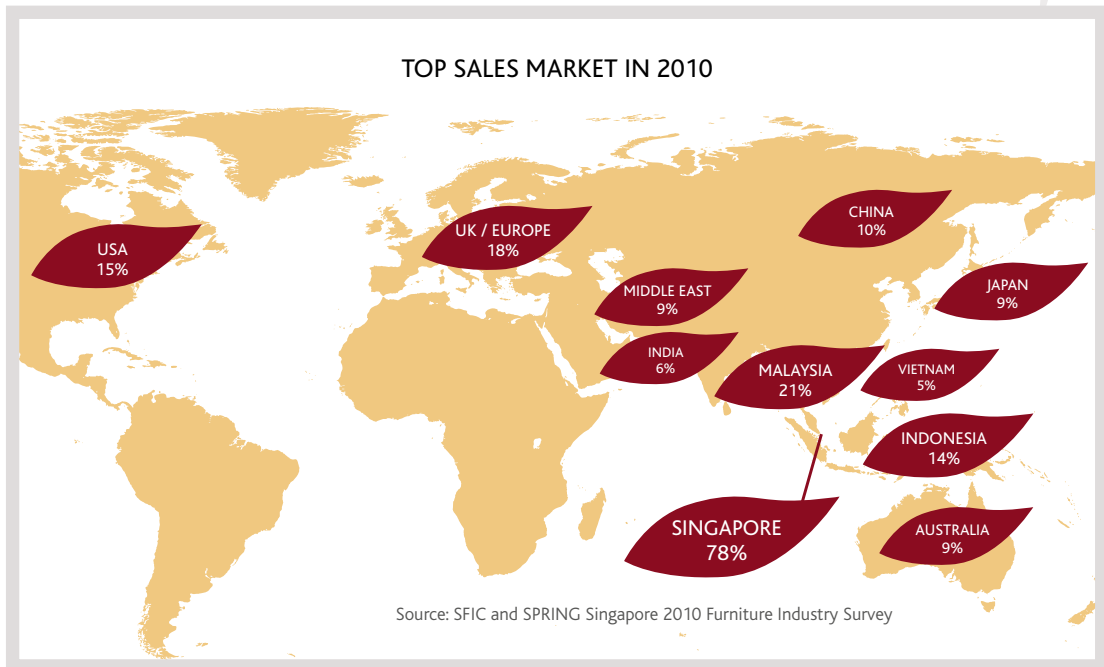
to continue in the coming years, reaping benefits for the Singapore furniture industry as a whole. Already, Singapore accounts for around 1% of the global furniture market, with further growth expected over the next three years.

The Singapore Furniture Industries Council (SFIC), working in tandem with the DesignSingapore Council, IE Singapore, JTC Corporation and SPRING Singapore, has tirelessly promoted the Singapore brand, supporting the Singapore furniture industry's expansion in terms of geography, manufacturing and scope of services. Looking forward, both government and industry have been targeting new areas of growth through initiatives to promote eco-friendly products and manufacturing practices as well as to nurture Singapore design talent.

Initiatives as the Furniture Design Award (FDA) and PLATFORM have helped to build Singapore's



Source: SFIC, SPRING Singapore 2010 Furniture Industry Survey



profile as a burgeoning centre for design. To complement this, SFIC will introduce SingaPlural, a new design feature alongside the annual IFFS/AFS, Deco Asia and Hospitality Asia in 2012. This will shine the spotlight on award winning local designers and the

design scene in Singapore.

Having emerged from the protracted downturn stronger than ever before, Singapore's furniture industry is set to reach ever greater heights.

Footnote

- 1 Source: Department of Statistics 2008, Economic Development Board & SPRING Singapore
- 2 SFIC and SPRING Singapore 2010 Furniture Industry Survey