getting your SHARE of the WORLD FURNITURE MARKET
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Working to increase MS furniture exports
Mississippi’s Furniture Industry

Furniture Manufacturing Employment as a Percent of All Employment (as of August 2008)

Data Source: Franklin Furniture Institute Mississippi State University and Mississippi Department of Employment Security Annual Labor Force Report for August 2008
Furniture Industry Economic Impact to Mississippi

- **1999 Base Data**
  - Annual Wages: $720 Million
  - Industry Output: $2.2 Billion
  - Induced Employment: 50,079
  - Induced Wages: $1.4 Million
  - Induced Output: $4.1 Billion

- **2006 Base Data**
  - Annual Wages: $1.1 Billion
  - Industry Output: $3.5 Billion
  - Induced Employment: 47,546
  - Induced Wages: $1.7 Million
  - Induced Output: $5.7 Billion

Employment 2007 = approx. 24,000
MS Furniture Industry Rankings

• # 3 Mississippi manufacturing employment (2007)
• # 5 Nationally furniture manufacturing employment (2005)
• # 1 Nationally furniture manufacturing employment per capita (2005)
• # 1 Nationally Cap Ex per capita (2005)
• # 1 Annual Payroll per capita (2005)
Employment Trend Comparison

State per 10000
Furniture per 1000

Employment Drop
2000 to 2007
State: 23.4%
Furniture: 24.7%

Lost 3,900 jobs
1/07 – 9/08

Source: US Department of Labor

Mississippi State University
Franklin Furniture Institute

- [www ffi msstate edu](http://www.ffi.msstate.edu)
- Mission – Sustain and enhance the competitiveness of the furniture and home furnishings industry in Mississippi and the region
- Reporting – Unit in Forest & Wildlife Research Center
- Structure – Collaborative effort between Colleges of Engineering, Forest Resources, Business, and Architecture, and external resources
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• Impact to industry
  – Generated industry savings of $21 million over 5 years
  – Assisted over 30 companies in 2008
  – Funded over $350,000 in research over last 22 months
    • RFID, bariatric furniture, logistics modeling, consumer buying habits
  – Added fabric testing capability
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• Services Provided
  – Product design and modeling
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– Lean manufacturing principals & VSM
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– Furniture, fabric, cushion and frame testing
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- Logistics and supply chain support
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• Other services provided
  – Strategic business and market planning
  – Workforce training
  – Plant layout and flow analysis
  – Inventory control programs
  – Website development
  – IT assistance
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• Initiatives
  – Improve perception of industry
  – Increase technical training delivery
  – Expand testing capabilities
  – Expand furniture related curricula at MSU
  – Establish an Export Resource Service at FFI
Improved Sustainability

• Reduce waste and cost
  – Lean principles
  – Product design
  – Technology
• Increase sales
  – Capture competitors customers
  – Expand product offering
  – Expand markets - Export
US Furniture Exports

MapXtreme 2005 & SDK Developer License, © 2006 MapInfo Corp.

Source: http://tse.export.gov/

Total 337 Export
2006 to 2007 = + 12.7%
6/07 to 6/08 = + 19.1%

Avg 64% of Total

2007 NAICS 337 - FURNITURE & FIXTURES (in thousands)
Exports to World

- $93,659 : $423,642
- $35,253 : $93,659
- $5,573 : $35,253
- $91 : $5,573
- Zero

US Furniture Exports

MS: $106.4 M
NC: $292.9 M
MI: $429.6 M
CA: $373 M
TX: $218 M
OH: $206.9 M
PA: $118 M
FL: $191.3 M
NC: $292.9 M
MI: $429.6 M
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Total 337 Export
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Avg 64% of Total
Expand Markets through Exports

NIACS 337 - Furniture Exports (millions)

Source: TradeStats Express™ - State Export Data
Export Resource Service

• Objective - increase Mississippi furniture exports
• Partners
  – US Department of Commerce; Mississippi Export Assistance Center (MSEAC)
  – Mississippi Development Authority International Trade Division (MDAITD)
  – North Carolina Department of Commerce (NCDC)
• Funding - SBA Grant
Export Resource Service

- Assist state and regional companies in exporting
- Locate export leads and opportunities
- Provide training seminars and workshops
- Work with individual companies interested in exporting
Export Resource Service
Export Resource Service
Export Resource Service

- FFI Program
  - Receive export leads from MsEAC & MDAITD
  - Segment leads by market segment and product line
  - Send lead to furniture industry database
  - Follow up with lead recipients
  - Identify company’s barriers to entry
  - Contact MsEAC & MDAITD to identify resources
  - Help develop export strategy for company
Export Resource Service

- FFI Program
  - Assist in securing resources for implementation
  - Develop furniture catalog of furniture companies for world distribution
  - Work with partners on trade mission
  - Work with partners provide training for export
Export Resource Service

• Help secure resources for implementation
  – MsEAC training
  – MDAITD resources
  – Banking
  – Logistics
  – Freight forwarders
  – Freight brokers
  – Trade fairs
Export Resource Service

• Goal
  – Increase Mississippi furniture exports by 20% over the next 18 months
New Logistics Opportunity
Go get your SHARE of the WORLD FURNITURE MARKET