World Furniture

International Markets Review

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SCENARIO
WORLD, INDIA, UNITED STATES

PROFILES
TREVIRA CS, ISPA, FSC, FURNITURE SUPPLY CHAIN

INSIGHT
OFFICE WORLD OUTLOOK, TOP 200 COMPANIES
FURNITURE ECOMMERCE, HIGH END MARKET
LIGHTING IN MIDDLE EAST AND NORTH AFRICA
U.S. KITCHEN AND BATH INDUSTRY, KITCHENS ITALY

STORYTELLING
TEXTILES, A WINERY, A HOTEL, INTERZUM, IED, CATAS, IHF

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compo ARREDO

Compoarredo

Rivista internazionale dei componenti e accessori per l'industria del mobile e del complemento d'arredo.

International magazine on components and accessories for the furniture industry.

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Csil

World Furniture
International Markets Review

by Paola Govoni,
Editor

THE OLYMPIC GAMES OF DESIGN

Milan is preparing to host the Winter Olympic Games together with Cortina in February 2026, putting all its design and creative forces into play, investing in new works and innovative structures and focusing on hospitality, to make this event memorable, as has already happened for the 2015 Expo.
In his welcome speech at the press conference for the presentation of the 61st edition of the Salone del Mobile.Milano last February 15, Mayor Giuseppe Sala was keen to underline that the whole city awaits the return of the Salone on the usual Spring dates (18-23 April 2023), hailing the event as 'the Olympics of Design'.
Actually, there is a lot of emphasis on the Design theme at the Salone del Mobile 2023, which presents itself with a very rich program of multidisciplinary cultural events ranging from architecture to art and science, with exhibitions, talks, vertical workshops, bookshops and installations site-specific inserted in the framework of the business event, which confirms itself as an international reference point for the furniture and design sector and which in this year's edition will take place together with the Furnishing Accessories Fair, Workplace 3.0, S.Project, Euroluce (Lighting) and Salone Satellite with a new exhibition format.
"We gathered the needs of those who organize and experience the Salone, exhibitors and visitors, with over 2,300 interviews and thematic working groups", explained Maria Porro, President of the Salone del Mobile.Milano.

The idea of a single-level exhibition was born to facilitate flows and an almost 'urbanistic' work has been done on the internal design of the pavilions, starting with Euroluce. A metamorphosis that in the future will involve the entire Exhibition, in a vision that aims to contribute to redesigning the whole exhibition model.

The appointment is at Fiera Milano-Rho with the 1962 exhibitors who will attend the fair, including 550 young talents who will populate the world of Salone Satellite.

This issue of the magazine pays particular attention to the world scenario of the furniture market presenting topics, performances and uncertainties, with special contributions from India and the United States.
Reports and company profiles from Kitchen & Bath Industry Show Las Vegas, Light Middle East Dubai, Heimtextil Frankfurt as well as previews of interzum cologne and CIFF/Guangzhou are also included.
The Insight on CSIL Market Research presents articles based on latest reports on the World Outlook for Office Furniture, the Top 200 Furniture Companies Worldwide, a World Overview of Furniture Ecommerce, trends and expectations of the High-End Furniture and the Italian Market of Kitchen Furniture. Sustainability as a not-to-be-missed topic along the entire furnishing supply chain is also highlighted.
The storytelling section includes a presentation of an Italian winery in Soave, a five-star hotel in Breuil-Cervinia, new trends in yarns and textiles, a comprehensive analysis of the 'whitening' of clear coatings from Catas Defects Section and a warning to the construction and supply industry from the 26th International Wood Construction Forum.

WORLD FURNITURE OUTLOOK 2023

by Stefania Pelizzari,
CSIL Statistical Office

The international trade of furniture has grown faster than furniture production in the last ten years and has consistently amounted to about 1% of international trade of manufactures. After the 2020 stall, 2021 was a year of very strong growth, reaching US$ 189 billion.
The uncertainties caused by the war in Ukraine, the supply chain constraints, logistics problems, and strong inflationary pressures, together with the devaluation of major currencies in relation to the US$, are countervailing factors that resulted in a stagnation in 2022.
The leading importers of furniture are the United States, Germany, the United Kingdom, France and Netherlands (a trading hub). These countries together account for about one half of total imports. Preliminary data for 2022 show a substantial increase in imports into the US and virtual stagnation for European countries (in current US$).
The main furniture exporting country is China, representing more than one third of total furniture exports, followed at a distance by Vietnam, Poland, Italy and Germany. After a major increase in 2021, China's exports decreased in 2022 mostly as a consequence of continuing production difficulties caused by COVID.
It should be noted that all data are in current US$ and are affected (upwards and downwards respectively) by inflation and by the devaluation of major currencies in relation to the US$.
A sizeable percentage of international furniture trade is carried out within the economic regions into which the world economy can be divided.
In the European Union (27) plus UK, Norway, Switzerland and Iceland, more than 70% of foreign furniture trade takes place within the same region, while there are lower percentages of trade within Asia and within North America. Therefore, only one half of world furniture trade can be considered 'global' in the sense that it takes place between countries in geographically distant regions. The most important of these flows is from Asia to the United States (about 75% of outgoing flows from this area).
Exports represent almost 40% of furniture production. China is the main producer accounting for more than one third of world furniture produc-

MAJOR FURNITURE EXPORTING COUNTRIES, 2016-2022
US$ BILLION

MAJOR FURNITURE IMPORTING COUNTRIES, 2016-2022
US$ BILLION

Source: CSIL

2022: preliminary estimates

Table 1. Evolution of World GDP. Annual percentage change in real terms

	2022	2023	2024
World	3.2	2.7	3.2
Advanced Economies	2.4	1.1	1.6
Emerging and Developing Economies	3.7	3.7	4.3

Source: IMF, World Economic Outlook, October 2022

tion. In 2022, in China, the frequent lockdowns under its zero-COVID policy and the struggling real estate sector are contributing to an economic slowdown, with effects also on Chinese furniture production and consumption, and impacting global supply chains and global trade as well, given China's large role in the furniture industry.

The CSIL 'World Furniture Outlook' report, issued in November 2022, assumes that the international scenario will be as follows:

World GDP growth is expected to be 3.2% in 2022, 2.7% in 2023 and 3.2% in 2024, below earlier forecasts. Downside risks derive from consequences of the war in Ukraine, energy and food shortages, and strong inflationary pressures worldwide. According to IMF, more than a third of the global economy is contracting in 2022 or 2023, while the three largest economies - the United States, the European Union, and China - will continue to stall. These global prospects will also result in a declining consumer confidence and in the weakening of furniture demand.

For the world as a whole (100 countries) furniture consumption is forecasted to decrease slightly in real terms in 2023. Growth should resume in 2024.

The following countries are covered in the' World Furniture Outlook' report by CSIL (edition November 2022):

Albania • Algeria • Argentina • Australia • Austria • Azerbaijan • Bahrain • Bangladesh • Belarus • Belgium • Bolivia • Bosnia Herzegovina • Brazil • Bulgaria • Cameroon • Canada • Chile • China • Colombia • Costa Rica • Croatia • Cuba • Cyprus • Czech Republic • Denmark • Dominican Republic • Ecuador • Egypt • El Salvador • Estonia • Ethiopia • Finland • France • Georgia • Germany • Ghana• Greece • Guatemala • Hong Kong (China) • Hungary • Iceland • India • Indonesia • Iran • Iraq • Ireland • Israel • Italy • Japan • Jordan • Kazakhstan • Kenya • Kuwait • Latvia • Lebanon • Lithuania • Macedonia FYR • Malaysia • Malta • Mexico • Moldova • Montenegro • Morocco • Netherlands • New Zealand • Nigeria • Norway • Oman • Pakistan • Panama • Peru • Philippines • Poland • Portugal • Qatar • Romania • Russia • Saudi Arabia • Serbia • Singapore • Slovakia • Slovenia • South Africa • South Korea • Spain • Sweden • Switzerland • Taiwan (China)• Tanzania • Thailand • Tunisia • Turkey • Turkmenistan • Ukraine • United Arab Emirates • United Kingdom • United States • Uruguay • Uzbekistan • Vietnam.

Online purchase and immediate download of CSIL report '**World Furniture Outlook 2023**' at: www.worldfurnitureonline.com

by Alessandra Tracogna,
CSIL Industry Custom Studies

THE DEVELOPMENT PATH OF THE INDIAN FURNITURE SECTOR

According to latest CSIL World Furniture Outlook, the Indian furniture consumption amounted to around USD 18 billion in 2022. This made India the 4th largest furniture market in the world, climbing the ranking from the 10th position held ten years ago.

Local furniture production has grown hand in hand with the raise in furniture demand. Indian furniture production doubled in the last decade and the USD 20 billion of furniture produced last year were almost entirely destinated to satisfy the needs of the Indian furniture market.

India is today the 5th largest furniture producer worldwide, following (at a distance) China, the United States, and the two main European producers: Germany and Italy. Differently from these players, the Indian furniture industry is featured by a high level of fragmentation with the production system made by a few large companies and a strong prevalence of small and informal players. But the furniture sector is one of the champion sectors for the Indian government, which aims to increase the share of the manufacturing sector in the country's GDP to 25% by 2025.

Still, when looking at its international trade activities, the country's positioning in the world rankings is worsening. Differently from other Asian players such as Vietnam, Malaysia or Indonesia, export activities in India are still limited, with only around 10% of Indian furniture destinated to foreign markets. That said, it is however worth noticing that India is already now among the top 10 furniture suppliers to the large market of the United States. It is likely that the continuous evolution of competitive advantages within Asia and the evolving trade measures across the world might act as drivers for the internationalization of the Indian furniture sector in the coming years. At the same time, the local market remains relatively limited to imports: Less than 10% of Indian furniture consumption is satisfied by foreign products. Main supplier is China, which was able to penetrate the medium/medium-high market segment with products at competitive prices. In the luxury segment, Italy is the main foreign supplier. Some schemes are planned to reduce India's dependence on imported furniture, particularly from China. The local government is also increasing customs duties on several products, including furniture items. But the situation might progressively and further evolve in the medium term with the

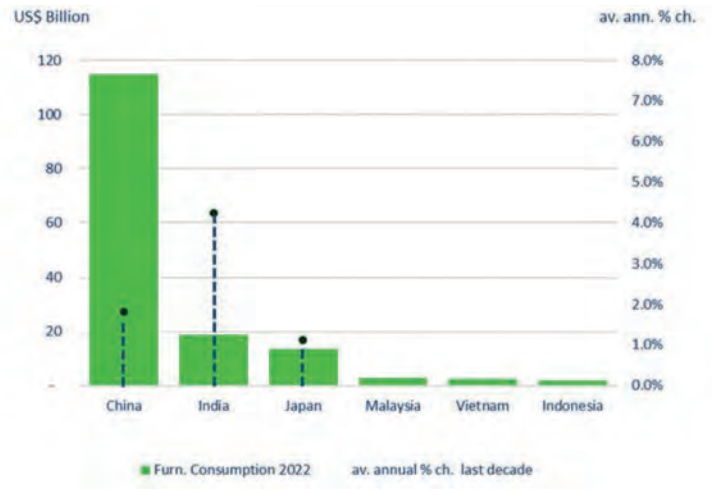
INDIA RANKINGS

FURNITURE	Ranking*
Consumption , mln USD	4
Production, mln USD	5
Export, mln USD	18
Import, mln USD	23

Source: CSIL World Furniture Outlook, Nov 22
* Ranking among 100 countries monitored by CSIL

Sofas produced by the Indian upholstered furniture manufacturer Furnitech - https://www.furnitechseating.com/

INDIA AND OTHER SELECTED MARKET IN ASIA.
Furniture consumption (USD billion) and average yearly growth rate (real) in the last decade



Source: CSIL processing

modernization process that is occurring in the Indian market.

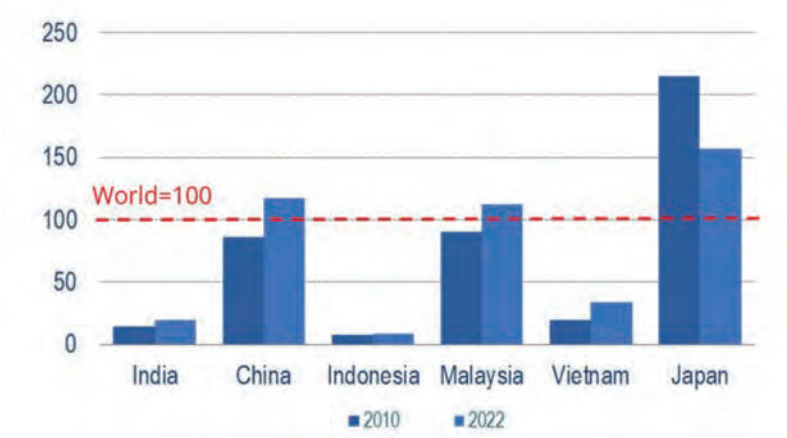
THE OUTPERFORMANCE OF INDIAN FURNITURE CONSUMPTION GROWTH

Within the Asian context, India is a dynamic player. Although the size of the market is still sensibly lower if compared to China, when we analyze the last decade, we see that it has grown comparatively faster.
When looking at Indian furniture consumption, one should keep in mind that nowadays the unorganized retail still has a major stake in the market (up to 90% according to some local experts!).
This is correlated, among other factors, to the low level of average per capita spending on furniture by Indian consumers, which is evident when benchmarking India with the world average or with other Asian countries. Still, a slow but continuous process of market transformation and modernization seems to be occurring and there is undoubtedly further space for Indian furniture consumption growth in the medium term. The perspectives of the domestic market can count on several drivers, including a favorable economic environment, with Indian GDP expected to grow at 6.5% per year in the 2023-2025 period and growth of housing and commercial construction with investment expected at 6% per year. Additionally, urbanization (urban population is expected to grow at 2.3% per year in the same period) and increase in income levels (families with income at over 200,000 USD PPP are expected to increase at two digits in the coming years) will allow the expansion of the affluent consumer segment on the market.
Consolidation and modernization of furniture retail, particularly in urban markets, will be key in driving the change. An exponential growth of e-commerce is also expected. The Indian e-commerce market, which is still undersized if benchmarked globally (e.g. the incidence of e-commerce is sensibly lower than the Chinese one), is booming, and it is expected to achieve a key role in the next future.

HOME & HOME+CONCLAVE 2023 A UNIQUE OCCASION TO SHARE KNOWLEDGE ACROSS THE INDUSTRY

CSIL was invited to attend the Home & Home+Conclave 2023 in Pune.

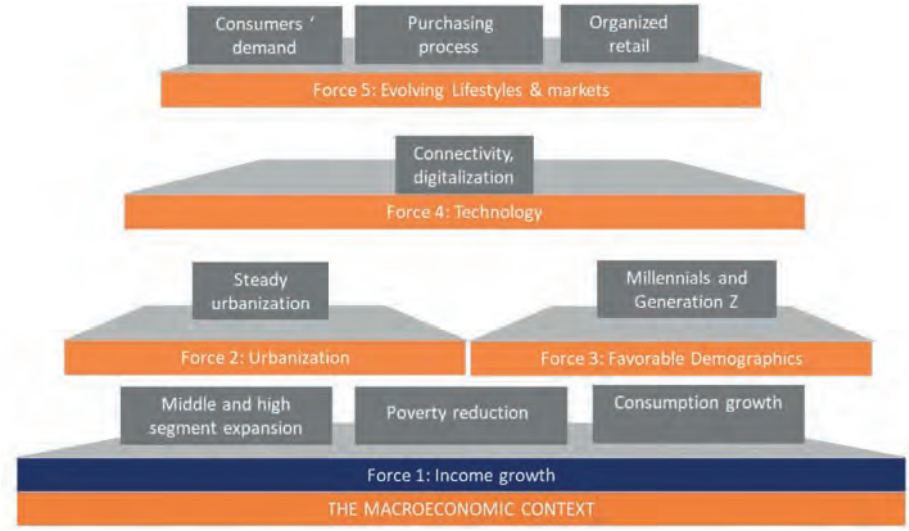
INDIA AND OTHER ASIAN COUNTRIES.
Per capita furniture consumption, 2010 and 2022



Source: CSIL processing

CSIL presenting the global furniture outlook at the Home & Home + Conclave on January 12th 2023 in Pune

DRIVING FORCES OF INDIAN FURNITURE DEMAND



Source: CSIL processing

This event was organized and sponsored by Creaticity, a large Home Lifestyle destination with nearly 100 regional, national and global brands and offering solutions including space planning, interior design and last mile delivery (www.creaticity.co.in).
The aim of this initiative was the creation of a knowledge platform where to share best practices and common challenges of the furniture sector.
Around 200 representatives of the Indian Furniture & Lifestyle Industry, including manufacturers, retailers, importers, and other service providers, gathered at Ritz Carlton on January 12th, 2023, invited by Conclave Convenor Dr. Mahesh M.
CSIL took benefit from this occasion to learn more about the status and development of the Indian furniture sector.
The one-day seminar was rich in presentations and panel discussions, touching on several topics, from the benchmark of India in the global context presented by CSIL to the need for cooperation along the value chain, which was the focus of the second keynote speech conducted by Kavitha Rao - MD Accenture.
Significant attention was devoted to factors shaping consumers' purchasing process, changing lifestyles, and the need to modernize and find new solutions to meet the market demand. During a panel discussion titled 'The Beauty of Being Organized', companies discussed the success and challenges that furniture retail is facing. Several topics were touched, including sustainability, customization demand, and the role of e-commerce.

THE NEXT BIG INDUSTRY FOR INDIA

Several companies talked about their success paths and expressed their views through diverse sessions crafted to provide knowledge and encouragement to the industry. On the floor (among others): Praxis Home Retail India (Home Town), CityFurnish, Godrej Interio, Peps India, Recliners India.
Industry's veterans such as A.K. Goel - Former MD, Hettich India, Mr. Rajesh Mahajan - Owner, Maspar Industries and Mr. Anil Mathur - Former COO, Godrej Interio also shared insights gathered by them over the years, focusing on how Home Lifestyle has the potential to become the next big industry for India.

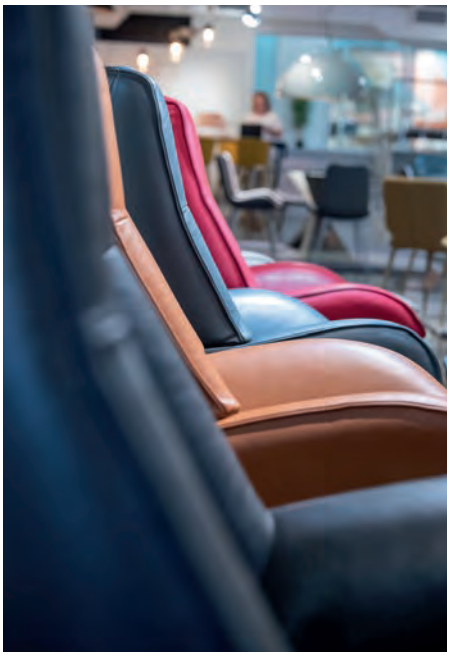
Panel discussion at Home & Home + Conclave 2023

by Wallace 'Jerry' Epperson,
Mann, Armistead & Epperson, Ltd.

FOCUS ON THE U.S. FURNITURE MARKET. SALES, INVESTMENTS AND EXPECTATIONS

When we had the tsunami of furnishings arrive so suddenly last April, May and June 2022, furnishings retailers of all types went from being inventory starved as they had been for almost a year due to extreme shortages which had resulted from many causes: many COVID related including factory closings and labor deficits both in the United States and overseas; raw materials confusion; major, unforeseen transportation complications involving truck, rail and overseas shipping and container problems; plus the accompanying price inflation.

Courtesy Amanda Lane Design-HPMKT



Courtesy Elm-HPMKT

In contrast, when this large wave of inventory arrived at the vendors in the U.S. and abroad, they were forwarded to the long-suffering retailers to fill their demands, often overfilling thanks to many retailers double and triple ordering during the lengthy shortage.

The result of this unprecedented series of events left the retailer community massively overwhelmed with furnishings inventory and suddenly not in need of additional products so the level of orders to domestic and import vendors dropped dramatically. The net impact has been that factories of vendors have been imperiled and/or harmedm from a lack of incoming orders for six months, while furnishings retailers' sales have ebbed and flowed with consumer demand which has been far from consistent. But this consumer activity has not been able to absorb the retailers' excess inventory so far in most cases.

This inventory imbalance which we had predicted would be largely resolved by mid-year 2023, now appears likely to last onto the second half of this year.

This is a change in our expectations. We still believe the consumer demand for home furnishings troughed in the 'recession' quarters of the first half of 2022, and has shown mixed improvement since.

Keep in mind that consumer demand is reflected in retail sales, not factory shipments. We expect that domestic and import factory shipments will continue to be negatively impacted by the retail inventory excesses that are still evident.


Courtesy Dowel - HPMKT


Courtesy Century - HPMKT

PRICING AND CONSUMER CREDIT

Since the October 2022 High Point Market, the U.S. dollar has continued to weaken, now about 7%, making imported furnishings and raw materials more expensive.

Furniture and mattress pricing both at the factory/'wholesale' level and at retail is as confusing and illogical as it has been since the hyper-inflation years of 1980-1982. After a decade of record low interest rates, we have apparently forgotten the importance of effective credit programs for durables sales like furniture. Our suggestion: create a good program and advertise it! Look at the auto and truck advertisings: -2.9% and 3.9% for the first time in years.

THE STOCK MARKET

I learned early in my career that trying to use common sense and logic to understand the stock market would lead to an unhappy disappointed life.

Today's stock market is especially confusing because so much money is being invested for safety and the COVID remains the great unknown globally.

How do we invest for the next decades? And much of today's investing - well over 50% - is done by computers that use algorithms to play one stock against another. These tend to discount (or give a premium) to stocks based on hundreds of factors. A silly example using a generic furniture stock: interest rates rising gets a 10% discount; being housing related/dependent gets a 15% discount; having a favorable demand scenario thanks to the Millennials gets a 15% premium and so forth.

For today, buying deeply discounted furniture stocks as long as interest rates are rising and housing sales are trending down, is like running against a hurricane-scale wind.

THE ECONOMY

A +4% fourth quarter 2022? The consensus was for 2.2% but now add in much lower inflation than was forecast. The Fed raised its rate last time +50 basis points, below the expected +75. Now some are expecting a +25 next and some are saying the Fed raising rates might stop early this year.

Can you imagine the glee in the housing sector? Mortgage rates had already stopped rising for the most part.

We may be seeing a rebound in housing in the second half of 2023. Maybe this is what the stock market is telling us.

MERGERS AND ACQUISITIONS

Even though in 2022 there were a number of very good companies for sale, as well as qualified and interested buyers and lenders, we discouraged many of these possible sellers while interest rates were rising, housing sales were weak, spending on durables was soft and lending was challenging because of the direction of interest rates. This resulted in fewer transactions and lower valuations.

Our clients are glad that they took our advice as it appears economic conditions and the merger/acquisition climate has started to improve. If you are contemplating a sale, now is the time to prepare. Don't be discouraged by the last three years! We are becoming more comfortable that there is a clearer path to better business later this year, plus we are fortunate to be well positioned with ample consumers, who need what we sell.

INVESTING IN HOME FURNISHINGS COMPANIES TODAY

In the universe of acquirers of home furnishings businesses today, there are strategic buyers already in home furnishings, foreign buyers looking to establish a stronger presence in North America, wealthy families who make long-term investments for stability and growth, and investment funds that buy companies to improve and grow them usually with the expectation to sell these investments in five to seven years, often called "private equity investors".

There are thousands of these funds of all sizes, various interests and expertise, and with different preferences.

A key to acquirers' interest in home furnishings is the encouraging outlook for our population mix, the increasing demand for residential housing, and the growing importance of the home in everyone's lives with new technology that allows more people to work, study, shop, be entertained and to communicate from their homes.

by Mindaugas Morkunas,
Regional Sales Head - Henkel

CURRENT TRENDS IN THE FURNITURE SUPPLY CHAIN AND THE INFLUENCES BEHIND THEM

Currently, the furniture industry is still exposed to significant uncertainty.

Having recently travelled around multiple furniture factories, I have seen manufacturers in countries like Poland and Sweden suffering from decreased demand. The decrease varies from 15 to as much as 50%. But of course, that isn't the only trend we currently observe in the furniture supply chain. Let's oversee the other ones and discuss what influences them the most.

1. Change in furniture demand

As already mentioned, the change in furniture demand is drastic. Some major manufacturers admit having never faced such a fall.

The numbers vary, but I have personally been told that certain orders have been reduced by 50, 43 or even 73%.

2. Focus on product improvement

With such a decrease in demand, manufacturers look for ways to improve their products or, in other words, maximize lean manufacturing. This means minimizing unnecessary expenses while retaining product quality. Changes vary from looking for ways to reduce the use of material, swapping certain parts for others, selecting different coatings, and so on. However, maintaining quality remains a priority.

3. Energy saving

Highly increased energy prices are forcing manufacturers to look for ways to save on energy. Luckily, the warm winter in Europe contributes to this goal. However, warm weather is simply not enough, and companies are still looking for ways to minimize their energy use. Some of the most popular methods include performing professional audits on energy consumption, using state aid, regular unit maintenance, and so on.

4. Changes in people management

With reduced demand and increased costs, companies are also looking for ways to save through the management of people. Many employees are being laid off or sent on holiday for a week or even a month. It comes as no surprise that the furniture industry has faced multiple protests from dissatisfied employees.

COMPLEX ISSUES

While it is fairly easy to determine separate trends, it is worth noting that most of them are caused by the same - although complex - reasons. These include a complicated geopolitical situation (the main reason for increasing energy costs and, thus, overall living costs) and a climate crisis, which can affect the supply chain significantly. That said, it's the same climate crisis that is causing an unusually warm winter, thus somewhat helping save on energy. Although by no means should we rejoice in it - as the past suggests, we are likely to pay for it with hurricanes, floods, droughts, or other catastrophes that can cause further disruptions.

It is only fair to mention that certain furniture manufacturers are already looking for ways to reduce their carbon footprint and thus contribute to solving the climate crisis. So far, the most popular approach is incorporating recycled materials, which reduces waste and, in turn, carbon footprint. However, companies like Henkel are taking things a step further by introducing furniture elements made of entirely different, environmentally friendly materials.

In Henkel's case, it was adhesives - made using the 'mass balance' approach, they reduce the carbon footprint of the adhesive and ensure that furniture can be made with fewer fossil-based elements.

My belief is that this will soon become the new normal - with more and more consumers regarding environmental impact as a strong influencing factor, companies will be forced to look for sustainable solutions, thus pleasing potential buyers and minimizing harm to our environment.

TREVIRA CS ALONG A 'SUSTAINABILITY PATH'

The Trevira CS brand presented itself with 18 top customers at Heimtextil, held in Frankfurt from January 10 to 13, 2023. The joint stand covered an area of over 1,400 m² in Hall 4.0.

Trevira CS customers and partners were exhibiting their flame retardant products and new collections for the home textile and contract market at individual stands at the joint booth. Once again, all kinds of textile applications have been showcased by the exhibitors at this year's Trevira CS booth.

Their products include spun and textured yarns, curtains, decorative and upholstery fabrics as well as products for interior sun protection. A wide variety of flame retardant yarns and Trevira CS fabrics was showcased, as well.

THE "PATH OF SUSTAINABILITY"

The Trevira CS brand presented its sustainable aspects along a sustainability path which extended 8 stations across the Trevira CS joint booth. Using questions and answers, they explored the complex issues revolving around what makes a product sustainable. The information chain dealt with Trevira CS technology, particularly its sustainable product variants, the longevity of textiles, the Trevira CS eco brand for flame retardant fabrics with recycled content, and the take-back program for Trevira CS fabrics. At the end of the chain, a new product development prototype has been presented, giving insight into the brand's future sustainable development opportunities.

Trevira CS is a brand of Indorama Ventures Public Company Limited (IVL), a global chemical company that has made of sustainability an integral part of its corporate strategy.

Indorama is headquartered in Thailand and has 26,000 employees in 35 countries on 6 continents at 147 production sites. As the world's largest producer of PET, Indorama has responded to the challenge of resource management by establishing its recycling business. Recycled products include PET bottle flakes, recycled PET (rPET) and recycled fibers. Flame retardant filament yarns made from Indorama's rPET are already used to produce Trevira CS eco textiles.

On the market for over 40 years, Trevira CS has become synonymous with flame retardant textiles. Sustainable properties have been part of the product DNA from the very beginning. The innovative technology for flame retardant fibers and yarns eliminates the need for flame retardant finishes on textiles. The flame retardant additive is embedded in the molecular chain at an early stage of the manufacturing process, meaning no environmentally harmful substances can leak out - neither during use, during cleaning nor in the event of fire. A low-melt component in the fiber/yarn makes it possible to stiffen textiles without the use of a chemical finish. Flame retardant fibers as well as bright filament yarns are already available antimony-free; semi-dull antimony-free filament yarns are under development.

Production in Europe guarantees compliance with strict safety and environmental standards. Trevira CS is a recyclable mono-material. All flame retardant Trevira products are STANDARD 100 certified by OEKO-TEX®. The flame retardant Trevira polymers have been assessed according to the GreenScreen® standard and are now listed in the GreenScreen® registry.

FLAME RETARDANT TREVIRA PRODUCTS

Trevira CS offers a new range of 30 flame retardant, UV-stable, spun-dyed yarns that are particularly suitable for outdoor use in the hospitality sector and the cruise ship industries due to their high light fastness and UV resistance.

In addition, they score with sustainable properties, because the fabrics made from them can be produced in a more environmentally friendly way than textiles made from conventional yarns. The use of spun-dyed yarns is easier on the environment because there is no need to dye yarns and fabrics.

The production of textiles from spun-dyed yarns requires fewer resources, including energy, water and chemicals. Even in outdoor conditions, fabrics are long-lasting and durable, meaning enduring colour quality, no fading, UV stabilizing for long-lasting strength.

The new colour palette of 30 flame retardant yarns was developed by Judith van Vliet, The Color Authority™ with trend colours used particularly in the outdoor applications of the contract market segments Hospitality and Cruise.

© Foto: Trevira GmbH | Flame retardant, spun-dyed, UV-stable Trevira filament yarns for outdoor applications

Trevira CS fabrics are also available in recycled variants. They consist of fiber and filament yarns obtained in various recycling processes. Fabrics made from these yarns can obtain the Trevira CS eco trademark. The prerequisite for this is a recycled content of at least 50%. Filament yarns are produced using recycled PET bottles, meaning yarns contain 50% post-consumer recycled material. Recycled fibers are made from 100% recycled material (pre-consumer recycling) obtained from production waste via an agglomeration plant and further processing steps. All flame retardant, recycled Trevira products are GRS (Global Recycled Standard) certified.

THE TREVIRA CS RETURN PROGRAM

There is a take-back and recycling option for Trevira CS fabrics. Used Trevira CS fabrics (post-consumer) or unsold Trevira CS residual materials (pre-consumer) can be recycled as part of the Trevira CS return program. Only Trevira CS qualified fabrics can be returned. The mechanical recycling process and further processing into nonwovens occurs at the ALTEX recycling company in Gronau, Germany.

The fabrics are mechanically recycled and shredded into torn fibers, which are further processed into nonwovens with various specifications, if necessary, by adding new and/or low-melt fibers. These can be used in a variety of ways, like for thermal and acoustic insulation and as soundproofing panels.

Nonwovens for acoustic panels are particularly interesting, becoming sound-absorbing wall coverings, free-standing partitions, ceiling suspensions or decorative objects, to name a few.

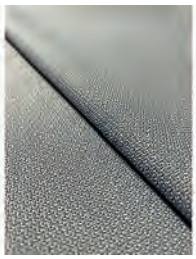
TREVIRA CS LONG-TERM GOAL

The long-term goal in developing sustainable products is to enter a circular economy. Director Marketing Trevira CS, Anke Vollenbröker says: "For some time now, we have been looking for ways to make Trevira CS more sustainable in this sense. This is not just about creating a new 'status quo' but about embarking on a new path for moving forward into the future."

The starting point for the new development is a chemically recycled raw material. In this innovative Trevira CS product development, fibers and filament yarns are made from raw material, which is chemically recycled for the most part and, to a smaller extent, from renewable raw material. In this case, the basic raw material for the chemical recycling is PET bottles, but essentially it could be most any other PET waste, such as packaging material or textiles.

© Foto: Trevira GmbH / ALTEX | Torn fibers from returned Trevira CS fabrics

© Foto: Trevira GmbH / ALTEX | Nonwovens made from 70 % returned Trevira CS fabrics / 30 % low melt fibers



© Foto: Trevira GmbH | Gabriel A/S | Trevira CS prototype made from chemical recycled raw material and Bio-MEG (above) and Trevira CS original (below)

The flame retardant modification is added before polymerization, allowing the flame retardant properties to be indelibly anchored in the polymer. The advantage of this approach is that, on the one hand, Trevira is avoiding waste because packaging material is getting recycled. On the other hand, they are conserving resources by replacing petrochemical components with biological components which use renewable raw materials.

Director Marketing Trevira CS, Anke Vollenbröker: "The biggest advantage, however, lies in the potential that this approach has for the future. If we use raw materials obtained through the chemical recycling of PET packaging today, we could then potentially recycle textile waste in a similar fashion in the future. With these first steps, the path to a circular economy is underway."

by Ryan Trainer,
President, International Sleep Porducts Association (ISPA)
and Mattress Recycling Council (MRC)

CONSUMERS' GROWING INTEREST IN MATTRESS SUSTAINABILITY

According to new research released by the Better Sleep Council (BSC), sustainability is a topic on the minds of bedding industry leaders and their potential customers! The study, the first BSC consumer research on sustainability issues, includes information about consumers' mattress purchase considerations that should be of great interest to industry leaders and provides a key for bedding executives to begin tapping into consumers' significant and growing interest in mattress sustainability. The study reveals that a company's high ethical standards and product recyclability are the sustainability features and practices of greatest importance to consumers when purchasing a new mattress. The study explores consumers' interest in sustainability issues and looks at how consumers value sustainable practices and products in their mattresses. The study found that nearly 4 in 10 consumers say they are willing to pay up to an additional 10 for a mattress manufactured using sustainable practices or materials. Another 2 in 10 consumers would pay from 11% more to 20% more for such a mattress, and 5% of consumers would pay over 20% more for that mattress. With about 1 in 3 consumers (36%) saying they would not pay any more for a sustainable mattress, the message is clear - sustainability is now becoming an expected 'feature' of today's mattress.

This sentiment varies across generations. The study reveals that Gen Z consumers (those between the ages of 18 and 24) and Millennials (those between 25 and 40) are more willing to pay extra for a sustainable mattress than older consumers.

Here's the breakdown by generation of how many consumers are willing to pay more:

- 80% of Gen Z consumers
- 76% of Millennials
- 60% of Gen X consumers (between 41 and 55)
- 52% of Boomers (those 56 and older).

These findings demonstrate that sustainability will be an increasingly important issue in the industry for many years to come, as the purchasing power of the younger consumers who are leading the way with their support for sustainability initiatives increases. The survey (1,000 U.S. consumers in a national sample) asked how important certain characteristics or features were when buying a mattress and found that 41% of them say it is very important that mattress packaging materials are recyclable, while 39% say it is very important that the mattress manufacturer has made public commitments to minimize its environmental impact and 38% say it is very important that the mattress has one or more environmental certifications.

35% percent of consumers say it is very important that the mattress uses organic or natural materials, while 28% say it is very important that the mattress is made from recycled content, and 28% say it is very important that the mattress is produced locally.

If sustainability isn't yet playing a key role in your business decisions, consider making changes now that will address mattress shoppers' priorities both for today and the future. Today's consumers have favorable attitudes toward manufacturers that practice sustainability. Nearly half of consumers say it is highly important that they purchase products from a company that uses environmentally sustainable practices.

When choosing products for their home, 76% of consumers say that they want to buy from a company they trust and 65% are looking for brands with high ethical standards. With nearly half of today's shoppers looking at companies using environmentally sustainable practices or materials, what will your company's sustainability story be?

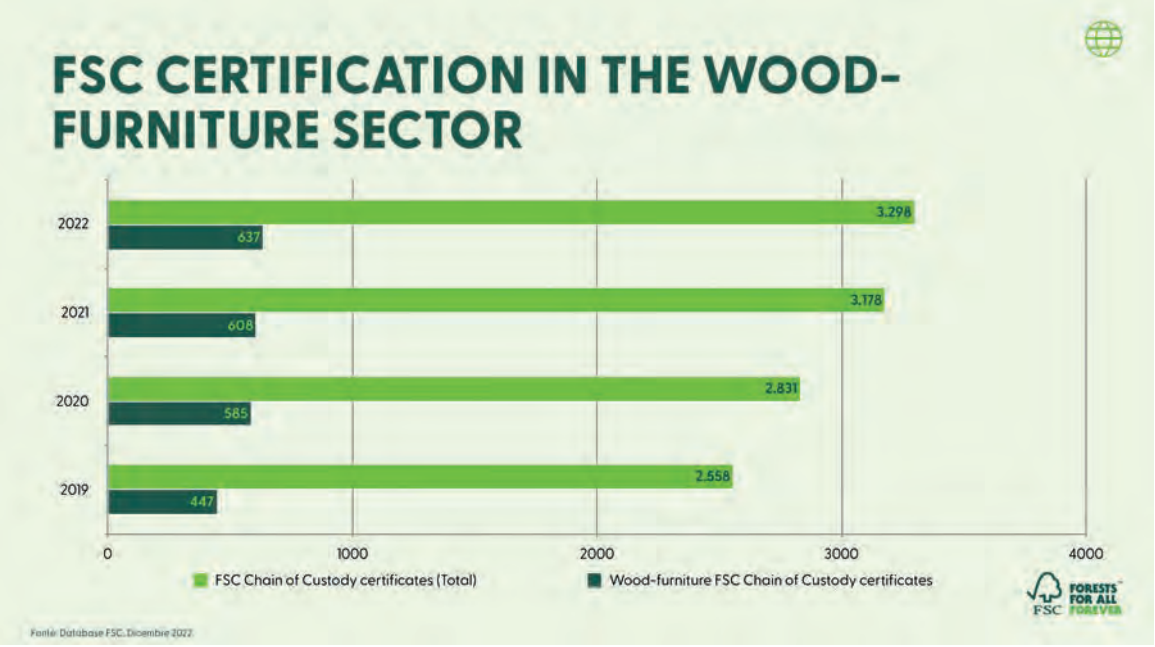
by FSC Italia

'BELLO' IS SUSTAINABLE. HOW FSC CERTIFICATION IS GROWING IN THE ITALIAN WOOD FURNITURE MARKET

In January this year, a new report on FSC certification in Italy was published, underlining a strong growth in certificates issued and production sites involved. Sustainable furniture, packaging and textiles are among the sectors with greatest growth.

THE GLOBAL CONSUMER SURVEY

According to the 2021 Global Consumer Survey, a market research conducted by Globescan on 12,000 consumers in 15 countries, 86% (91% in Italy) of them prefer to buy products that do not damage plants and animals, while 84% (91% in Italy) expect companies to ensure that paper or wood they use for production do not contribute to deforestation. Three out of four also say information about sustainability on products should be certified by an independent organization.



THE FSC REPORT

Many of these findings are well confirmed in a report that was recently published by FSC Italia, the national initiative of the leader in sustainable forestry trusted by NGOs, businesses, and consumers worldwide.
The publication took into consideration aspects related to certified forest extension, number of chain of custody certificates and promotional licenses issued in 2022 in Italy. As for forested areas, 81,590 hectares are actually certified according to the FSC forest management standards, with an 8% growth and a total of 26 certified properties involved.

FOCUS ON THE ITALIAN MARKET

Also chain of custody (CoC) certificates increased in the italian market (+3.7%), counting now 3,298 and including over 4,200 production sites. Packaging, sustainable textile fibres and furniture are among the fastest growing sectors: during the last year, 67 new certifications were activated in wooden furniture sector, with big brands like Lube Industries s.r.l and Porro s.p.a joining the list.
"We witnessed an incredible interest around FSC certification" said Diego Florian, FSC Italia Director, commenting on the data "We're facing global challenges as pandemics, wars and scarcity of raw materials; still FSC has been a tool in which companies invested and which consumers have rewarded. Even in times like these, certification is a concrete tool for giving forests and markets a future".

PUSHING SUSTAINABILITY IN THE FURNITURE SECTOR

In recent years, FSC Italia has been involved in many activities and projects concerning furniture: a press conference was organized in Milan in partnership with Stosa Cucine presenting brand's commitment in choosing FSC-certified wood for many of its products.
The event was successful, received a good media coverage and helped further pushing Stosa's FSC-certified product lines (Art, Karma and Metropolis).
A couple of months later, during Salone del Mobile fair, Stosa Cucine launched an instagram live streaming featuring well-known influencers to talk about the importance of choosing FSC-certified products.

THE FSC FURNITURE AWARDS

FSC Italia has been also leading an European-wide project which resulted in the FSC Furniture Awards, a competition created to recognize the commitment of FSC-certified companies in the indoor and outdoor sectors.
During the awards ceremony held at ADI Museum in Milan on 28 October 2022, two out of nine award categories were assigned to Italian companies: Stosa Cucine won the communication award, while Euroform K. Winkler received the award for outdoor furniture manufacturer of the year.

2022 was also the year of a new, interesting case, with the addition of a project certification (FSC-P001907) attributed to the renovation works carried out by Uno s.p.a in Park Hyatt Milan hotel using FSC-certified furnishings and wood finishes. The project certification shows that the forest-based materials used come from FSC-certified sources and lets builders, architects, artists and others use FSC trademarks to showcase their commitment to sustainable forestry.

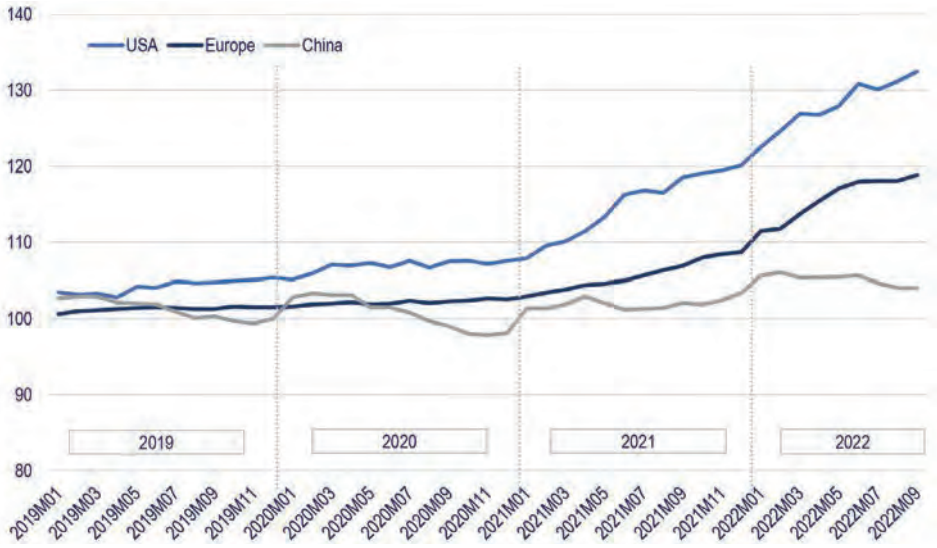
by Mauro Spinelli,
CSIL Market Research

OFFICE FURNITURE: THE WORLD OUTLOOK

The world office furniture industry in 2022 reached a total production value of USD 52.4 billion. Following the drop registered in 2020 due to the consequences of COVID-1,9 global production showed a +14% rebound at current prices in 2021 and downgraded again in 2022 posting a -3% if compared to the previous year.

Performances of world office furniture production have been different across regions.
While North America increased in 2022, Europe remained almost flat and Asia-Pacific recorded double digit drop.
However, in this regard, attention should be given to the currency issue. All data are in US dollars and they are affected by the exchange rate fluctuations. Another factor to be considered is inflation; prices are generally growing worldwide and they are conditioning each country performance.
Office furniture represents around 11% of total world furniture output. Asia and Pacific is the main manufacturing area with a 48% share of world office furniture production, followed by North America, which accounts for 29%. Europe ranks third with an incidence of 19% of the worldwide output. The other geographical areas hold marginal shares.
The production of office furniture is highly concentrated in only 8 countries accounting for around 79% of the total output: China, the United States, and, at a distance, Germany, India, Japan, Canada, Italy and Poland.

UNITED STATES, EUROPE AND CHINA.
Producer price index trend. 2018=100

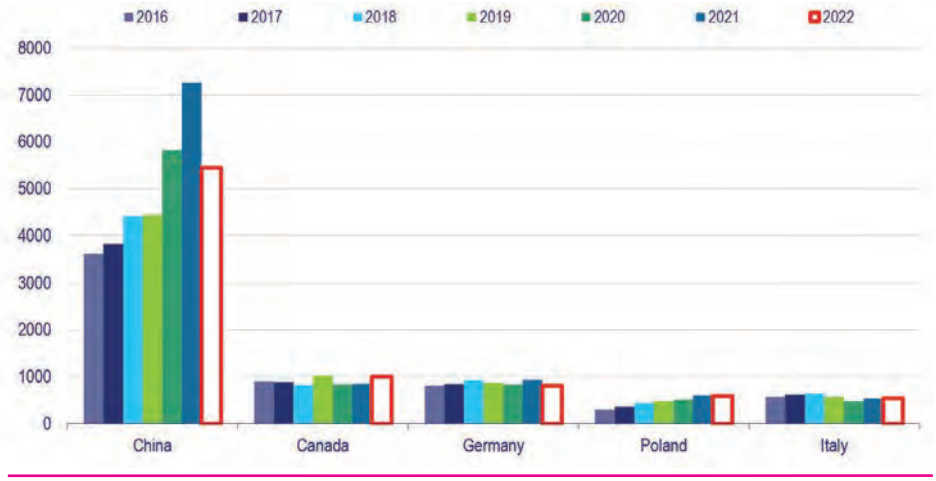


Source: Eurostat, US Bureau of Labor Statistics, National Bureau of Statistics of China
NOTE: USA - Manufacture of Office furniture (including fixtures); Europe - Manufacture of office and shop furniture; China - Manufacture of Metal Furniture

INTERNATIONAL TRADE

World trade of office furniture (in current USD) peaked in 2021 increasing by +23% and then dropped by -10% in 2022 to a total value of USD 12.7 billion (preliminary).
According to CSIL forecast, world trade is expected to grow by 2% in 2023 and by 3% in 2024.

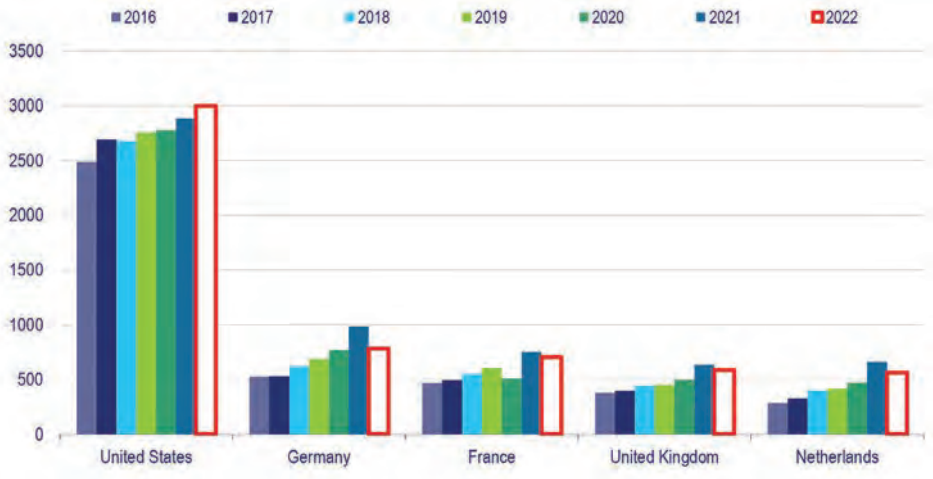
OFFICE FURNITURE EXPORTS.
FIVE MAJOR EXPORTING COUNTRIES, 2016-2022. Current USD million



Source: CSIL from industry and official data

2022: preliminary estimates

OFFICE FURNITURE IMPORTS.
FIVE MAJOR IMPORTING COUNTRIES, 2016-2022. Current USD million



Source: CSIL from industry and official data

2022: preliminary estimates

The ratio of exports over production in the office furniture segment amounts currently to around 26%. Even though this ratio is growing (it stood at 21% in 2016), it remains low compared to the furniture sector, where the export/production ratio is around 39%.
The bulk of office furniture exports originates from China, Canada, Germany, Poland and Italy and flows to the United States, Germany, France, the United Kingdom and the Netherlands.
China keeps the largest share on world exports accounting for 40% of the total flows. To be noticed, however, that China lost 7 percentage points in 2022 due to the weak international demand.

FURNITURE AND TECHNOLOGY FOR THE WORKPLACE

In the last three years we saw the acceleration of several structural processes leading towards more fluid, multi-format real estate portfolios. Expanded employee choice includes more remote working, comprised in satellite or suburban locations that do not require extensive commuting. Technology investment in buildings will be crucial both for the existing motive of enhanced user experience but increasingly also for health management and wellbeing. Fluidity will come in the form of working from a variety of locations (home, headquarters, flex office or coffee shops) reflecting the diversity of tasks and the preferences of employees.
The above mentioned factors led to a rethinking of workplaces, timing and resources, with more focus on interaction and corporate productivity. Priority is assigned to workspaces that encourage active collaboration and the informal exchange of views, with spaces for presentations, seating areas and break zones to foster conversation and discussion. At the same time, there is a parallel need for zones that may facilitate concentration, eliminating distractions.
We have assisted to an exponential growth in consumption of office chairs (or better, ergonomic work chairs). Over the past two years, the share of this product on total consumption has risen in each and every country.
Once again, remote work, even if only for a couple days a week, is the driving force behind this trend. It should also be highlighted that this growth was most notable for products in the mid-economic range.
Height-adjustable tables (HAT) are another fastest-growing segment in the office furniture business. In the last five years, HAT's presence became tangible not only in Europe but also in North America. Almost all the major sector players worldwide introduced sit-stand desks collections and these products become visible also at the retail level (including

e-commerce and large stores like IKEA).
Acoustic Booths/Room in Room Systems suffered from the slowdown of projects, but they are considered crucial for the new office conceiving. The presence of these product, also defined as pods, phone cabin, booth, silent room, privacy box and cube, is spreading in all kind of commercial open plan space.
Intelligent workplaces rely on the design of flexible facilities, suitable for smart work and all other needs, while also reducing the floorspace required for workstations, or modifying layouts to create functional work zones inside public or domestic settings. These micro-architectures offer privacy, safety and acoustic comfort, besides being outfitted with all the equipment and technologies that have become so indispensable today.

OMNICHANNEL TO EXPAND IN THE OFFICE BUSINESS

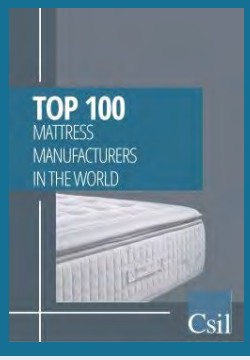
Over the last two years, sector companies reassessed distribution and logistics for a market which is becoming more fragmented, solving issues related to the e-commerce and planning investments on that, communicate to the end customer (B2C) who commonly is not familiar with brands, features and quality of office furniture products. Omnichannel retail provides a complementary business model to reach more customers. Investments in new stores/showrooms, property webstores and global e-commerce platforms, expanded significantly. Introduction of new product assortments and technology systems means that the retail business became part of the long-term growth strategy of office companies.
Generally speaking, office furniture distribution still shows a high degree of specialisation, with direct sales and office furniture specialists and/or exclusive dealers accounting for the largest portion of the total. However, the distribution systems are peculiar to each market and sometimes they differ significantly according to each country. The 'direct channel' incidence is very high in Japan with few corporations controlling the office market. In China, direct sales (including contract) cover almost the half of the market due to a strong injection of Government commitments.
Specialists or exclusive dealers represent the lion's share in Europe and North America.
In India the unorganized distribution still represents 70% of the market. However, the organized business (contract, retailers, showrooms, importers) increased fast over the last decade jumping from 15% to 30% of the total.
The penetration rate of e-commerce in the sector is 4% with a total value that tripled compared to 2018, when online sales of office furniture represented only 1.7% of the total.
E-commerce incidence on office furniture consumption is higher in North America and Europe (Germany, Scandinavia and the United Kingdom). China leads the Asia-Pacific market in terms of values, although Japan shows an incidence of 5%, which is by far over the average of the Region.

OFFICE FURNITURE.
RELEVANT FACTS AND OPERATIONS WORLDWIDE IN THE YEAR 2022

September
Plus Corporation acquired Pentel, from Kokuyo.
July
Grupo Armarios Persiana (ES) acquired the Spanish office equipment and furniture wholesaler Suministros Arpe.
HNI Corporation announced the sale of its office furniture business Lamex, based in China/Hong Kong, to Kokuyo.
May
Steelcase announced that the company would acquire Halcon Corporation, an American wood office furniture manufacturer.
March
Henglin Chair acquired Zhejiang Yongyu Home Furnishings (Yoyu).
February
Flokk acquired Connection Seating, a British furniture and seating manufacturer.
Haworth and Emeco began a partnership that added Emeco products to the Haworth Collection.
Exemplis Corporation (SitOnIT) acquired Edloe Finch, an American e-commerce furniture retailer.

CSIL Top furniture companies

The new series of CSIL research insights that focus on the largest companies in the furniture and furnishing markets, providing rankings and performance data of firms operating on a global level or by geographical areas.



The information provided by the 'CSIL TOP FURNITURE COMPANIES' series generally includes:

- Company name and headquarters location
- Company Turnover
- Number of Employees
- Ranking by turnover

The aim of this series is to offer a bird's-eye view of the competitive landscape, benchmarking companies' performance, their relevance in the business and the sector concentration.

Currently available 'CSIL TOP FURNITURE COMPANIES' publications:

- Top 100 **furniture manufacturers** in Europe
- Top 100 **furniture manufacturers** in the United States
- Top 100 **furniture manufacturers** in China
- Top 100 **furniture manufacturers** in Vietnam
- Top 100 **mattress manufacturers** in the World
- Top 100 **upholstered furniture manufacturers** in the World
- Top 100 **office furniture manufacturers** in Europe
- Top 100 **RTA furniture manufacturers** in Europe
- Top 100 **furniture retailers** in Europe

Csil WORLD FURNITURE online

CSIL
www.csilmilano.com
www.worldfurnitureonline.com

by Giulia Taveggia,
CSIL Market Research

THE LARGEST FURNITURE COMPANIES WORLDWIDE

CSIL analyses the competition in the world furniture industry, mapping and studying the performance and features of a wide range of furniture companies. More than 8,000 companies operating in different furniture segments are analyzed thanks to comprehensive desk and field research. This supports CSIL in accurately studying the industry's competitive systems worldwide and monitoring their evolution.

THE TOP 200 FURNITURE MANUFACTURERS BY CSIL

In its recent study 'Top 200 Furniture Manufacturers Worldwide', CSIL listed the largest companies in terms of furniture turnover. This group of companies produces a total turnover of around USD 180 billion, of which nearly USD 120 billion, according to CSIL estimates, are related specifically to the furniture sector. The concentration ratio of the Top 200 furniture manufacturers in the world furniture industry has continued to increase in the last years, reaching more than 20% of world furniture production. The average company's size in terms of total turnover has also increased, with differences across different geographical areas.

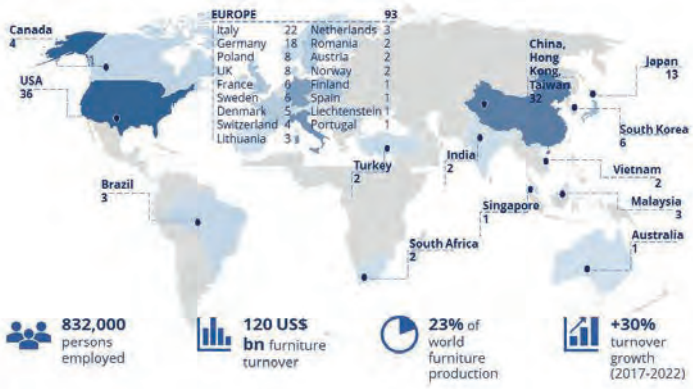
The Top 200 are spread all over the world. They have headquarters in 30 countries. Regarding furniture turnover, top companies from Asia and the Pacific account for nearly 40% of the total furniture turnover generated by the top 200 companies. European and Americas companies account for 30% each.

COMPANIES' PERFORMANCE

The total turnover of the Top 200 furniture manufacturers increased by over 30% from 2017 to 2022 (more than compensated for the pre-pandemic level). The trend indicates that the growth of the Top 200 companies was higher than that of the sector in terms of sales. In 2020, the decrease in sales of the Top 200 manufacturers had been contained compared to the world furniture production, driven by larger financial capabilities that allowed leading companies to quickly re-align business strategies, implement new sales channels (e.g. online), and reposition their supply chain.

Preliminary results show that in 2022, the Top 200 companies maintained the same level as in 2021, whereas world furniture production decreased by 3%. Their performances differ accordingly to the geographical areas and the furniture segments. Asian manufacturers have grown impressively over the last five years. European players have shown promising results, particularly in 2021 (surpassing the pre-pandemic level). North American manufacturers experienced significant development in 2019 and stabilized in 2021.

TOP 200 FURNITURE COMPANIES BY CSIL



Source: CSIL

Regarding furniture segments, the most dynamic manufacturers belong to the kitchen and upholstered furniture segments, which have continued to grow in the period considered.
Office furniture manufacturers showed a significant drop in 2020 and a slight increase in 2021 without reaching the pre-pandemic level.

COMPANIES' STRATEGIES

Strategies of delocalization and differentiation of companies' manufacturing footprint have been accelerated over the last few years, driven by an increasing need to contain logistic and transport costs, reducing the time-to-market. About half of the Top 200 companies have manufacturing activities outside their headquarters country.
Companies that mostly delocalize part of their production abroad have headquarters in North America, followed by Asian manufacturers and European companies.
In terms of furniture segments, companies specializing in outdoor furniture are the most prone to delocalize production (80% of the companies selected opened manufacturing plants abroad), followed by companies specializing in office furniture and upholstered furniture manufacturing. About 80 M&A operations have been identified among the Top 200 furniture companies since the beginning of 2019, averaging 20 significant operations per year. American and Italian companies were the most active in recent years, concluding around 40 M&A operations among the sample of the Top 200 companies, followed by companies headquartered in China and the United Kingdom.
Over the period, the most active American companies observed have been two office furniture specialists: Herman Miller, which acquired Maars (NL), HAY (DK), and Naughtone before finally merging with Knoll, and Steelcase, which also made 4 acquisitions since 2019.
In Italy, different operations have been concluded among leading high-end furniture manufacturers. IDB Italian Design Brands was the most active company, with 4 acquisitions. Another Italian high-end furniture group, Design Holding, was also actively acquiring foreign companies with a strong presence in Northern Europe and North America: Company (DK) and YDesign Group (US). Since 2019 there have been three significant mergers between the Top 200 companies.
The first occurred in 2020 when ACProducts merged with Masco Cabinetry to form Cabinetworks Group, now one of the largest global cabinet/kitchen furniture manufacturers. In 2021, Alsapan and P3G Industries merged to form Alpagroup, a leader in RTA furniture production. In the US, the two office furniture giants Herman Miller and Knoll merged to form MillerKnoll, now the largest office furniture manufacturer in the world (in terms of turnover).

ABOUT THE COMPANIES FIGURES

CSIL constantly updates a comprehensive set of companies' information, including financial figures, employment, export sales, and product portfolio, supported by different sources of information: an extensive database of companies that includes historical data on main financial indicators; annual reports of companies quoted on the stock exchange; specialist sector press, companies' websites, and press statements; CSIL's field research, including online surveys and direct interviews conducted during the year.

CSIL's report '**Top 200 Furniture Manufacturers Worldwide**', edition January 2023. The report identifies, compares and profiles the leading world furniture producers, providing information such as financial performance, product portfolio, and manufacturing plants. The selected Top 200 furniture companies may operate in the following segments: Kitchen furniture, Upholstered furniture, Soft furniture, Outdoor furniture and Multiproduct furniture (including the mentioned segments plus other furniture, e.g. dining/living room furniture, bedrooms, bathroom, etc.). A group of companies is identified as "Multiproduct" when they are not specialized in furniture production.
CSIL Top furniture companies is a new series of CSIL research insights that focus on the largest companies in the furniture and furnishings market, providing rankings and performance data of firms operating on a global level or by geographical areas. All CSIL reports can be purchased online and downloaded from **www.worldfurnitureonline.com**

by Matteo Grigolini,
CSIL Industry Custom Studies

HIGH-END FURNITURE. TRENDS AND BEST PERFORMING MARKETS

CSIL constantly monitors the development of the high-end furniture segment, that follows its own patterns - partially independently from the rest of the market - and that includes among its players many global trendsetters in terms of product design.

The high-end furniture sector is varied, encompassing companies with different styles - from classic to avant-garde; various size - from artisans to large industrial groups; and range specialization - from companies that include high-end products in a wider range of offer, to companies focused exclusively on the high-end.

SIZE OF THE MARKET

According to CSIL estimates, the high-end furniture market accounts for around 10%-15% out of the total furniture market (in value). Looking at furniture destinations, over three quarters out of the total high-end market are absorbed by purchases for residential spaces, whereas the rest for non-residential ones. Within the non-residential market, hospitality and luxury shops (shopfitting) are traditionally among the most important segments for high-end furniture.

At the time of writing, CSIL has not yet ended to update figures for the development of the high-end furniture market, still some trends have already emerged. First of all, in 2022 the high-end sector experienced a significant increase in its turnover. Looking in particular at European high-end producers, which play a pivotal role in the global high-end furniture industry, the large majority of companies interviewed by CSIL indicate increasing sales in 2022 with respect to 2021. Many companies reported a double-digit growth in value. It is important to consider that increases in furniture prices were a key factor in determining the growth of sales values and, in addition, the strong appreciation of U.S. dollar against Euro in 2022 also played a non-negligible role for those European companies operating significantly on the U.S. market. That said, companies interviewed by CSIL generally show satisfaction for their performance in 2022. In 2022, high-end furniture sales increased both in the United States and in Europe, with different developments reported among countries. Asia-Pacific has been the most heterogenous area in terms of market performances, with China's market seriously affected by store closures during lockdowns, whereas some other markets in the area saw significant growth.

The market of Gulf area showed a particularly lively period.

Many companies look with some cautiousness at developments in 2023. Well-known threats of the global furniture market - inflation and effects of geopolitical instability being probably the key ones - will reasonably affect to a lower extent the high-end market, whose customer base is inherently more resilient to economic downturns. At the same time, during chats with managers from high-end furniture companies, the belief that in 2023 growth rates will not reach 2022 levels looks quite spread. The mood for the years following 2023 seems to be more optimistic. Among non-residential segments, hospitality is recording the best expectations from the majority of companies, compared to other segments.

by Giovanna Castellina,
CSIL Furniture Reports Unit

FURNITURE ECOMMERCE. A WORLD OVERVIEW

ECOMMERCE EVOLUTION TIMELINE

The first CSIL report focused on ecommerce was published in November 2001, an internet era ago. There were 418 million internet users in the year 2000, this was about 5 years after Jeff Bezos delivered from his garage the very first book ever sold from the newly born Amazon platform.

The appearance of the first ecommerce stores dates back to 1994/1995, Amazon and ebay as first comers, other milestone being at the end of the century the start of online payment systems like Paypal and the lauch of Alibaba in 1999 that in 2012 finally overtook U.S. ecommerce giants turnover and set the Asian leadership in the ecommerce field, with China rising as the world's largest ecommerce market in the world. The following milestones were off course the smartphone revolution together with the social media one, Facebook birth is dated 2004, the first mobile transaction was made in 2008, in 2011 Google launched the wallet payment app, in 2011 the first social sponsored stories for advertisement were launched by Facebook and finally in 2017 Instagram introduces shoppable tags - concluding the social media metamorphosis in real ecommerce platform by 2020.

FURNITURE ECOMMERCE

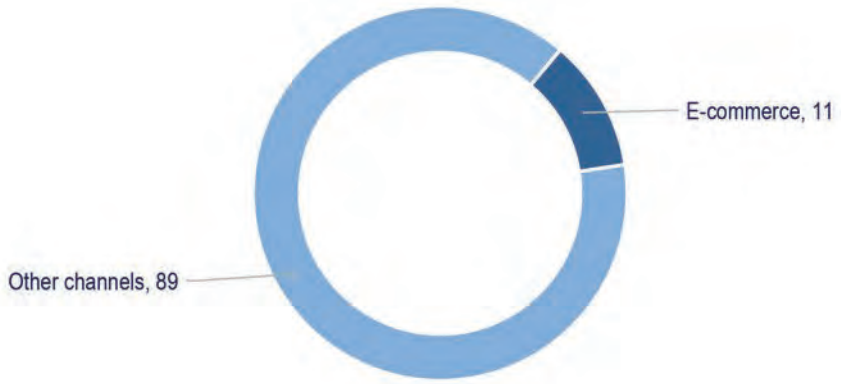
In about 2 decades the number of internet users grew from about 418 millions to over 4 billions with online sales reaching 5,7 trillions USD from only 50 billions in the year 2000. According to CSIL latest observatory, the global value of furniture sold online is worth about USD 96 billion, representing about 11% of the worldwide furniture consumption at end-user prices, to conclude our journey through in the ecommerce history timeline it was estimated to only 1% back in the year 2000.

The United States is now the largest single e-commerce marketplace in value, China follows, while Europe as a whole is ranking third. However, the penetration rate of e-commerce on furniture consumption is higher in North America (15%), followed by Asia-Pacific (11%) and Europe (10%).

A GROWING TREND

While global consumption of furniture decreased on average by 3% in 2022/2019, e-commerce consumption increased by +18% as yearly average for the same years. In particular, a

WORLD. E-COMMERCE INCIDENCE ON TOTAL FURNITURE CONSUMPTION, 2022. Percentage shares



Source: CSIL

NOTE: 2022 preliminary figures

booming performance of online sales has been registered in 2020 and 2021, while in 2022 the trend has been substantially flat. Markets are currently being affected by increased volatility due to the war in Ukraine and a rising inflation. As a result, consumer confidence has declined and expenditure on major purchases such as furniture is being postponed. Different performances have been registered according to geographical areas in the period considered. European countries generally increased faster, followed by North America. The performance of Asian Countries (particularly China, Japan and South Korea) has been weaker than the average. The mentioned regions represent over 95% of the worldwide e-commerce sales of furniture.

FROM 'BRICK & MORTAR' TO 'BRICK & CLICK'

In 2022 the furniture market still faced some challenges and disruptions in production and supply chains: lack of availability of raw materials and components, fluctuation of input prices, increasing energy costs, congested logistics, increasing transport costs, affecting trade and causing delays in delivery. Strong inflationary pressure, softening demand for home-related products, and low consumer confidence are posing further uncertainties to the market.

It is worth noting that 2021 had been an excellent year for furniture demand; thus, those negative performance results remain positive if compared to 2020 or 2019, both in sales and e-commerce incidence. It seems reasonable to assume that the growth trajectory of online sales is still increasing and that the pandemic has permanently accelerated the shift to online.

E-tailers include global e-commerce platforms (like Amazon), large regional marketplace (like TMall) and specialist furniture web stores (like Wayfair, Home24 or Dunelm) represent more than half of the market in 2022. Specialist furniture dealers/distributors operating through both physical stores and e-commerce, also called 'brick & click', represent a fast-growing category.

Non-Specialist/Lifestyle/DIY chains are large multichannel dealers selling furniture, homewares, accessories, home improvement products and also lighting fixtures.

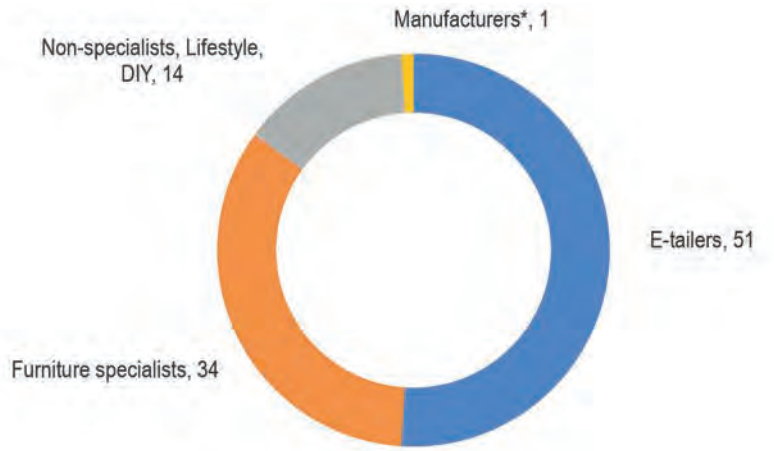
When looking at single product categories, the higher incidence has been registered for the upholstered furniture segment.

A fast-growing category is outdoor furniture, which holds a relevant share especially if considering the contained values of this kind of furniture in the global account. Fast growing trend has been registered by office furniture (especially office chairs). Among the fast-growing product categories there are tables, home office desks, chairs and beds.

THE OMNICHANNEL APPROACH

The market for online furniture is a highly competitive and rapidly changing one. As a general main trend we can underline that the majority of retailers are moving towards an omnichannel strategy. Today customers are always connected, and they are used to on demand services that they can access when they want. Consumers have grown accustomed to an almost unlimited choice that they can access online, from anywhere, at any time. And they expect a seamless experience that is joined up between physical stores, online, or phone, and where they can switch among channels easily. This has re-written the rules of traditional retailing. A retailer's success no longer depends on its ability to provide many products. It no longer depends on offering promotions. And the number of stores is less relevant now, unless you're developing a convenience offer. It is difficult for all retailers to adapt to this new paradigm. Brick-and-mortar retailers are establishing a strong online presence. But, at the same time, we are seeing e-commerce platforms moving towards brick-and-mortar.

WORLD. E-COMMERCE FURNITURE SALES BY CHANNEL, 2022.
Percentage share



Source: CSIL processing
(*) Furniture manufacturers selling through an owned direct-to-consumer website

CSIL report '**E-commerce for the Furniture Industry**' edition November 2022.

This report analyses e-commerce in the furniture market, with a focus on key geographical areas (Europe, North America, and Asia Pacific) and key countries, providing current market size, e-commerce business models, the performance of the leading players, and the results of a CSIL survey to furniture manufacturers that highlights their approach to the web channel, their strategies, future expectations, and the most-demanded furniture products online.

The report can be purchased online and downloaded from:
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- The world market for outdoor lighting
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by Aurelio Volpe

THE LIGHTING FIXTURES MARKET IN MIDDLE EAST AND NORTH AFRICA

With an overall market worth in excess of 3 billion EUR, mainly imported goods, the Gulf countries and North Africa are a primary market for lighting fixtures manufacturers.

LEADING PLAYERS

After Signify (that bought Saudi Lighting years ago), Al Babtain Power & Telecommunication Co. is probably the main lighting manufacturer in the Region. It is active in the area of Outdoor Lighting (Poles, High Mast & Luminaires, 85%) and Industrial Lighting (10%).

Recently it also entered the market of Commercial Indoor (5%) with a turnover for this business unit around 100 millon USD in 2022 (10% price increase) and expected turnover of USD 115 million in 2023.

One million units were installed in 2022, 100% 'ready to future' as from SISO requirement. Of these, around 800,000 Vega Luminaires. Al-Babtain Group is number 3 worldwide for Transmission and Distribution, Telecommunications, Structural Steel and Galvanizing Services.

Now also solar products, with a JV with a Portuguese company.

Production bases are located in Riyadh (KSA), France and Egypt. All business units are certified ISO 9001 Quality Management System by the globally reputed certification agency. The company established an effective Environmental Management System (ISO 14001) and Occupational Health & Safety Management System (OHSAS 18001) certified by the renowned certification body M/S British Standard Institution (BSI).

In 2021 the group recorded a turnover of USD 400 million (+20% in 5 years) with about 1,500 employees. Lighting fixtures represent around 25% of turnover. Market recovery started mid 2021 and now an average yearly 15% growth is expected in the mid-term.

Among other major lighting players in the market: Technolight in Saudi Arabia, Ledvance and Zumtobel in the Emirates, 3Brothers in Egypt, Gulf Lights in Qatar, Al Meer in Kuwait.

Debbas, Huda Lighting, and Al Sabah are among the main importers/distributors.

The recent Light Middle East Fair in Dubai showed increasing investment of Italian lighting players in the Region, especially in the Outdoor segment.

MENA: A POSITIVE OUTLOOK

Saudi Arabia expects to post a second consecutive budget surplus in 2023, though down 84% from this year as an uncertain global economic outlook and lower crude prices look set to weigh on the top oil exporter's revenues.

In spite of recent signals for a more cautious approach to OPEC+ planned production, the oil sector will remain the main driver behind this growth with output estimated to increase by 15.5% in 2022. The budget balance should register a surplus of 6.8% of GDP in 2022 - the first surplus in nine years - driven by higher oil revenues. Meanwhile, higher oil receipts are expected to more than compensate for the larger imports bill resulting in a significant external balance surplus of 18.8% of GDP in 2022.

UAE ECONOMIC GROWTH IN 2022

2022 has been a year of growth for the UAE, with GDP growth exceeding 5%, up from 3.8% in the previous year. This is the highest expansion since 2011, when the economy grew by 6.9%. The growth results from a strong incoming of the tourist and construction industries, as well as from activities related to the Dubai World Expo. The IMF expects the UAE's non-oil economy to grow by about 4% in 2023.

A PROJECT LED MARKET FOR EUROPEAN AND INTERNATIONAL LIGHTING EXPORTERS

In the MENA Region there are around 500 hotel projects in the pipeline today, of which around 320 under construction and the rest planned (some on hold).

Around 90% of these projects refer to new buildings and the large majority are planned by international chains (only 75 refer to independent ownership). Hospitality is the main driver of growth for the lighting market in the Emirates. As well as Tourism and Industrial projects in Morocco, 'New Cairo' in Egypt, Public projects in Saudi Arabia.

Around 40% of the hospitality projects are in Saudi Arabia, 30% in the Emirates (with an higher average size), 10% in Qatar, 20% in the other countries.

Roughly we can talk about a 50% of Holiday hotels, a 40% of Business hotels, and a 10% of Signature, Design, and Wellness hotels. Approximately 85% of these projects refer to 4-5 star hotels with over 100 rooms (an average of 280 rooms per hotel in the Emirates).

Around 50 hotels have a planned investment in excess of 100 million USD, mainly in the Emirates and Saudi Arabia (3 in Qatar).

Emaar Properties is a top real estate development company in the Emirates and in the whole MENA Region, and responsible for some of the most iconic structures and buildings in Dubai. As of 2022, the developer of the world's tallest building, Burj Khalifa, has recorded a significant increase in H1 profitability, underpinned by robust property sales and growth in the performance of recurring revenue businesses. Emaar also recorded a strong first-half revenue of USD 3.7 billion, a growth of 10% compared to the same period in 2021. In December 2021, Emaar topped out its 72-storey Opera Grand Tower in Dubai with construction being carried out by China State Construction Engineering.

FUTURISTIC PROJECTS IN SAUDI ARABIA

Dubai is a strong but also a 'saturated' market, facing an increasing competition.

Today Saudi Arabia is the main market in the Region, and the one with best perspectives.

Saudi Arabia's Public Investment Fund-backed NEOM is the developer behind the UDS 500 billion (SAR1.9tn) futuristic giga-project of the same name.

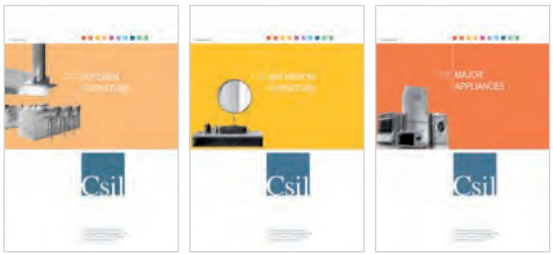
The biggest one in the country.

Based along the Red Sea and the Gulf of Aqaba, some of NEOM's upcoming projects include the automated and integrated port OXAGON, the snowy mountain tourist destination TROJENA, and the newest project called THE LINE, a vertically-layered city meant to run on 100% renewable energy. Launched in January 2021, THE LINE will accommodate 9 million residents and will be built on a footprint of 34 sq.km. to reduce the infrastructure footprint in the city.

The 200-metre wide, 170-kilometre long, and located 500 metres above sea level project is also set to feature a high-speed rail with an end-to-end transit of 20 minutes.

Photo: Courtesy LIGHT Middle East Dubai

Kitchen Bathroom Appliances market reports



CSIL offers a global perspective of kitchen furniture, bathroom furniture, and appliances sectors, with insights into their segments and in-depth knowledge of their distribution and value chain

- The European market for kitchen furniture
- The kitchen furniture market in the United States
- The kitchen furniture market in China
- Kitchen furniture: World market outlook
- The European market for bathroom furniture, furnishins and wellness
- World market for professional appliances

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by Aurelio Volpe

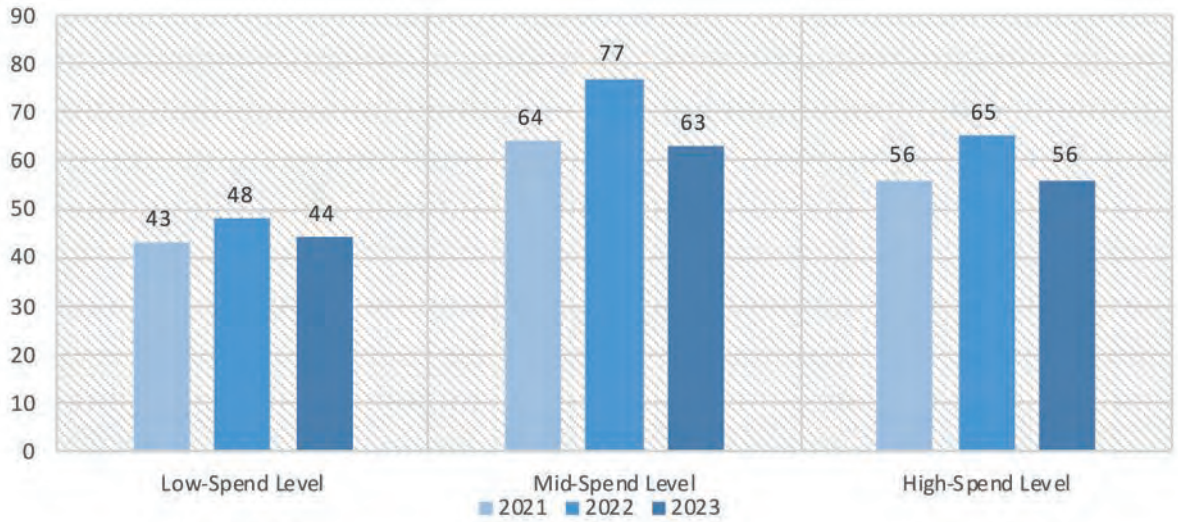
THE KITCHEN AND BATH MARKET IN THE UNITED STATES

The residential kitchen and bath industry spending in the United States was valued at USD 130.8 billion for the year 2020, to rise up to USD 188 billion in two years (2020-2022, increasing by +44%).
More specifically, the local market in 2022 is made by around 91 billion USD for kitchen rooms and 97 billion USD for bathroom spaces.
Over 200,000 housing and design professionals flocked to Las Vegas for the 10th annual Design & Construction Week (DCW), the co-location of the National Kitchen & Bath Association's (NKBA) Kitchen & Bath Industry Show (KBIS), the National Association of Home Builders (NAHB) International Builders' Show (IBS).
DCW's total attendance was comprised of 40,000 KBIS attendees and nearly 70,000 IBS attendees. 500 exhibitors, including 140 New Exhibitors and 148 International Exhibitors (many European players of ceramic slabs among them) were attending this year.

FORECASTS

Kitchen & Bath Market Outlook from the National Kitchen & Bath Association (NKBA) for 2023 is eval-

RESIDENTIAL K&B SPENDING BY PRICE-POINT SPEND LEVEL. US$ Billion



Sources: Census AHS Microdata, NAA, Home Innovation Research Labs, John Burns Real Estate Consulting, LLC
Note: Preliminary 2022 and 2023

uated in 162 billion USD, with an expected 14% decrease (-13% kitchen, -15% bathroom, after an increase of its share in recent years).
The study, conducted by John Burns Real Estate Consulting, estimates a 17% decrease for new construction (96 billion USD) and -10% for remodelling (67 billion USD).
Decrease is mainly recorded for the professional sector (-15% from 138 billion USD), than for DIY (24 billion USD, -8%). Projects in the mid range (2200-17000 USD) register a more severe slump (-18%), respectively -8% and -14% in the low and high end.
Remodelling is approximately 60% for existing portfolio improvements and 40% for new properties. The huge sales growth during 2022 (+17%) has been mainly due to an increased value (and prices) of the average value of the quantities sold, and it has been equally shared among the different price segment (with a negligeable further increase of the lower end market, in comparison with the upper end). Perspectives are of a moderate decrease for the current year, especially on the East side and for the multifamily building construction.

MAIN PLAYERS

In line with the general trend sales from **Masterbrand**, for example, due to higher sales volume in both stock and make-to-order products. **Cabinetworks Group**, the second player, plans to expand its Mount Union facility in Huntingdon County, Pennsylvania, and add 300 jobs to its current roster of 1,694 quality manufacturing jobs. **American Woodmark** experienced growth in the home center, builder and independent dealers and distributors channels. Net sales for the first half of fiscal year 2023 increased USD 200 million, or 23%.
After the huge growth of 2020-2021, kitchen furniture sales are reducing in real terms in the Home improvement channels (**Lowe**'s, **Home Depot**).
From Europe, **Nobilia**, **Haecker**, **Scavolini**, **Aster**, **Aran** are among the major players, usually focusing their commitment in selected areas of the country (New York, Miami, Los Angeles, but increasingly also Texas).
A higher share in the upper end is showed by the Canadian companies. And the upper end is a highly lucrative market in the United States, with kitchens also priced 50-250 thousand dollars, including all annexed expenses, from the designer's fee, to lighting, flooring, appliances, installation.

DUTIES OR NOT DUTIES ?

The duty policy of the Administration on Chinese imports is lasting for at least 2-3 years and has received different comments from the large majority of the local manufactures (enthusiastic) and the top three players in the market (CabinetWorks, Masterbrand, American Woodmark) whose supply chain is more connected internationally.
Nevertheless, a relevant share of the export from China moved to Vietnam, Malaysia, and to a lesser extent to Cambodia.

PRODUCT TRENDS

The US kitchen furniture market is dicothomyzed among a (by far) larger share for products that are traditional manufacturing (wood and plywood, shaker style, almost no standardization, most of the assembling of various component at the last mile of the distribution chain) and a smaller share (maybe 30% just in selected geographical areas) where also European products are available.
Step by step, the difference is reducing (will ceramics substitute the traditional role of quarz and granite?) but still the look remains "Transitional".
Built-in appliances are a quite small share and sizes, at least in the upper end of the market (where a complete set costs 20-30 thousand USD) are even upgrading.
White covers always keep a huge share of the market, but mix matching with grey, blue navy, Scandinavian green. Gradually, also in the USA matt is becoming predominant.
The Italian Bocchi has been awarded for its Baveno Kitchen Sink System.
Lighting fixtures and electricals weight on average 4% on a complete kitchen remodelling (around 800 USD on a kitchen priced 20,000 USD). Around 400 USD in the lower end (6-7 downlights per kitchen, at Home Deèpot, priced 56 USD each). Dimmable.Halo (Signify) is always among the market leaders, with its Wiz Pro app (16 million colour), WiFi-Bluetooth connected.

by Donatella Cheri,
CSIL Market Research

ITALIAN KITCHEN COMPANIES LOOK WITH CONFIDENCE TO THE FUTURE

The Italian kitchen furniture sector is made up of around 660 companies, a total of over 9,700 employees and around 3 billion euros in turnover, but on closer inspection the top 10 Italian kitchen furniture manufacturers represent a share of 60% of the entire output of the sector. Market concentration has increased in recent years and further increases are expected in the coming period.

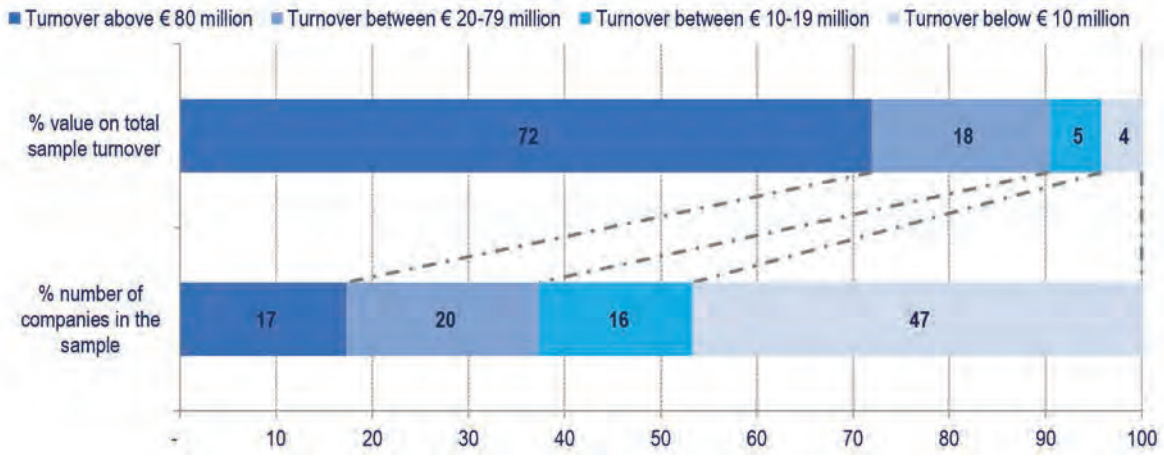
In 2022 Italy will probably exceed one million units produced (pre-final data), thanks not only to the stability of the internal market but also to the good performance of foreign demand. Exports, which now represent a growing share of total production, should settle on around 300,000 environments exported (pre-final 2022 data).

The financial analysis of the Italian kitchen furniture industry, carried out annually by CSIL and published in the annual report '**The Italian Kitchen Furniture Market**' (edition March 2023), provides a snapshot of the state of health of companies in the sector.

The sample is made up of 75 companies specialized in the production of kitchen furniture, operating in the period 2017-2021. The companies included in the sample have turnovers ranging from one million euros to around 300 million euros (data referring to 2021).

The sample is segmented into 4 groups according to their operating revenues (turnover). Almost half of the considered companies (47%) reports turnover lower than Eur 10 million, accounting for only 4% of total turnover of sample (the share was 5% in 2020). On the opposite sides, the largest companies (with revenues higher than 80 million

SAMPLE SEGMENTATION BY NUMBER OF COMPANIES AND TURNOVER, 2021. Percentage value



Source: CSIL processing

euros), which represent only 17% of the sample in number, contribute for 72% of the total revenues of the industry (the share was 69% in 2020).

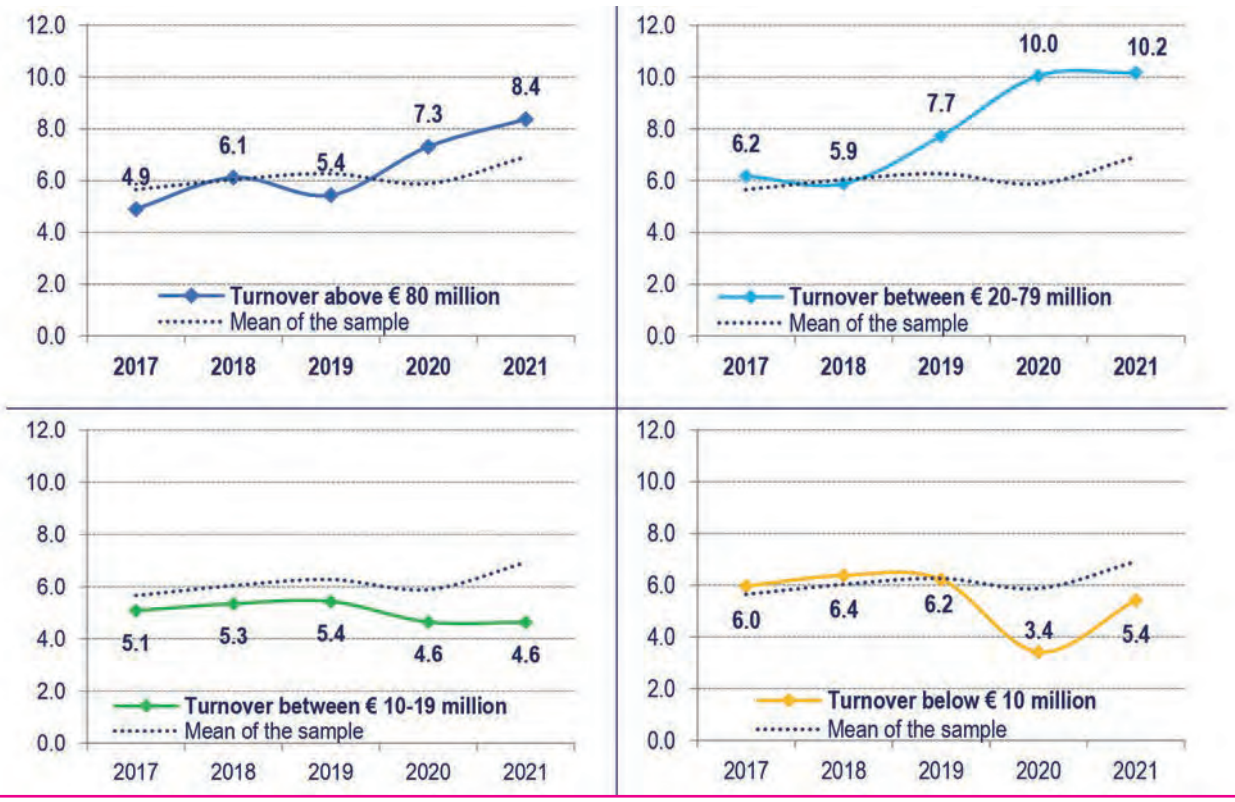
PERFORMANCES OF THE ITALIAN KITCHEN COMPANIES

2021 has been a year of robust recovery. Profitability has improved and all indexes considered (EBITDA%, EBIT%, ROI and ROE) report growing average values.
EBITDA, which has always remained positive over the period analysed, in 2021 stood at around the threshold of an average 7% (from 5.9% in 2020), highlighting the ability of companies to generate profits from their business and to be therefore able to meet economic commitments and to be able to invest in their development. Productivity has also increased. The revenues per employee as well as the added value per employee started to grow again, settling on levels above the pre-crisis levels. Labor costs account for an average of 18% of the company turnover of the sample analysed, down by one percentage point compared to the average values recorded in the last five years.
An improving trend is also recorded for the indicators relating to the capital structure. For the Current ratio, evaluated as positive when it is equal to one, average values higher than one are observed for all the years analysed, improving in the last two years. The solvency ratio also performed well. This indicator considers the company's financial capabilities and highlights the solidity of its equity structure. It is believed that an average value above 20% is an indication of an economically sound company. The average value of the sample gradually increased in the period analysed, always reaching values well above 20%. In 2021 the median value was 32.7%.

LARGE COMPANIES ARE DOING BETTER

Large companies, with a turnover equal to or greater than 80 million euros, are certainly doing better than the average of the sample, recording average values that are improving on the previous year.
Medium-large companies (turnover included between 20 and 79 million euros) are those that have shown the best performances, so much so that they recorded the highest average indices of the entire sample.
The smallest companies, those with a turnover of less than 10 million euros, are the ones most affected by the turbulence deriving from global changes.
These companies are less solid (although they still report satisfactory average values with an index higher than 20%) and the incidence of labor costs is 4 points higher than the average value.
Despite the difficulties occured in the recent years, the Italian kitchen furniture manufacturers have remained financially solid, but the large and medium-large companies are those, which look to the future with greater confidence.

EBITDA MARGIN (%) BY TURNOVER RANGE OF COMPANIES ANALYZED, 2017-2021. Average values



Source: CSIL processing

GRAND HOTEL CERVINO. LUXURY HOSPITALITY IN THE MOUNTAINS

The Grand Hotel Cervino is a five-star hotel in Breuil-Cervinia boasting a unique continuity between the interior and exterior spaces: "This concept - says architect Mariapia Bettiol with Studio in Aosta - was one of the fundamental starting points of the project, something we have thought about from the very beginning".

The architect worked on a particular area, narrow and long, with a constraint regarding the body of the building and proposed to realize a structure that would take advantage of the view of nature both in front and behind with the impressive and spectacular presence of Matterhorn.

The objective was to create simple volumes from a large starting volume that was split into smaller parts to recreate the idea of a mountain village.

Indeed, this structure is reminiscent of the neighboring village, a very traditional complex whose original forms have been taken and gracefully modernized.

The three bodies into which the original structure is divided rest on the basement foundation of what was a large garage that goes right into the mountain, causing nature to envelop the three volumes that rely on the stone foundation.

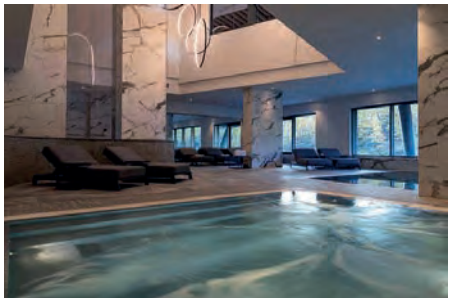
The new structures resting on the basement complement the nearby pre-existing structures with a special added value determined by the view of a golf course and, of course, the Matterhorn pyramid. In the suites, the Matterhorn is framed by the windows as a real and changing picture in the hours of the day.

This immersion in mountainous nature is also accentuated by exterior cavities that create crystal pools used as winter gardens, visible from the inside, which still bring natural light into the building, detracting from the important ground-level footprint of the basement areas, generating, moreover, a surprise effect that guests do not expect.

The pre-existing building was a rather dilapidated and water-logged garage, so it was demolished entirely, while a spring was carefully tapped and reused within the building itself.

Another key aspect of the design is

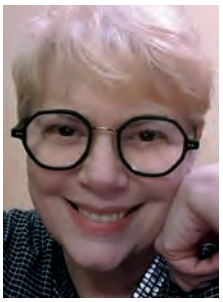
the fact that the building was to be ready in about nine months, although the incidence of Covid led to almost four months over the deadline from start to finish, so everything was



designed to be done quickly with closure of the work as soon as possible. The idea of replicating these bodies, separating them, also stemmed from the need to finish the work in a short time.
Cement was used only for the basement floors while X-Lam was used from the ground floor to the top, in collaboration with Wood-Beton.
There was a great deal of design work by all actors involved, coordinated by the general contractor ViCO.
The bathrooms were built as individual units and inserted into the structure already furnished during the assembly of the individual floors.

INSIDE AND OUTSIDE

In this hotel the presence of the mountains is very strong on the outside and it was not intended to replicate it unconditionally on the inside, certainly in the rooms there is a hint of the mountains but in the common areas and, in particular, in the wellness areas a very modern cut and character prevail, thanks also to the large glassed-in spaces, which allow the mountain panorama to enter scenically from the outside.
The collaboration with Concreta, contractor with headquarters in Postalesio (Valtellina), was expressed in the interiors through a strong combination among the existing architecture, the Client (ViCO enterprise and Mythos Group) and the project, making a successful synthesis between the objectives of the different stakeholders.
The sixty rooms are compact in size, with a strong rationalization of furnishings that allow them to fully experience the required functionality. Concreta provided valuable cues to achieve this goal.
In the furnishing of the rooms, wood was chosen in combination with stone materials.
"The presence of wood in the mountains is essential to create and preserve an impression of warmth with a traditional and modern mountain slant", says architect Bettiol.
In the four suites, the sitting area was created in one module, adapting the bed area to the new dimension of the space.
Different is the case with the four spa suites, where the goal was to create a space of extreme quality that maximizes its comfort.
The bathrooms feature Florim tiles in different declinations and create a feeling of well-being and cleanliness.
The wellness space is a real piece of skill created by the architect, who continues the fil-rouge of marble as a sign of luxury by integrating it in the sauna together with wood: "The idea is that of the jewel, - explains architect Bettiol - that is, to embellish the object that could have been rustic with luxurious and valuable materials. This path can be found in the pool space where a play of mirrors and the double height of the room that interpenetrates into the restaurant create games of light with the feeling that the space is lost to the eye."
The restaurant space re-proposes the dialectic of the exaltation of light and space with the only exception designed for those who love the concept of the mountain 'Stube', a small room overlooking the forest and clad in wood and intimacy detaching itself from the other common rooms marked by modernity.
In the small room, wooden beams provided by Concreta are used with an effect wave pattern, which moves the lights and shadows of the room.
The outdoor spaces are developed on both the front and the back, but it is the large terraces present to the right and left of the restaurant that are highly experienced, while the green areas allow - from the ground floor - to return externally to the first basement level of the parking site, with direct external access to the reception and restaurant.



by Maria Rosa Sirotti,
Architect and Journalist

PIEROPAN WINERY: HISTORY, LANDSCAPE AND ARCHITECTURE

The new Leonildo Pieropan Winery, located on the foothill of the medieval Rocca di Soave near Verona, Italy, is the headquarter of the Pieropan dynasty and the proud home of the famous Soave Classico wine. A long-lasting story that dates back to the 1800s, but with a strong vision projected into the future. Here, land and soil are approached in a natural and respectful way.

The main entrance of the new Pieropan Winery in Soave

A DIALOGUE BETWEEN HISTORY AND LANDSCAPE

The project of the new winery evolved following the close study of the territory to the final decision of lifting part of the foothill in order to "hide" a single-level hypogeal structure, perfectly integrated with the surrounding environment. Ten thousand square meters, designed by architect Moreno Zurlo-studio A.c.M.e based in Verona.

The winery is a dialogue between history and landscape, between contemporary forms, innovative technological solutions and traditional materials; a workspace based on the essential principles of innovation and sustainability.

The production spaces are distributed in a functional and rational order following a sinuous path along the foot of the hills, while the finishing rooms - which do not require natural sunlight - are located underground.

A TOTAL IMMERSION WINE EXPERIENCE

The structure also hosts conference halls, meeting rooms and wine-tasting areas, for a 360° wine experience. Every aspect of the project shows close attention to innovation and sustainability: from the recovery of rainwater, to the natural control of the temperature of the hypogeal environment, to the use of almost zero-km materials in order to contain the environmental impact and therefore celebrate a noble commitment towards the territory of origin.

The implementation of the project involved the removal of more than seven million cubic feet of material from the side of the hill. The main volume of the building is now located


Meeting room and offices

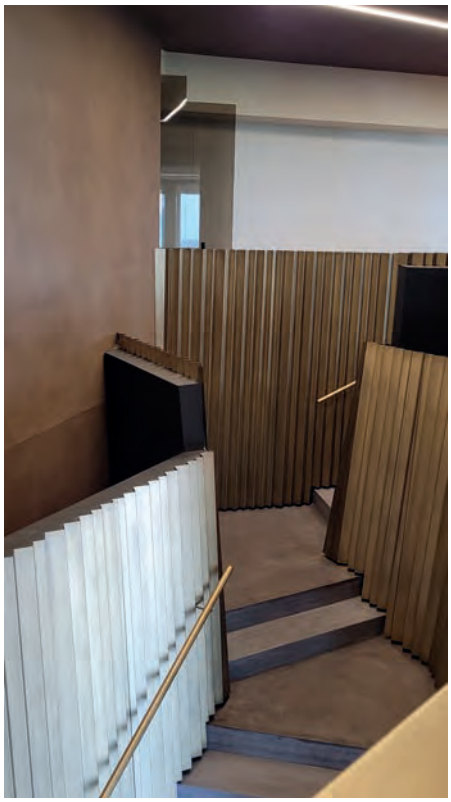

Aging barrels. The lighting motto says: 'The future has an ancient heart'

underground and fits perfectly within the environment and the surrounding landscape.

SUPPLIERS AND MATERIALS

Grassi Pietre was the stone supplier of this project. The material selected for the single long and sinuous multi-faceted limestone facade was Giallo Dorato (Vicenza Stone) with a brushed finish and a thickness of 3 cm. This stone was chosen for the specific fossilization similar to the fascinating local natural stone hills and characterized by chiaroscuro effects. Grassi Pietre supplied 15,000 square feet of cladding, for a total of 2,300 pieces of stone elements, all in different sizes cut with CNC machines. The elements were produced and pre-assembled in large sizes at the Nanto plant, to create three-dimensional prismatic structures, following the architect's idea of evoking a coral reef emerging from the ground. Corals, algae, and the shells of marine organisms that populated the seas of the valley fifty million years ago are newly found today, thanks to Vicenza Stone, in the facade of the new Leonildo Pieropan winery.

La Calce del Brenta is another virtuous protagonist of the project. The lime finishes used for the entrance hall, offices and reception area, perfectly adapt themselves to the spirit of the project. For instance, the Contrasto finishing (in the Tabacco 5082 shade and in the Beige custom-made tone) evokes the feeling of cement, even though it's lime-based. It gives a new vitality to the surface with a strong decorative power that only a simple and refined approach can confer; while the more intense tones create an interesting contrast with the warm touch of the wood and lighting, giving an overall harmonic feeling. The Riva finishing, with its Cashmere colour variation, brightens the walls of the entrance hall and offices.




The amazing game of the inside architecture

by Paola Govoni

EXPLORING NEW TRENDS IN YARNS AND TEXTILES

Pitti Immagine Filati is the place in Florence, where twice a year - in January and June - Italian and international yarn manufacturers present their collections. The Research Area hosted in the Central Pavilion of the Winter exhibition held this year from 25 to 27 January, hosted the hot topic ALPHABET, the way Pitti Filati dedicates the Spring / Summer 2024 season to the importance of dialogue and communication.

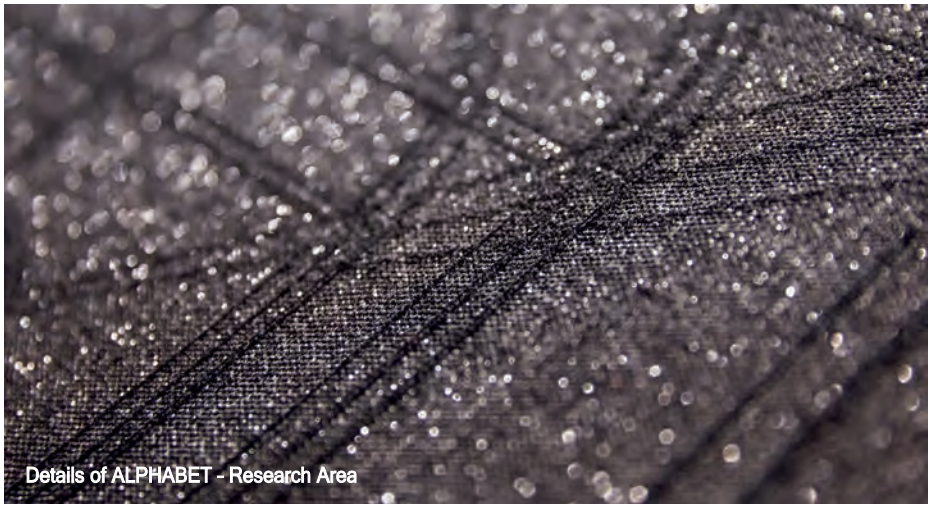
CULTURAL ROOTS

Curated by Angelo Figus and Nicola Miller, ALPHABET is a reflection on today's deeply changed world, where evolution is faster than thought and where learning to speak a new language seems to be the strongest thematic path to follow.

Language, writing, the alphabet are contemporary and ancient tools of exchange and understanding, as well as a sign of belonging to one's own culture and a tool of transmission to posterity. We are living on the Tower of Babel of information that is pulling from each side, and we belong to the Image Society where everyone posts, writes, speaks, but nobody seems to listen.

Thus, "reflecting on language, communication, exchange at another speed and with real respect for the differences and primary codes of each culture and their meeting points becomes particularly interesting. The alphabet is the set of primary codes that were explored and that inspired three thematic and aesthetic groups: the Greek, the Roman and the Arabic alphabet, summarizing the three spirits of the season".

The letters of the alphabets have been dressed with cultural references, places, sounds and colors of their respective origins. This process gave life to a gathering of signs exploring cultural roots, fluid identities and freedom of expression, through different choices of nuances, printing on knits, textile fringes, embroideries and trimmings.



Details of ALPHABET - Research Area

TRANSIENCE AND CRUELTY-FREE SILK

The climate crisis - the changes affecting the planet caused by human activities - is a reality we are experiencing in our daily lives. We feel it particularly in the lack of a true alternation of seasons. Gone are the times of cold winters, mild springs and autumns, and relatively hot summers. Fashion adapts to this scenario with transitional collections, interchangeable in the shift from winter to summer.

In its Spring/Summer collection, Botto Giuseppe SpA presents a selection of new yarns, that properly interpret the concept of transience. Silk is the absolute main player with lots of different types and manufacturing processes, presented in fabulous blends with cotton and linen, but also cashmere in a summer version.

Yarns are worked to give volume together with lightness and transparency. Compact fabrics feel like a second skin. Inspirations from the world of jewellery and metal brighten yarns with brilliant paillettes and lurex threads.

Representing the meeting point between East and West, silk in its modern updated version responds to the nowadays need for attention to environmental issues, because it's cruelty-free.

These yarns are produced with systems with low environmental impact. The entire yarn production cycle is an internal process in a verticalized system that guarantees control and quality of the finished product.

The power needed for the process is generated from renewable sources and the colors used are certified by Cradle2Cradle™, which monitors the sustainability of the process along the entire supply chain, which can be viewed in the company's Sustainability Report.

"Transparency is the key for guaranteeing our customers and partners that our products are trustworthy. We declare the origin of our raw material and how we process it. This is our ethics, the way we contribute positively and build winning partnerships", says Silvio Botto Poala, CEO of Botto Giuseppe SpA.

COLORS

Colors may help us better face a scenario of uncertainties.

Neutral colors with shades of warm earth, grey and clay are lit up by a sunshine yellow and the presence of white and black.

The shades of blue, ranging from light to digital or deep, bring a touch of spiritual and magical feeling. Pastels remind of classicism and become vibrant in digital with shades like lilac and lavender, acid and chlorophyll greens.

Metallic, iridescent hues are used to add shine, ranging from dark to light. Nature and landscapes are evoked by organic green, sulphur yellow and stone grey, rust orange and smooth violet.

Among saturated colours we find bright red, full orange, emerald green, cobalt blue, fuchsia, and dark bronze with lava grey.

Botto Giuseppe SpA.
Company's motto displayed at the booth entrance


Brighten yarns by Lanificio dell'Olivo

TRENDS AND VISIONS FOR THE DESIGN OF FUTURE LIVING SPACES AT INTERZUM 2023

From 9 to 12 May 2023, interzum will once again present itself to the international trade public as an active player of innovation with its claim 'Shaping the Change'. After the digital interzum@home 2021, the leading international industry event will once again take place as a live experience in Cologne exhibition's halls.

Decision-makers, opinion leaders, multipliers and trendsetters from all over the world will find out about innovations and new products on site, gather inspiration, strengthen existing business relationships and make new customer contacts.

A total of over 1,400 exhibitors from around 60 countries are expected, thus reaching and even exceeding pre-pandemic levels of attendance.

In addition to the market-leading companies, many small think tanks will again be represented. The international exhibitors will present a mix of new technologies, materials and surfaces in an extraordinary dazzling range. As innovation drivers and suppliers to the entire furnishing sector, they will mark their role as important partners in the development of new products and design trends.

Thomas Rosolia,
CEO Koelnmesse Italy

Maik Fischer,
Director interzum

"Interzum is more and more developing towards a place of inspiration and innovation, besides being a place for doing business", says Maik Fischer, Director interzum.

Not only the latest materials and manufacturing processes will be on show at the fair, but also trends and visions for the design of future living spaces. Thus, resource conservation, sustainability, upcycling as well as the growing importance of habitat will be hot topics at interzum 2023.

GLOBAL KEYNOTE THEME NEO-ECOLOGY

With the global keynote theme 'Neo-ecology', interzum 2023 will focus in particular on the topics of climate protection and future-oriented planning, as they are decisive for successful innovations in the long term. With sustainable products and production processes, many companies in the supplier industry are already assuming social responsibility today. That's why interzum will focus even more on these topics in order to drive forward a joint dialogue that generates new solutions within a sustainability vision.

NEW HALL STRUCTURE AND LAYOUT

Interzum will be divided into three sections: (1) Function & Components, (2) Materials & Nature and (3) Textile & Machinery. This brings the players in the value-added chains closely together and creates a good overview for exhibitors and visitors. A new hall layout will ensure greater efficiency, providing an even better visitor experience.

"We have brought the segments closer together on our grounds, so that visitors need less time to get from A to B. And we are also using the new hall layout for the first time. Additionally, we are using the newly built Hall 1 for the Materials & Nature area for the first time.

Many great companies will be exhibiting here, including some previously represented in Hall 6", explains Maik Fischer.

The focus of the fair is to meet again in person, but for those, who won't be able to travel to Cologne, interzum

2023 will pursue a hybrid event approach with interzum@home. The usual strong physical presence in Cologne will be supplemented by an attractive digital live event, thus creating additional added value.

ATTRACTIVE EVENT PROGRAMME

Interzum claim 'Shaping the Change' and the global guiding theme 'Neo-ecology' will also be taken up in the diverse event programme at interzum 2023.
Themed special events - the interzum Trend Forums - will show how creatively and flexibly the supplier industry is responding to today's challenges. Current topics of the furniture and interior design industry will be presented to an international trade audience. With the 'Product Stage' and the 'Trend Stage', interzum offers additional opportunities for exhibitors and product presentations as well as for dealing with market and design-relevant topics of the future.

ITALIAN ATTENDANCE: A FAIR IN THE FAIR

The interzum 2023 edition looks very promising for Italian exhibitors (272), who confirmed their attendance on an area of about 22,700 sq.m. Also, the Italian Pavilion, organized by Koelnmesse Italy and hosted in the 4 halls, currently presents 31 companies on a total area of 700 sq.m.
"Italian companies are responding very well to this edition of interzum, the first in attendance after the pandemic," explains Thomas Rosolia, CEO of Koelnmesse Italy.
"With participation data still not yet final, we can already say that the 2023 edition of interzum will be a very positive one for Italian companies, for both for the large ones and the small and medium-sized ones exhibiting at interzum for the first time. With an exhibiting area of 22,800 sq.m., Italian companies will be 'a fair in the fair' somehow. Another interesting news for Koelnmesse Italy is the presence at interzum 2023 of 15 companies from the Balkan countries, on a total of 1,000 sq.m, and of 7 Swiss companies, on a total of more than 700 sq.m.
As of 2022, in fact, Koelnmesse Italy is also responsible for the Balkans, Switzerland and Malta, and the start looks very promising for these areas as well."

Upcoming events organized by Koelnmesse:
interzum Guangzhou, Guangzhou 28.03. -31.03.2023
Orgatec Tokyo, Tokyo 26.04. - 28.04.2023
Hardware Fair Italy, Bergamo 05.05 -06.05.2023
interzum, Cologne 09.05. - 12.05.2023
imm Spring Edition, Cologne 04.06. -07.06.2023

by Paola Govoni

IED STILL TO EXPAND IN FLORENCE

IED (Istituto Europeo di Design) continues with its development plan and has chosen **Palazzo Pucci N6 for the expansion of the IED Florence premises**. The Palazzo is a part of the city's history and a symbol of Italian fashion excellence in the world. In 1947 Marquis Emilio Pucci decided to establish here his headquarters with the workshops and tailor's shops to create his brand. Palazzo Pucci, the family's private residence since the 15th century, is now the headquarters of the **Emilio Pucci Heritage Hub**, a universe of passion, creativity, tradition and innovation, and Italian style as well.
In March 2023, the new 'IED Firenze' spaces will be inaugurated on the first floor of the Palazzo, allowing young designers to study and design in classrooms and laboratories full of history and cultural heritage focusing on Made in Italy skills, creativity and craftsmanship.
"Our main focus is on Italian students in order to provide them with the tools they will need to pursue a successful future. However, at the same time, we strive to increase the number of international students, who have been four times as numerous in Florence in recent years. IED wants to intercept the growing number of students coming to study in Europe from Asia and the Americas", says **Francesco Gori, CEO of the IED Group**, an international training hub for Fashion and Design, with further development plans in Milan, Rome and Madrid. IED's plan for Europe indicates a 7% annual growth.
The primary aim of the IED Group still remains to **meet the increasingly demanding expectations of Italian students and to create new conditions to accommodate significant international flows**. Florence is an open-air museum, a city where the crossover between art and fashion is ever more alive, and being able to carry out part of one's training in a historical palace, still inhabited by the Pucci family, offers a unique perspective, providing the opportunity to **observe the past to better design the future**, in a society that sets no limits.

Francesco Gori, CEO of the IED Group speaking at the International Press Conference in Florence on January 11, 2023

Danilo Venturi, Director IED Florence


Palazzo Pucci N6. The Gallery. Courtesy of Emilio Pucci Heritage

Today's students are citizens of the contemporary era and their choices anticipate the direction that will lead to social changes and urban evolution.

"We are happy to welcome IED students to Palazzo Pucci N6 in the very rooms that once housed the company founded by my father. In fact, I believe that these spaces have an intrinsic value as he used to say: 'you can only create something beautiful here'", says **Laudomia Pucci, President of Emilio Pucci Heritage Hub**.

"The architectural beauty of Palazzo Pucci is obvious, but this palace in the heart of Florence is also a historical and cult location for Italian and international fashion.

Studying fashion design in the very place where Emilio Pucci created his garments will be very exciting for our students. Fashion, like education, needs to rediscover its experiential component and once again to be able to generate emotions", says **Danilo Venturi, Director of IED Firenze**.

THE HISTORY OF A FAMILY PALACE IN FLORENCE

Palazzo Pucci in Florence has been the private residence of the Pucci family since the 15th century. Starting in 1525, famous architects and artists carried out extensions and architectural interventions. Today, all the rooms are decorated with important frescoes, paintings and sculptures including those by Bartolomeo Ammannati, Giuseppe Bezzuoli and George Augustus Wallis. After the end of the Second World War, in 1947 Marquis Emilio Pucci, still an officer in the Italian air force, created his own fashion label inspired by sportswear. He established his headquarters in the family palace and decided to use the ground floor rooms for workshops and tailoring, while on the first floor he restored the large gallery, the baroque ballroom and the relevant salons to present his collections, receive clients and the press and open his Florence boutique. He soon realised that the Palace was the perfect tool to create contrast with the modernity of his creations. His daughter Laudomia joined her father in 1985. Palazzo Pucci N6 has been the brand's headquarters until 2017.


Laudomia Pucci, President of Emilio Pucci Heritage Hub. Photo Bowen Fernie

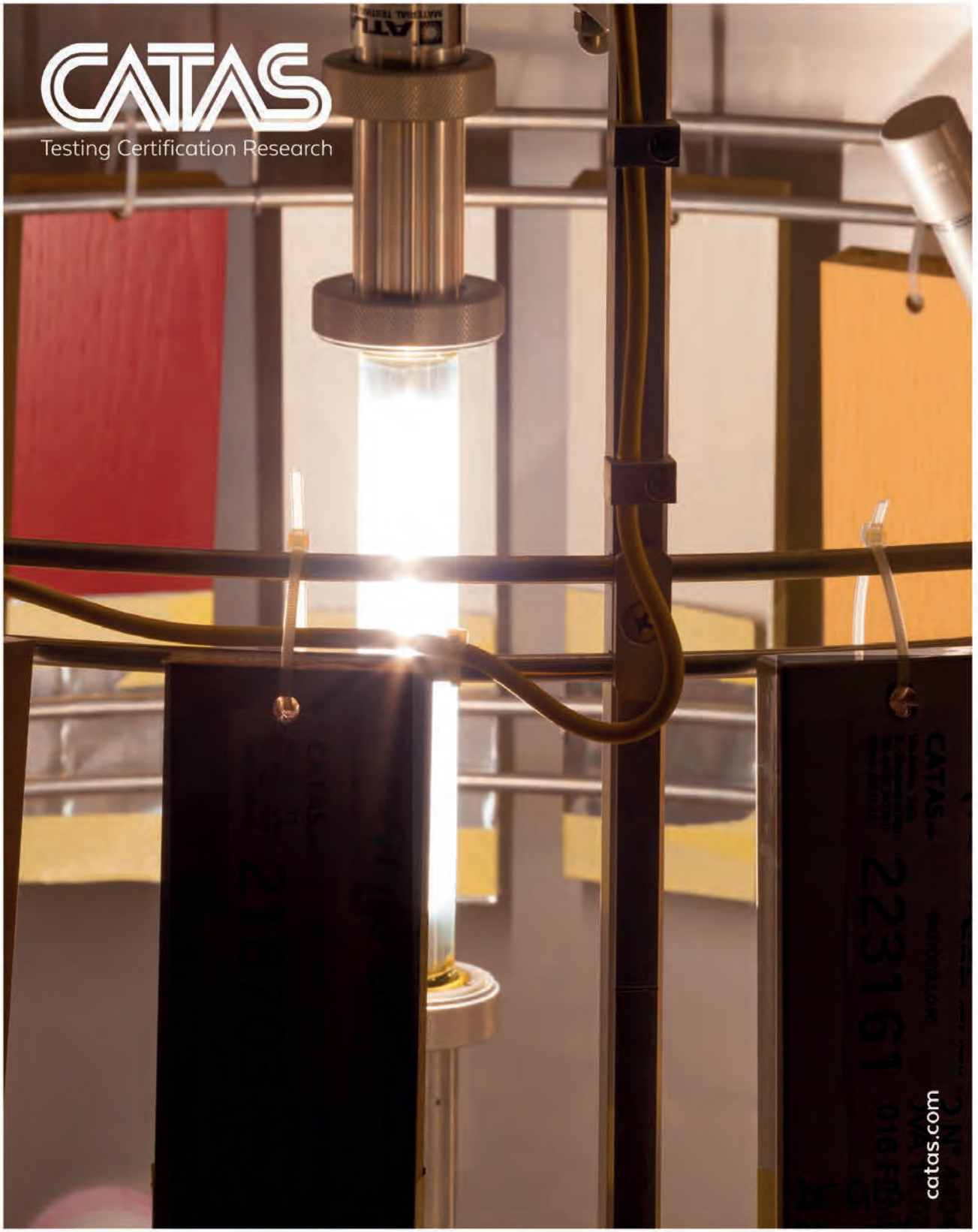
In 2018, the Emilio Pucci Heritage Hub was created in Palazzo Pucci N6 to preserve the archives and rich heritage left by the Marquis. To outline the Emilio Pucci Heritage universe it's not easy, being a world of passion, creativity, tradition, innovation, and Italian style. An experience where the archive space becomes an expression of the brand's codes and the creative interpretation of Laudomia Pucci and her Team.

The aim was to avoid creating a museum of the past and to translate history into the present, its aesthetics providing a fun and ironic spirit, where colours, prints, clothes, accessories, drawings, photographs, videos, etc. are the basis for a third way of using archives, far from being just historical decorations.

Today, this is an immersive experience for all-round hospitality for insiders, fans and onlookers of all cultures and generations. In the post-Covid-19 period, interpreting the demand for a more restricted use of hospitality, Laudomia Pucci decided to create a contemporary living space on the ground floor of the Palazzo.

An exclusive environment with a unique style combining fashion and heritage, art and design, an ideal lounge for enjoying a special day, for receiving guests, for meetings, events, and for having lunch or dinner with partners, friends or family.

Palazzo Pucci N6 bears witness to an extraordinary Family history, Art and Italian fashion. It's a unique place and an inexhaustible source of inspiration for all those who cross its threshold, physically or virtually.



Interior Wood Coating
Certified by Catas

It's a matter of quality

by Daniele Bergamasco,
Catas Deputy Manager and Head of the Chemical Department

THE 'WHITENING' OF CLEAR COATINGS

High quality furniture surfaces are usually obtained using coating systems consisting of multiple layers alternating with sanding operations. The coatings used in most of these applications are those that guarantee a high cross-linking of the resins to finally get to a hard and compact film. These procedures are particularly suitable for high glossy surfaces to avoid or to limit the so called 'sinking effect'- the loss of specularity - caused by the relaxation during time of the coating film which is typical of products based on thermoplastic resins.

Among the most widely used coating systems, those based on polyester coatings are prominent. They generally consist of one or more base coats layers followed by the application of a polyurethane-based top coat, when the final polishing of the polyester is not performed.

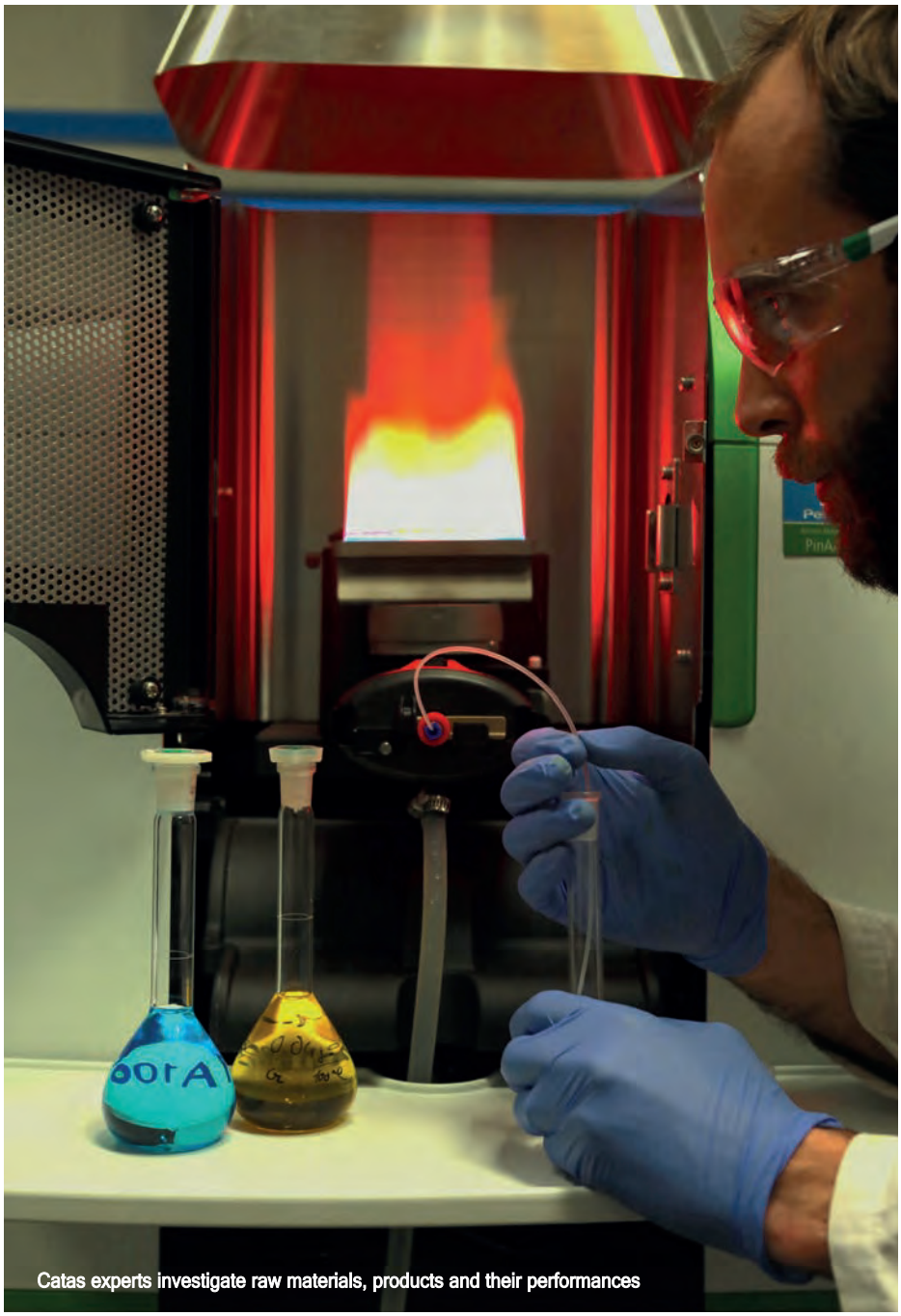
This article deals with the problem of 'whitening' of clear coating films, a defect more frequent in the case of coating systems involving the use of polyester-based coatings.

This phenomenon can be regarded as one of the defects that occur quite often especially on high glossy clear surfaces being not yet known in detail. The whitening of the film usually develops over time with an intensity that tends to progressively grow. This dynamic leads to two kinds of problems for coating producers and their users. The first is that the defect is not predictable by an initial visual inspection of the finished surface. Secondly, if the defect occurs in use, the problem is represented by the uncertainty about the real causes and about the possibility to avoid it for future productions.

Since both naval and home furnishings made with coatings of this type are generally very expensive, the problem starts as a mere technical issue but frequently, finally becomes a legal case.

The whitening phenomena of the coating films have been the object of a specific research carried out by Catas some years ago whose procedures and results have also become a practical investigative tool for the cases that still are presented to our laboratory. Inside the Catas laboratories there is, in fact, a specific section dedicated to the analysis of defects whose task is to help companies to understand the causes of technical problems that may arise during the production or when the product is in its final use. Above all, the final goal of the Defects section of Catas is to

Zone A no defect - Zone B whitening defect


Catas experts investigate raw materials, products and their performances

try to find the elements that allow the companies to avoid or in any case to reduce the incidence of defects for the future productions.The last defect of this type that we analyzed at Catas was affecting a piece of furniture installed in a penthouse, worth about 10 million dollars, in New York.

THE MOST INVOLVED FOUR PARAMETERS

The studies carried out, according to the internal procedures mentioned above, allow us to state with sufficient confidence that the four parameters most involved in the development of this defect are:

1. The application of high coating thicknesses in a single coat

By applying high thicknesses of coatings in a single coat, the solvent that remains trapped inside the dry film can create "escape routes" over time. Then, when the incident light encounters these voids it is subject to refraction and reflection phenomena which finally lead to the loss of transparency of the coating film.

2. The presence of moisture during the coating phases

The presence of moisture trapped inside the dry coating film can lead to undesirable optical phenomena like those already presented in point 1 considering that this substance is not miscible with the resin of which the coating is made.

In addition to this, it is also possible to produce real chemical interactions (hydrolysis phenomena) which can lead to alterations of the entire system with consequent opacification of the film.

One of the possible sources of moisture is acetone (a hygroscopic substance) very often used for the dilution of polyester coatings during application.

3. Effect of the thinner added for the coating application

Depending on the quantity and type of thinner added, various phenomena may occur, the results of which are precisely the unwanted whitening of the coating film.

The first effect can be traced back to a fast evaporation of the thinner with immediate drying of the outer layer of the coating film. The rest of the thinner molecules trapped inside the film can consequently generate the problems already presented in point 1.

The other effect, always linked to the rapid evaporation of the thinners, is a sensitive cooling of the coating during drying (the evaporation of the thinners subtract heat from the film). If the drying environment is particularly humid, a partial condensation phenomenon can consequently occur which bring the problem back to what has already been dealt with in point 2. Moreover, if the composition of the substances constituting the thinner is not balanced in relation to the nature of the resin, precipitations or separations of the components of the liquid coating may occur after application, with consequent formation of unwanted optical phenomena.

4. The dilution of the coating with an excess of styrene

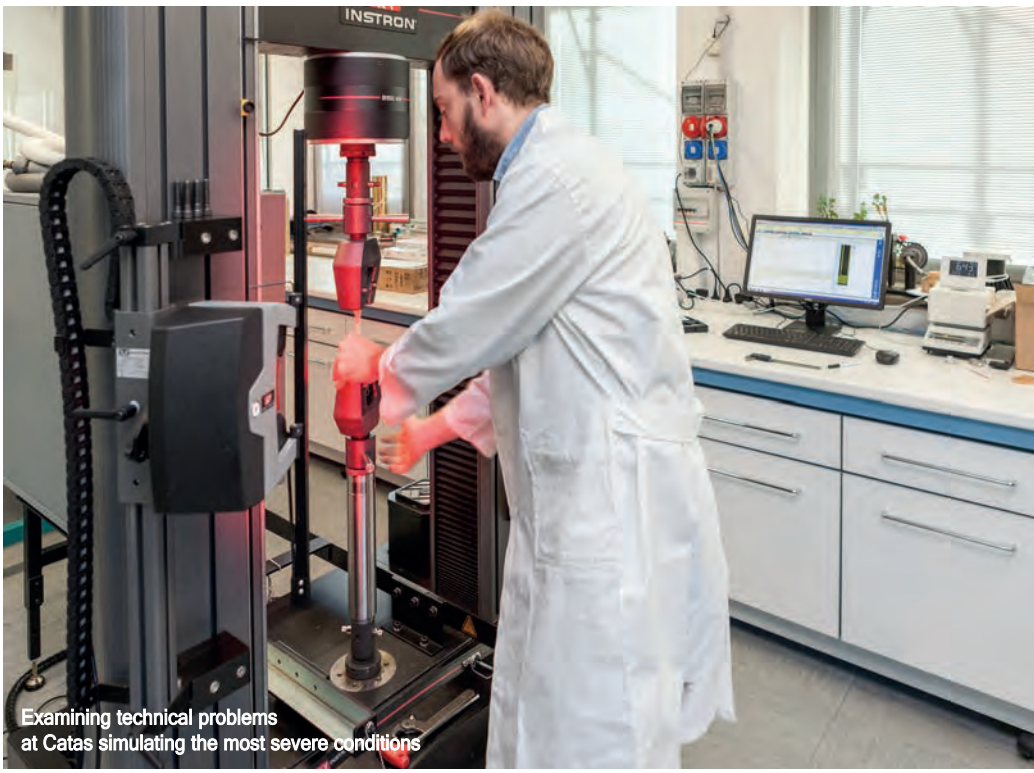
The styrene molecule is chemically very reactive and in the event of an excessive presence in the liquid coating, this substance can react with itself creating small polystyrene polymer chains capable of refracting light causing, finally, the optical effect of whitening.

SOME PRACTICAL ADVICE

Acting on these parameters, Catas was able to reproduce the defect in the specific case analyzed, which, as often happens, was linked to the presumable application of high thicknesses in a single coat. This conclusion was particularly evident after the observation of different sections of the sample with an optical microscope. The intensity of the whitening effect was, in fact, directly proportional to the thicknesses of the polyester layer in the different parts of the sample.

In relation to the evidence that emerged, both in the study carried out and in the numerous cases of this type examined in the Catas Defects Section, we can conclude this article by providing some practical advice in order to avoid or, in any case, to limit the onset of possible whitening defects on clear coating films:

1. use dry (reduced moisture content) and non-aged (no development of polystyrene) styrene;
2. adequately dose the dilution, necessary for the application, to avoid the solvent trapping into the single coats;
3. favor the application of several thin coats rather than a single coat with high thicknesses;
4. do not apply coatings at temperatures that are too low and/or with relative humidity of the air that is too high;
5. respect the drying times between one coat and the next to allow for the correct elimination of the solvents (check the drying conditions).



Examining technical problems at Catas simulating the most severe conditions

The CATAS Defects Section

It is a multidisciplinary working group: our experts coming from the Chemical, Surface and Mechanical Departments get together to jointly study the technical problem deriving from the market. Competence, experience and scientific equipment represent the "toolbox" of this section.

Competence: experts in chemistry who investigate the content and composition of raw materials, components and products, together with the colleagues who are able to study their behavior and their physical-mechanical characteristics. All of them are highly specialized in the wood and furniture sector.

Experience: our experts observe and test in the lab hundreds of samples every year.

If the defect is an ordinary one, the solution is already available: we can suggest the appropriate testing program to apply and how to interpret the results.

If the defect is new, we gear up to study it at the best: we observe it from different points of view, set up pilot test sessions, draw on our rich historical catalog of defects / solutions, that is a relevant component of our technical background built in over 50 years of activity in the wood and furniture sector.

Scientific equipment: the best technologies and equipment, which allow us to investigate the problem from the most different prospective. Cutting-edge analytical techniques in the field of spectroscopy, elemental analysis, chromatography, thermal analysis and equipment that allow us to reproduce defects or simulate the most severe conditions of use and stress in terms of temperature, humidity, solar radiation and other kinds of physical-mechanical stresses (abrasions, heat, impact, chemical aggressions,...).

Our work at Catas Defects Section becomes information and knowledge available to the growth and development of the wood and furniture sector.

COOPERATE OR DIE. A WARNING TO THE CONSTRUCTION AND SUPPLY INDUSTRY

by Paola Govoni

This article summarizes the speech given by Jochen M. Wilms of W Ventures GmbH, Berlin, Germany, during the 26th edition of the International Wood Construction Forum (IHF) held at the Congress Centre Innsbruck, Austria, from 30th November to 2nd December 2022, with the participation of 2600 attendees and 175 partner companies exhibiting over the three days.
A comprehensive program of seminars and study sessions saw the participation of keynote speakers from the industry, the university, as well as from architectural studios and consulting companies.


General view of the main Congress Room at IHF 2022, Innsbruck

TALKING ABOUT DIGITALISATION

The speech 'Cooperate or die. A warning to the construction and supply industry' assumes that 'Digitalisation' is the main topic underlying each and every discussion today. More and more frequently, renowned companies disappear from sight, while digital companies have actually taken the lead in main industrial fields, with the Covid-19 pandemic further enhancing this trend during the last years. Digital companies take the lead at different levels. It's not only a matter of interaction between Brands and their Clients, but it also deals with the processes and interactions inside the companies.
Companies, that fail to seriously face the topic 'Digitalisation' with all related changes and consequences, soon will have no more chance. The 'Olin School of Business' foresees, that 40% of all leading companies existing today, will disappear from the market in ten years or so.
Only five years ago, big businesses like Exxon or Shell were top of the world. Today, the ranking of the World Top Ten companies includes many digital companies. The UN Digital Economy Report presented a comprehensive study on the internet and the digital economy. According to this study, nowadays the United States and China hold a market share of 90% of the digital value chain. No one of the seven Super-Platforms: Microsoft, Apple, Amazon, Google, Facebook, Tencent, and Alibaba is from Europe.
These companies share a common approach. All of them were founded in the 'New Digital Economy' with a digital DNA, with Platform-based business models, that totally redefined the offer and the control of assets and services in a radical new and disruptive way. The foreword for such a strong development was an easy, performing and intuitive use of proper technologies with mobile access to contents and services. Digital devices like IPhone, IPad or Laptop are used for more than 6 hours/day on average.
US-companies occupy a leading position in many main fields, following a common approach, hard to be imagined only a few years ago. Just think of the huge power of Amazon on the retail market.

And this is only the beginning. In the next years, new Platforms will make their appearance in Europe in the field of the B2B industry as well.
What about the German or the European companies in such a scenario?
There are some digital startups, that have reached a good international renown. We see companies of the Old Economy moving towards digital business models, at least taking the first steps. But this is only the exception to the rule. Only those, who will be able to build steps of value creation through proper platforms or will manage to use them for their own goals, will be successful in the digital world.

ALL THAT CAN BE DIGITALIZED, WILL BE DIGITALIZED

Everything and each single process, that can be digitalized, will be digitalized in the future, maybe by a not-yet-existing Startup company, while old-style companies and traditional products and services will be a thing of the past.
Take the information. We used to refer big volumes of an Encyclopedia; today we have Wikipedia.
Take the communication. We used to write and send letters. Now we have email and WhatsApp.
The Cloud is the new 'bookshelf' for the storage of standard and sensitive data. Travel and Leisure, Transportation, Home Banking and Health systems can all be managed through Apps.
In business fields like E-commerce, Media and Pay systems, digital players already hold the largest market share.

FOCUS ON THE CONSTRUCTION INDUSTRY AND THE REAL ESTATE MARKET

What happens in other fields, like, for example, the construction industry and the real estate market? They are presently doing almost nothing to fill the gap with other more digitalized industries. Digitalization and value chain platforms seem to be absent from the Building and Real Estate economy. Planning, construction and sales of buildings are not managed with a digital network approach. This will leave room for big digital players and investors like Amazon, Alphabet and Apple, who are looking forward entering this market. Skilled teams in the United States and China are already analyzing all major processes in the European Building and Real Estate economy, in search for new digital ideas for doing business.
Reportedly, some years ago Amazon invested one billion US$ for the acquisition of a company producing door opening systems. Google invested in a company with more than 1,000 engineers in the field of Smart Home. These developments on the U.S. market should be considered a relevant fact for the European market, too.

Jochen M. Wilms speaking at the International Wood Construction Forum (IHF) 2022

IT'S TIME FOR IOT

European industries need to cooperate in the direction of a new and more digital network approach, in order to safeguard their skills and keep their relevant role in Innovation and Technology. In particular, the IoT (Internet Of Things) represents a good chance for the digitalization process of the Building and Real State economy in Europe.
Topics like energy efficiency, intelligent and self-controlled thermal coats with weather adaption and geofencing should be deeply investigated auf basis of a targeted and platform-oriented cooperation of the leading European companies, keeping in mind that there is no digital strategy, but only the right strategy in a digital world.
Another good advice at the end: 'If you don't do it now, someone else will do it for sure'.

USA and China took the lead of the European App Business

by Emilia Prevosti,
Edimotion

CIFF GUANGZHOU 2023. READY TO WELCOME AGAIN INTERNATIONAL VISITORS

All of China's entry restrictions have been lifted and all services have been safely resumed. CIFF is finally able to warmly welcome back its large community of international partners.

As of January 8, 2023, anyone arriving in China from abroad has been permitted to entry without undergoing quarantine, following the recent updates to the country's COVID-19 policy.

Inbound passengers only need to show a negative molecular test carried out within 48 hours from departure and fill out customs health declaration forms, rather than applying for health codes at Chinese embassies or consulates abroad.

The molecular swab requirement upon arrival has also been lifted and international passengers will not be subject to any restrictions during their stay in China, provided that their health declarations are normal and they show no symptoms of the disease during the routine health check at the airport.

Thanks to these circumstances and driven by a great desire to properly relaunch business relations with visitors, exhibitors, and media from all over the world, CIFF is preparing to welcome its international friends and partners in person once again.

CIFF Guangzhou Pazhou

INTRODUCING THE FAIR

The 51st CIFF Guangzhou 2023 will take place in two phases, organised by product sector in the new exhibition concept and layout.

The first phase, from 18 to 21 March, is dedicated to the Living space. The Home Furniture sector will showcase the latest home furnishing products from leading Chinese and international companies. The Area B of Canton fair Complex will be dedicated to companies offering OEM/ODM services and one-stop solutions required by international buyers.

Homedecor & Hometextile will focus on new trends in interior decoration: furniture accessories, lighting, paintings, decorative elements, and artificial flowers. Outdoor Furniture, Sunshade & Leisure will focus on the presentation of outdoor furniture such as tables, chairs, garden awnings, leisure equipment and decor.

Office and Commercial Space, from 28 to 31 March, is dedicated to the office, workplace systems and seating, trends and solutions in the smart office, as well as public, school, and commercial environments, furniture for healthcare and for the needs of older people. It will be using Area D of the Canton Fair Complex which was newly built last year.

On the same days, **CIFM/interzum Guangzhou 2023** will host leading Chinese and international brands presenting most advanced technologies, machinery, materials, surfaces, and components for the increasingly innovative and intelligent development of the furniture industry.

Under the motto **'Design trend, global trade, entire supply chain'**, CIFF will organize design exhibitions, seminars and conferences providing the fair with high cultural content, besides B2B meetings and matchmaking activities both at the fair and online.

51st CIFF Guangzhou 2023
phase 1 - 18-21 March 2023
home furniture, homedecor & hometextile, outdoor & leisure furniture
phase 2 - 28-31 March 2023
office furniture, commercial furniture, hotel furniture, furniture machinery & raw materials.

2023	FAIR	CITY	COUNTRY
01-04 Mar	MIFF	Kuala Lumpur	Malaysia
02-05 Mar	Delhi Wood	New Delhi	India
07-09 Mar	MEM	Mexico City	Mexico
07-09 Mar	Woodshow	Dubai	UAE
07-10 Mar	EFE	Kuala Lumpur	Malaysia
08-10 Mar	ISPA EXPO	New Orleans, LA	United States
08-11 Mar	VIFA EXPO	Ho Chi Minh City	Vietnam
08-11 Mar	KlimaHouse	Bolzano	Italy
09-12 Mar	IFEX	Jakarta	Indonesia
13-17 Mar	ISH	Frankfurt	Germany
15-17 Mar	LIGHT	Warsaw	Poland
15-19 Mar	3F Furniture Fair	Houjie, Dongguan	China
18-21 Mar	CIFF China Int. Furniture Fair_Home	Guangzhou	China
28-31 Mar	CIFF China Int. Furniture Fair_Office	Guangzhou	China
28-31 Mar	CIFM/Interzum Guangzhou	Guangzhou	China
04-06 Apr	Workspace Expo	Paris	Francia
06-09 Apr	Hong Kong Int. Lighting Fair	Hong Kong	China
12-14 Apr	Forum Bois Construction	Lille	France
17-22 Apr	BAU-Architecture, Materials, Systems	Munich	Germany
18-20 Apr	Proposte	Cernobbio	Italy
18-21 Apr	Coverings	Orlando, FL	United States
18-23 Apr	Salone del Mobile.Milano	Milan	Italy
18-23 Apr	Euroluce	Milan	Italy
18-23 Apr	Salone Satellite	Milan	Italy
20-23 Apr	WOOD Taiwan	Taipei	Taiwan
22-26 Apr	High Point Market Spring edition	High Point, NC	United States
26-28 Apr	Orgatec Tokyo	Tokyo	Japan
05-06 May	International Hardware Fair Italy	Bergamo	Italy
09-12 May	interzum	Cologne	Germany
15-19 May	LIGNA	Hanover	Germany
21-23 May	ICFF	New York	United States
23-25 May	Index, Workspace, Hotel Show	Dubai	UAE
24-27 May	Feria del Mueble Yecla	Yecla	Spain
04-07 Jun	imm cologne Spring Edition	Cologne	Germany
07-10 Jun	Kitchen & Bath	Shanghai	China
09-12 Jun	GILE Guangzhou Int. Lighting Exhibition	Guangzhou	China
12-14 Jun	NeoCon	Chicago, IL	United States
14-16 Jun	HFS Hive Furniture Show	Sharjah	UAE
18-20 Jun	Spoga & Gafa	Cologne	Germany

2023	FAIR	CITY	COUNTRY
26-28 Jul	Domotex Asia Chinafloor	Shanghai	China
05-08 Sep	CIFF China Int. Furniture Fair	Shanghai	China
05-08 Sep	WMF Shanghai Int. Furniture Machinery & Woodworking Machinery Fair	Shanghai	China
09-17 Sep	The Venice Glass Week	Venice	Italy
10-12 Sep	Index, Workspace, The Hotel Show	Riyadh	Saudi Arabia
11-14 Sep	Maison Shanghai	Shanghai	China
11-15 Sep	FURNITURE CHINA	Shanghai	China
25-29 Sep	CERSAIE	Bologna	Italy
26-29 Sep	Marmomac	Verona	Italy
14-18 Oct	High Point Market Fall edition	High Point, NC	United States
17-20 Oct	SICAM	Pordenone	Italy
23-25 Oct	Index, Workspace	Doha	Qatar
07-10 Dec	Woodshow	Cairo	Egypt

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