

ITALIA

Italian Trade Commission

意大利对外贸易委员会  
政府机构



## FURNITURE MARKET IN CHINA

2011.08

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## 1. INTRODUCTION

### Objectives

The objective of this market briefing is to provide a general overview of Chinese furniture industry.

### Doing market research in China and Methodology

Generally speaking, conducting market research in China is different and significantly more challenging than it is in developed countries because of

- 1) The size and diversity of the country;
- 2) Lack of fully reliable centralized or official information databases;
- 3) The change is constant and extremely rapid – the whole China economic system is far from being in equilibrium

Therefore, our methodology leverages a combination of resources & activities such as secondary research in both Chinese and English, primary research and interviews with industry experts, as well as our collective China knowledge and industry expertise.

### Information Sources

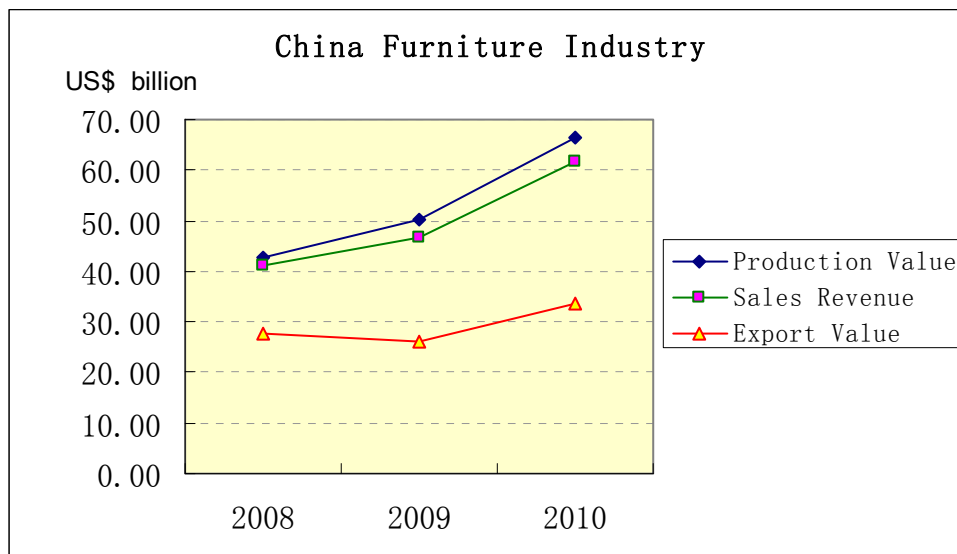
Key sources of information for this report include all background information, several secondary sources such as Association of China Furniture Industry, China Customs, and interviews with industry experts and proprietary databases.

In the report, sources are mentioned for chart, tables and key data. Secondary sources include dozens of Chinese and English sources (News reports, publications, trade journals, government statistics and bulletins, etc, as well as all companies' web sites, press release etc.).

## 2. INDUSTRY OVERVIEW

China's furniture industry has grown rapidly since China started its market-oriented economic reform and opening towards the outside world in 1978s.

According to the data from China National Furniture Association, the production value of China furniture industry in 2010 was US\$ 66.38 billion, increased 32.4% compared with year 2009. The total sales revenue for furniture manufacture industry was US\$ 61.58 billion, increased 31.85% compared with year 2009. As to the export value of China furniture industry, the total export value is US\$ 33.72 billion in 2010, increased 29.9% compared with year 2009.

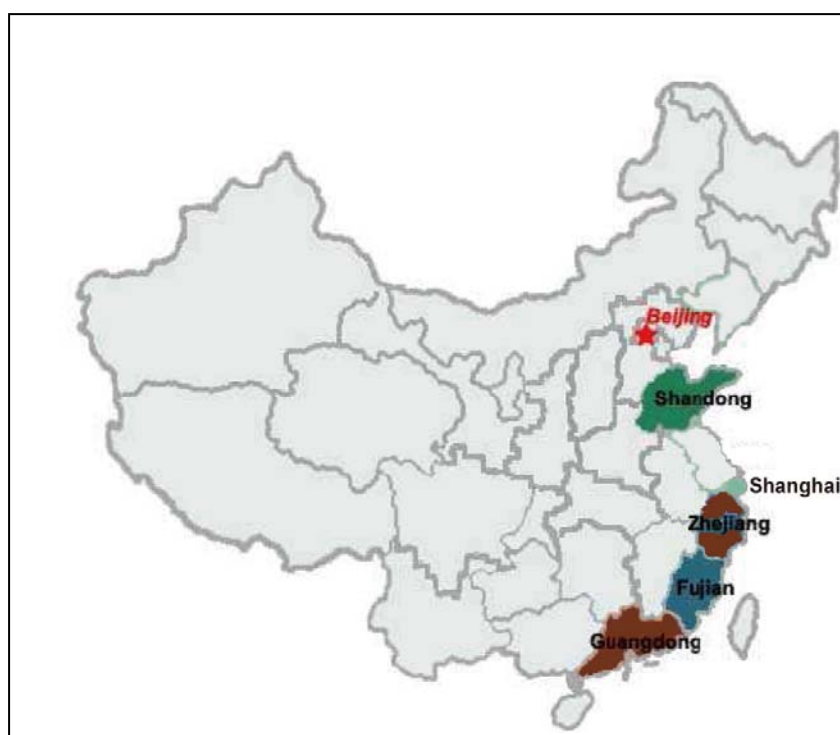


Source of data: China National Furniture Association

A wide of variety of raw materials are used in production, including wood, rattan, plastic and metal. Wooden furniture used to be the major production and exports of the industry, but recently it has been overtaken by metal furniture. In 2009, the total production for wooden furniture was 205 million pieces while the total production for metal furniture was 333.7 million pieces. The production of these two types of furniture account 88.6% of the total volume of furniture production, which was 608.1 million pieces in 2009.

### 3. INDUSTRY LANDSCAPE

Overall, the furniture industry in China is highly fragmented, with over 50,000 furniture manufacturers in total. These companies engage in a wide range of products including household, office and kitchen furniture, as well as mattresses, bedding and parts of furniture. The majority of them are small-medium sized producing simple and low value furniture or OEM orders. They are geographically centralized primarily in the East Coast provinces. In the terms of the number of furniture produced in 2010, the top five provinces were Zhejiang (187.43 million pieces), Guangdong (193.93 million pieces), Fujian (107.01 million pieces), Shandong (74.18 million pieces) and Shanghai (62.68 million pieces). All these five provinces are economically developed coastal areas in the country. In total, the furniture production by the five provinces account for about 81.16% of the national production. Guangdong has been the No. 1 in China in term of furniture manufacture for decades.



Source of data: China Furniture Association

## 4. IMPORT-EXPORT ANALYSIS

Since China entered the WTO for several years, and implemented the related regulations, China has replaced Italy as the largest furniture export country in the world. Obviously, it will incur more competition for furniture industry.

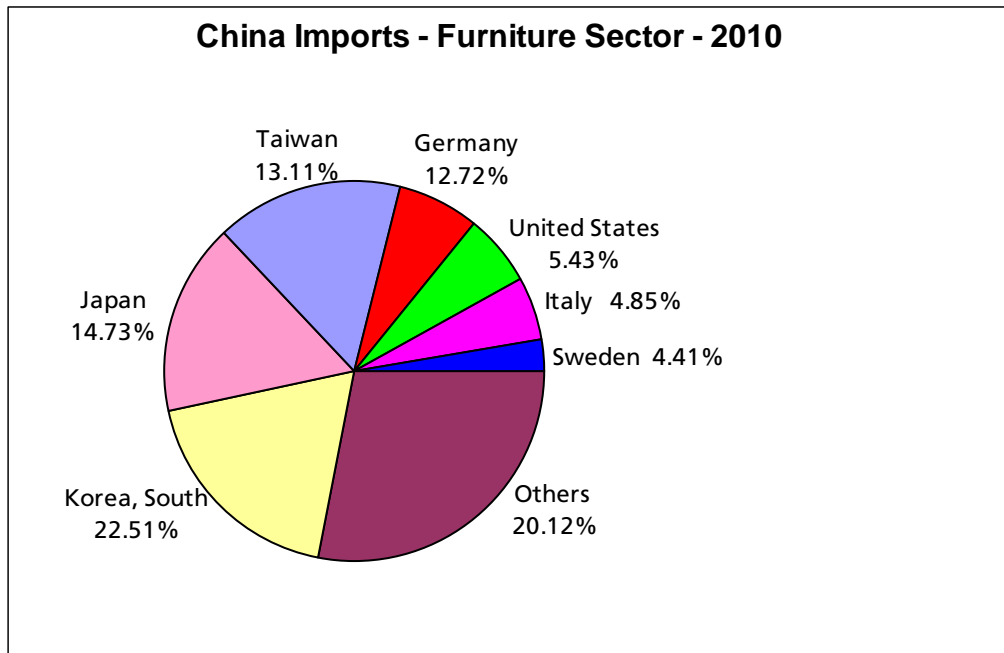
In the Chinese furniture market, the total value of importation was much smaller than the total value of exportation. The imported furniture products are mainly mid-high class furniture and special furniture whose price is triple or even higher compared with that of domestic furniture. For those foreign furniture companies want to enter the Chinese market, they must provide the good products satisfied by local customers, also with suitable price.

### 4.1 China Import

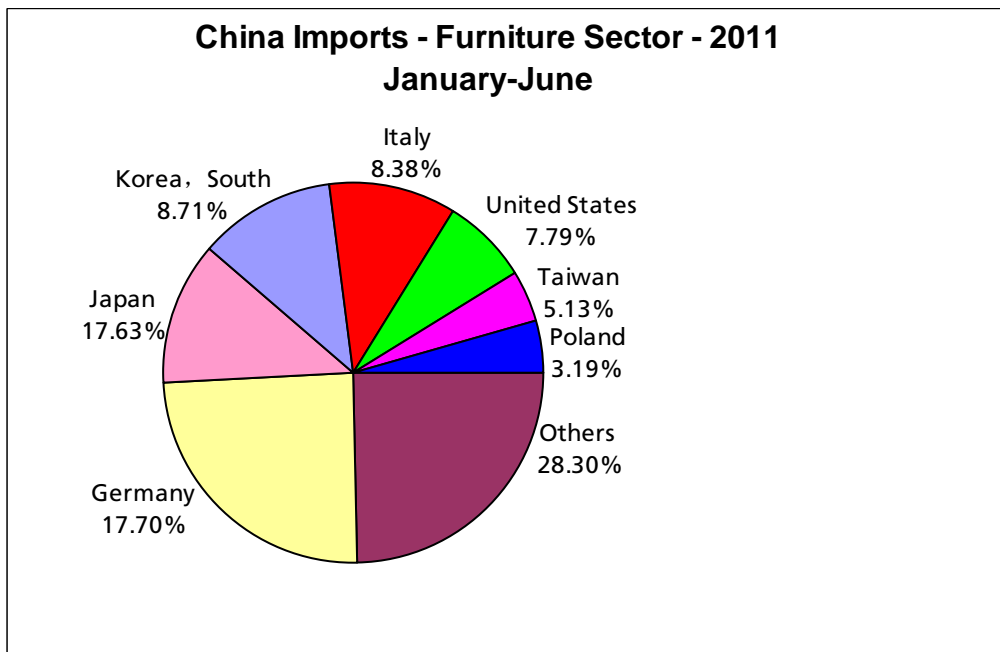
For the last decade, China witnessed a quick growth on furnishing importation. The total value of furnishing importation got an annual growth of 18.07% in 2008, up from US\$ 1.3 billion in 2007 to US\$ 1.53 billion.

When it came to 2009, the world financial crisis led to a significant decline in the world trade and economic activities. However, it seems that there is no influence to the Chinese furniture importation market. The total importation value in 2009 is USD 1.85 billion, with a year-on-year increase of 20.55%. And the total importation value in 2010 is USD 3.12 billion, with a year-on-year increase of 68.65%. In the first six months of 2011, the total importation value is USD 105.86 million.

Germany, Japan, United States, South Korea, Taiwan and Italy are the top six countries in the imported furniture market by importation value in the first decade of 21<sup>st</sup> century. Germany is always the first, followed by Japan, the total importation value from these two countries usually accounted over 1/3 of the total importation value.

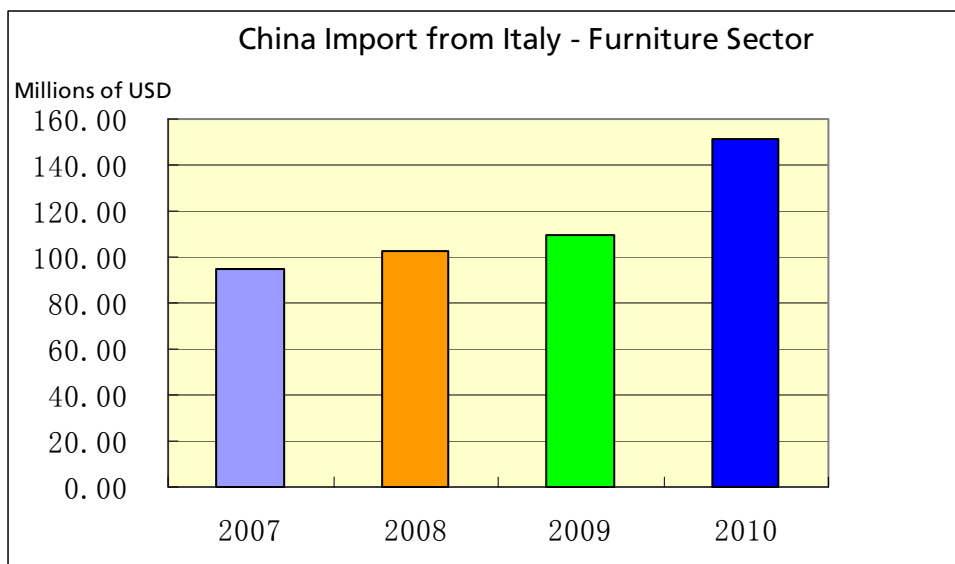


Source of data: China Customs



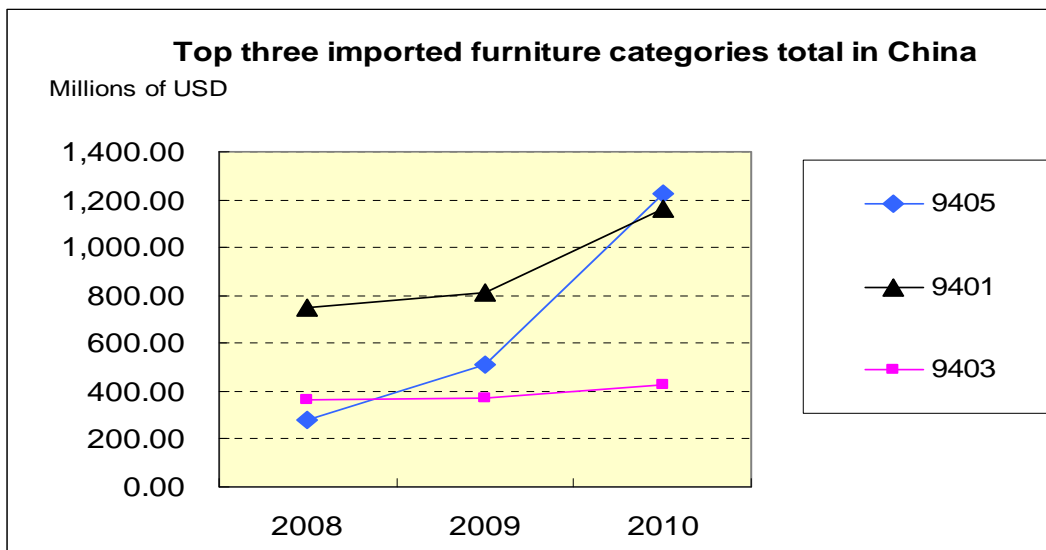
Source of data: China Customs

Italy is always one of the main players in the Chinese imported furniture market. In 2009, Italy was No.6, with the importation value of USD 109.32 million. In 2010, Italy was still No.6 in the Chinese imported furniture market with the importation value of USD 151.40 million, which increased by 38.49% compare to 2009. But the marketing share of Italian furniture dropped from 5.92% to 4.86%.

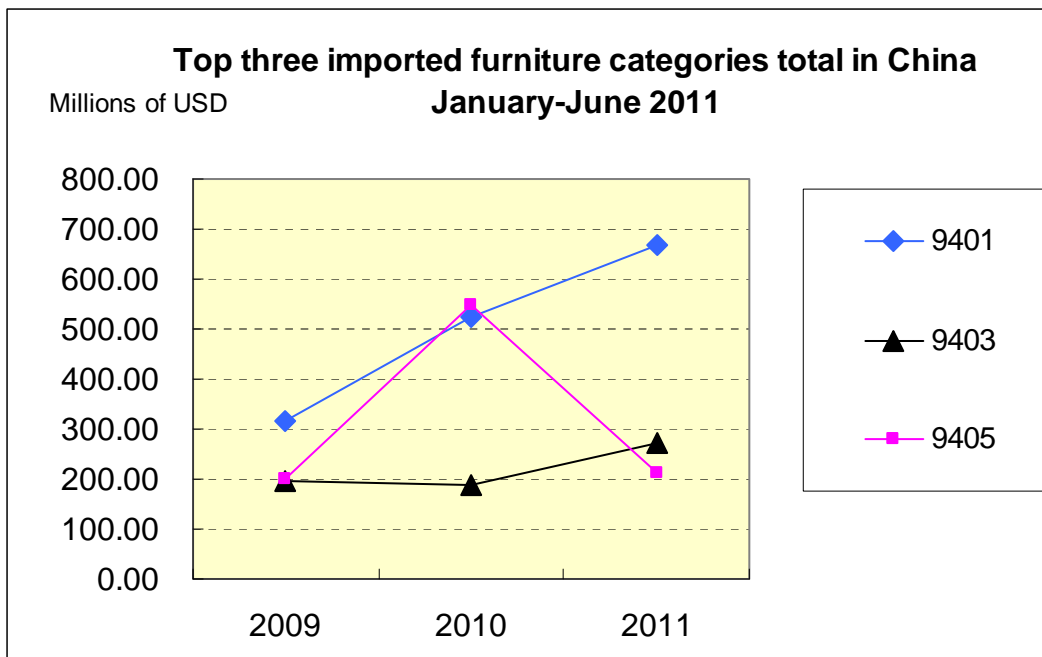


Source of data: China Customs

Regarding the importation value of different categories of furniture in the recent 3 years, the top three categories were always HS 9401 (Seats, other than those of HS 9402), HS 9403 (metal and wooden furniture used in the office, kitchen and bedroom) and HS 9405 (lamps, lighting and fitting). In 2010, the total importation value of these three categories accounted by 90.27% of total furniture importation in China, in which 39.37% by category HS 9405 with an amount of US\$ 1227.63 million, 37.22 % by category HS 9401 with an amount of US\$ 1160.56 million and 13.68% by category HS 9403 with an amount of US\$ 426.42 million respectively.



Source of data: China Customs

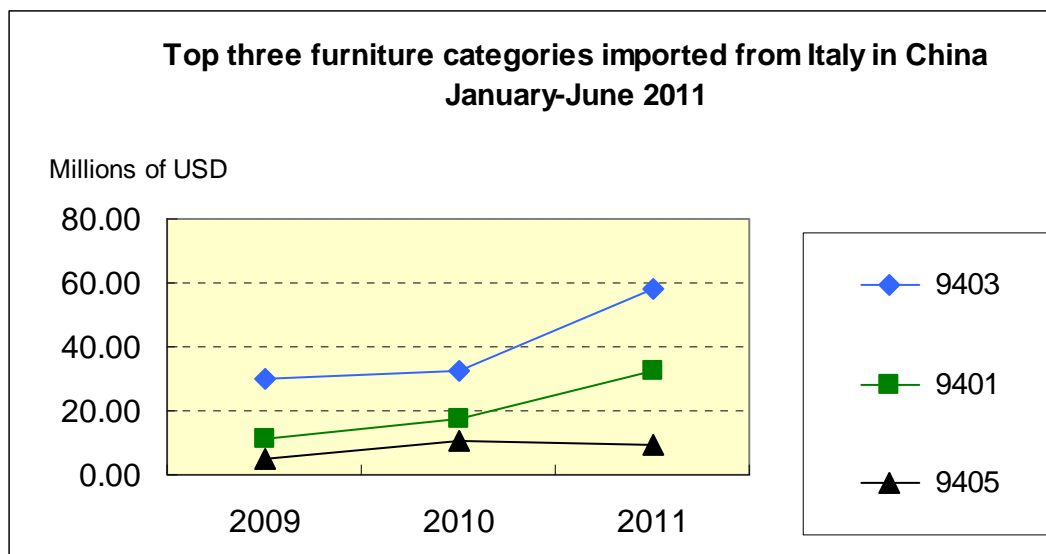


Source of data: China Customs

In the first six months of 2011, the total importation value of these three categories accounted by 91.16% of total furniture importation in China, in which 53% by category HS 9401 with an amount of US\$ 669.83 million, 21.51 % by category HS 9403 with an amount of US\$ 271.79 million and 16.65% by category HS 9405 with an amount of US\$ 210.35 million respectively.

<b>HS 9401</b>	Seats (Other than those of HS 9402), whether or not convertible into beds, and parts thereof
<b>HS 9402</b>	Medical, surgical, dental or veterinary furniture; barber's chairs and similar chairs; parts of the foregoing articles
<b>HS 9403</b>	Other furniture (metal and wooden furniture used in the office, kitchen and bedroom) and parts thereof
<b>HS 9404</b>	Mattress supports; articles of bedding and similar furnishing, whether or not covered
<b>HS 9405</b>	Lamps, lighting and fitting; illuminated signs, name-plates and the like
<b>HS 9406</b>	Prefabricated buildings

As to the imported furniture products from Italy, the top one category by importation value was always HS 9403 (metal and wooden furniture used in the office, kitchen and bedroom), followed by HS 9401 (Seats, other than those of HS 9402) and HS 9405 (lamps, lighting and fitting). In the first six months of 2011, the importation value of these 3 categories covered 94.31% of total importation value, in which 54.68% by category HS 9403 with an amount of US\$ 57.88 million, 30.86% by category HS 9401 with US\$ 32.67 million and 8.77% by category HS 9405 with US\$ 9.28 million respectively



Source of data: China Customs

<b>HS 9401</b>	Seats (Other than those of HS 9402), whether or not convertible into beds, and parts thereof
<b>HS 9402</b>	Medical, surgical, dental or veterinary furniture; barber's chairs and similar chairs; parts of the foregoing articles
<b>HS 9403</b>	Other furniture (metal and wooden furniture used in the office, kitchen and bedroom) and parts thereof
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<b>HS 9405</b>	Lamps, lighting and fitting; illuminated signs, name-plates and the like
<b>HS 9406</b>	Prefabricated buildings

For more detail information, please refer to APPENDIX 1: CHINA IMPORT

## 4.2 Chinese Export

OEM<sup>1</sup> orders currently account for more than 80% of China's furniture exports, and there are few well-known Chinese furniture brands. However, large Chinese manufacturers are moving towards higher value-added production and spending more on design and branding instead of focusing purely on price competition. This is especially to serve the export market as well as mid-high domestic market.

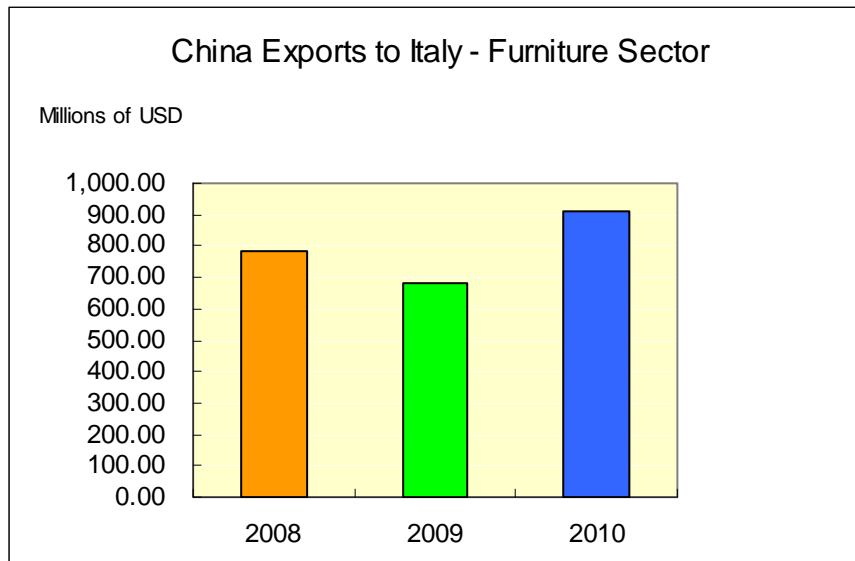
In 2010, Chinese furniture was exported to over 100 countries (regions), most of which are from Asia, North America and Europe. The top 5 exportation countries were: United States, Japan, United Kingdom, Germany and Canada.

The exportation value of Chinese furniture has grown rapidly in the first decade of 21<sup>st</sup> century. In 2008, it reached its peak point at US\$ 42.79 million. Yet, the total value of Chinese furniture export dropped to US\$ 38.96 million, fell by 8.95% in 2009 due to the world financial crisis compared with 2008. As the worldwide economic recovery proceeds in 2010, the global demand for furniture is growing rapidly. In 2010, the total exportation value of Chinese furniture accounts by US\$ 50.61 million, with a 29.91% increase compared with 2009.

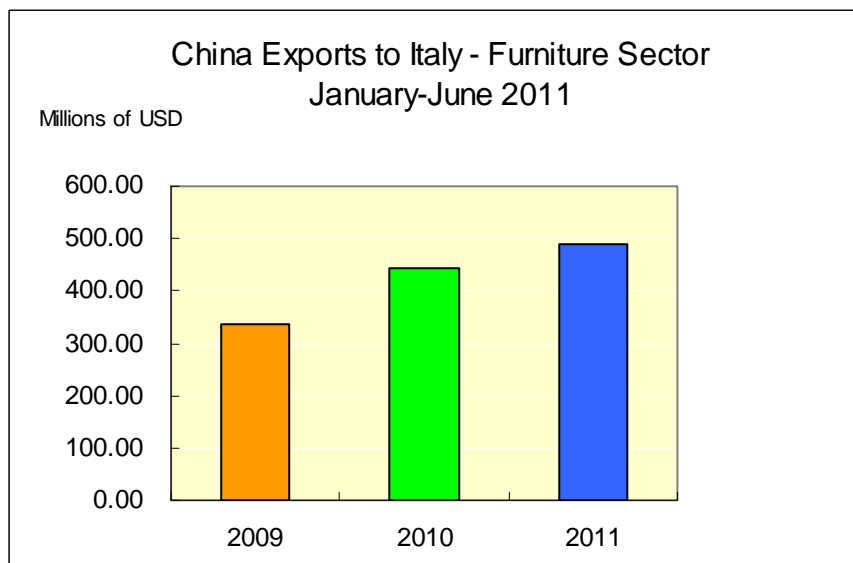
On the contrary to its important position in the imported furniture market, Italy was only the No. 21 among all the countries to which China exports its furniture product in 2009, accounted by US\$ 680.84 million. In 2010, however, there is significant increase on the Chinese furniture which rose up to No. 10 among all the countries to which China exports its furniture product with an exportation value of US\$ 910.07 million and with a 33.67% increase compared with 2009.

1 – OEM (Original Equipment Manufacturer)

An original equipment manufacturer manufactures products or components that are purchased by a company and retailed under the purchasing company's brand name. OEM refers to the company that originally manufactured the products.

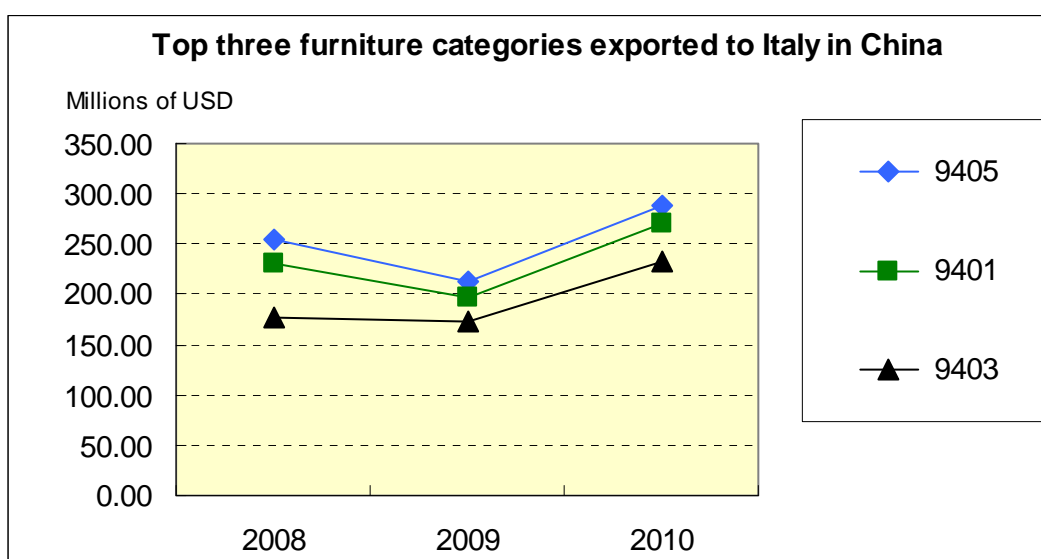


Source of data: China Customs



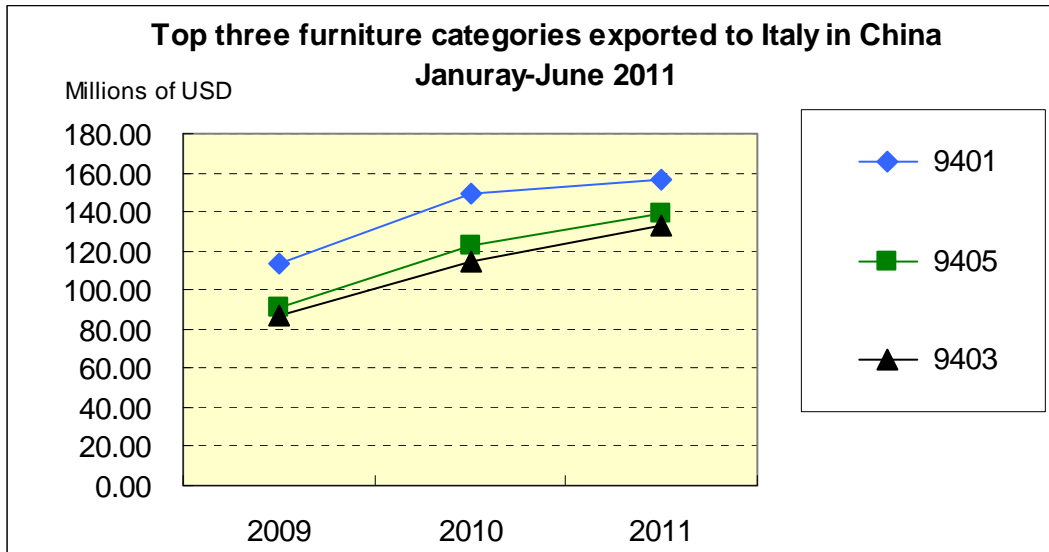
Source of data: China Customs

Regarding the exportation value of different categories of furniture to Italy in the recent 3 years, the top three categories were HS 9401, HS 9405 and HS 9403. In 2010, the total exportation value of these three categories accounted by 95.98% of the total furniture exportation value to Italy, in which 35.04% by category HS 9405 with an amount of US\$ 288.93 million, 32.70% by category HS 9401 with an amount of US\$ 269.64 million and 28.24% by category HS 9403 with an amount of US\$ 232.84 million respectively.



Source of data: China Customs

In the first six months of 2011, the total exportation value of these three categories accounted by 87.56% of the total furniture exportation value to Italy, in which 32.08% by category HS 9401 with an amount of US\$ 156.97 million, 28.38% by category HS 9405 with an amount of US\$ 138.86 million and 27.10% by category HS 9403 with an amount of US\$ 132.57 million respectively.



Source of data: China Customs

<b>HS 9401</b>	Seats (Other than those of HS 9402), whether or not convertible into beds, and parts thereof
<b>HS 9402</b>	Medical, surgical, dental or veterinary furniture; barber's chairs and similar chairs; parts pf the foregoing articles
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<b>HS 9406</b>	Prefabricated buildings

For more details, please read APPENDIX 2: CHINA EXPORT

## 5. Key Segments

### 5.1 Wooden Furniture

#### MARKET SIZE

China became the largest furniture exporter in the world in 2004, surpassing Italy. Wood furniture manufacturing is expected to make up the largest proportion of the Chinese furniture manufacturing sector in 2010 at around 54% of total furniture manufacturing revenue.

Industry profits are low, averaging a forecast 4.1% of industry revenue in 2010. This is due to low efficiency, high raw material costs, and weak pricing levels across this industry. However, as household disposable income levels in China continue to increase in the future, domestic demand will continue to increase, and manufacturers will be able to charge higher pricing levels for their products

This industry is expected to generate revenue of \$31.54 billion in 2010, up 9.7% from 2009 (constant 2010 dollars), with annualized increases of 20.3% in the past five years.

There are expected to be over 3,450 enterprises operating in this industry in 2010, up 1.6% from 2009. Over 582,000 people are forecast to be employed in the industry in 2010, with a payroll of \$2.56 billion.

The industry's exports are expected to amount to \$7.09 billion in 2010, up 3.6% from 2009. Exports are forecast to account for 22.5% of industry revenue in 2010, down from 23.8% in 2009, and down from a peak of 54.4% in 2002. Competing import levels are low in this industry, accounting for an estimated of 1% of domestic demand in 2010.

#### DEMAND DETERMINANTS

The major demand factors for products from the Wood furniture Manufacturing Industry in China include economic growth, the price of substitute products, disposable incomes, increased average per-capita living

spaces, deployment of the real estate sector, population growth, change in age composition of the population, and regular furniture trade events.

In recent years, China's economy has grown rapidly, and the higher level of household disposable income has increased consumer purchasing power. This has led to more demand for products supplied by this industry.

As prices of substitute furniture products manufactured from plastic, metal and glass decrease due to lower costs and greater output levels, demand for wood furniture decreases.

With more disposable income, most people have more income to spend on furniture. In 2007, total furniture expenditure per household was about \$60, rising four-fold since 2000. This figure is expected to continue to increase in future years.

As living standards improve, people will often place a higher priority on the interior design of their home. In 1994 the average per capital living area for urban residents was only 15.7 square meters; in 2005 this figure had increased to 25 square meters, up 59%. Improved living conditions allow and stimulate people to purchase more products supplied by this industry.

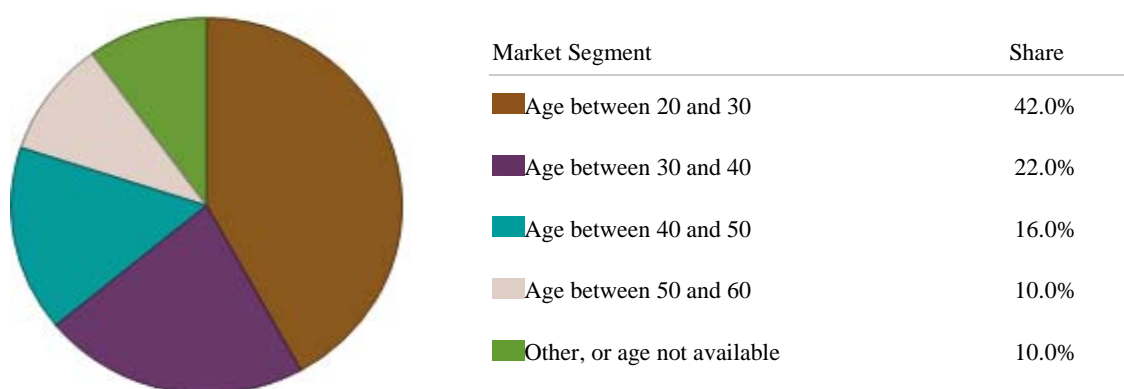
Many buildings under construction mean greater demand for furniture products. More offices and public buildings, particularly in large cities such as Shanghai, Beijing and Guangzhou, have been built. In addition with the development of the tourism sector, there have been more furniture requirements for hotels.

China's population in 2009 was estimated to be slightly over 1.33 billion. This is a large market for furniture manufacturing operators. Over the next decade, the population is expected to increase by around 1% annually, reaching 1.42 billion by 2016. The size increase in the population will contribute to more demand for products supplied by this industry.

According to an industry survey for furniture customers, those aged 20 to 30 accounted for 42% of the market; those aged 31 to 40 accounted for 22%; those aged 40 to 50 accounted for 16%; and those aged 50 to 60 accounted for 10%. Therefore, young people made up the majority of the industry's final customers. It is expected that the number of young adults (20 to 34 years) will

increase by 77 million between 2005 and 2015. The change in age composition of the population will bring in more opportunities for this industry.

The organization of regular furniture exhibitions also plays an important part in promoting the industry. These exhibitions bring in the most fashionable furniture from other countries to meet the demand of those who desire imported furniture, as well as stimulating the development of new furniture products at home. Trade fairs are also helpful in establishing brand names, promoting exports and forging international partnerships.



## Key Statistics

### CONSTANT PRICES

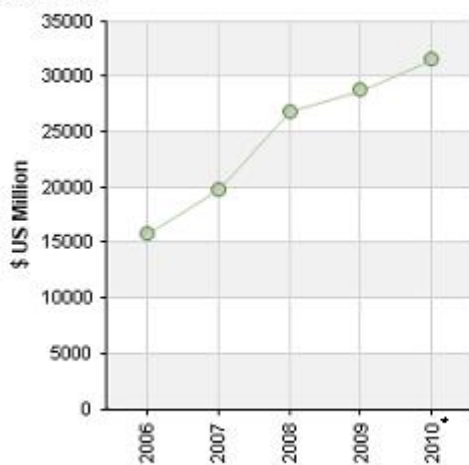
	2006	2007	2008	2009	2010	Unit
Industry Revenue	*15,832.7	*19,818.1	*26,875.1	*28,751.7	*31,536.3	\$US Mill
Industry Gross Product	*4,580.4	*5,870.4	*7,368.8	*7,836.4	*8,352.6	\$US Mill
Number of Establishments	*2,590	*2,856	*3,567	*3,743	*3,901	Units
Number of Enterprises	*2,254	*2,553	*3,371	*3,395	*3,451	Units
Employment	*507,565	*551,204	*629,100	*571,817	*582,557	Units
Exports	*7,341.1	*7,895.6	*7,568.8	*6,839.1	*7,085.3	\$US Mill
Imports	*115.7	*205.7	*265.9	*242.4	*248.8	\$US Mill
Total Wages	*1,224.6	*1,344.3	*2,277.4	*2,432.9	*2,557.5	\$US Mill
Total Assets	*11,862.4	*13,035.8	*18,370.8	*19,498.5	*20,567.9	\$US Mill
Domestic Demand	*8,607.3	*12,128.2	*19,572.2	*22,155.0	*24,699.8	\$US Mill
Output of Wood Furniture	*150.7	*174.7	*189.5	*205.0	*232.7	Million Units

## CURRENT PRICES

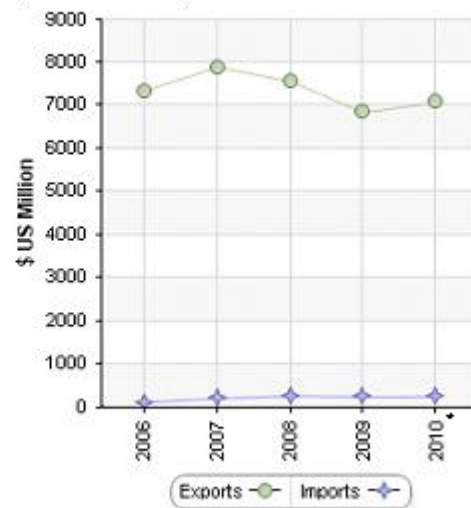
	2006	2007	2008	2009	2010	Unit
Industry Revenue	*12,408.3	*16,688.8	*24,261.1	*27,252.8	*31,536.3	\$US Mill
Industry Gross Product	*3,589.7	*4,943.5	*6,652.1	*7,427.9	*8,352.6	\$US Mill
Number of Establishments	*2,590	*2,856	*3,567	*3,743	*3,901	Units
Number of Enterprises	*2,254	*2,553	*3,371	*3,395	*3,451	Units
Employment	*507,565	*551,204	*629,100	*571,817	*582,557	Units
Exports	*5,753.3	*6,648.9	*6,832.6	*6,482.6	*7,085.3	\$US Mill
Imports	*90.7	*173.2	*240.0	*229.8	*248.8	\$US Mill
Total Wages	*959.7	*1,132.0	*2,055.9	*2,306.1	*2,557.5	\$US Mill
Total Assets	*9,296.7	*10,977.5	*16,584.0	*18,482.0	*20,567.9	\$US Mill
Domestic Demand	*6,745.7	*10,213.1	*17,668.5	*21,000.0	*24,699.8	\$US Mill
Output of Wood Furniture	*150.7	*174.7	*189.5	*205.0	*232.7	Million Units

## GRAPHS

Revenue



Imports and Exports



Note: Unless specified, an asterisk (\*) associated with a number in a table indicates an IBIS World estimate and references to dollars are to US dollars.

## 5.2 Metal Furniture

### MARKET SIZE

The Metal Furniture Manufacturing Industry in China has developed rapidly in recent years. In the five years to 2010, industry revenue and value added are forecast to increase at annualized growth rates of 12.5% and 11.3%, respectively.

However, industry revenue decreased in 2009 due to the negative influences of global financial crisis and weaker household and commercial spending levels. In 2010, industry revenue is forecast to total \$11.95 billion with the recovery of China's economy.

Growth has been driven by strong domestic and foreign demand, with exports increasing rapidly in the first few years of the current performance period. Exports accounted for 36.9% of industry revenue in 2008, peaking at \$4.53 billion for the year. However, exports slumped 26% in 2009, accounting for 29% of industry revenue. Exports are forecast to remain flat in 2010.

Competing imports have only made up less than 1% of domestic demand in recent years.

In 2011, with an expected return to export growth and strong domestic demand, industry revenue is forecast to increase by 10% to \$13.15 billion for the year.

### DEMAND DETERMINANTS

Metal Furniture Manufacturing Industry attributes its development to economic growth to large extent. In recent years, China's economy has grown rapidly, resulting in a higher level of household disposable income that increased consumer purchasing power. This leads to greater demand for many consumer products and services, including products supplied by this industry.

Disposable income also works as a demand determinant for metal furniture. With greater disposable income levels, people have more income to spend on furniture. In 2009, total annual furniture expenditure per household was about

\$60, up four times from 2000. This figure is expected to continue to increase at a rapid rate in the future.

Rapid development of the real estate sector also contributes to the development of this industry. The construction of many residential and commercial buildings means greater demand for furniture products. A large number of offices and public buildings, particularly in large cities such as Shanghai, Beijing and Guangzhou, have been built in recent years. In addition, with the development of tourism industries, there will be more furniture required for hotels.

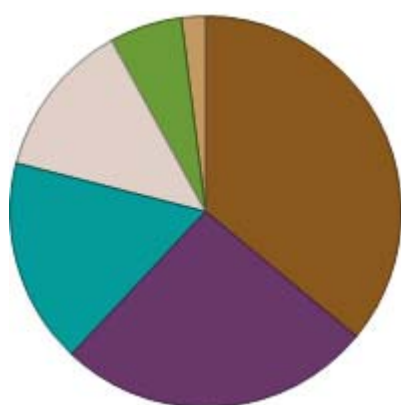
The development of Metal Furniture Manufacturing Industry in China is also subjected to the average per capita living space. Generally, when a person's living standard improves, they will place a higher priority on the interior design of their home. In 1994, the average per capita living area for urban residents was just 15.7 square meters. In 2008, this figure had increased to 28 square meters, up 78.3%. The increased per capita living space and improved living conditions allow and stimulate people to purchase more products supplied by this industry.

Consumers' demand for furniture is influenced by the produce of the products. Although wood furniture still dominates the furniture market, the increasing price of timber and wood products has a positive impact on metal furniture demand. In contrast, metal furniture is typically less expensive than wood furniture. In addition, with design and color improvements of metal furniture, demand for these products is on the rise.

China's growing population will drive larger demand for the products within this industry. China's population in 2008 was almost 1.33 billion people, which is a large market for furniture manufacturing operators to supply. Over the next decade, China's population is expected to increase at around 1% annually, reaching 1.4 billion by 2015. This future increase in population will continue to contribute to higher demand for products supplied by this industry.

The development of Metal Furniture Manufacturing Industry in China is also sensitive to some regular furniture trade events. The organization of regular furniture exhibitions also plays an important part in promoting the industry. These display the most fashionable furniture from other countries to meet the

demand of those who desire imported furniture. Exhibitions also stimulate the development of new furniture products from China. Trade fairs are also helpful in establishing brand names, promoting exports, and forging international co-operation.



Market Segment	Share
Warehouse clubs and mass merchandisers	36.0%
Independent retailers	26.0%
Direct sales	17.0%
Franchised stores	13.0%
Department stores	6.0%
Supermarkets	2.0%

## Key Statistics

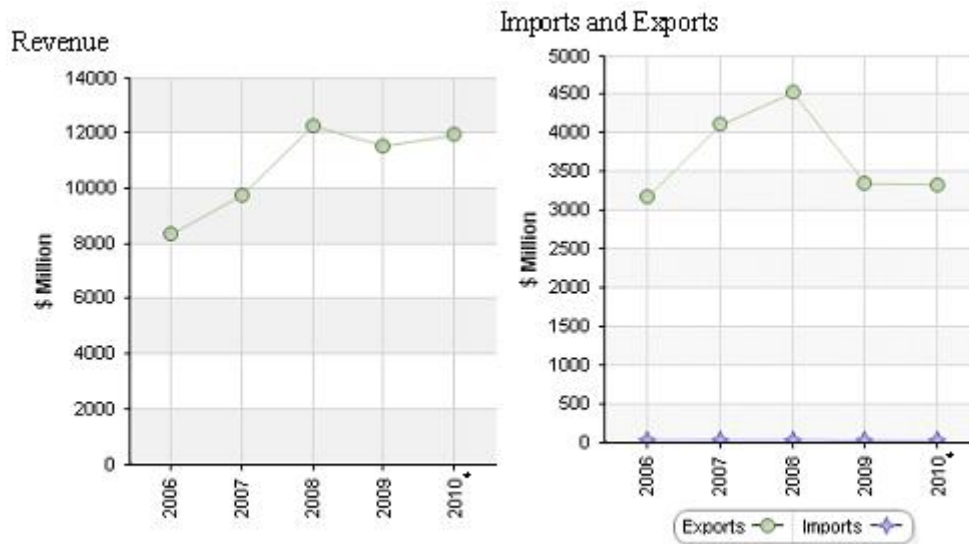
### CONSTANT PRICES

	2006	2007	2008	2009	2010	
Industry Revenue	*8,355.4	*9,775.8	*12,285.7	*11,553.9	*11,950.5	\$Mill
Industry Gross Product	*1,430.4	*1,613.4	*1,919.3	*1,879.5	*1,909.3	\$Mill
Number of Establishments	*2,014	*2,195	*2,327	*2,406	*2,456	Units
Number of Enterprises	*759	*900	*1,138	*1,113	*1,098	Units
Employment	*192,648	*222,137	*239,211	*207,390	*206,160	Units
Exports	*3,172.6	*4,108.1	*4,530.8	*3,354.2	*3,338.2	\$Mill
Imports	*33.2	*36.0	*36.6	*30.7	*30.2	\$Mill
Total Wages	*526.5	*598.6	*920.3	*807.2	*837.6	\$Mill
Total Assets	*4,976.2	*5,643.6	*7,229.0	*7,845.6	*8,513.9	\$Mill
Domestic Demand	*5,216.0	*5,703.7	*7,791.5	*8,230.4	*8,642.5	\$Mill
Production	*230.0	*256.7	*264.4	*364.0	*369.8	Mill Units

## CURRENT PRICES

	2006	2007	2008	2009	2010	
Industry Revenue	*6,548.2	*8,232.2	*11,090.7	*10,951.6	*11,950.5	\$Mill
Industry Gross Product	*1,121.0	*1,358.6	*1,732.6	*1,781.5	*1,909.3	\$Mill
Number of Establishments	*2,014	*2,195	*2,327	*2,406	*2,456	Units
Number of Enterprises	*759	*900	*1,138	*1,113	*1,098	Units
Employment	*192,648	*222,137	*239,211	*207,390	*206,160	Units
Exports	*2,486.4	*3,459.4	*4,090.1	*3,179.3	*3,338.2	\$Mill
Imports	*26.0	*30.3	*33.0	*29.1	*30.2	\$Mill
Total Wages	*412.6	*504.1	*830.8	*765.1	*837.6	\$Mill
Total Assets	*3,899.9	*4,752.5	*6,525.9	*7,436.6	*8,513.9	\$Mill
Domestic Demand	*4,087.8	*4,803.1	*7,033.6	*7,801.4	*8,642.5	\$Mill
Production	*230.0	*256.7	*264.4	*364.0	*369.8	Mill Units

## GRAPHS



Note: Unless specified, an asterisk (\*) associated with a number in a table indicates an IBIS World estimate and references to dollars are to US dollars.

## 6. DISTRIBUTION SYSTEM

On the retail side, chain stores and supermarkets are the most popular sales channels in China. Imported furniture is mainly sold in specialty stores and high-class furniture shopping malls. In these matured markets, buyers increasingly source furniture directly from manufacturers, while some still purchase through agents and distributors. Specialised furniture districts are popular on the Chinese mainland for both retail and wholesale business. Shanghai and Beijing have been the important sales places for all furniture companies.

Many manufacturers produce on an OEM<sup>1</sup>/ODM<sup>2</sup> basis for major foreign brands. Some establish their own retail outlets particularly on the mainland and hold subsidiaries, branch offices and showrooms in major Chinese cities to facilitate domestic sales.

Low to medium-end products are often sold in furniture hypermarkets. For instance, Xianghe Furniture Market, about 100 km away from central Beijing, is the third largest furniture market in China. With a sales area of nearly 500,000 square meters, it mainly sells low to medium-end products at 20-30% lower prices than Beijing. For mass production products such as garden chairs, folding chairs, shoes racks and mattress, Chinese manufacturers of such products heavily rely on their own sales or marketing departments to sell directly to the hypermarkets. Many factories are built near the hypermarkets in order to reduce costs.

Manufacturers specialised in the production of replicas of Chinese antique furniture rely on their established network with overseas agents, wholesalers and retailers, such as furniture specialty shops run by overseas Chinese in the US, EU, Canada and other major markets. In order to meet the taste of the local shoppers, some overseas retailers design their "modified Chinese furniture" and engage agents for production in the mainland.

1 – OEM (Original Equipment Manufacturer)

2 – ODM (Original Design Manufacturer)

An ODM is a company which designs and manufactures a product which is specified and eventually branded by another firm for sale.

## 7. CONSIDERATIONS FOR ITALIAN PLAYERS

Nowadays, most Italian furniture now is sold in specialty stores or showrooms through the local distributors or agents to distinguish with the domestic products in China. They mainly focus on high-end customers.

On one hand, the high-class furniture from Italy is easy to find its market in China since high quality and design furnishing products are quite popular among the rich people in China; On the other hand, the mid-low class Italian furnishing products are very hard to enter China market since they aren't not competitive compared with mid-high class local products on price.

### Key potential opportunities

- Growth of China's high-end furniture market

China's overall luxury market including luxury furniture has grown at more than 30% annually in the last decade. At present, the key consumer market for high-end imported furniture is in Tier 1 cities of Shanghai and Beijing, and a few wealthy Tier 2 cities along the east coast of China such as Shenzhen, Wenzhou and Hangzhou, etc.

- High regard for "made in Italy" and Italian brands

Italian furniture is well-known for its creative design, good quality and perfect hand-made job. Consumers also generally perceive Italian brands as symbols of status and wealth

### Key potential barriers

- Price remains a key barrier for imported Italian furniture, although the high-end market is growing
- High cost of transportation and long time of delivery
- Long-term investment return

There also one more potential risk for the Italian companies - copy. Once their brands are successful in China market, then they would possibly face the problem that their furniture design could be copied by local small and medium manufacturers.

Considering the market situation, it is better to find suitable Chinese partners to enter Chinese market for Italian furniture manufacturers. For those who have already entered the China furniture market, they should put more effort on the environment of their local showrooms and try to build an atmosphere of Italian culture. This will help to give a strong impression to the consumers and make Italian furniture different.

## 8. REGULATIONS AND TAXATION

### Government Policies and Regulations

Foreign merchants must pay attention to the Chinese furniture industry standards when entering China market. Imported furniture products need to comply with certain safety and quality requirements. Compulsory standards by national begin with GB and Compulsory standards by China Light industrial Products and Art-Crafts Enterprises begin with QB. In addition, government also encourage to adopt recommendatory standards which start with 'T'.

Please check the following table for the related standards specify the product classification, technical requirement, test methods, inspection rules, marking issues and so on.

The No. of Standard	Name of Standard
GB/T 3324-1995	Wooden furniture -- General technical requirements
GB/T 3325-1995	Metal furniture -- General technical requirements
GB/T 3326-1997	Furniture -- Main sizes of tables and seats
GB/T 3327-1997	Furniture -- Main sizes of cabinets
GB/T 3328-1997	Furniture -- Main sizes of beds
QB/T 1951.1—1994	Wooden furniture -- Quality inspection and certification
QB/T 1951.2—1994	Metal furniture -- Quality inspection and certification
QB/T 3661.1—1999	Soft furniture -- Sofa
QB/T 3661.2—1999	Soft furniture -- Mattress
QB/T 2280—1996	Swivel chair
QB/T 3644—1999	Painted furniture
GB/T 4893.1 ~ GB/T 4893.9	Furniture -- Assessment of surface criteria

## Taxation

Standard taxes applicable to most industries in China include:

### City Maintenance and Construction Tax

City maintenance and construction tax is levied at different rates based on different locations of the enterprises. An enterprise in urban areas is required pay the tax of 7% of its real value added tax amount. If it is located in rural areas, the rate is only 1%. Enterprises in counties and prefectures are required to pay the tax at 5%.

### Educational Surcharge

Educational surcharge applies to all domestic enterprises, which are required to pay the surcharge of 3% of their real value added tax amount. Foreign-funded enterprises are exempt of educational surcharge.

### Value Added Tax

In China, the value added tax (VAT) rate for goods and services is 17%.

### Corporate Income Tax

The Corporate Income Tax Law of the People's Republic of China was implemented from January 1, 2008. It unifies the previously different income tax policies for foreign and domestic enterprises.

Within the new system, income taxes will be levied on both domestic and foreign enterprises at a rate of 25%, with favorable tax rates applicable to high-technology enterprises (15%) and small-size domestic enterprises (20%).

## 9. CONCLUSIONS AND RECOMMENDATIONS

In China, the industry is still lagged behind of western country in term of scale of production and caliber of employee, especially the supplier chain even if through these years of development and probably the thorough privatization. In addition, China still lacks for specialized manufacturers and skillful workers for specialized products.

The total importation value of Italian furniture in China market is stable in 2009 despite the world financial crisis. In the first half year of 2010, there is a significant increase on the total importation of Italian furniture compare to the same period of 2009. Yet the marketing share of Italian furniture dropped from 6.07% to 4.91% in the same period.

In China market, it would be good advantages for Italian companies on their world class of design, high level of manufacture technique, and advanced equipments. But every coin has its two sides, high cost per head, high freight fee, high selling costs and appreciation of currency will still be disadvantage for Italian manufacture in foreseeing future.

The point is how Italian enterprises fully use their comparative advantage and minimize their disadvantage. Also they need to balance the market niche promotion with cost effective strategy.

For the Italian furniture merchant, they still continue focus on high-class furniture market since these Italian furniture brands always have a good image as high quality, world-class design and eternity. Their products are welcomed by high-end customers in China.

For the Italian furniture manufactures, they should start looking for cooperation with local companies in term of jointly set-up factories, corporation joint venture or work as component supplies. This would help them to counter the challenge and risk facing in Chinese market.

## APPENDIX

### Appendix 1: *China Import*

#### 94 – FURNITURE AND BEDDING By Country 2010

Millions of US Dollars

Rank	Country	2008	2009	2010	2008	2009	2010	- 10/09 -
		Millions of US Dollars			% Share			% Change
0	-- World --	1,533.06	1,848.06	3,118.05	100.00	100.00	100.00	68.72
1	Korea, South	113.71	319.55	701.78	7.42	17.29	22.51	119.62
2	Japan	236.27	308.34	459.18	15.41	16.69	14.73	48.92
3	Taiwan	95.67	136.97	408.66	6.24	7.41	13.11	198.36
4	Germany	309.18	332.08	396.63	20.17	17.97	12.72	19.44
5	United States	134.90	111.69	169.34	8.80	6.04	5.43	51.62
<b>6</b>	<b>Italy</b>	<b>102.73</b>	<b>109.32</b>	<b>151.40</b>	<b>6.70</b>	<b>5.92</b>	<b>4.86</b>	<b>38.49</b>
7	Sweden	29.24	26.42	137.47	1.91	1.43	4.41	420.30
8	Vietnam	40.60	57.94	65.89	2.65	3.14	2.11	13.72
9	Poland	69.87	48.37	56.94	4.56	2.62	1.83	17.73
10	France	40.15	34.59	45.74	2.62	1.87	1.47	32.25
11	Czech Republic	9.27	19.40	29.25	0.60	1.05	0.94	50.75
12	United Kingdom	66.50	34.27	25.86	4.34	1.86	0.83	<b>-24.54</b>
13	Malaysia	11.71	10.29	23.27	0.76	0.56	0.75	126.11
14	Indonesia	9.24	15.03	22.81	0.60	0.81	0.73	51.74
15	Thailand	7.20	11.69	17.61	0.47	0.63	0.57	50.61
16	Austria	12.83	24.36	16.96	0.84	1.32	0.54	<b>-30.38</b>
17	Spain	10.22	9.56	16.22	0.67	0.52	0.52	69.74
18	Canada	13.48	9.44	14.79	0.88	0.51	0.47	56.59
19	Philippines	8.88	9.42	14.77	0.58	0.51	0.47	56.78
20	Hungary	3.36	8.26	13.14	0.22	0.45	0.42	59.08

Source of data: China Customs

## 94 – FURNITURE AND BEDDING

## By Country

January-June 2011

Millions of US Dollars

Rank	Country	2009	2010	2011	2009	2010	2011	- 11/10 -
		Millions of US Dollars			% Share			% Change
0	-- World --	775.65	1,330.21	1,263.79	100.00	100.00	100.00	-4.99
1	Germany	144.16	175.41	223.65	18.59	13.19	17.70	27.50
2	Japan	113.51	204.49	222.83	14.63	15.37	17.63	8.97
3	Korea, South	126.63	346.95	110.01	16.33	26.08	8.71	-68.29
4	<b>Italy</b>	<b>48.26</b>	<b>65.40</b>	<b>105.86</b>	<b>6.22</b>	<b>4.92</b>	<b>8.38</b>	<b>61.88</b>
5	United States	50.11	74.25	98.49	6.46	5.58	7.79	32.63
6	Taiwan	54.66	149.24	64.85	7.05	11.22	5.13	-56.55
7	Poland	24.60	27.71	40.30	3.17	2.08	3.19	45.43
8	Vietnam	22.33	28.66	40.07	2.88	2.16	3.17	39.79
9	France	14.60	20.20	33.25	1.88	1.52	2.63	64.59
10	Czech Republic	6.75	13.48	19.99	0.87	1.01	1.58	48.28
11	United Kingdom	17.86	12.98	18.72	2.30	0.98	1.48	44.29
12	Sweden	10.85	11.21	17.07	1.40	0.84	1.35	52.20
13	Malaysia	4.95	8.17	15.70	0.64	0.61	1.24	92.18
14	Thailand	5.74	8.21	13.65	0.74	0.62	1.08	66.39
15	Hungary	3.39	4.60	11.68	0.44	0.35	0.92	153.69
16	Indonesia	4.73	8.68	10.27	0.61	0.65	0.81	18.38
17	Austria	15.52	6.36	10.01	2.00	0.48	0.79	57.39
18	Mexico	2.53	5.21	9.38	0.33	0.39	0.74	80.11
19	Spain	4.16	4.81	9.03	0.54	0.36	0.71	87.83
20	Portugal	0.67	5.47	8.83	0.09	0.41	0.70	61.64

Source of data: China Customs

### China Import by products 2008 – 2010

Millions of US Dollars

HS	Description	2008	2009	2010	2008	2009	2010	10/09
		Millions of US Dollars			% Share			% Change
	<b>World</b>	<b>1,131,468.69</b>	<b>1,003,892.75</b>	<b>1,393,909.27</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>38.85</b>
94	Furniture And Bedding	1,533.06	1,848.06	3,118.05	0.14	0.18	0.22	68.72
9405	Lamps,Lightng,Fitting	277.25	511.21	1,227.63	18.09	27.66	39.37	140.14
9401	Seat (Not Dental,Etc)	751.66	809.16	1,160.56	49.03	43.78	37.22	43.43
9403	Other Furnit,Not Seat	365.12	369.96	426.42	23.82	20.02	13.68	15.26
9406	Prefabricated Buildng	31.30	45.23	162.18	2.04	2.45	5.20	258.56
9402	Med/Surg/Den/Vet/Etc.	65.60	68.04	88.07	4.28	3.68	2.83	29.44
9404	Articles Of Bedding	42.11	44.45	53.20	2.75	2.41	1.71	19.68

Source of data: China Customs

### China Import from Italy 2008 – 2010

Millions of US Dollars

HS	Description	2008	2009	2010	2008	2009	2010	10/09
					% Share			% Change
	<b>Italy</b>	<b>11,657.47</b>	<b>11,026.60</b>	<b>13,993.69</b>	<b>1.03</b>	<b>1.10</b>	<b>1.00</b>	<b>26.91</b>
94	Furniture And Bedding	102.73	109.32	151.40	6.70	5.92	4.86	38.49
9403	Other Furnit,Not Seat	45.24	59.27	75.17	12.39	16.02	49.65	26.83
9401	Seat (Not Dental,Etc)	31.10	25.99	44.52	4.14	3.21	29.40	71.30
9405	Lamps,Lightng,Fitting	19.88	16.27	22.22	7.17	3.18	14.68	36.60
9404	Articles Of Bedding	2.60	3.17	5.90	6.18	7.13	3.90	86.21
9406	Prefabricated Buildng	0.69	2.23	2.23	2.22	4.93	1.48	0.10
9402	Med/Surg/Den/Vet/Etc.	3.21	2.40	1.36	4.90	3.52	0.90	-43.21

Source of data: China Customs

**China Import by product  
January-June**

Millions of US Dollars

HS	Description	2009	2010	2011	2009	2010	2011	- 11/10 -
		Millions of US Dollars			% Share			% Change
	-- World --	424,472.17	649,406.40	828,478.98	100.00	100.00	100.00	27.57
94	Furniture And Bedding	775.65	1,330.21	1,263.79	0.18	0.21	0.15	-4.99
9401	Seat (Not Dental,Etc)	316.26	522.48	669.83	40.77	39.28	53.00	28.20
9403	Other Furnit,Not Seat	195.17	186.61	271.79	25.16	14.03	21.51	45.65
9405	Lamps,Lightng,Fitting	199.47	546.88	210.35	25.72	41.11	16.65	-61.54
9402	Med/Surg/Den/Vet/Etc.	30.21	33.19	47.10	3.90	2.50	3.73	41.89
9406	Prefabricated Buildng	14.78	19.44	32.97	1.91	1.46	2.61	69.59
9404	Articles Of Bedding	19.76	21.61	31.75	2.55	1.63	2.51	46.89

Source of data: China Customs

**China Import from Italy  
January-June**

Millions of US Dollars

HS	Description	2009	2010	2011	2009	2010	2011	- 11/10 -
		Millions of US Dollars			% Share			% Change
	Italy	5,255.42	6,600.66	8,567.29	1.24	1.02	1.03	29.79
94	Furniture And Bedding	48.26	65.40	105.86	0.92	0.99	1.24	61.88
9403	Other Furnit,Not Seat	29.69	32.41	57.88	61.52	49.57	54.68	78.57
9401	Seat (Not Dental,Etc)	11.02	17.26	32.67	22.84	26.39	30.86	89.32
9405	Lamps,Lightng,Fitting	5.09	10.66	9.28	10.55	16.30	8.77	-12.96
9404	Articles Of Bedding	1.21	2.31	4.46	2.52	3.53	4.22	93.11
9402	Med/Surg/Den/Vet/Etc.	1.06	0.76	1.23	2.20	1.16	1.16	62.16
9406	Prefabricated Buildng	0.18	1.99	0.33	0.37	3.04	0.31	-83.40

Source of data: China Customs

Appendix 2: *China Export*

**94 – FURNITURE AND BEDDING**  
**by Country**  
**2008 – 2010**

Millions of US Dollars

Rank	Country	2008	2009	2010	2008	2009	2010	- 10/09 -
		Millions of US Dollars			% Share			% Change
<b>0</b>	<b>-- World --</b>	<b>42,785.73</b>	<b>38,957.34</b>	<b>50,609.63</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>29.91</b>
1	United States	14,412.06	12,554.67	15,919.37	33.68	32.23	31.46	26.80
2	Japan	2,887.34	2,764.83	3,291.84	6.75	7.10	6.50	19.06
3	United Kingdom	2,316.49	2,131.53	2,595.93	5.41	5.47	5.13	21.79
4	Germany	1,890.30	1,903.05	2,504.50	4.42	4.89	4.95	31.60
5	Canada	1,594.11	1,369.87	1,807.08	3.73	3.52	3.57	31.92
6	Australia	1,358.24	1,340.73	1,599.67	3.18	3.44	3.16	19.31
7	France	995.36	1,032.89	1,554.70	2.33	2.65	3.07	50.52
8	Netherlands	1,074.49	1,070.39	1,398.13	2.51	2.75	2.76	30.62
9	Hong Kong	1,056.53	931.99	1,098.66	2.47	2.39	2.17	17.88
<b>10</b>	<b>Italy</b>	<b>781.36</b>	<b>680.84</b>	<b>910.07</b>	<b>1.83</b>	<b>1.75</b>	<b>1.80</b>	<b>33.67</b>
11	Korea, South	874.66	613.00	887.20	2.04	1.57	1.75	44.73
12	Thailand	166.35	256.28	882.13	0.39	0.66	1.74	244.20
13	Spain	856.30	716.74	874.08	2.00	1.84	1.73	21.95
14	Singapore	383.67	991.56	847.07	0.90	2.55	1.67	-14.57
15	Malaysia	433.81	911.11	768.12	1.01	2.34	1.52	-15.69
16	United Arab Emirates	899.14	789.02	758.41	2.10	2.03	1.50	-3.88
17	Belgium	648.75	598.94	753.18	1.52	1.54	1.49	25.75
18	Indonesia	173.43	187.12	665.74	0.41	0.48	1.32	255.79
19	Saudi Arabia	508.52	589.68	636.59	1.19	1.51	1.26	7.96

Source of data: China Customs

**94 – FURNITURE AND BEDDING**  
by Country  
January-June

Millions of US Dollars

Rank	Country	2009	2010	2011	2009	2010	2011	- 11/10 -
		Millions of US Dollars			% Share			% Change
0	-- World --	17,567.27	23,109.94	26,710.66	100.00	100.00	100.00	15.58
1	United States	5,819.81	7,413.17	8,155.42	33.13	32.08	30.53	10.01
2	Japan	1,251.19	1,498.09	1,812.55	7.12	6.48	6.79	20.99
3	Germany	873.10	1,162.97	1,336.17	4.97	5.03	5.00	14.89
4	United Kingdom	961.21	1,262.00	1,263.18	5.47	5.46	4.73	0.09
5	Canada	647.00	860.20	926.30	3.68	3.72	3.47	7.68
6	France	503.23	756.76	839.40	2.87	3.28	3.14	10.92
7	Australia	558.59	644.89	827.27	3.18	2.79	3.10	28.28
8	Netherlands	532.59	669.79	741.27	3.03	2.90	2.78	10.67
9	Hong Kong	410.07	483.37	574.96	2.33	2.09	2.15	18.95
10	Singapore	312.68	567.56	571.65	1.78	2.46	2.14	0.72
<b>11</b>	<b>Italy</b>	<b>336.54</b>	<b>443.14</b>	<b>489.26</b>	<b>1.92</b>	<b>1.92</b>	<b>1.83</b>	<b>10.41</b>
12	Korea, South	263.51	394.11	469.88	1.50	1.71	1.76	19.23
13	Spain	341.35	428.50	465.00	1.94	1.85	1.74	8.52
14	United Arab Emirates	332.94	323.51	433.54	1.90	1.40	1.62	34.01
15	Malaysia	422.82	402.67	389.25	2.41	1.74	1.46	-3.33
16	Belgium	279.47	373.39	388.96	1.59	1.62	1.46	4.17
17	Saudi Arabia	267.74	274.21	383.24	1.52	1.19	1.44	39.76
18	Russia	247.49	241.11	312.99	1.41	1.04	1.17	29.81
19	Indonesia	75.70	245.07	261.39	0.43	1.06	0.98	6.66
20	India	106.42	242.85	256.71	0.61	1.05	0.96	5.71

Source of data: China Customs

### China Export by products 2008 – 2010

Millions of US Dollars

HS	Description	2008	2009	2010	2008	2009	2010	- 10/09 -
					% Share			% Change
	-- World --	1,428,869.19	1,202,047.37	1,578,444.20	100.00	100.00	100.00	31.31
94	Furniture And Bedding	42,785.73	38,957.34	50,609.63	2.99	3.24	3.21	29.91
9403	Other Furnit,Not Seat	13,728.28	13,661.32	18,048.99	32.09	35.07	35.66	32.12
9401	Seat (Not Dental,Etc)	13,195.73	11,678.87	14,947.01	30.84	29.98	29.53	27.98
9405	Lamps,Lightng,Fitting	9,241.91	7,559.71	10,110.48	21.60	19.41	19.98	33.74
9404	Articles Of Bedding	4,881.55	4,701.85	5,943.09	11.41	12.07	11.74	26.40
9406	Prefabricated Buildng	1,442.71	1,074.95	1,220.69	3.37	2.76	2.41	13.56
9402	Med/Surg/Den/Vet/Etc.	295.55	280.65	339.38	0.69	0.72	0.67	20.93

Source of data: China Customs

### China Export to Italy 2008 – 2010

Millions of US Dollars

HS	Description	2008	2009	2010	2008	2009	2010	- 10/09 -
					% Share			% Change
	Italy	26,608.31	20,246.22	31,135.84	1.86	1.68	1.97	53.79
94	Furniture And Bedding	710.17	603.48	824.58	1.84	1.75	2.65	36.64
9405	Lamps,Lightng,Fitting	253.82	212.24	288.93	2.75	2.81	35.04	36.13
9401	Seat (Not Dental,Etc)	231.58	197.33	269.64	1.76	1.69	32.70	36.65
9403	Other Furnit,Not Seat	177.27	173.40	232.84	1.29	1.27	28.24	34.28
9404	Articles Of Bedding	83.26	68.64	80.19	1.71	1.46	9.72	16.83
9406	Prefabricated Buildng	26.51	21.63	27.96	1.84	2.01	3.39	29.25
9402	Med/Surg/Den/Vet/Etc.	8.93	7.60	10.52	3.02	2.71	1.28	38.35

Source of data: China Customs

### China Export by product January-June

Millions of US Dollars

HS	Description	2009	2010	2011	2009	2010	2011	- 11/10 -
		Millions of US Dollars			% Share			% Change
	-- World --	521,842.43	705,184.29	874,491.40	100.00	100.00	100.00	24.01
94	Furniture And Bedding	17,567.27	23,109.94	26,710.66	3.37	3.28	3.05	15.58
9403	Other Furnit,Not Seat	6,032.22	8,270.89	9,709.65	34.34	35.79	36.35	17.40
9401	Seat (Not Dental,Etc)	5,738.52	7,366.72	8,108.65	32.67	31.88	30.36	10.07
9405	Lamps,Lightng,Fitting	3,094.23	4,038.81	4,989.28	17.61	17.48	18.68	23.53
9404	Articles Of Bedding	2,061.46	2,684.63	3,055.38	11.74	11.62	11.44	13.81
9406	Prefabricated Buildng	507.15	596.95	660.33	2.89	2.58	2.47	10.62
9402	Med/Surg/Den/Vet/Etc.	133.68	151.94	187.36	0.76	0.66	0.70	23.31

Source of data: China Customs

### China Export to Italy January-June

Millions of US Dollars

HS	Description	2009	2010	2011	2009	2010	2011	- 11/10 -
		Millions of US Dollars			% Share			% Change
	Italy	9,503.49	13,490.79	17,596.76	1.82	1.91	2.01	30.44
94	Furniture And Bedding	336.54	443.14	489.26	3.54	3.28	2.78	10.41
9401	Seat (Not Dental,Etc)	113.46	148.96	156.97	33.71	33.61	32.08	5.37
9405	Lamps,Lightng,Fitting	91.37	122.36	138.86	27.15	27.61	28.38	13.49
9403	Other Furnit,Not Seat	86.72	114.37	132.57	25.77	25.81	27.10	15.92
9404	Articles Of Bedding	29.65	36.70	43.44	8.81	8.28	8.88	18.37
9406	Prefabricated Buildng	11.51	15.90	13.94	3.42	3.59	2.85	-12.32
9402	Med/Surg/Den/Vet/Etc.	3.83	4.86	3.48	1.14	1.10	0.71	-28.31

Source of data: China Customs

### Appendix 3: Furniture Custom Duties

HS	Descrizione	MFN %	GEN%	VAT %	ED
9401	Mobili per sedersi (esclusi quelli della voce 9402), anche trasformabili in letti, e loro parti	0	100	17	15
9401 20 00	Mobili per sedersi dei tipi utilizzati per autoveicoli	10	100	17	15
9401 90 11	Parti di mobili per sedersi, dei tipi utilizzati per veicoli aerei	10	100	17	15
9402	Mobili per la medicina, la chirurgia, l'odontoiatria o la veterinaria (per esempio: tavoli operatori, tavoli per esami, letti con meccanismo per usi clinici, poltrone	0	100	17	15
9402 10 90	Poltrone per dentisti, poltrone da parrucchiere e poltrone simili, e loro parti	0	30	17	15
9402 90 00	altri	0	30	17	15
9403	Altri mobili e loro parti	0	100	17	15
9403 3000	Mobili di metallo dei tipi utilizzati negli uffici	0	100	17	15
9404	Sommieri; oggetti lettereschi ed oggetti simili (per esempio: materassi, copripiedi, piumini, cuscini, cuscini-poufs, guanciali), con molle oppure imbottiti o guarniti internamente di qualsiasi materia, compresi quelli di gomma alveolare o di materie plastiche alveolari, anche ricoperti	10	100	17	15
9405 1000	Lampadari ed altri apparecchi per l'illuminazione, elettrici, da appendere o da fissare al soffitto o al muro, esclusi quelli dei tipi utilizzati per l'illuminazione delle aree o vie pubbliche	10	80	17	13
9405 2000	Lampade da comodino, da scrittoio e lampadari per interni, elettrici	20	80	17	13
9405 3000	Ghirlande elettriche dei tipi utilizzati per gli alberi di Natale	16	100	17	13
9405 4010	Proiettori	17.5	70	17	13
9405 5000	Apparecchi per l'illuminazione non elettrici	20	80	17	13
9405 6000	Insegne pubblicitarie, insegne luminose, targhette indicatrici luminose ed oggetti simili	20	80	17	13
9406 0000	Costruzioni prefabbricate	10	70	17	13

Source from China Customs

MFN: Duty rate for Most Favored Nations

VAT: Value Added Tax

GEN: General

ED: Export Duty

## Appendix 4

### Italian furniture, equipment and furnishing companies in East China

Company name	Address	Chief Rep. & Italian Staff	Legal Status	Italian Region
ABACO KITCHEN (SHANGHAI) CO., LTD.	Plant 16 No. 248 Xintuan Rd. Qingpu Industry Zone 201707 Shanghai tel: 0086-21-59868787 fax: 0086-21-59869277 email: stefan.abaco@gmail.com	Mr. Stefan Ostwaldt	SNAIDERO RINO SpA Viale Rino Snaidero, 15 33030 Udine (UD) tel: 0039-0432-063111 fax: 0039-0432-063235 email: lineaverde@snaidero.it web: www.snaidero.it	Friuli Venezia Giulia
ALUK CURTAIN WALL, WINDOWS & DOORS SYSTEM (SHANGHAI) CO., LTD.	Factory D, No.151 Lane 1421, Zhuanxin Rd. (E) Zhuanqiao Town 201108 Shanghai tel: 0086-21-64892933/64892959 fax: 0086-21-64892911 email: antonio@aluk.com.cn	Mr. Antonio Arboit	ALUK GROUP SpA Via Monte Amiata, 3/A 37057 S. Giovanni Lupatoto (VR) tel: 0039-045-9696611 fax: 0039-045-9696610 email: info@aluk.it web: www.aluk.it	Veneto
ANGELO PO TRADING (SHANGHAI) CO., LTD.	1st Floor, No. 88 Jiangchangsan Rd. 200436, Shanghai tel: 0086-21-60940188 fax: 0086-21-60940288 email: c.ferrarese@angelopo.it web: www.angelopo.it	Mr. Cristian Ferrarese	ANGELO PO GROUP SpA Via S.S. Romana Sud, 90 11012, Carpi (MO) tel: 0039-059-639411 fax: 0039-059-642499 email: info@angelopo.it web: www.angelopo.it	Emilia Romagna

<p>ARMONIA LTD.</p>	<p>Building 3, Huarui Industrial Park Jiangning Development Zone 211100 Nanjing Jiangsu Province tel: 0086-25-52766055/6 fax: 0086-25-52766057 email: fonofrio@armonia-it.com om web: www.armonia-it.com</p>	<p>Mr. Francesco Onofrio</p>	<p>FOPPAPEDRETTI SpA Via A. Volta, 11 24064 Grumello del Monte (BG) tel: 0039-0358-30497 fax: 0039-0358-31283 email: foppa@sonic.it web: www.foppapedretti.it</p>	<p>Lombardia</p>
<p>ARTEMIDE TRADING (SHANGHAI) CO., LTD.</p>	<p>Rm. 1515, Tower 1 Corporate Avenue Building No. 222 Hubin Rd. Luwan District 200021 Shanghai tel: 0086-21-61223408 fax: 0086-21-61223410 email: info@artemide.cn web: www.artemide.com</p>	<p>Mr. Carlo Belli</p>	<p>ARTEMIDE SpA Via Bergatio, 18 20010 Pregnana Milanese (MI) tel: 0039-02-93518484 fax: 0039-02-93518341 email: dcpm@artemide.com web: www.artemide.com</p>	<p>Lombardia</p>
<p>BORMIOLI ROCCO ASIA REPRESENTATIVE OFFICE</p>	<p>Rm. 704, Eton Plaza, Tower B No. 555 Pudong Avenue 200120 Shanghai tel: 0086-21-61639533 fax: 0086-21-61639533 email: infoasia@bormiolirocco.com web: www.bormiolirocco.com</p>	<p>Mr. Tierr Corte</p>	<p>BORMIOLI ROCCO E FIGLIO SpA Viale Martiri della Liberta', 1 43036 Fidenza (PR) tel: 0039-0524-5111 fax: 0039-0524-527821 web: www.bormiolirocco.com</p>	<p>Lombardia</p>

<p>COMELIT (SHANGHAI) ELECTRONICS CO., LTD.</p>	<p>5F, Bldg. 4 No. 30 Hongcao Rd. Caohejing Hitech Development Zone 200233 Shanghai tel: 0086-21-64519192 fax: 0086-21-64517710 email: janet@comelit.com.cn web: www.comelit.com.cn</p>	<p>Ms. Janet Lu</p>	<p>COMELIT GROUP SpA Via Don Arrigoni, 5 24020 Rovetta/S. Lorenzo (BG) tel: 0039-0346-750011 fax: 0039-0346-71436 email: e.barzasi@comelit.com.cn web: www.comelit.it</p>	<p>Lombardia</p>
<p>CONTEMPO FURNITURE (SHANGHAI) CO., LTD</p>	<p>No. 525, Yuanfu Rd. Anting Town, Jiang Ding District 201814 Shanghai tel: 0086-21-69573050 fax: 0086-21-69573090 email: mmirgaldi@contempo. cn web: www.contempo.it</p>	<p>Mr. Michele Mirgaldi</p>	<p>CONTEMPO SpA Zona Industriale Mellitto, SS96 70025 Grumo Appula (BA) tel: 0039-080-3831311 fax: 0039-080-602981 email: info@contempo.it web: www.contempo.it</p>	<p>Puglia</p>
<p>DITEC SPA CHINA REPRESENTATIVE OFFICE</p>	<p>Rm. 10A63, 10/F Shanghai Mart No. 2299 Yan'an Rd. (W) 200336 Shanghai tel:0086-21-62363861 fax:0086-21-62363863 email:silvio.pezzotti@ ditecva.com web:www.ditec.it</p>	<p>Mr. Silvio Pezzotti</p>	<p>DITEC SpA Via Mons. Banfi, 3 21042 Caronno Pertusella (VA) tel: 0039-02-963911 fax: 0039-02-9650314 email: comm.of@ditecva.com web: www.ditec.it</p>	<p>Lombardia</p>
<p>ELECTRALINE CHINA LTD</p>	<p>Rm. 2401 No. 620 Zhangyang Rd. 200122, Shanghai tel: 0086-21-58363201 fax: 0086-21-58363199 email: ifrf@electraline.com jie.qiu@electraline.cn</p>	<p>Mr. Qiu Jie</p>	<p>ELECTRALINE 3PMARK SpA Via Brodolini, 10/H 20049 Concorezzo (MI) tel: 0039-039-6042239 fax: 0039-039-6041707 email: elan@elan-sh.com web: ww.elan-sh.com</p>	<p>Lombardia</p>

	<p>web: www.electraline.com</p>			
<p>FAAC (SHANGHAI) GATES AND DOORS AUTOMATION CO., LTD.</p>	<p>N.3 Building, N.51, Lane 1159 Kang Qiao Rd. (E) 201315 Shanghai tel: 0086-21-68182970 fax: 0086-21-68182968 email: info@faacgroup.cn web: www.faacgroup.cn</p>	<p>Ms. Serena Spagnolo</p>	<p>FAAC SpA Via Calari, 10 40069 Zola Predosa (BO) tel: 0039-051-61724 fax: 0039-051-758518 email: info@faac.it web: www.faac.it</p>	<p>Emilia Romagna</p>
<p>FONTANAARTE ASIA PACIFIC</p>	<p>Rm 501C, Bldg 9 No. 25, Jian Guo Zhong Rd. 200025 Shanghai tel: 0086-21-61379371 fax: 0086-21-61379372 email: office-shanghai@fontanaarte.it web: www.fontanaarte.it</p>	<p>Mr. Paolo Fraticelli</p>	<p>FONTANAARTE SpA Alzaia Trieste, 49 20094 Corsico (MI) tel: 0039-02-45121 fax: 0039-02-4512660 email: info@fontanaarte.it web: www.fontanaarte.it</p>	<p>Lombardia</p>
<p>GEWISS TRADING (SHANGHAI) CO., LTD</p>	<p>Rm. 1704, Tower B Sunyoung Center No. 28 Xuanhua Rd. 200050 Shanghai tel: 0086-21-62523535 / 61671231 fax: 0086-21-61671232 email: sales.china@gewiss.cn web: www.gewiss.cn</p>	<p>Mr. Mauro Feresini</p>	<p>GEWISS SpA Via A. Volta, 1-24069 Cenate Sotto (BG) tel: 0039-35-946111 fax: 0039-35-945222 email: gewiss@gewiss.com web: www.gewiss.com</p>	<p>Lombardia</p>

<p>HANGZHOU OMEGNA COMMERCE &amp; TRADE CO., LTD.</p>	<p>Rm. 901 No. 1772 Jianghui Rd. Binjiang District 310051 Hangzhou tel: 0086-571-86770588 fax: 0086-571-86770590 email: ivy_hu@lagostina.com. cn web: www.lagostina.com.cn</p>	<p>Mr. Wang Zhenhua</p>	<p>LAGOSTINA SpA Via IV Novembre, 45 28048 Omegna (VB) tel:0039-0323-6521 fax: 0039-0323-641231 web: www.lagostina.it</p>	<p>Piemonte</p>
<p>HANGZHOU TARGETTI LIGHITING CO., LTD.</p>	<p>Liangzhu Village 46, Gouyun Rd. 311112 Hangzhou Zhejiang Province tel: 0086-571-88746998 fax: 0086-571-88746995 web: www.targetti.com</p>	<p>Mr. Damiano Guidolin</p>	<p>TARGETTI SANKEY SpA Via Pratese, 164 50145 Firenze tel: 0039-055-3791.1 fax: 0039-055-3791266 email: targetti@targetti.it web: www.targetti.com</p>	<p>Toscana</p>
<p>IGUZZINI SHANGHAI REPRESENTATIVE OFFICE</p>	<p>No. 2758, Huancheng Rd. (W) Fengxian Industrial Park 201401 Shanghai tel: 0086-21-63411199 fax: 0086-21-33655201 email: info@iguzzini.cn; massimiliano.guzzini@ iguzzini.cn web: www.iguzzini.com</p>	<p>Mr. Massimiliano Guzzini</p>	<p>IGUZZINI ILLUMINAZIONE SpA Via Mariano Guzzini, 37 62019 Recanati (MC) tel: 0039-071-75881 fax: 0039-071-7588295 email: iguzzini@iguzzini.it web: www.iguzzini.com</p>	<p>Marche</p>

ITALSOFA SHANGHAI CO., LTD	No. 1433 Qixin Rd. Minhang District 201100 Shanghai tel: 0086-21-54544510 fax: 0086-21-54544511 email: hr@cn.italsofa.com web: www.natuzzi.com	Mr. Richard Tan	NATUZZI SpA Via Iazzitiello, 47 70029 Santeramo in Colle (BA) tel: 0039-080-8820111 fax: 0039-080-3037637 web: www.natuzzi.com	Puglia
JOSEF GARTNER CURTAIN WALL (SHANGHAI) CO., LTD	Rm. 203, Shenhua Financial Building No. 1 Ningbo Rd. 200002 Shanghai tel: 0086-21-63299988 fax: 0086-21-63298668 email: info@permasteelisa.com.cn web: www.permasteelisa.com; www.josef-gartner.de	Mr. Benjamin Huang	PERMASTEELISA SpA Via Enrico Mattei, 21/23 31029 Vittorio Veneto (TV) tel: 0039-0438-505000 fax: 0039-0438-505125 email: info@permasteelisa.it web: www.permasteelisa.com	Veneto
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OLIMPIA SPLENDID AIR CONDITIONING (SHANGHAI) LTD.	No. 208, Lane 3883 Waiqingsong Highway Baihe Town Qingpu District 201709 Shanghai tel: 0086-21-59740505 fax: 0086-21-59740022 email: e.campidelli@olimpiasplendid.com.cn web:	Ms. Eleonora Campidelli	OLIMPIA SPLENDID SpA Via Guido Rossa, 1/3 42044 Gualtieri (RE) tel: 0039-0522-22601 fax: 3009-0522-828745 email: info@olimpiasplendid.it web: www.olimpiasplendid.it	Emilia Romagna

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SABAF APPLIANCE COMPONENTS (KUNSHAN) CO., LTD.	Building 7 No. 278 Jujin Rd. Zhangpu Town 215300 Kunshan Jiangsu Province tel: 0086-512-57293600 fax: 0086-512-57293700 email: nicola.belpietro@sabaf.it  renato.soggia@sabaf.it web: www.sabaf.it	Mr. Renato Soggia	SABAF SpA Via dei Carpini, 1 25035 Ospitaletto (BS) tel: 0039-030-6843001 fax: 0039-030-6848249 email: info@sabaf.it web: www.sabaf.it	Lombardia
SHANGHAI TOP STYLE FURNITURE MATERIALS CO., LTD.	11/A6 No. 4606 Tingfenggong Rd. 201500 Shanghai tel: 0086-21-57316969 fax: 0086-21-57325459 e-mail: topstyle@online.sh.cn	Mr. Zhong Chuande	LONGONI REF Srl Via Monte Bianco, 2 20052 Monza (MI) tel: 0039-02-748837 fax: 0039-02-141859 email: longonirf@tin.it	Lombardia
SIM2 ASIA PACIFIC CO., LTD.	Rm. 905, Jing'an Tower No. 1701 Beijing Rd. (w) 200040 Shanghai tel: 0086-21-62881991 fax: 0086-21-62881991 email: vsheng@sim2.com web: www.sim2.com	Mr. Djalal Sepahi	SIM2 MULTIMEDIA SpA V.le Lino Zanussi, 11 33170 Pordenone (PN) tel: 0039-0434-383256 fax: 0039-0434-383260 email: dsepahi@sim2.it web: www.sim2.it	Friuli Venezia Giulia

<p>SOFALAND FURNITURE (SHANGHAI) CO., LTD</p>	<p>Lane 2155 No. 55 Lianhua Rd. (S) 201100 Shanghai tel: 0086-21-33505502 fax: 0086-21-33505506 email: info@sofalandshangh ai.com.cn web: www.sofalandshangh ai.com.cn</p>	<p>Mr. Paolo Colombo</p>	<p>CHATEAU D'AX SpA Via Nazionale dei Giovi, 159 20030 Lentate sul Seveso (MI) tel: 0039-0362-5301 fax: 0039-0362-565134 email: info@chateau-dax.it web: www.chateau-dax.it</p>	<p>Lombardia</p>
<p>TEUCO WATER EXPERIENCE (SHANGHAI) CO., LTD.</p>	<p>A1a, Export Processing Zone No. 228 Xihan Rd. 201401 Shanghai tel: 0086-21-37198887 fax: 0086-21-67109097 email: luca.marinangeli@teuc o.it web: www.teuco.com</p>	<p>Mr. Luca Marinangeli</p>	<p>TEUCO GUZZINI SpA Via Avogadro, 12 62010 Montelupone (MC) tel: 0039-0733-2201 fax: 0039-0733-220385 email: teuco@teuco.it web: www.teuco.it</p>	<p>Marche</p>
<p>VALLI &amp; VALLI REPRESENTATIV E OFFICE</p>	<p>C/O Italian Center No. 999 Ningqiao Rd., Jinqiao 201206 Shanghai tel: 0086-13817838619 fax: 0086-21-54852822 email: vallievalli-china@163.c om web: www.vallievalli.com</p>	<p>Mr. Song Xuhua</p>	<p>VALLI &amp; VALLI Srl Via Concordia, 16 20055 Renate (MI) tel: 0039-0362-982260 fax: 0039-0362-924455 email: export@vallievalli.com web: www.vallievalli.com</p>	<p>Lombardia</p>