



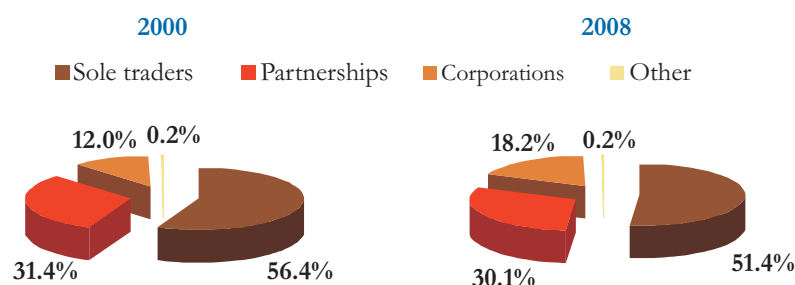
A PRODUCTIVE VENETO: THE FURNITURE INDUSTRY

TRENDS AND GEOGRAPHICAL DISTRIBUTION OF BUSINESSES

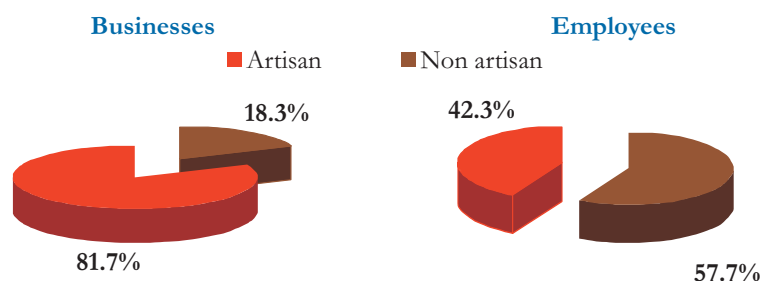


	Number	% variation on the previous year	% variation on 2000	% share of Veneto total
Active businesses in 2008	12,231	-0.7	-12.6	2.6
Employees 2005	82,440	-3.8	-4.5	5.0

Businesses by kind of ownership: % share. Veneto



Artisan businesses: % share. Veneto - Year 2008



Survival rate(*) of active firms in the sector. Veneto - Years 2002:2005

active year	years of survival		
	2003	2004	2005
2002	94.0	87.7	82.5
2003	100.0	93.3	87.5
2004		100.0	93.8

survival at three years

survival at two years

survival at one year

(*) Survival rate at time $t+n$: % ratio of the number of active businesses at t and the survivors at $t+n$ and number of businesses active at t .

Economic aggregates

	Value (mln euro)	% share of Veneto total	% share of the Italian sector
Added value 2006	3,036.1	2.4	17.3
Investments 2005	754.0	2.5	16.4

This issue of Statistics Flash analyses the industrial and geographical structure and trends of the Veneto furniture sector, which comprises the wood, furniture, electrical appliances and household and decorative ceramics industries. The analysis brings together different statistical and administrative data from different periods in time. Italy's local unit register (Asia-Unità Locali), which is compiled by ISTAT, is the main source for analysing production units, and is currently available for the region for 2002-2005.

The furniture sector is the most developed manufacturing sector in Veneto; Veneto businesses make up 12.6% of this sector on a national scale. The average size of these businesses is 6.6 employees per local unit; this is 2.5 employees above the regional average but is also almost 3 less than the manufacturing sector average (9.4 employees).

In this sector the share of small firms (sole traders), at 51.4%, is slightly lower than in other sectors, and numbers have declined quite markedly over time to make way for an increase in the number of corporations. The number of artisan businesses in this sector is very high compared to that in Veneto industry on the whole.

Analysis of the survival of active businesses from 2002 into the following years shows a greater stability of this sector compared to other kinds of firms in Veneto: 82.5% of the businesses in 2002 were still active in 2005 (79.4% for businesses in Veneto in general).

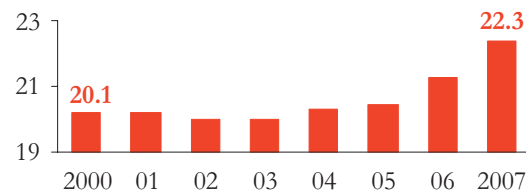
In economic terms, the furniture industry produced 2.4% of Veneto's total wealth and contributed 17.3% of the sector's production on a national level. Adjusting the data for the effect of inflation, it is estimated that there was a substantial decrease in added value in the 2000-2006 period, even though there are signs of recovery for the last two years.

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on InfoCamere and Istat-Asia data 2005

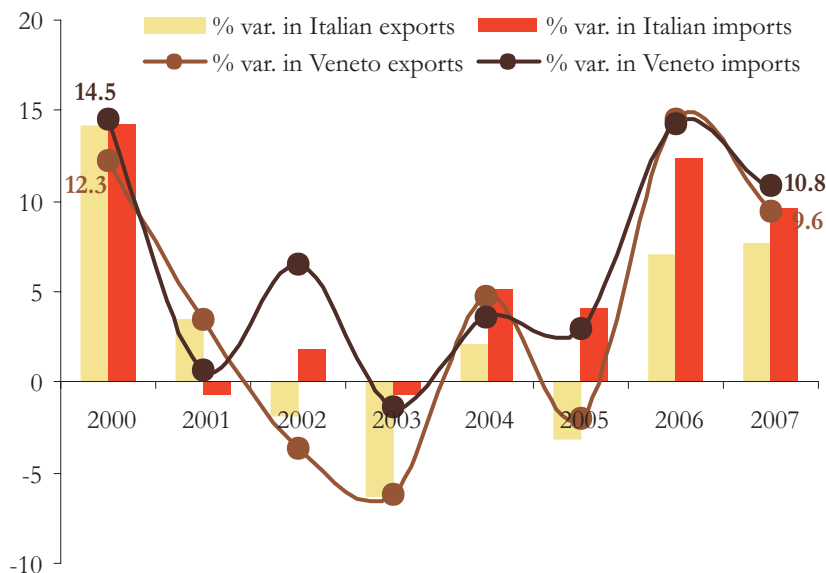
Foreign trade in furniture

	Value (mln euro)	% variation on the previous year	% variation on 2000	% share of the Veneto total	% share of the Italian sector
Exports 2007	3,238.7	9.6	20.3	6.4	22.3
Imports 2007	1,464.1	10.8	43.0	3.7	16.9

The foreign market share of the furniture sector. Veneto - Years 2000:2007

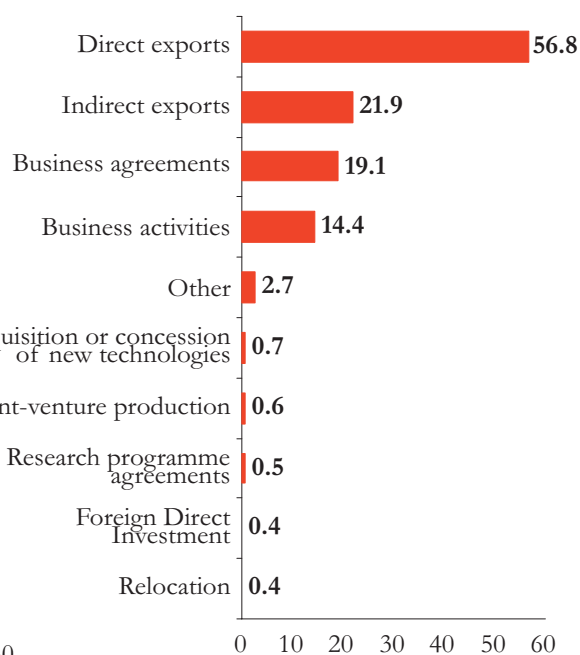


Trade trends. Veneto and Italy - Years 2000:2007

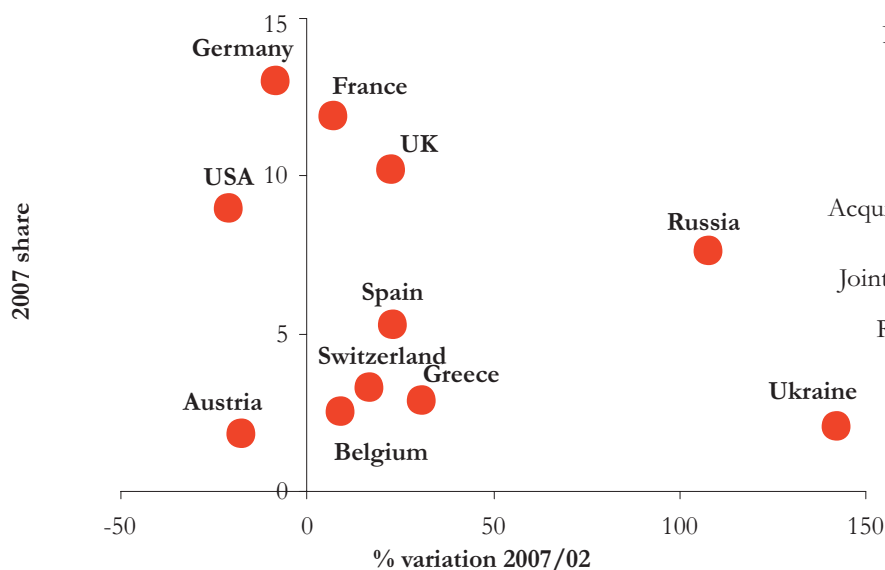


Trade in furniture continued to increase in 2007, with Veneto products accounting for 22.3% of national exports in this sector. Germany, France, Great Britain and the United States are the main markets, but Russia and the Ukraine are also becoming increasingly important. One enterprise in every seven in the sector has economic dealings with foreign markets, which mainly consist in direct or indirect exports.

Percentage of furniture-industry businesses by type of foreign economic activity. Veneto - Year 2008

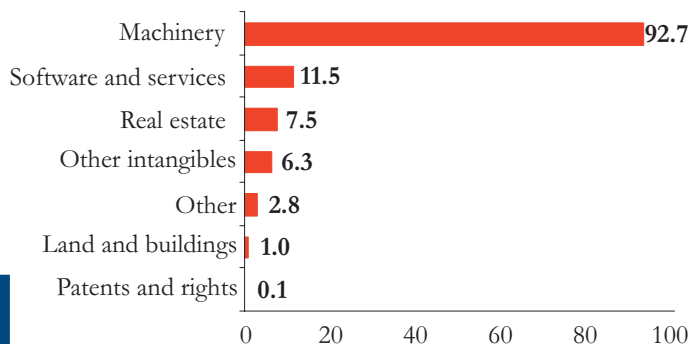


Leading markets in the sector. Veneto - Years 2002:2007

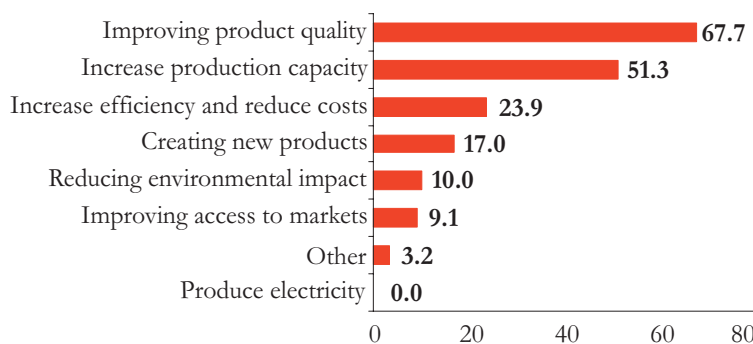


Investments in the sector (*)

Percentage of furniture businesses by type of investments made. Veneto - Year 2008



Percentage of metal-industry businesses by reasons for investments. Veneto - Year 2008



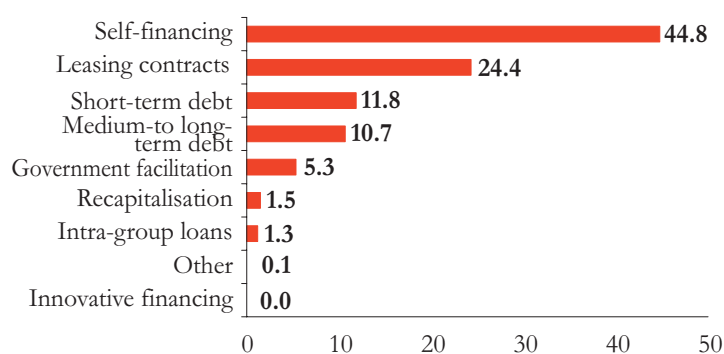
(*) Multiple answers possible

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Istat and Indagine MET data

Financial channels and innovation in the furniture sector (*)

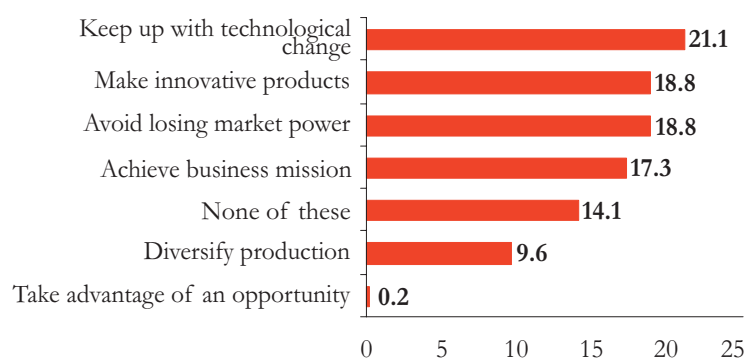
Percentage of furniture businesses by type of financial channels used for making investments.

Veneto - Year 2008



Percentage of furniture-industry businesses by reason for research and development.

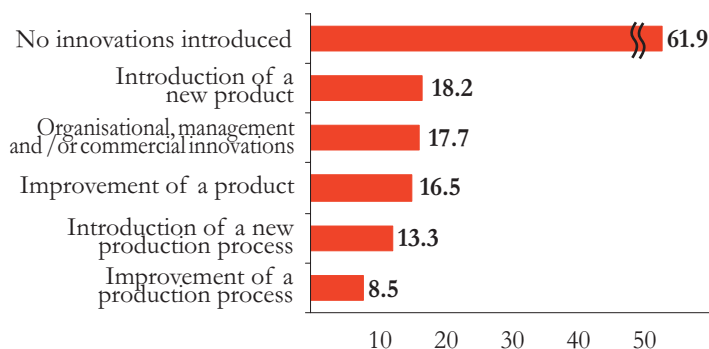
Veneto - Year 2008



Percentage of furniture-industry firms by innovations introduced

in the three-year period 2005 - 07.

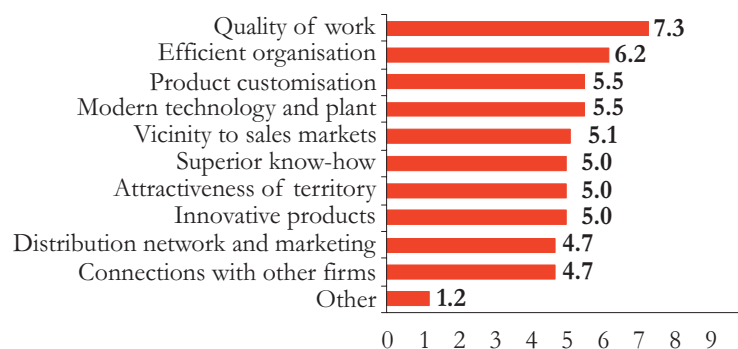
Veneto - Year 2008



Average score given to the principal factors of competitive advantage in furniture-industry firms.

Veneto - Year 2008

(Ratings from 1 to 10)



(*) Multiple answers possible

In 2008, investments were made by 44.7% of businesses in the sector, predominantly in machinery, with the aim of improving product quality. The investments were mainly self-financed. Others were made through leasing contracts.

In this sector, 16.1% of businesses invest in research and development; one fifth of them see it as a way to keep up with technological progress, but it is also considered important in order to create innovative products and to avoid losing market power.

In the 2005-07 three-year period, 48.1% of businesses brought in some kind of innovation, such as launching a new product on the market, or changing the internal organisation of the business.

Of the factors deemed decisive in providing competitive advantage in the sector, quality of work was in first place, followed by organisational efficiency.

Geographical analysis

	No. businesses 2008	No. local units	% share of local units	No. local unit employees	% share of local unit employees	Rate of employment potential	% share of exports 2007	Density	Productive potential
Belluno	546	565	4.5	2,982	3.6	14.1	1.4	0.2	2.7
Padova	2,223	2,253	18.0	12,591	15.1	14.1	13.6	1.1	2.5
Rovigo	367	367	2.9	2,296	2.8	9.4	1.4	0.2	1.5
Treviso	2,814	2,935	23.4	31,854	38.3	37.5	51.3	1.2	3.5
Venezia	1,572	1,565	12.5	9,131	11.0	11.0	9.4	0.6	1.9
Verona	2,600	2,642	21.1	11,296	13.6	13.0	6.4	0.8	3.0
Vicenza	2,109	2,215	17.7	12,961	15.6	15.5	16.6	0.8	2.6
Veneto	12,231	12,542	100.0	83,111	100.0	17.5	100.0	0.7	2.6

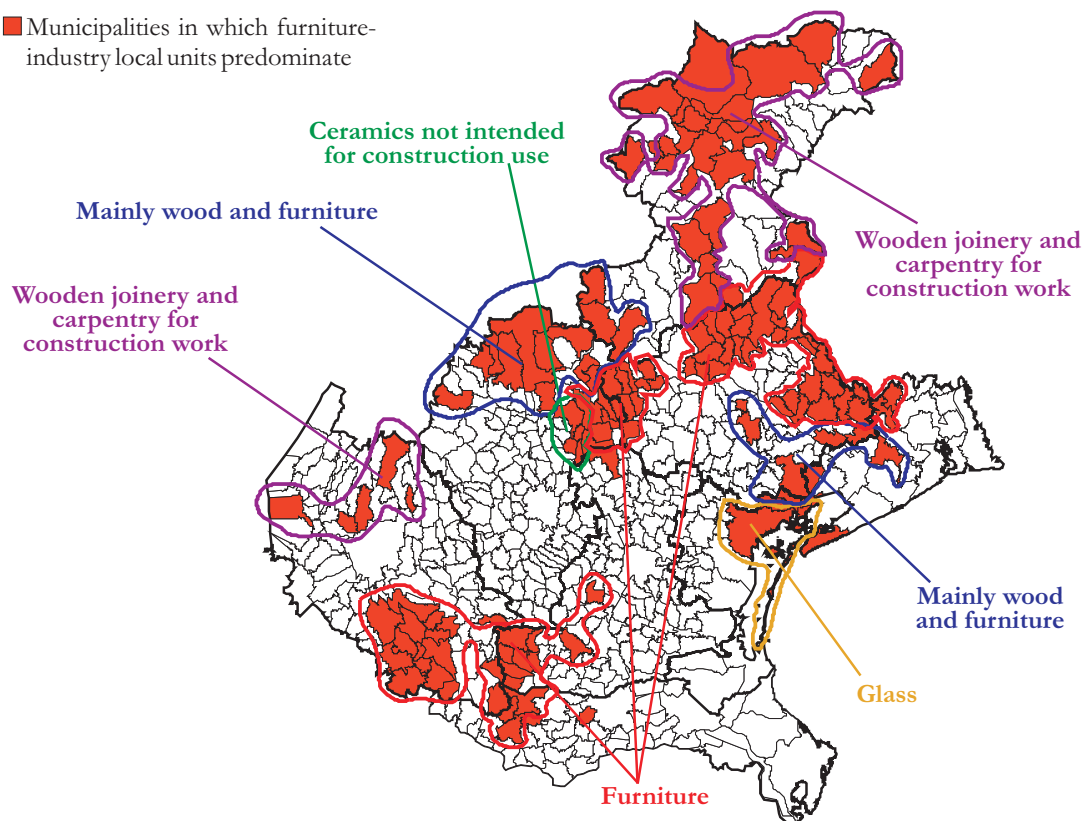
Rate of employment potential: No. local unit employees / Resident pop. x 100

Density No. local units / area in km²

Spare capacity No. local units / Resident pop. x 100

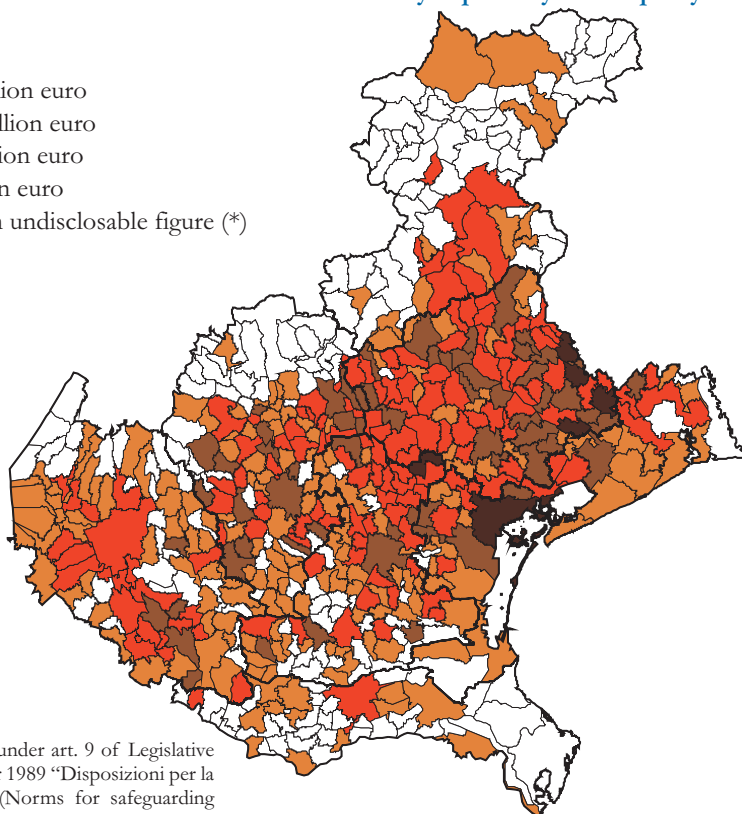
Cluster map of furniture industry by municipality

■ Municipalities in which furniture-industry local units predominate



The value of furniture-industry exports by municipality

- More than 50 million euro
- From 10 to 50 million euro
- From 1 to 10 million euro
- Less than 1 million euro
- No exporter or an undisclosable figure (*)



(*) Data may not be divulged under art. 9 of Legislative Decree no. 322 of 6 September 1989 "Disposizioni per la tutela del segreto statistico" (Norms for safeguarding

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Istat-Asia 2005 data

Geographical analysis shows a high level of specialisation in the furniture sector in the province of Treviso. This province vaunts the highest number of local units and of employees in this sector, also in relation to the number of residents, and it exports over 50% of Veneto furniture. The map of production clusters shows areas where local units for furniture production outnumber all the others. Results show it is a sector which is concentrated into a few large areas in Veneto; Belluno stands out for its areas specialising in joinery, as do Treviso and the lower halves of the provinces of Padova and Verona for their high numbers of furniture factories.

Cross-referencing a range of registers has allowed us to reconstruct a map of exporters shown according to their municipality. This map shows an intense level of exports mainly in the municipalities highlighted in the previous map, with the addition of Venezia, which produces and sells glass products to foreign markets.

In accordance with Regional Law no. 8 of 2002, Ufficio di Statistica della Regione Veneto gathers, analyses and disseminates statistical information for the region. The processed data herein is the patrimony of the entire region and is published in brochures and on the Regione Veneto website at www.regione.veneto.it/statistica.



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