Since 1980, three different groups of furniture buyers have been invited to visit the Toronto Furniture Show. Two of these visits resulted in the placing of substantial orders.

Canadian furniture for office, hotel or institutional use has had some success in the U.K. Canadian companies could benefit from participation in the annual Interior Design Show in the U.K. for demonstrating their product/service capabilities to the U.K. buyers, especially in such areas as office furniture sold as integrated systems for office landscaping. Similarly, U.K. buyers will be encouraged to attend the CANEXUS office furniture show in Toronto.

Market Considerations

Promotional activity has led to a new awareness by British furniture buyers that a broad range of Canadian furniture has distinctive design and style characteristics which cater to the average household and are cost competitive, even in the face of the present declining value of the pound sterling relative to the Canadian dollar. Canadian furniture exports have gained a "toe-hold" in the British market. With a sustained on-going promotional program, increased market share from the present 1 per cent of imports to 5 per cent is attainable.

Styling in North America is different in many respects from traditional United Kingdom furniture, and the ability of Canadian firms to adapt to the production of styling acceptable to U.K. purchasers will be an important sales determinant.

Because of shipping problems, the market for "case goods" is at best negligible until some more economic means of shipping made-up items can be discovered. Successes to date have occurred when upholstered chairs and couches could be properly fitted into a container, enabling the shipment of an economic volume of goods.

An impediment to Canadian furniture is a 7.4 per cent tariff. While there has been no national "Buy British" program, the U.K. industry is aware of rising imports and has made use of small stickers in the form of a Union Jack with the words "Buy British" or "British-made".

Competition

There is no one British manufacturer who holds a commanding share of the market. It is estimated that only three manufacturers each control less than 5 per cent of the market, namely Gomme Holdings, Christie Tyler and Schreiber.

The major importers are EEC/EFTA countries who account for some 70 per cent of imports, followed by Eastern European countries. At present, low-cost imports from the Far East are increasing.

D. OVERVIEW OF CANADIAN AGRICULTURE, FISH AND FOOD EXPORTS TO THE UNITED KINGDOM

In 1983, Canadian agricultural, fish and food exports to the U.K. were $513 million. As indicated in Table 9, total Canadian exports of these products have increased from $356 million in 1977, reaching $707 million in 1981. Canadian agriculture, fish and food exports to the U.K. have represented an average of 20 per cent of total Canadian exports to the U.K. during this same period.

Grains, canned and frozen fish, fruits and vegetables, fodder and feed, tobacco, pedigree cattle breeding stock, high quality beef, oilseed products, aged cheddar cheese, other processed foods and specialty crops were the major commodities. Cereal and cereal preparations (mainly wheat) represent the largest category, and account for 47 per cent of total Canadian agriculture, fish and food product exports to the U.K. in 1983.

The following sections focus on three sub-sectors of the agriculture, fish and food products sector, namely: processed food products, agricultural products and fish and fish products. The export opportunities described are considered the most significant for future market penetration in the U.K. agricultural, fish and food sector. Other market opportunities (both those traditional market segments and those products not specifically referred to) are important to Canadian exporters and should continue to be exploited.

Import Perspective: The Agricultural, Fish and Food Sector in the United Kingdom

As shown in Table 10, in 1982 the U.K. imported approximately U.S. $13.5 billion (£7.7 billion) of agriculture, fish and food products. This represented some 13.6 per cent of all U.K. commodity imports that year. The EEC was the source of approximately 50 per cent of all agricultural, fish and food imports. The majority of the remainder of those imports came from the developed countries (i.e. EFTA countries, Australia, Japan, Israel, South Africa and Canada). Canada's share of the U.K. market for agricultural, fish and food products was approximately 4 per cent in 1982.

The United Kingdom agriculture, fish and food products market is sophisticated. Perceived and actual quality is important, more so than for many other export markets. Experience has been that the U.K. market cannot be taken for granted. It is therefore important for the Canadian exporter to clearly understand the regulatory requirements of the U.K. for his product and the quality expectations of the customer.