

WOOD AND FURNITURE TECHNOLOGIES: AN INDUSTRY SEARCHING FOR A NEW IDENTITY?

Plenty of topics are emerging from the statistical surveys of **Acimall**, the association of Italian manufacturers of technologies for wood and wood-based materials: from the vital need to increase the size of businesses to the effects of the conflicts in Ukraine and Palestine, shared with the entire world economy; from the worries for tariffs introduced by the United States to the need of keeping the best balance between an ever relevant domestic demand and export flows that are the real compass of this industry.

2024 FINAL BALANCE

The final figures for the past year confirmed the forecasts of the Studies office of the association, reaffirming the preliminary figures. The Italian **production** of woodworking machines, tools and accessories amounted to 2.420 billion euro, 8.7 percent less than in 2023. Downward trends for **exports** (1.695 billion, minus 8.1 percent from the previous year) and the **domestic market**, stopping at 725 million euro, 9.9 percent less than in 2023.

A significant decrease was recorded by **imports** (228 million, down 25.2 percent), a trend that limited the **trade balance** decrease to minus 4.9 percent compared to 2023 (1.467 billion euro). The **apparent consumption** stopped at 953 million euro, which means a 13.8 percent reduction compared to 2023 results, but still indicates that the Italian market remains a global leader.

It is definitely worth repeating what **Dario Corbetta**, Acimall director, said about the preliminary figures, reminding that this situation, clearly uncomfortable, is a sort of "time lapse" in an industry that has been growing for a few years. The causes are well-known and shared by most of the Italian and global economy: a pandemic emergency followed by incentives and aids that basically postponed the need to face the **structural problems** of the industry: "...from the enduring shortage of **labor**, that is forcing companies to adopt new tools to tackle the big issue of **training**, to the **attractiveness** of these operations for those new to the working world, from the delays in the **generation change**, to the many challenges that the instrumental mechanical industry is facing".

The final balance was defined by the information collected during the last quarter, with figures that are getting hard to detect and interpret in view of the situation we all know: the quarterly survey by Acimall for October-December 2024 recorded a drop in orders by 5.2 percent (minus 6.5 percent abroad; plus 7.1 percent in Italy) compared to the same quarter of 2023. The **orders book** extended to 3.6 months (and growing), while **prices** increased by 2 percent from the beginning of the year. The **quality survey** revealed that the sample of interviewed companies expect substantial stability for production (55 percent), employment (70 percent) and available stocks (50 percent). Stability is not the trend expected at the beginning of this year: the domestic market is expected to drop further by 50 percent of the sample, to remain stable by 45 percent and to expand by 5 percent. Looking abroad, the share of opinions expecting stability climbs back to 50 percent, while the remaining 50 percent fear further shrinkage.

ITALY, GERMANY AND CHINA IN 2024

The Studies office of Acimall also processed a set of information about Italy's position in **global industry flows**, comparing it with the two main competitors on the global scenario, Germany and China, excluding tools.

Italy closed 2024 with an **export** value (excluding tools, it's worth repeating) of 1,550.4 million euro, down 8 percent from 1,686.7 million euro in 2023. The main destinations last year were the **United States** (177.2 million euro, down 4.3 percent), **France** (175.7 million euro, up 19 percent) and **Germany** (121.5 million euro, down 2.4 percent). The top-ten import ranking was completed by Poland, Spain, the United Kingdom, China, Sweden, Turkey and Belgium. The sales to the two competitor countries under scrutiny were basically stable (minus 2.4 percent in Germany, plus 2 percent in China), and maybe it is worth highlighting the significant increase in France, which reaffirmed its role of second largest destination market (plus 19 percent vs. 2023), as well as the much more disappointing 30 percent decrease of the **United Kingdom**.

In 2024, the **import** of wood and furniture technology amounted to 228.1 million euro, clearly decreasing from 304.7 in 2023 (down 25.1 percent). **Germany** remains at number one among Italy's "supplier countries", with 83.7 million euro, strongly decreasing from 157.4 million in 2023 (minus 46.8 percent). At number two, **China** with 40.2 million sales to Italy, up by as much as 36.3 percent versus 2023. Even stronger percent growth for **Spain**, taking the third place with 14.2 million euro, 41 percent above the 10.1 million result of last year. **Austria** fell back to number four, recording a massive 45.6 percent reduction of sales to Italy (from 23.3 million in 2023 to 12.5 last year). A similar trend was achieved by **India** (10.4 million euro, 44.7 percent less than 18.9 in 2023). The list continues with Switzerland, France, Finland (boasting an amazing growth from 315 thousand euro in 2023 to 4.7 million euro in 2024, with an exceptional and hardly significant plus 1,405 percent), the United Kingdom and the United States.

Let's now move on to Germany, a historical leader of international trade, with 2.485 billion euro export (excluding tools), down 11.6 percent from 2.813 billion in 2023. This means a reduction by 11,6 percent, worse than the 8.1 percent drop recorded by Italian manufacturers. Also for Germany, the top-ten destination countries are the United States (362.9 million euro, up 1.5 percent), followed by **China** (213,2 million euro, down 18 percent) and **France** (168 million, down 14.3 percent). The ranking continues with Austria, Poland, Canada, the UK, Egypt, the Netherlands and Switzerland. Egypt recorded a real exploit in percent terms, growing from 9.7 million in 2023 to over 87 in 2024 (plus 796.3 percent).

Last year, also for **import** to Germany, the first place of the top-ten ranking was taken by **China**, with a value virtually identical to the previous year (178.1 million euro vs. 177.8 in 2023). At number two, Italy maintained the same position as in 2023, but fell from 110.2 to 84.2 million in 2024 (down 23.6 percent). German purchases in **Poland** decreased by 3.7 percent (79.5 million versus 82.6), with the country still ahead of other exporters, namely – in descending order – Austria, Czech Republic, Switzerland, Slovenia, Sweden, France and Luxembourg.

CHINA AT THE TOP

China surpassed Germany again and was the absolute leader of trade flows in 2024, with **export** (excluding tools) equal to 2.520 billion euro, 9.3 percent more than in 2023 (2.306 billion). Let us add that this result is combined with a significant reduction of **import**, from 231.9 million in 2023 to 189.1 last year, suggesting a change that can be considered "structural" for the wood and furniture machinery industry in China; these machines are not only increasingly meeting the quantity and quality demands of the Chinese market, but they are becoming more and more attractive also abroad, not just for price, but also for a quality that is starting to compare with the standards of more established suppliers.

Going into details, we see – unsurprisingly – that the biggest fan of Chinese technology is **Vietnam**, increasing its purchase from the neighbor country by 27.5 percent, from 280.3 million euro in 2023 to 357.3 last year. At number two, the **United States** (348 million euro, plus 2.1 percent) and at number three **Russia** (224.3 million euro, plus 2 percent), followed by Germany, India, Thailand, Brazil, Indonesia, Malaysia and Mexico.

On the **import** side – which amounted to 189.1 million euro versus 231.9 in 2023 (down 18.5 percent) – the gold medal for the top supplier country goes to Germany, although it lost 22.9 percent in value (from 128.9 million in 2023 to 99.4 last year). **Italy** held on tight at number two with 29.6 million (minus 0.4 percent), thus overtaking **Taiwan**, which was second in 2023 and third in 2024, with sales to China amounting to 14.5 million euro, 4 percent less than in 2023.

Next came Japan (increasing its Chinese machinery import by 29.1 percent), Denmark, South Korea, the United States, Austria and the Netherlands, which moved from 329 thousand euro in 2023 to 2.7 million in 2024, performing a quantum leap by 748 percent. The top-ten ranking of importer countries was closed by Singapore.

*"The figures processed by our Studies office accurately illustrate the situation that made-in-Italy companies have to face every day", said Acimall director **Dario Corbetta**. "The mature and established markets, despite the storms of recent years, are keeping their role and continue to be a reference for all manufacturers. The Chinese export reconquered the first place in the global markets, an expected result that suggests forgetting old clichés and working harder to preserve a technological gap that is essential to remain a reference partner in global trade flows in terms of quality, reliability, and most of all, service and after-sales partnership".*

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