



European Furniture Industries Confederation

Order delays resulting from COVID-19: European Furniture industry calls on partners for flexibility and solidarity

Brussels, 8 February 2021 – The European furniture industries express concerns over shortages of raw materials, which are resulting in delays of furniture deliveries, as experienced by many furniture companies in Europe. The industry is working towards solutions to alleviate the current bottlenecks. Nonetheless, the current crisis is unprecedented *and a force majeure* and the industry calls on furniture partners for understanding, flexibility and solidarity in these difficult times.

The European furniture industries contribute greatly to the EU economy, generating a yearly turnover of 96 billion Euros and employing around 1 million workers in 120.000 enterprises across the EU. Furniture is a complex product and diverse materials are used in their production, such as wood, textile, steel, glass, composites foam or plastics. The smooth functioning of the industry relies on predictable and constant supplies of these materials.

In the current situation, the shortage of raw materials, the limited cargo and freight capacity and the scarcity in labour force from measures put in place to fight infection rates, all resulting from COVID-19, severely hamper the production capacity of the furniture sector. Furthermore, the ongoing lockdowns in several EU countries often cause interruption in production processes and in some cases companies are not running at full capacity. In addition to this, in many countries furniture shops remain closed, adding to the difficulties of the branch.

Delays in material delivery are particularly disruptive, as they put furniture companies under high pressure to deliver orders on time. Furniture companies are committed to deliver orders according to the planned schedule and often find compromises such as employing extra members of staff and rearranging the production process. However, the industry has no tool to counter-balance the consequences of major disruptions resulting from the impact of COVID-19. Furniture manufacturers rely on a timely reception of raw materials in order to deliver furniture products on time.

The European furniture industries acknowledge that delays in delivery are regulated by the contracts' Terms and Conditions clause. As it is often the case, there is common understanding and support for delays occurring in cases of *force majeure*. In many cases, furniture companies manage to find compromises with their partners, rescheduling the original delivery times. However, some furniture companies do not find understanding among their partners and face potential penalties resulting from delays in scheduled orders. Therefore the furniture industry calls on partners for flexibility and solidarity in these unprecedented times.

EFIC is the European Furniture Industries Confederation, representing over 70% of the total turnover of the European Furniture industries, a sector employing 1 million people in about 120.000 enterprises across the EU and generating a turnover of 96 billion Euros. The EFIC membership is composed of 16 national federations and one individual company member: <https://www.efic.eu/about-our-members>

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