

Good morning everyone,

Thank you for being so numerous and, above all, welcome to our fair!

It is the first time for colleague Thomas Hibert and myself to have the honor of leading this press conference. During the next half hour, we will give you some figures and information on the 2022 fair as well as a hint of our future plans and the direction we want to take. Afterwards, we will of course give you the opportunity to ask questions.

But we start with a cyclical note on the Belgian Furniture Industry presented to you by Filip De Jaegher, general manager at Fedustria.

**The Belgian furniture industry in 2022:**

**Rising costs are putting pressure on competitiveness
and margins**

**The Belgian furniture industry**

**Key figures (2021)**

* **719 companies**
* **9,824 employees**
* **Turnover: €2.27 billion**
* **Export share: 57%**
* **Share in total turnover of Belgian wood and furniture industry: 36%**

**Summary of developments in the first half of 2022**

* Turnover: €1,190/5 billion, -2.9% compared with the first half of 2021. Real decrease in volume by 11% due to 15.7% increase in output prices
* Investments: €37.5 billion (-1.3%)
* Production capacity utilisation rate: 86.2%
* Exports +1.0% compared with the same period in 2021. France, Germany and the Netherlands remain the major markets
* Imports +5.2% compared with the same period in 2021

**General context**

After a good year in 2021 with a sales increase of just under 10%, the Belgian furniture industry started 2022 with cautious confidence. Manufacturers were anticipating that there could be a slight downturn after strong demand due to investment in interior/exterior and home renovation during the corona crisis but were soon caught up by the sharp surge in inflation, the energy crisis and Russia's invasion of Ukraine in late February.

These developments led to unprecedented price increases for just about all raw materials and commodities – it was this that really caused a free-fall in consumer confidence and curbed the consumption of sustainable investment goods. Accordingly, the demand for furniture has fallen sharply since the second quarter of this year, all the more so because consumers were once again able to spend their family budgets post-corona on leisure (including hospitality, travel, etc.) or, in view of the approaching winter period, often also need the money more and more to pay the sharply rising energy bills.

The furniture industry, and by extension the entire manufacturing industry, finds itself in the eye of a of a perfect storm: rising costs for energy, raw materials and personnel (due to successive automatic wage indexations) in the face of falling demand are putting very strong pressure on margins and competitiveness and are creating a great deal of uncertainty about what 2023 will bring.

**First half of 2022: Sales up in value, but down in volume**

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| **Turnover development in the Belgian furniture Industry** | **Sales prices** | **Turnover in volume** |
| **In millions of euros** | **2020** | **2021** | **'21/'20** | **6m 2021**  | **6 m 2022 3** | **6 m '22/'21** |  **6 m '22/'21** |  **6 m '22/'21** |
| Chairs and seating, dining room, sitting room, bedroom, bathroom, garden and patio furniture | 812.9 | 933.8 | **14.9%** | 483.4 | 492.7 | 1.9% | +15.8% | **-14%** |
| Office and shop furniture | 430.8 | 489.6 | **13.6%** | 226.9 | 289.6 | 27.6% | +28.6% | **-1%** |
| Kitchen furniture | 429.4 | 482.9 | **12.5%** | 242.5 | 263.7 | 8.7% | +8.8% | **sq** |
| Mattresses and bases | 394.1 | 365.8 | **-7.2%** | 203.9 | 144.5 | -29.1% | +2.6% | **-26.5%** |
| Furniture industry | 2,067.2 | 2,272.1 | **9.9%** | 1,156.7 | 1,190.5 | 2.9% | +15.7% | **-13%** |

Source: FPS Economy, VAT returns

\* Provisional data

In the first half of 2022, the Belgian furniture industry turnover amounted to 1,190.5 million euros, a rise of 2.9% compared to the first half of 2021. During the same period, however, sales prices increased by 15.7%, so in real terms (volume), we recorded a de facto decline in turnover of 13%. In 2021, sales further increased by 9.9% compared to 2020.

These price increases can be traced back to increased raw material, commodity, energy and labour costs, fuelled in part by high inflation and the war in Ukraine.

Office and retail furniture saw marked increases in turnover, both in 2021 and in the first half of 2022. Residential furniture had a good year in 2021 with a plus of just under 15%, but activity did fall somewhat in the first half of 2022 to a modest 1.9% increase in turnover. Kitchen furniture remains popular, and volumes were able to be maintained. One striking observation is the decline in mattresses and bed bases, both in 2021 and in the first half of 2022, at least according to official statistics.

Source: FPS Economy, VAT returns

**Investments and production capacity utilisation rate**

During the first half of 2022, the Belgian furniture industry invested 37.5 million euros, i.e. a fall of 1.3% compared to the same period in 2021. A total of 74.5 million euros were invested in 2021, and the investment volume remained at the same level compared to the previous year.

The mattresses and bed bases subsector saw a catch-up in terms of investments in the first half of 2022. In 6 months' time, more than 75% of the 2021 investment volume had already been reached. The willingness to invest in the kitchen furniture subsector remains weak (-4.9% in the first half of 2022 compared to the same period last year).

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| **Development of investments in the furniture industry** |
| **In millions of euros** | **2020** | **2021** | **21/20** | **6 m 21** | **6 m 22\*** | **6 m 22/21\*** |
| Chairs and seating, dining room, bedroom, garden and patio furniture | 35.7 | 40.0 | **+12.0%** | 20.5 | 19.1 | **-6.8%** |
| Office and shop furniture | 8.7 | 10.2 | **+17.2%** | 5.3 | 5.4 | **+1.9%** |
| Kitchen furniture | 20.8 | 17.5 | **-15.9%** | 8.2 | 7.8 | **-4.9%** |
| Mattresses and bases | 8.2 | 6.8 | **-17.1%** | 4.0 | 5.2 | **+30.0%** |
| **Total for furniture industry**  | **73.4** | **74.5** | **+1.5%** | **38.0** | **37.5** | **-1.3%** |

Source: FPS Economy, VAT returns

\* Provisional data

The production capacity utilisation rate in the Belgian furniture industry remains high even in difficult times and even reached 89% in the second quarter of 2022.

**The Belgian furniture industry's production capacity utilisation rate**

 Source: National Bank of Belgium

**Employment in the Belgian furniture sector**

719 companies employed 9,824 employees in 2021, 82 less than in 2020. Therefore, in spite of the corona crisis, and thanks in part to the system of temporary unemployment, the employment level remained fairly good.

However, companies in the furniture sector remain permanently on the lookout for technically skilled workers to compensate for the outflow of older workers.

**Consumer confidence reaches a historic low**

Belgian and European consumer confidence fell to an all-time low in September 2022. The sharp rise in inflation, soaring energy prices and continued uncertainty due to the war in Ukraine are certainly not unrelated to this. As a result, however, consumers are tightening the purse strings and taking a wait-and-see approach when it comes to purchasing furniture and interior design. The implications for the market are easy to predict.

**Development of consumer confidence in Belgium and the EU**

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Source: European Commission

**Falling order rate in the furniture trade**

According to the monthly survey by the National Bank of Belgium, orders received in the Belgian furniture trade decreased by 4.3% altogether during the first 8 months of 2022. Only in January and April were positive figures able to be recorded. The summer sales also fared rather negatively. This is most likely due to the energy crisis and uncertainty caused by the war in Ukraine, but equally due to changed spending patterns after the end of the corona measures.

**Furniture industry orders received over time**

**(cumulative 8 M 2022 = -4.3%)**

Source: National Bank of Belgium

**Foreign trade: imports fall, exports stabilise**

In the first half of 2022, **Belgian furniture exports** (including transits) rose in value by 1% compared to the first half of 2021. However, taking into account the cost increase, this does mean a decrease in volume. Just under 870 million euros worth of furniture was exported, with France still the most important export market for Belgian furniture, recording an 8.5% increase. Exports to the Netherlands fell by 0.9% and those to Germany by 2.8%. Within the EU, Spain became the 4th largest export market.

In line with the drop in demand, the value of **furniture imports** fell by 5.2% overall – imports from other European Union countries by even 18.5%. China (+14.4%), Indonesia (+51.2) and Vietnam (+57%) increased their interest in the Belgian furniture market. The drop in container prices and the lifting of corona restrictions may certainly have played a role in this, but even in 2021, imports from these countries were already increasing.

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| **Foreign trade in the furniture industry (incl. furniture made of metal and plastic)** |
|   | **Belgian imports** | **Belgian exports** |  |
|   | Percentage |   |   |   | Percentage |   |   |   | Coverage rate |
|   | 6m2022 | 6m2021 | 6m2022 | 6m | 6m2022 | 6m2021 | 6m2022 | 6m | 6m2022 |
| **Countries** | in % | 1,000 EUR | 1,000 EUR | 22/21 | in % | 1,000 EUR | 1,000 EUR | 22/21 | (Exp/imp) |
| France | 5.6 | 88,933.3 | 81,681.4 | -8.2 | 40.4 | 323,601.3 | 350,998.0 | 8.5 | 429.7 |
| Netherlands | 13.5 | 224,454.6 | 198,876.2 | -11.4 | 23.2 | 203,895.4 | 201,983.9 | -0.9 | 101.6 |
| Germany | 12.1 | 209,017.6 | 178,378.8 | -14.7 | 14.3 | 127,913.8 | 124,293.1 | -2.8 | 69.7 |
| Spain | 0.8 | 10,122.6 | 11,100.6 | 9.7 | 2.4 | 14,194.5 | 20,505.8 | 44.5 | 184.7 |
| Italy | 5.7 | 99,658.7 | 83,401.9 | -16.3 | 2.1 | 21,312.4 | 17,896.2 | -16.0 | 21.5 |
| Luxembourg | 0.1 | 1,191.9 | 1,107.9 | -7.1 | 1.6 | 15,888.0 | 14,042.2 | -11.6 | 1,267.5 |
| Poland | 7.2 | 120,152.3 | 106,176.2 | -11.6 | 1.0 | 11,577.5 | 8,929.3 | -22.9 | 8.4 |
| Ireland | 0.0 | 1,510.1 | 479.0 | -68.3 | 1.0 | 8,215.1 | 8,614.4 | 4.9 | 1,798.6 |
| Austria | 0.2 | 5,792.4 | 2,906.1 | -49.8 | 0.8 | 6,788.9 | 6,530.7 | -3.8 | 224.7 |
| Portugal | 0.2 | 5,634.2 | 3,479.7 | -38.2 | 0.5 | 5,139.8 | 4,687.1 | -8.8 | 134.7 |
| Sweden | 1.2 | 22,152.9 | 17,354.5 | -21.7 | 0.5 | 7,170.5 | 4,674.8 | -34.8 | 26.9 |
| Czech Republic | 0.8 | 35,172.4 | 11,856.5 | -66.3 | 0.5 | 4,734.3 | 4,267.4 | -9.9 | 36.0 |
| Denmark | 1.8 | 25,553.3 | 26,921.6 | 5.4 | 0.4 | 4,318.3 | 3,722.9 | -13.8 | 13.8 |
| Lithuania | 1.0 | 12,472.1 | 13,970.8 | 12.0 | 0.2 | 3,235.5 | 2,024.5 | -37.4 | 14.5 |
| Romania | 2.0 | 51,657.9 | 28,659.4 | -44.5 | 0.2 | 1,925.1 | 2,017.3 | 4.8 | 7.0 |
| Greece | 0.0 | 66.0 | 133.5 | 102.2 | 0.2 | 1,344.2 | 1,857.4 | 38.2 | 1,391.1 |
| Hungary | 0.2 | 11,383.7 | 3,213.0 | -71.8 | 0.2 | 1,878.2 | 1,717.6 | -8.6 | 53.5 |
| Estonia | 0.1 | 1,895.9 | 852.1 | -55.1 | 0.1 | 954.5 | 887.0 | -7.1 | 104.1 |
| Cyprus | 0.0 | 0.1 | 3.6 | 4,957.7 | 0.1 | 2,561.4 | 871.7 | -66.0 | 24,273.8 |
| Slovakia | 0.1 | 20,506.2 | 1,345.6 | -93.4 | 0.1 | 1,052.5 | 860.9 | -18.2 | 64.0 |
| Finland | 0.3 | 5,386.7 | 4,454.9 | -17.3 | 0.1 | 1,003.3 | 771.1 | -23.1 | 17.3 |
| Malta | 0.0 | 0.1 | 2.0 | 1,433.3 | 0.1 | 323.1 | 525.6 | 62.7 | 26,572.4 |
| Slovenia | 0.0 | 3,053.3 | 505.7 | -83.4 | 0.1 | 277.3 | 501.8 | 80.9 | 99.2 |
| Croatia | 0.0 | 598.6 | 714.3 | 19.3 | 0.0 | 306.6 | 414.4 | 35.1 | 58.0 |
| Bulgaria | 0.2 | 1,229.6 | 2,446.5 | 99.0 | 0.0 | 515.5 | 405.9 | -21.3 | 16.6 |
| Latvia | 0.0 | 61.3 | 107.3 | 74.9 | 0.0 | 260.5 | 201.7 | -22.6 | 188.0 |
| **European Union** | **53.1** | **957,657.9** | **780,129.2** | **-18.5** | **90.2** | **770,387.7** | **784,202.6** | **1.8** | **100.5** |
| United Kingdom | 0.7 | 14,760.1 | 10,607.2 | -28.1 | 2.7 | 25,730.1 | 23,214.0 | -9.8 | 218.9 |
| USA | 0.2 | 3,442.6 | 2,987.6 | -13.2 | 2.0 | 15,892.7 | 17,660.9 | 11.1 | 591.1 |
| Switzerland | 0.1 | 1,525.3 | 1,299.5 | -14.8 | 1.2 | 12,390.3 | 10,525.9 | -15.0 | 810.0 |
| Australia | 0.0 | 68.4 | 17.4 | -74.5 | 0.4 | 2,516.9 | 3,612.0 | 43.5 | 20,718.3 |
| Canada | 0.0 | 843.1 | 259.0 | -69.3 | 0.3 | 1,378.3 | 2,596.5 | 88.4 | 1,002.5 |
| Israel | 0.3 | 2,627.5 | 3,693.0 | 40.6 | 0.3 | 3,260.8 | 2,381.2 | -27.0 | 64.5 |
| Singapore | 0.0 | 45.5 | 0.8 | -98.3 | 0.2 | 411.3 | 2,005.8 | 387.7 | 252,622.7 |
| China | 29.6 | 380,207.5 | 435,076.2 | 14.4 | 0.2 | 2,905.6 | 1,687.5 | -41.9 | 0.4 |
| D.R. Congo | 0.0 | 0.5 | 0.9 | 84.5 | 0.2 | 900.1 | 1,410.6 | 56.7 | 164,791.7 |
| UAE | 0.0 | 75.5 | 20.9 | -72.3 | 0.2 | 1,395.3 | 1,374.4 | -1.5 | 6,565.9 |
| Morocco | 0.0 | 399.6 | 366.2 | -8.4 | 0.1 | 832.4 | 1,299.1 | 56.1 | 354.8 |
| Japan | 0.1 | 2,411.4 | 918.7 | -61.9 | 0.1 | 914.7 | 1,124.9 | 23.0 | 122.4 |
| Cameroon | 0.0 | 11.1 | 31.5 | 183.1 | 0.1 | 875.0 | 1,071.7 | 22.5 | 3,398.3 |
| South Korea | 0.0 | 187.3 | 102.4 | -45.3 | 0.1 | 1,226.2 | 943.0 | -23.1 | 920.6 |
| Norway | 0.0 | 64.2 | 25.7 | -59.9 | 0.1 | 1,037.7 | 869.1 | -16.2 | 3,379.5 |
| Togo | 0.0 | 0.0 | 0.0 | –  | 0.1 | 87.6 | 737.8 | 742.6 | –  |
| Senegal | 0.0 | 24.4 | 0.1 | -99.8 | 0.1 | 752.9 | 657.8 | -12.6 | 1,114,857.6 |
| Saudi Arabia | 0.0 | 5.0 | 0.4 | -91.7 | 0.1 | 645.4 | 630.9 | -2.2 | 152,381.9 |
| Hong Kong | 0.0 | 4,890.9 | 602.4 | -87.7 | 0.1 | 699.2 | 593.8 | -15.1 | 98.6 |
| **Foreign trade in the furniture industry (incl. furniture made of metal and plastic)** |
|   | **Belgian imports** | **Belgian exports** |  |
|   | Percentage |   |   |   | Percentage |   |   |   | Coverage rate |
|   | 6m2022 | 6m2021 | 6m2022 | 6m | 6m2022 | 6m2021 | 6m2022 | 6m | 6m2022 |
| **Countries** | in % | 1,000 EUR | 1,000 EUR | 22/21 | in % | 1,000 EUR | 1,000 EUR | 22/21 | (Exp/imp) |
| India | 1.5 | 16,761.0 | 22,334.7 | 33.3 | 0.1 | 196.3 | 564.0 | 187.4 | 2.5 |
| Iceland | 0.0 | 0.0 | 0.0 | –  | 0.1 | 677.7 | 550.5 | -18.8 | –  |
| Lebanon | 0.0 | 271.5 | 423.1 | 55.8 | 0.1 | 323.4 | 544.4 | 68.4 | 128.7 |
| Thailand | 0.4 | 4,200.4 | 5,352.1 | 27.4 | 0.1 | 406.7 | 542.4 | 33.4 | 10.1 |
| Brazil | 0.3 | 703.4 | 4,055.4 | 476.6 | 0.1 | 3,750.4 | 517.5 | -86.2 | 12.8 |
| Ghana | 0.0 | 0.2 | 2.9 | 1,590.2 | 0.0 | 533.5 | 430.0 | -19.4 | 14,622.3 |
| Guinea | 0.0 | 0.0 | 0.0 | –  | 0.0 | 332.2 | 423.7 | 27.6 | 14,124,200.0 |
| Georgia | 0.0 | 0.0 | 0.0 | –  | 0.0 | 120.5 | 349.1 | 189.7 | –  |
| Indonesia | 4.5 | 44,124.0 | 66,695.0 | 51.2 | 0.0 | 238.7 | 291.8 | 22.2 | 0.4 |
| Qatar | 0.0 | 0.0 | 0.0 | –  | 0.0 | 688.7 | 288.5 | -58.1 | –  |
| Russia | 0.0 | 59.3 | 180.0 | 203.3 | 0.0 | 887.7 | 277.9 | -68.7 | 154.4 |
| Turkey | 3.6 | 55,661.9 | 53,455.7 | -4.0 | 0.0 | 408.5 | 256.7 | -37.2 | 0.5 |
| Taiwan | 0.1 | 1,344.1 | 1,792.5 | 33.4 | 0.0 | 575.0 | 245.2 | -57.4 | 13.7 |
| South Africa | 0.0 | 142.6 | 51.2 | -64.1 | 0.0 | 721.8 | 227.2 | -68.5 | 444.1 |
| Jordan | 0.0 | 2.0 | 2.8 | 38.1 | 0.0 | 135.2 | 226.9 | 67.9 | 8,073.8 |
| Chile | 0.0 | 2.4 | 1.3 | -46.0 | 0.0 | 107.8 | 211.9 | 96.6 | 16,525.8 |
| Ivory Coast | 0.0 | 0.6 | 6.8 | 1,121.3 | 0.0 | 520.8 | 209.8 | -59.7 | 3,068.0 |
| Gabon | 0.0 | 0.0 | 0.0 | –  | 0.0 | 211.7 | 196.2 | -7.3 | –  |
| Costa Rica | 0.0 | 0.0 | 1.3 | –  | 0.0 | 20.7 | 186.5 | 801.1 | 14,730.6 |
| Egypt | 0.0 | 327.0 | 230.0 | -29.7 | 0.0 | 199.7 | 177.2 | -11.3 | 77.0 |
| Benin | 0.0 | 0.0 | 0.0 | –  | 0.0 | 69.8 | 172.7 | 147.6 | –  |
| New Zealand | 0.0 | 0.0 | 153.6 | –  | 0.0 | 373.8 | 171.3 | -54.2 | 111.6 |
| Libya | 0.0 | 0.0 | 0.0 | –  | 0.0 | 22.7 | 169.2 | 645.0 | –  |
| Rwanda | 0.0 | 0.0 | 0.0 | –  | 0.0 | 154.2 | 161.0 | 4.4 | –  |
| Mexico | 0.0 | 296.5 | 169.9 | -42.7 | 0.0 | 313.0 | 143.3 | -54.2 | 84.4 |
| Nigeria | 0.0 | 0.0 | 0.1 | –  | 0.0 | 211.9 | 141.1 | -33.4 | 135,651.0 |
| UK (Northern Ireland) | 0.0 | 0.0 | 3.1 | –  | 0.0 | 210.4 | 125.8 | -40.2 | 4,065.9 |
| Burkina Faso | 0.0 | 15.0 | 7.0 | -53.5 | 0.0 | 40.7 | 122.0 | 200.0 | 1,748.7 |
| Serbia | 0.6 | 6,171.5 | 8,173.5 | 32.4 | 0.0 | 103.3 | 102.2 | -1.1 | 1.3 |
| Angola | 0.0 | 0.0 | 0.0 | –  | 0.0 | 278.6 | 100.3 | -64.0 | –  |
| Mali | 0.0 | 0.0 | 0.2 | –  | 0.0 | 30.1 | 99.9 | 232.0 | 46,247.2 |
| Kenya | 0.0 | 0.0 | 0.1 | –  | 0.0 | 172.4 | 94.4 | -45.2 | 88,215.9 |
| Mauritius | 0.0 | 0.0 | 0.0 | –  | 0.0 | 102.1 | 92.4 | -9.6 | –  |
| Bermuda | 0.0 | 0.0 | 0.2 | –  | 0.0 | 0.0 | 87.3 | –  | 37,140.4 |
| Mauritania | 0.0 | 0.0 | 0.0 | –  | 0.0 | 72.3 | 85.1 | 17.8 | –  |
| Kuwait | 0.0 | 0.0 | 0.0 | –  | 0.0 | 110.8 | 84.6 | -23.6 | –  |
| Malaysia | 0.7 | 8,143.1 | 10,094.9 | 24.0 | 0.0 | 89.3 | 79.9 | -10.5 | 0.8 |
| Peru | 0.0 | 1.0 | 0.0 | -97.3 | 0.0 | 87.0 | 78.2 | -10.0 | 289,796.3 |
| Niger | 0.0 | 0.0 | 0.0 | –  | 0.0 | 42.1 | 73.9 | 75.5 | –  |
| Colombia | 0.0 | 52.3 | 48.1 | -8.0 | 0.0 | 47.6 | 73.8 | 54.9 | 153.4 |
| Cape Verde | 0.0 | 0.0 | 32.7 | –  | 0.0 | 89.1 | 72.5 | -18.7 | 221.8 |
| Montenegro | 0.0 | 0.0 | 2.4 | –  | 0.0 | 1.5 | 69.8 | 4,473.5 | 2,934.4 |
| Argentina | 0.0 | 0.5 | 0.0 | -100.0 | 0.0 | 79.4 | 64.9 | -18.3 | –  |
| Gambia | 0.0 | 0.0 | 0.0 | –  | 0.0 | 106.8 | 62.9 | -41.1 | –  |
| Congo (Brazzaville)  | 0.0 | 0.0 | 0.0 | –  | 0.0 | 130.7 | 60.4 | -53.8 | –  |
| Madagascar | 0.0 | 0.0 | 0.0 | –  | 0.0 | 40.4 | 59.7 | 47.6 | –  |
| Barbados | 0.0 | 0.0 | 0.0 | –  | 0.0 | 7.8 | 59.5 | 664.5 | –  |
| Uruguay | 0.0 | 0.0 | 2.0 | –  | 0.0 | 305.1 | 58.1 | -81.0 | 2,928.0 |
| Macedonia | 0.0 | 549.9 | 549.1 | -0.1 | 0.0 | 318.3 | 56.9 | -82.1 | 10.4 |
| Kosovo | 0.1 | 602.9 | 934.6 | 55.0 | 0.0 | 67.0 | 56.4 | -15.9 | 6.0 |
| Philippines | 0.0 | 313.7 | 293.7 | -6.4 | 0.0 | 47.1 | 53.5 | 13.5 | 18.2 |
| Tunisia | 0.0 | 13.8 | 9.1 | -34.2 | 0.0 | 44.2 | 49.6 | 12.4 | 548.3 |
| Ukraine | 0.8 | 12,112.1 | 11,236.2 | -7.2 | 0.0 | 237.5 | 49.5 | -79.2 | 0.4 |
| Sierra Leone | 0.0 | 0.0 | 0.0 | –  | 0.0 | 142.7 | 49.4 | -65.4 | –  |
| Oman | 0.0 | 0.1 | 0.0 | -100.0 | 0.0 | 60.8 | 47.9 | -21.1 | –  |
| Vietnam | 2.6 | 24,318.4 | 38,189.4 | 57.0 | 0.0 | 48.2 | 42.4 | -12.1 | 0.1 |
| Total for other countries | 0.6 | 4,799.1 | 8,745.6 | 82.2 | 0.1 | 1,212.0 | 653.9 | -46.1 | 7.5 |
| **Total** | **100.0** | **1,550,238.1** | **1,469,369.4** | **-5.2** | **100.0** | **860,767.6** | **869,142.5** | **1.0** | **59.2** |
| Source: INR |  |  |  |  |  |  |  |  |  |

**Outlook: anticipated weakening of economic activity in 2022 and 2023**

The continuation of the economic recovery after the corona crisis was completely quashed in the spring of 2022. The Russian invasion of Ukraine has led to an unprecedented explosion in EU energy prices, with renewed disruptions in supply chains of raw materials and equipment. The high raw material and energy prices, as well as rapidly rising labour costs due to soaring inflation, are weighing upon economic activity. The anticipated economic downturn in the EU, as well as the downturn in the construction sector, are having a strong negative impact on the furniture industry. On top of that, Western consumers are reducing their spending because too much purchasing power is draining away into expensive energy bills.

According to the Federal Planning Bureau's projections (press release of 8 September 2022), the Belgian economy was to grow by 2.6% in 2022 and by only 0.5% in 2023. Galloping inflation will halt economic growth in the fourth quarter of 2022 and the first quarter of 2023. In the EU, the most significant export zone for the furniture industry, economic growth is set to be 2.7% in 2022. In 2023, the EU economy is expected to grow by 1.5% (EU Economic Outlook for Summer 2022).

The anticipated weakening of economic activity in 2022 and in 2023 in Belgium and the EU makes the outlook for increased activity in the furniture industry very bleak as well.

Source: Fedustria

*Fedustria is the Belgian federation of the textile, woodworking and furniture industries. In Belgium, we represent some 1,700 companies (more than 90% of which are SMEs), which together create 36,000 direct jobs and generate a turnover of €10.9 billion, 70% of which comes from exports.*

*Taken separately, the Belgian furniture industry accounts for a turnover of €2.3 billion and employs around 10,000 people.*

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**FURNITURE FAIR BRUSSELS 2022**

During the next 15 to 20 minutes we don’t want to bother you too much with more numbers so we will keep this quite short. This year’s edition we had the honor of welcoming 215 furniture manufacturers. Compared to last year that’s an increase of 47 exhibitors.

But what satisfies us most is the fact that with this increase we are continuously confirming our international identity. Which is a trend that we aim to strengthen in the coming years. This year we have for example 7 more exhibitors coming from Scandinavia.

When it comes to the amount of visitors we have noticed a status quo when looking at the pre-registrations. As our VIP visitors were quick to reply on our invitations, we forecast, or hope for a slight increase of visitors compared to last year. Seen that most of our visitors come from Europe, we are lucky not to feel the influence of the current international conflicts too much. But for future years, we strongly believe that the number of visitors can significantly increase! We will put our focus on new regions, people active in the hospitality sector, but we also aim to improve our communication during the year with more visibility and more content.

As you all have read and written about, the Furniture Fair Brussels has very recently changed its management and thereby also its course. Our plan is not to bring a complete transformation but to improve there where we feel is needed and use our strengths more effectively.

To get there, we want to focus on 3 main points of attention: Realism, reliability and creating an unforgettable experience to our visitors.

In short: the Furniture Fair has always been a very realistic and efficient fair. On one hand for our visitors, who can visit a ‘human-sized’ fair where they can find a very broad and competitive offer. On the other hand for our exhibitors who can participate at a more realistic price per square meter and make use of our very experienced team for an efficient and thus smooth organization. We want to keep and strengthen this element of the past!

Second and perhaps most important focus: reliability? Especially in these times of crisis, or at least in a period filled with uncertainties and questions about the future, Brussels want to be a landmark for the whole sector. Bringing a fair to live doesn’t only mean a lot of work for us as organizer. It implies a lot of preparations and planning for our exhibitors. They need to make sure that they have their full team available during the show, they need to organize stand construction and hope their preferred partner doesn’t have a shortage of personnel and a free calendar. They need to make sure that the new collection is ready in time for presentation at the show. And all of this needs to fit into the marketing budget which was set months before.

Exhibitors, but also buyers and all other stake holders should know that when they mark the Furniture Fair Brussels in their agenda, it is as if it was written in stone. Whether it be with 100% occupancy or 60%, we have decided not to shift dates.

Last but not least we want to create an unforgettable experience. People should enter the fair smiling and leave the fair with a sense of joy and moments they will not soon forget. Especially in the Benelux region, our fair is seen as the ‘furniture heyday’. We want to use this moment to reconnect and create direct contact.

This year, as a matter as foretaste, all our VIP visitors received a Furniture Fair coin waiting for them in their hotel room, and will be distributed to all visitors at the entrances to build up the tension. This coin can be used here on-site. You will find such a coin in your press folder too. Don’t hesitate to try it out in one of our Bubble Gum machines next to the VIP desk just below this restaurant.

In order to improve these focus areas, we strongly believe communication is key: towards our customers, visitors, suppliers and press relations of course. That’s why we have reinforced our team by bringing back Thomas as head of communication and marketing, and myself as general director to strengthen and broaden the relationship we have with our exhibitors and partners. Personal contact and dialogue is what we believe in, so please don’t hesitate to come and find us to tell us about your side or vision of our business.

This said, we will end the presentation with some numbers and facts about this edition of the Furniture Fair Brussels:

* Statistics:
	+ 215 exhibitors in total
	+ 10 more exhibitors in Brussels By Night compared to 2021
	+ 6800 square meters stand surface more than in 2021
	+ Nationalities: in alphabetical order and by quantity

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Country of Origin** | **Quantity** |  | **Country of Origin** | **Quantity** |
| Albania | 1 |  | Belgium | 69 |
| Austria | 2 |  | Netherlands | 68 |
| Belgium | 69 |  | Germany | 17 |
| Bosnia & Herzegovina | 1 |  | Poland | 15 |
| Bulgaria | 1 |  | Italy | 11 |
| Denmark | 4 |  | France | 6 |
| France | 6 |  | Lithuania | 5 |
| Germany | 17 |  | Denmark | 4 |
| Italy | 11 |  | Sweden | 4 |
| Lithuania | 5 |  | Turkey | 4 |
| Netherlands | 68 |  | Portugal | 3 |
| Poland | 15 |  | Austria | 2 |
| Portugal | 3 |  | Singapore | 2 |
| Romania | 1 |  | Albania | 1 |
| Singapore | 2 |  | Bosnia & Herzegovina | 1 |
| Sweden | 4 |  | Bulgaria | 1 |
| Turkey | 4 |  | Romania | 1 |
| United Kingdom | 1 |  | United Kingdom | 1 |

* + TOP 3: Biggest Stand surfaces
1. MECAM – 1347 Square meters
2. HTL – 786 Square meters
3. HIMA, ROM & DE EIKEN ZETEL – 725 Square meters
	* TOP 3: Best stand building (Awarded by the Furniture Fair’s official stand builder – very subjective)
4. MOBITEC (Most beautiful)
5. MAX DIVANI
6. WIEMANN, WIMEX, LODDENKEMPER, FEMIRA (Most impressive)
* Names:
	+ Most notable new exhibitors and comebacks: Voglauer, Stooly, Stommen Group (Brafab, Furninova, conform), Key West Bedding, Caso Furniture, M-Line/DBC International, Bijnen, Ada Möbelwerke, CBA Meubles/Demeyere, Cacio, Ultima.
	+ Most notable absentees: LS Bedding, Polipol, Calia Italia, Veldeman Bedding.
* New or back on the fair:

One of the goals we have set is to create a platform for a broader public within the furniture industry, and if possible, stretched over a much longer period. Most of the novelties that we will mention in this chapter reflect this idea.

We have started with the creation of a new segment on todays fair: ‘Bubble up your Store’ is a presentation of services and goods which allow every furniture store to bring added value to ther retail space (on- and offline) as well as their business in general. Today’s customer does not only expect to see furniture when entering a furniture store, as they have the internet to do this. Today’s customers want to feel a warm welcome, experience a happy feeling, get inspired by individual furniture pieces in a well thought set-up, and discover complete solutions. Every sense needs to be stimulated in the right way. We are talking scent marketing, audio, visuals and direct support.

As we see a lot of similarities between our visitors retail spaces and our fairground, please let us spontaniously reply to a question that keeps everyone awake: What about the future of physical fairs in an online world? Well the main idea is easy: Online and physical are simply inseparable. It is enough to see your finger tapping on your cellphone screen to understand what we mean: the online space is mostly their in support of the physical aspects. Only rarely will it fully replace its physical substitute. To put it even more simply: No one will ever put his or her behind on an online sofa to try out its hardness.

Right next to ‘Bubble up Your Store’, we increased our efforts in order to really put our designers and design academies in the picture. You will get inspired by the creations of young designers, and meet designers who are ready to market their models.

Furthermore, we foresaw well in advance a surface in hall 6, where all manufactureres of bedding, not exposing in hall 6, have the chance to exhibit their products to the beds & bedding-visitors who might otherwise miss them during their visit in Brussels. Find them on stand 6-307 ‘The Woods’.

As stated before, we believe that off- and online are there to support each other. That is why we launched a new blog, with newsletter called ‘BRUSSELS FURNITURE afFAIR’. This will replace the well-known BE magazine. For us, this is also an opportunity to offer extra visibility to our exhibitors outside the 4 fair days. The name speaks for itself: What is happening at the Furniture Fair, and who will be there? If you did not receive the newsletter, please let us know!

To conclude, we would very much like to thank you again for your attention. We try to be available as much as possible, so don’t hesitate to come and find us. We will now gladly take some time to answer your question.