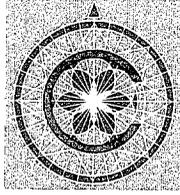


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CHEMONICS INTERNATIONAL INC.



**TDC/EED
TRADE DEVELOPMENT CENTER PROGRAM
EXPORT ENTERPRISE DEVELOPMENT
PROJECT**

**THE FEASIBILITY OF EXPORTING
REPRODUCTION FURNITURE**

**Prepared For:
USAID/Cairo
Contract No.263-0226-C-00-3095-00**

**Submitted by:
Michael Wilder
CHEMONICS INTERNATIONAL INC.**

July 1994

Chess Antiques

Furniture Dealers and Restorers to the Trade

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Mr R Miller
Trade Development Centre
21 Gina Street
24th Floor
Giza P O Box 28
Egypt

26th July 1994

**Re: Assignment to ascertain the feasibility of
exporting reproduction furniture.**

Dear Mr Miller,

As requested I have visited Egypt to enable myself to form opinions on the manufacture of furniture, with a specific view regarding export.

The industry consists of a great variation of premises and working conditions, from one small work shop employing 2 men to well equipped large factories employing 250 people, this is also reflected in the quality of the work. generally the larger factories are producing the better product.

Having visited many such operations I feel qualified to offer advice and recommendations. I list below my observations and comments for your consideration.

The overriding problem is the fact that the moisture content in the wood (including laminate board, solid and veneer) is not being taken into account, also it is not being stored in the correct conditions and checked before use with the appropriate meters.

This simple operation will rectify the following problems. Veneer splitting, gaps at veneer joints, warping of the board material and solid pieces, gaps appearing where one section joins the next.

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Proprietor M Wilder
VAT Reg No 208 4007 96



The solution to this problem is simple and cost effective, all timber including veneers, should be stored together and not used until equilibrium is obtained, ie all the wood has the same moisture content, this is done by using a moisture meter and a relative humidity meter, this action will exclude the need for veneering the top sections twice, also to avoid splitting between the solid wood lipping and the board. Obviously saving on labour and veneer.

There are 2 general methods of veneering, the traditional hot animal glue applied by hand and the more modern method of hot bed press. The latter has more advantages, ie a drying time in minutes not days. However the traditional method is acceptable if carried out correctly, this is not the case at present.

Some adjustments to the technique need to be implemented, ie only the surface to be veneered should have glue applied (not both surfaces). This operation should be carried out quickly before the glue cools, the excess glue should be forced out using a glue hammer, this is most important to obtain a flat surface, all joints should be tapped as soon as possible, not sometime after when the veneer is starting to dry, at this point it will also shrink, if not taped the joints come apart leading to gaps at the seam. The item should now be allowed to dry for at least 2 days (the majority at present only allow 1 day). The tape should now be removed with sand paper, not washed off with water as is the practice of some manufacturers.

Regarding the cutting and laying of marquetry veneers, the same rules apply, ie moisture content, taping joints, removing tape or paper with sand paper. This will ensure that all joints remain tight.

Some manufactures are producing their own block board, this is to be avoided at all cost, unless the correct machinery and materials are used, This is not cost effective and tends to be unstable. The board should be imported, likewise the solid timber and kiln dried to the correct specification.

When making up side or top sections by jointing lengths of wood together, the pieces should be balanced ie, the age rings reversed this will keep the finished section stable. Not one manufacturer that I visited carried out this operation.

The method of finishing being used at the present time seems to be limited to hand polishing with shelac (french Polish) and spray application using polyester. Hand polishing is acceptable, but very time consuming and limits you to one type of finish, ie gloss. the spray method is more versatile, you are able to produce gloss, semi matt, matt. If melamine is used in place of the now used polyester a better result will be achieved. This will enable the craftsman to hand finish after spraying. Bearing in mind the conditions of some of the places of work (hardly dust free) these problems can be corrected.

Finally the ormolu (bronze) mounts generally require further preparation after casting before gilding. Once again not too much effort is required to bring up to standard.

My conclusion having had the opportunity to see the working practices and the finished article, is that if the above suggestions are carried out there should be a ready market for the furniture. There is no doubt that the expertise is there, the carving is second to none, bearing in mind the price structure, based on the inexpensive labour costs, if the quality is improved and maintained I have no hesitation in recommending assistance from your agency.

Trusting this information will be of assistance to you, should you require further information do not hesitate to contact me.

Yours sincerely.

A handwritten signature in black ink, appearing to read 'Mike Wilder', with a stylized flourish at the end.

Mike Wilder.

~~HEAR~~
F 05/04/94

SCOPE OF WORK

Specialist Classic Furniture

A. BACKGROUND

USAID/EGYPT has funded the Export Enterprise Development (EED) project with the stated goal to "promote Egypt's economic growth through expanded foreign exchange earnings" and with the purpose "to increase non-traditional exports produced in Egypt's private sector."

In the document prepared by Chemonics International for USAID/Egypt entitled Strategy and First Annual Work Plan the light manufacturing sector has been targeted for promotional efforts. The furniture industry in the light manufacturing sector exported 18.5 million USD of furniture products in 1993.

This industry employs large numbers of skilled and semi-skilled labor especially in the production of classic furniture where craftsmanship is essential.

Egypt has been a supplier of classic furniture for more than a century to the Mid-east and Europe. Oftentimes these products are sold as original antiques. Growth rates in European countries of imported wooden furniture have increased significantly with the consolidation of the EEC.

Europe will now compete directly with the United States as the largest internal furniture market in the world. This expanded market coupled with rising demand in the Middle East portends opportunities for the Egyptian furniture industry especially for classic furniture. Europe has a tradition of taste for oriental rugs, objet d'arte and classic furniture.

With low wage rates and a large reservoir of skilled artisans Egypt can compete favorably with its competitors such as Spain and Italy in the classic furniture market.

The industry has not, however, keep pace with needs of a more demanding clientele. It has lagged in keeping up with new processing techniques especially in product finishing and the use of marquetry and bronzes. There is a need to give an opening to this industry to views and recommendations on improvement of product quality, new finishing products, machinery and marketing techniques to increase the export capability of this industry.

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B STATEMENT OF WORK

This short term assignment is designed to give to major producers of classic furniture a diagnosis of the problem areas in their production process and recommendations on appropriate changes. Additionally producers will be given a focus on market demand to include the proper variety of wood, the type of furniture, the style, the finish, the price bracket and suggestions on products which can be produced in large quantities to increase exports to various European capital cities.

C SPECIFIC DUTIES

1. Visit manufacturing/and or/shop installations of leading producers of classic furniture to evaluate:
 - a. production environment
 - b. skills level of artisans
 - c. of machinery in use.
 - d. precision and accuracy of reproductions
 - e. quality of accessories: fixtures and bronzes.
 - f. quality of veneers.
 - g. quality and types of woods used and available
 - h. quality of inlays, banding, marquetry and parquetry.
 - i. quality of materials used, glue, polishes etc.
 - h. quality control practices
 - j. product finishing methods
 - k. export packing
2. Review producers product mix, pricing and costing to determine the products competitiveness for the U.K. Benelux, France and German markets.
3. Prepare a report on recommendations to the individual firms on improvements which could be made to enhance the product quality and increase exports.

D. PLACE OF WORK;

Cairo, Alexandria and environs

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E. DURATION OF ASSIGNMENT

Two weeks

Assignment to begin as soon as possible

F. REPORTING RESPONSIBILITIES

Report directly to the Chief of Party of EED Project

G. QUALIFICATIONS

A minimum of twenty years European experience in the making of Classic Furniture with emphasis on production techniques, sales and/or marketing and transportation.

H. PROPOSED CANDIDATE

1. REMUNERATION ??

~~A~~

Expect to see a C.V.

~~A~~