In many industrialized countries the furniture sector accounts for about 2–4 per cent of the production value of the manufacturing sector. The EU furniture industry is particularly strong, accounting for about half of the world’s production. Table 4.1 shows the market shares of the top ten exporters of furniture (SITC 821) in 1991–2000. As can be seen, Italy had the highest share with an impressive 17 per cent. Moreover Italy maintained its leading position throughout the period, while the export share of the runner-up, Germany, dropped from 15 per cent to around 9 per cent. The latter figure matched the US share, which remained fairly stable. The share of Canada, on the other hand, increased considerably in the second half of the 1990s and reached a significant 9 per cent. The shares of the two other important furniture producers, France and Denmark, fell slightly, each stabilizing at about 4 per cent. Belgium and Luxemburg also suffered a gradual decline from 4.5 per cent to 3 per cent. A similar market share (3 per cent) was captured by the United Kingdom, whose stake remained relatively stable. Meanwhile China and Poland emerged as new players and gradually increased their shares to 8 per cent and 4 per cent respectively.

The export performance of the Turkish furniture industry, on the other hand, has not been particularly impressive. Despite an increasing trend in recent years, exports remain insignificant and the industry is mainly domestically oriented. The value of exports rose from about US$20 million in 1990 to $180 million in 2000. Over the same period imports increased from $25 million to $190 million.

Turkey’s share of the world furniture market has remained at 0.2–0.3 per cent in recent years, which is below the calculated cut-off rate of 0.52 per cent for the Turkish manufacturing industry as a whole (Chapter 3), suggesting that the industry is not competitive in respect of SITC 821; that is, the general category ‘furniture’. Turkey does, however, hold competitive positions in some of the subsections of the industry. Of these, the export performance of manufacturers of seats and convertible beds (SITC 82115), motor vehicle seats (SITC 82112) and mattresses of other materials (SITC 82125) was relatively
strong in 2000, with world export shares of 4.2 per cent, 3.8 per cent and 2 per cent respectively (ITC, 2002). The major export destinations are Germany, Israel, the Netherlands, France, Russia and the CIS countries, especially Azerbaijan, Kazakhstan and Turkmenistan. In recent years exports to the Balkans in general and Greece in particular have also increased. Italy, Germany, France, the United States, the United Kingdom and Spain, on the other hand, are the leading exporters of furniture to Turkey. Within Turkey, the export performance of furniture manufacturers in Ankara is particularly weak, especially when compared with those in Istanbul and Bursa-Inegöl.¹

The geographic concentration of furniture manufacturers in some EU countries is striking. German enterprises, for example, are concentrated in three regions: North Rhine-Westphalia, Bavaria and Baden-Württemberg. Several districts in northern Italy are home to more than two thirds of the total number of furniture manufacturers and related employment in the country, with about 55 per cent being concentrated in the regions of Lombardy, Veneto and Tuscany. In France the concentrations are in the Ouest/Vendée/Bretagne, Ile-de-France, Rhone-Alpes and Normandy regions. Almost all Belgian furniture manufacturers are located in the western part of the Flemish region (Engels, 1999). Other well-known examples are Jutland in Denmark and Smaland in Sweden, and, outside the EU, Sasaki in Japan (Erzurumluoğlu, 1991).

As in the countries mentioned above, furniture manufacturing in Turkey is highly localized, with Ankara, Istanbul, Izmir, Bursa and Kayseri being the leading centres (Table 4.2). Although the manufacturers in Istanbul have recently replaced those in Ankara in terms of share of total employment in the industry, the LQ for Ankara is much higher than that for Istanbul.