

Furniture exports declined slightly

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Last year domestic furniture makers exported goods worth CZK 44.6 billion in total, which marks a year-on-year decrease of about 2.4%. Conversely, the sector's total production showed a 3.5% growth during last year's first nine months. In 2007 companies in our country manufactured furniture in the total value of CZK 60.5 billion and, according to representatives of the Association of Czech Furniture Makers, this year's results should not be dramatically worse. "The current crisis has a secondary impact on this industry, by means of a lower demand among developers and builders. We expect that the economic problems will affect last year's results to a very limited extent, yet we envisage problems during the first months of this year," Martin Čudka, President of the Association, commented on the current state of this industry. According to him the crisis could encourage higher interest in top-quality furniture, so a certain decrease in the production volume might not affect the manufacturers' financial results. This year the Association expects price reductions by subcontractors and limited manufacture of products to be kept in warehouses, which will lead to longer waiting times. Layoffs will also continue; it is a long-term process, but so far has been mostly caused by the modernization of manufacturing plants.

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