

- o Whilst changing demographics indicate increased sales the analysts neglect to say that houses are becoming increasingly smaller and more importantly that progressively increasing housing and other living costs will reduce the amount of disposable income available for furniture purchases.
- o Changing consumer attitudes to furniture purchasing will also not help the U.S. producer. Consumers are becoming more "eclectic" and this means that they could increasingly reject the more staid middle price U.S. domestic furniture designs in favour of the increasing selection of stylish contemporary designs offered from imported sources. The old days when it was mandatory for occasional and case goods manufacturers to produce a large number of matching options with each group of furniture produced are gone. Much of this new furniture will be KD with a strong international style. This type of product is already being produced by some Canadian manufacturers.
- o Previously unseen market categories have progressively strengthened their position in the market. Canadian manufacturers should note that Home entertainment furniture and computer furniture are two of these. The U.S. companies which are producing these burgeoning categories are often relative newcomers and they are now watering down