

FURNITURE INDUSTRY OVERVIEW

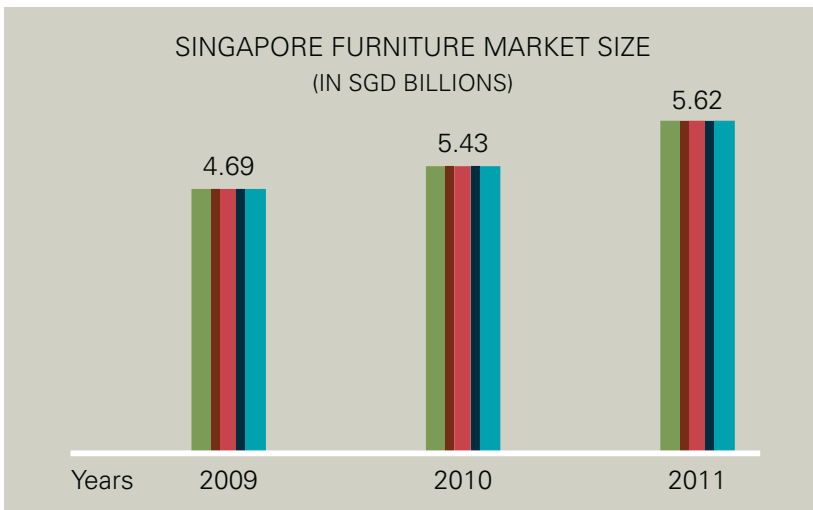
Building on its strength and good brand reputation for quality, the Singapore furniture industry showed resilience against economic uncertainty by achieving a revenue growth of 4% to S\$5.62 billion in 2011, as compared to S\$5.43 billion in 2010.

Comprising over 1,892 companies that employ 18,403 workers, the industry has performed well due to financial prudence of the companies in its goal to pursue both domestic and global expansion.

Singapore furniture companies continue to have a winning edge

over their regional competitors in areas of supply chain efficiencies, sourcing of material and labour, innovative design as well as research and development of new materials. Over the years, Singapore firms have also become renowned for the quality and innovation of products and service quality.





Source: SFIC, SPRING Singapore 2011 Furniture Industry Survey

We are also seeing many Singapore designers gradually gaining a global recognition in the furniture creative realm. Singapore's melting pot of cultures and ethnicities has allowed many award-winning local furniture designers to draw inspiration from and give a unique Singapore take on a traditional design.

Globalisation is another key area of growth for Singapore's furniture industry. The Singapore Furniture Industries Council (SFIC), working in tandem with DesignSingapore Council, International Enterprise (IE) Singapore, JTC Corporation, SPRING Singapore, e2i and Singapore Workforce Development Agency, has

tirelessly promoted the Singapore brand to the world. Leveraging on the various government assistance programmes, SFIC will actively help local enterprises to enhance the industry's capabilities in design, branding and international market expansion, as well as people development over the next three years. These initiatives aim to expand Singapore's global market share from 0.97% per cent today to 1.5 per cent by 2015.

Due to subdued global economic conditions, many companies are turning to emerging markets in Vietnam, India and China to expand their business operations. Concurrently, countries like Indonesia, Malaysia, the United States and Europe continue to be the major target markets for Singapore furniture companies.

SFIC, which spearheads the development of design in the

industry, has implemented a series of design initiatives to raise design capabilities, nurture design talents and accelerate business growth through the years. These include the Furniture Design Award, Furniture Design Forum, Furniture Design Platform, D'Space and collaborations with well-known international designers for experience sharing

and workshops. The most recent initiative comprised the launch of the inaugural SingaPlural - the Singapore Furniture Design Week, which was held alongside the annual International Furniture Fair Singapore in 2012, to showcase local design capabilities. It was a week-long design event in the city, featuring the work of award-winning local

designers and the design scene in Singapore.

As all these elements fall into place over the next three years, SFIC believes that local furniture companies will be able to develop strong design capabilities and bring Singapore furniture standards to the next level.

