



Analysis of Mississippi Furniture Exports

January – July 2010

Prepared by John Henry Jackson and Laura Vaughn
jjackson@mississippi.org
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Analysis

Year-to-date data for January through July of 2010 suggests that Mississippi's furniture exports are rebounding, though they have fared poorly in previous years compared to those of the U.S. as a whole. While firm conclusions are not possible given the data constraints (see page 5 for explanation), what is important is that furniture exports have trended well on a national basis with very few exceptions, and certain markets appear to present good opportunities for Mississippi exporters with the right products and pricing.

According to the data, the most significant furniture exports originating in Mississippi have been those in Tables 1 and 2 below. Table 1 illustrates why these product categories were so important to the state in 2009, as well as the annualized export trends. Table 2 provides the same information for the first seven months of 2010, and the percent change from the same period in 2009. Available data regarding shipments of unknown origin is included to show why conclusions about Mississippi's exports are difficult to make within this industry.

Table 1:

Product Description	2009 U.S. Furniture Exports					
	<i>from Mississippi</i>			<i>from Unknown Origin</i>		All of U.S. % Change 2008
	% of State Total	% of U.S. Total	% Change 2008	% of U.S. Total	% Change 2008	
All Furniture (Excluding Aircraft & Automotive)	100	2.29	-14.39	Not Available (See p. 5-6)		-21.90
Upholstered Seats & Chairs with Wood Frames	61.8	15.09	-16.3	21.06	-15.94	-17.81
Parts of Seats & Chairs (Excluding Automotive)	10.8	.83	-36	Not Available (See p. 5-6)		-23.55
Other Wooden Furniture (Not Seating, Not Bedroom or Office)	5.0	.93	-41.5	24.23	-11.15	-16.59
Parts of Other Furniture (Not Seating, Excluding Automotive)	5.69	1.33	-36.14	Not Available (See p. 5-6)		-24.93

Table 2:

Product Description	January – July 2010 U.S. Furniture Exports					
	<i>from Mississippi</i>			<i>from Unknown Origin</i>		All of U.S. % Change YTD 2010
	% of State Total	% of U.S. Total	% Change YTD 2010	% of U.S. Total	% Change YTD 2010	
All Furniture (Excluding Aircraft & Automotive)	100	2.17	+22.05	Not Available (See p. 5-6)		+28.6
Upholstered Seats & Chairs with Wood Frames	59.2	.63	+28.38	21.14	+17.95	+22.63
Parts of Seats & Chairs (Excluding Automotive)	11.4	.70	+28.01	Not Available (See p. 5-6)		+72.16
Other Wooden Furniture (Not Seating, Not Bedroom or Office)	4.97	.99	+22.3	23.97	+11.19	+10.62
Parts of Other Furniture (Not Seating, Excluding Automotive)	6.65	1.59	+41.92	Not Available (See p. 5-6)		+13.91

For each of these categories of products, the tables on the following two pages show the markets that were most likely to affect exporters. The markets listed in Table 3 are those that comprised the largest share of the total U.S. exports for a given category in 2009. Table 4 does the same for January – July of 2010. The countries are listed by order of their U.S. national export value, along with the growth of exports over those of the same period the previous year. The participation attributed to Mississippi in the market is also listed, along with its growth. In some markets, conclusions about Mississippi's exports cannot be made because of the large value of exports which are not attributed to any state. The known values of these exports of unknown origin are listed as well (see p. 5-6 for explanation)

Table 3:

<p>Upholstered Seats & Chairs <i>(with Wood Frames)</i></p> <p>2009 Exports: US.....\$411.9 mm Miss.\$62.1 mm Unknown.....\$86.7 mm</p> <ol style="list-style-type: none"> Canada from US: \$325 mm (-17%) from Miss.: \$50.1 mm (-14%) from Unknown: \$86.7 mm (-16%) Mexico from US: \$17.4 mm (-38%) from Miss.: \$2.5 mm (-46%) from Unknown: \$0 k (-100%) Saudi Arabia from US: \$6.98 mm (-17%) from Miss.: \$2.3 mm (+9.6%) from Unknown: \$0 (n/a) China from US: \$5.2 mm (-8%) from Miss.: \$30.7 k (+884%) from Unknown: \$0 (n/a) U.K. from US: \$3.5 mm (-13.7%) from Miss.: \$0k (-100%) from Unknown: \$0 (n/a) 	<p>Parts of Seats & Chairs <i>(Excluding Automotive)</i></p> <p>2009 Exports: US.....\$172 mm Miss.\$10.8 mm UnknownN/A (See p. 6)</p> <ol style="list-style-type: none"> Canada from US: \$47.8mm (-23%) from Miss.: \$5.2 mm (-16%) from Unknown: N/A (See p. 6) Mexico from US: \$37.2 mm (-35%) from Miss.: \$5.2 mm (-49%) from Unknown: <1% of total US Japan from US: \$4.5 mm (-19%) from Miss.: \$0 k (n/a) from Unknown: \$0 (n/a) U.K. from US: \$31.6 mm (-11%) from Miss.: \$0 k (-100%) from Unknown: \$0 (n/a) China from US: \$6.4 mm (-51%) from Miss.: \$314.7 k (+243%) from Unknown: \$0 (n/a)
<p>Other Wooden Furniture <i>(Not Seating, Not Bedroom or Office)</i></p> <p>2009 Exports: US.....\$542.8 mm Miss.\$5.05 mm Unknown.....\$131.5mm</p> <ol style="list-style-type: none"> Canada from US: \$316 mm (-9.6%) from Miss.: \$1.34 mm (-32.7%) from Unknown: \$131.5 mm (-11%) Mexico from US: \$25.4 mm (-36%) from Miss.: \$363 k (-51.9%) from Unknown: \$0 k (n/a) U.K. from US: \$19.1 mm (-30%) from Miss.: \$0 (n/a) from Unknown: \$0 k (n/a) Saudi Arabia from US: \$18.97 mm (-4%) from Miss.: \$685.7 k (-3.9%) from Unknown: \$0 (n/a) Panama from US: \$8.86 mm (+75.6%) from Miss.: \$70.7 k (-59%) from Unknown: \$0 (n/a) 	<p>Parts of Other Furniture <i>(Not Seating, Excluding Automotive)</i></p> <p>2009 Exports: US.....\$385 mm Miss.\$5.72 mm UnknownN/A (See p. 6)</p> <ol style="list-style-type: none"> Canada from US: \$247 mm (-29%) from Miss.: \$1.2 mm (+23.5%) from Unknown: N/A (See p. 6) Mexico from US: \$28 mm (-22%) from Miss.: \$2.7 k (-95%) from Unknown: <1% of total US China from US: \$12.2 mm (-10%) from Miss.: \$214 k (+8.38%) from Unknown: \$0 (n/a) Saudi Arabia from US: \$7.2 mm (-3%) from Miss.: \$292 k (+53.6%) from Unknown: \$0 (n/a) U.K. from US: \$7.2 mm (-61%) from Miss.: \$1.1 mm (-74%) from Unknown: \$0 (n/a)

Table 4:

<p>Upholstered Seats & Chairs <i>(with Wood Frames)</i></p> <p>2010 YTD Exports: US..... \$265 mm Miss. \$39.2 mm Unknown..... \$56 mm</p> <ol style="list-style-type: none"> Canada from US: \$205 mm (+18.5%) from Miss.: \$27.8 mm (+4.48%) from Unknown: \$56 mm (+17.95%) Mexico from US: \$13 mm (+35.7%) from Miss.: \$4 mm (+303.97%) from Unknown: \$0 (n/a) Saudi Arabia from US: \$5.6 mm (+25.2%) from Miss.: \$1.5 mm (+43.89%) from Unknown: \$0 (n/a) U.A.E. from US: \$2.6 mm (+156.10%) from Miss.: \$45k (-2.68%) from Unknown: \$0 (n/a) Dominican Republic from US: \$2.5 mm (+152.7%) from Miss.: \$62k (n/a) from Unknown: \$0 (n/a) 	<p>Parts of Seats & Chairs <i>(Excluding Automotive)</i></p> <p>2010 YTD Exports: US..... \$129 mm Miss. \$7.57 mm UnknownN/A (p. 6)</p> <ol style="list-style-type: none"> Mexico from US: \$31.7 mm (+92.8%) from Miss.: \$4 mm (+48.1%) from Unknown: N/A (See p. 6) Canada from US: \$29.1 mm (+6.2%) from Miss.: \$3.29 mm (+15.25%) from Unknown: <1% of total US U.K. from US: \$22.1 mm (+18.9%) from Miss.: \$0 (n/a) from Unknown: \$0 (n/a) China from US: \$7.5 mm (+196.4%) from Miss.: \$111 k (-62%) from Unknown: \$0 (n/a) U.A.E. from US: \$6.5 mm (+296.8%) from Miss.: \$0 (n/a) from Unknown: \$0 (n/a)
<p>Other Wooden Furniture <i>(Not Seating, Not Bedroom or Office)</i></p> <p>2010 YTD: US..... \$331 mm Miss. \$3.29 mm Unknown..... \$79 mm</p> <ol style="list-style-type: none"> Canada from US: \$201 mm (+24%) from Miss.: \$697k (-14.7%) from Unknown: \$79 mm (+11.19%) Mexico from US: \$12.8 mm (-7.7%) from Miss.: \$370 k (+95%) from Unknown: \$0 (n/a) U.K. from US: \$12.6 mm (-.5%) from Miss.: \$73k (+73.6%) from Unknown: \$0 (n/a) Saudi Arabia from US: \$9.75 mm (-26%) from Miss.: \$571k (+108%) from Unknown: \$0 (n/a) U.A.E. from US: \$5.9 mm (+22.7%) from Miss.: \$43.5k (+569%) from Unknown: \$0 (n/a) 	<p>Parts of Other Furniture <i>(Not Seating, Excluding Automotive)</i></p> <p>2010 YTD: US..... \$249 mm Miss. \$4.4 mm UnknownN/A (p. 6)</p> <ol style="list-style-type: none"> Canada from US: \$152mm (+3%) from Miss.: \$800k (-.44%) from Unknown: N/A (See p. 6) Mexico from US: \$18.3 mm (+22%) from Miss.: \$7k from Unknown: <1% of total US China from US: \$14.9 mm (+245%) from Miss.: \$8k (-92.75%) from Unknown: \$0 (n/a) Saudi Arabia from US: \$5 mm (+44%) from Miss.: \$652k (+379%) from Unknown: \$0 (n/a) Germany from US: \$3.57 mm (+268%) from Miss.: \$0 (n/a) from Unknown: \$0 (n/a)

Methodology, Sources & Conclusions

All data in this report originates from trade data generated by the U.S. Department of Commerce (USDOC) and the U.S. International Trade Commission (USITC) using Schedule B harmonized product codes. The report primarily uses product categories that correspond to data at the six-digit harmonized product code level, which is the most specific information available on a state-by-state basis. The data was accessed from the World Trade Atlas® - U.S. State Export Edition, a subscription-based database at <http://www.worldtradestatistics.com/state/> More specific data on a national basis was accessed via the gratis USITC DataWeb at <http://dataweb.usitc.gov/>

The analysis includes all exports, both shipments of domestically produced products and re-exports. Re-exports refer to goods for export that have previously entered the country and are leaving in the same condition as when first imported. Exports of imported merchandise which have been minimally processed but not substantially enhanced in value are also counted as re-exports. Data excluding re-exports is available on a national basis via the USITC DataWeb.

An overwhelmingly large margin of error frequently arose when analyzing many furniture exports on a state-by-state basis. This large margin of error was the result of a large quantity of export shipments unattributed to an origin in any particular state. This phenomenon occurred because the relevant origin information was not provided via the export declarations of individual shipments as they passed through U.S. borders. In these cases conclusive analysis cannot be made about Mississippi's furniture exports as they compare to those of the nation.

The analytical impact of these shipments may be seen in Tables 1 - 4. The primary market involved was Canada, which accounts for the vast majority of U.S. and Mississippi furniture exports. Exports to a variety of other markets were skewed to a much less extent.

One must also be aware that the export statistics used for this analysis are attributed based upon the origination point of the outbound shipment, which may not coincide with the location of a product's manufacture. This fact becomes especially important when attempting to use this analysis to consider the impact of international trade on any particular state's manufacturers.

Parts of seating and other furniture have consistently been significant export commodities for Mississippi. On a national basis, these two commodities include subcategories of automotive furniture parts, but this report assumed that no automotive seating exports originated from Mississippi. As shown in the charts that follow, this assumption allowed the national export values of the automotive seating commodities to be excluded on a country by country basis from the exports of parts originating in aggregate from states other than Mississippi. While this methodology is complex, it allowed a clearer analysis of the export markets for the furniture and seating parts most relevant to Mississippi. This is believed to be a reasonable assumption because Mississippi has exported few if any furniture and seating parts to markets that import more automotive-related parts than general parts of furniture and seating (e.g. Japan, China, Venezuela, Hong Kong, South Africa).

Also as reflected in Tables 1 – 4, the volume of parts shipments of unknown origin prevents conclusive analysis. Export data for automotive furniture parts are available only on a national

basis, so there is no way to determine the value of automotive parts within the parts shipments designated to be of unknown origin. The only market recently affected by this phenomenon is that of Canada. Table 5 shows the 2009 shipments of unknown origin and their percent change from 2008 for these markets. Table 6 does the same for January – July of 2010 and 2009. The data shows that no shipments of these commodities were exported from unknown origin to markets other than Canada. The net effect is that the margin of error for Mississippi exports as defined by the shipments of unknown origin cannot be accounted for in the analysis of non-automotive furniture parts to Canada in 2009 and YTD 2010.

Table 5:

	2009 Furniture Exports including Automotive			
	Seating Parts (HS 940190)		Other Furniture Parts (HS 940390)	
U.S. Total	\$1,312,768,451	-23%	\$430,780,763	-25%
Unknown Origin Total	\$38,322,723	-4.3%	\$81,504,254	-1.3%
Canada from Unknown	\$38,322,723	-4.3%	\$81,504,254	-1.3%
U.S. Total – Automotive Only	\$1,123,019,857	-.22%	\$43,840,223	-.09%

Table 6:

	Jan. – July 2010 Furniture Exports including Automotive			
	Seating Parts (HS 940190)		Other Furniture Parts (HS 940390)	
U.S. Total	\$1,079,682,142	72%	\$277,554,110	13.91%
Unknown Origin Total	\$29,337,026	49%	\$50,957,987	12.08 %
Canada from Unknown	\$29,337,026	49%	\$50,957,987	12.08 %
U.S. Total – Automotive Only	\$931,370,145	+.76%	\$27,889,277	.136%

The quantity of exports of a commodity to a given market ignores many other variables which contribute to the success of a particular product or exporter. Factors such as design trends, price elasticity of demand, and market segmentation are not part of this analysis, though they would be critical to companies and organizations analyzing a furniture product's potential export performance. Past performance of a commodity in a particular market is also no indication of its future potential.

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