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**SPEECH BY MR LIM HNG KIANG  
MINISTER FOR TRADE & INDUSTRY  
AT THE OFFICIAL OPENING OF THE INTERNATIONAL  
FURNITURE FAIR SINGAPORE 2010 AND THE 27<sup>TH</sup> ASEAN  
FURNITURE SHOW 2010 (IFFS/AFS 2010)  
AT THE SINGAPORE EXPO  
AT 10.30 AM ON TUESDAY, 9 MARCH 2010**

Mr Andrew Ng, President, Singapore Furniture  
Industries Council (SFIC),

Distinguished guests,

Ladies and gentlemen

Good morning.

1. I am pleased to be here at the opening of  
International Furniture Fair Singapore 2010 and the  
27<sup>th</sup> ASEAN Furniture Show 2010.

2. The International Furniture Fair Singapore or IFFS  
continues to be one of the most sought after

international furniture events in Asia. Since its inaugural event in 1981, when it occupied less than one hall size in the Singapore Expo, the IFFS' exhibition space has grown tremendously. The show, held in conjunction with the ASEAN Furniture Show or AFS, has been occupying an impressive six halls of the Singapore Expo, becoming one of the largest sourcing havens for regional and international companies. These companies come from as far as Italy, Germany and Belgium to trade with our local and regional furniture enterprises.

3. The IFFS/AFS has also become an important platform for countries in the region to showcase their design talent and work. For example, first time exhibitor, Design & Objects, a leading Thai furniture design association with more than 70 company members, will be holding its inaugural exhibition here.

## **Singapore Furniture Industry – A Promising**

### **Outlook**

5. Last year was a tough year for many businesses including the furniture industry. Nonetheless, Singapore furniture companies remained undeterred. Some even launched explorations into new markets such as Eastern Europe and South America. Others took the opportunity for further investments in training and building up new capabilities so as to prepare for the next phase of growth.

6. Let me highlight two companies that chose to embark on capability building projects in the midst of last year's global economic downturn. Haleywood, a specialist manufacturer of dining furniture undertook a review of its branding and image. A new distinct brand identity that emphasizes its design-centric culture was developed. Haleywood also forged collaborations with

established designers such as local design talent Nathan Yong on a furniture collection, called 'Tao' to reach out to a new market segment.

8. Another example is Wilsin Office Furniture. The company has been working on a new range of office furniture that will offer bespoke office solutions and enable more productive use of limited office space. Wilsin is targeting to launch this new collection later this year at Orgatec, an established international office furniture show in Germany.

9. The long term outlook for Singapore's furniture industry looks promising. The industry has done exceedingly well, reporting an increase in its total export sales from S\$3.2 billion in 2007 to S\$4.9 billion in 2008. This brings the share of the world furniture market by Singapore companies to 0.92% and is very close to the Singapore Furniture Industries Council or

SFIC's 2015 target of 1%. Last year saw export sales of S\$4.7 billion. Considering the tough economic conditions, this is still a creditable performance and represents an increase of 47% from 2007. I am confident that the industry will stay on track towards achieving their goal of 1% share of the global furniture market. In fact, I would urge the industry to aim even higher. Two years ago, when I opened the International Furniture Centre (IFC), I issued a challenge to our local furniture industry to aim for 2% of the world market share. I hope to see the SFIC continue to take the lead in meeting this challenge.

### **Exploring new, untapped markets**

10. And to grow our world market share, many of our furniture companies have also ramped up their exploration of new growth markets. Last year, with the support of IE Singapore, our furniture companies, led by SFIC, forged links with more than 1,200 new

furniture buyers from over 17 countries including Russia, Mexico, India and the US through business missions, trade fairs and business matching platforms. IE Singapore, SPRING Singapore and SFIC have also led missions to new markets to study furniture and design trends and consumer preferences. Business opportunities and potential collaborations were also explored. I am heartened that many companies returned from these missions with sales leads and contracts.

11. Next week, SFIC, together with IE and SPRING, will be leading another group of 10 companies to the state of Rio Grande Do Sul (*ree-oh gran-deh doh soo*) in Brazil. This trip will include a visit to Movelsul (*mo-ver-soo*), the largest and most established furniture fair in Brazil. As the most populous country in Latin America, Brazil's young population and growing middle class makes it one of the most attractive new consumer

markets in the world. I wish the group a successful mission.

### **Singapore Mozaic**

12. I would like to take this opportunity to highlight SFIC's commendable efforts to promote the interests of the Singapore furniture industry. Apart from developing IFFS/AFS into one of Asia's major international furniture fairs, SFIC has also been instrumental in the successful launch of Singapore Mozaic. Since 2008, SFIC has been actively marketing and profiling this brand and its ambassadors at international furniture trade and design fairs primarily in Europe.

13. Its first overseas showcase at the 2008 Salone Internazionale del Mobile (*sair-lon inter-nair-sio-nal dell mo-bil*) in Milan captured the attention of international media and buyers. This year, Singapore

Mozaic has secured an even larger exhibition space at this event, at a premier location within the trade hall.

14. Branding is a continuous journey. I encourage SFIC to continue to develop innovative and strategic marketing programmes and build Singapore Mozaic into a globally recognised brand, one that symbolises high quality design, product and service for the Singapore furniture industry.

### **\$100 million funding for Trade Associations and Chambers**

15. Government agencies such as SPRING and IE will also continue to support SFIC and other trade associations as they further the interests of their industries. For example, take the Local Enterprise and Association Development programme, which is jointly led by SPRING and IE. LEAD, as it is more commonly known, has been helping business associations and

chambers take the lead in industry development and drive initiatives to improve the overall capabilities of SMEs in their industries.

16. And as recently announced in the Budget, more support will soon be given to trade associations and chambers. \$100 million will be committed over five years towards initiatives such as LEAD. This will help business associations and chambers step up their efforts in driving productivity improvements in their respective industries, and facilitating their members in venturing overseas. I would like to encourage our Singapore companies to also make the most of this opportunity to further strengthen their business capabilities, intensify internationalisation efforts and secure new overseas markets for their products.

## **Conclusion**

17. In closing, I thank SFIC for organising this year's IFFS/AFS. I wish you all a successful and fruitful exhibition. Thank you.