

## 2.0 THE MARKET FOR KD FURNITURE IN THE UNITED STATES

The US market for KD products is composed of two distinct elements. Firstly a portion of the conventional furniture retailing market is involved with selling KD products and there is an accelerating interest in KD products amongst conventional retailers generally. Secondly branches of the retail industry which have not traditionally sold furniture are entering the market. These new retailers are taking advantage of the relative ease with which KD products can be marketed. This statement is of necessity a radical simplification. In retailing as in most aspects of the furniture industry there is considerable fragmentation which will become clear as the report progresses. If Canadian manufacturers are to penetrate the market successfully with KD products they must understand the gradual emergence of the category and its place in the overall market for furniture and home furnishings in the United States.

### 2.1 THE US MARKET FOR HOUSEHOLD FURNITURE

The United States possesses the world's largest furniture and home furnishings market. Seen within the context of total retail sales by merchandise group the furniture and home furnishings category totalled \$US 72.2 billion (or 6.3% of all US retail sales) in 1980. Forecasts indicate that sales will top \$US 100 billion by 1990. Furniture and home furnishings is the sixth largest US