

Household and furnishing textiles

The EU market for bed linen

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Report summary

This CBI market survey discusses the following highlights for the EU market for bed linen:

- The total consumption of bed linen in the EU has slightly decreased during the last years amounting to €2,627 million in 2007.
- The production of bed linen has moved out of the EU to low cost countries (LCCs) to a large degree. EU manufacturers have transferred the location of their production in order to remain competitive.
- The choice of market entry strategy for DC exporters depends on the resources available and the priority given to the European market. However, wholesalers/importers and retailers are, in general, the most interesting trade channels for DC exporters.
- The total EU import value of bed linen increased on average by 6.7% per year from 2003 to €2,535 million in 2007.
- The share of DC imports is remarkable and increased from 54% in 2003 to 61% in 2007. Pakistan was the most important supplier of DC imports to the EU27 (share is 20% in 2007) and to most of the selected countries (except for Germany) and showed an annual growth of 4% in the period 2003-2007.

This survey aims to provide developing-country (DC) exporters of bed linen with product-specific market information related to gaining access to the EU market(s). By focusing on the EU market(s) for bed linen, this document provides additional in-depth information, complementary to the more general information and data provided in the CBI market survey 'The household and furnishing textiles market in the EU', which can be downloaded from <http://www.cbi.eu/marketinfo>.

Detailed information on bed linen is given in appendix A. This survey discusses the EU in general and the following markets in particular: Belgium, France, Germany, Italy, the Netherlands and the UK.

1 Market description: consumption and production

This section discusses the consumption and production of bed linen. Please note that consumption is calculated by using Prodcom data for production, exports and imports (consumption = production + imports - exports). These are the best detailed data available.

The market for household and furnishing textiles, including bed linen, can be divided into a (residential or) consumer segment and a (commercial or) contract segment. The commercial or contract market has a completely different market structure from the consumer market. Unfortunately, information on the contract market is not available.

Consumption

The total consumption of bed linen in the EU can be estimated at €2,627 million in 2007, against €2,800 million in 2003. Total consumption decreased on average by 1.6% per year in the period 2003-2007. Table 1.1 shows the apparent consumption of bed linen in the EU and the six selected countries. As can be seen, the Netherlands and France were the only selected countries that showed an increase in apparent consumption. All other selected countries showed a decrease in apparent consumption, with Italy even showing a decrease of 11%. The French and Dutch growth in consumption was the result of extensive marketing campaigns, accompanied by decreasing prices. Retailers and manufacturers are increasingly turning to imported goods in order to be able to offer products at competitive prices. Furthermore, increasing consumer confidence in those countries in the period 2003-2007 also

played an important role.

Table 1.1 Apparent consumption of bed linen in the EU, by country, 2003-2007, € million

	2003	2004	2005	2006	2007	CAGR*
EU27	2,800	2,734	2,682	2,630	2,627	-1.6%
Germany	682	637	566	563	557	-5.0%
France	439	484	507	470	496	3.1%
The UK	474	468	395	414	429	-2.4%
Italy	450	340	365	344	283	-11%
The Netherlands	101	113	120	104	115	3.3%
Belgium	95	104	104	93	72	-6.6%

Source: Eurostat (2008)

* Compound Annual Growth Rate

General discussion consumers' demand

Factors affecting consumer demand for bed linen in the EU:

- **Economic climate.** Spending on household and furnishing textiles, including bed linen, is influenced to a great extent by the general economic climate. Many purchases are not essential and at a time when the economy is weak, expenditures can be deferred until economic conditions improve. European consumers are expected to respond to the difficult economic climate by postponing purchases and making do with existing bed linen. At the same time, however, people desire to remain at home during uncertain times and focus their attention on products that transform their houses to places of comfort and safety.
- **Social trends.** An increasing percentage of working women means that more women have their own incomes. Because decisions on home furnishings are made almost exclusively by women, sales of household and furnishing textiles tend to be higher.
- **Media interest.** Media interest and output in home decorations has encouraged consumers to replace their household and furnishing textiles based on the desire for change, rather than simply on the basis of wear and tear.
- **Expanded influences of Western interior styles in Eastern Europe.** There is an increased interest in higher value textiles as well as in fashionable products resulting from an increasing influence of Western interior styles in Eastern European countries.
- **Climate.** Sales of warm bedding tend to be lower in warmer climates.
- **Colour fastness.** Colour fastness is very important, especially for bed linen. Bed linen is often washed at high temperatures, making the colours more susceptible to run.
- **Easy of use.** Nowadays, the ease of use of bed linen is very important. People are very busy and do not want to spend much time on their households. Bed linen should be easy to wash and wrinkle-free. They also want 'easy' bed linen (bed linen that does not necessitate much time in making up a bed).
- **Allergies and asthma.** Allergies are one of the most prolific problems in the world today and are expected to reach epidemic proportions during the 21st century. For example, in the UK, allergic conditions have increased fourfold over the last 20 years and one in three people has an allergy-related problem. Allergies and asthma are two of the most common diseases among children and adults. Bed linen can be home to millions of dust mites and other allergens which may aggravate these disorders. As a result, there is an increasing demand for bed linen which is allergy and asthma friendly.
- **Organic bed linen.** European consumers are increasingly interested in organic materials for household textiles, including bed linen.
- **High quality fabrics.** The newest bed linen collections are made of high quality fabrics such as satin, linen and kashmir. Sheets are crisp clean and duvet covers are beautifully finished. The newest development is crisp clean bed linen made of 100% Egyptian cotton and wood pulp.
- **Matching textile collections.** Nowadays, more and more bed and bath textiles are made to match each other. The colours and designs of the duvet covers are translated into bed spreads, towels and bathrobes. There are even textile collections that you can combine with lampshades, laundry bags, side tables and pyjamas.

- **Two different pillow cases.** An increasing number of bed linen sets have two different pillow cases.
- **Printed children bed linen.** Bed linen for children often has a print on it of Disney motives, comic characters, sports and music groups.

For more detailed information on the drivers of consumption, we refer to the CBI market survey 'The household and furnishing textiles market in the EU' and the CBI sector surveys covering the market in individual EU countries.

Eco goods

The segment of organically grown and ecologically sound products represents an especially interesting niche in the home textile industry. It should be noted, however, that fashion plays an increasingly important role in this segment. The times when baggy, brownish 'ecological' products would sell just because of the label have ended.

Source: Industry experts

Changes in the EU consumer market for bed linen:

- **Globalisation.** The supply chain has become more globalised, just as consumer taste and preferences. Magazines are becoming more international in their coverage and trade fairs such as Heimtex are being organised in different parts of the world (Germany, India, Japan, Russia and USA). Designers like Donna Karan, Giorgio Armani and Ralph Lauren operate worldwide, while the interior department store Ikea from Sweden is a universally recognised brand and is rapidly opening stores in countries such as China, India and Russia.
- **Changes in the distribution system.** Independent retailers are losing market share to specialists chains, including interior department stores; clothing chains such as Esprit, Benetton and Next have introduced household and furnishing textiles, including bed linen, in their product range, but also furniture chains, DIY chains, hyper- and supermarkets and garden stores have added household and furnishing textiles (on an irregular basis sometimes) to their product range. Retail chains, buying and selling organisations, wholesalers and manufacturers are sourcing in low cost countries (LCCs), to keep costs down and maintain margins.
- **The growing influence of fashion.** Although not as fast-moving as clothing trends, furnishing lifecycles have reduced considerably to approx. 2 years for soft furnishings (incl. bed linen). The latest developments and forecasts in fashion can be derived from the websites of trade fairs, such as Heimtextil (<http://heimtextil.messefrankfurt.com>) or in trade magazines, such as Textile Wirtschaft (<http://www.twnetwork.de>) or Journal du Textiles (<http://www.journaldutextile.com>).

Production

The production of bed linen has been moved out of the EU to LCCs to a large extent, partly due to the growth in traditional imports and partly due to the initiatives of EU manufacturers in transferring the location of their production in order to remain competitive. The trend in the market towards greater individualisation of products has led to some output being maintained in the EU. Manufacturers in the EU focus on high value products with a high design content; they export on a global scale by supplying to the higher segments of the market and source basic products in LCCs. Other strategies include investment in new manufacturing and information technology in order to keep costs down; the setting up of retail activities; use of licensed brand names; new product development, such as easy-to-care products, anti-microbial fabrics and organic textiles. As a result of these developments, total bed linen production in the EU decreased by an average of 7.7% per year between 2003-2007. Only the Netherlands seemed to be able to increase its production of bed linen. Table 1.2 shows an indication of the production of bed linen in the selected countries, as derived from Eurostat.

Table 1.2 Indication of bed linen production in the EU, by country, 2003-2007, € million

	2003	2004	2005	2006	2007	CAGR
EU27	2,119	1,949	1,853	1,697	1,539	-7.7%

	2003	2004	2005	2006	2007	CAGR
Italy	487	379	389	371	284	-12.6%
France	272	290	292	242	228	-4.3%
Germany	255	213	169	154	165	-10.3%
The Netherlands	30	32	41	32	41	8.0%
Belgium	52	56	62	58	36	-8.5%
The UK	168	101	74	n/a	n/a	n/a

Source: Eurostat (2008)

Major producers

This section will show some of the major producers of household textiles, including bed linen, in the selected countries:

- Alexandre Turpault (<http://www.alexandre-turpault.com>) – France
- Anne de Solène (<http://www.anne-de-solene.com>) – France
- Anvil Household Textiles (<http://www.sgreenandsons.co.uk>) – the UK
- Armoire Linen (<http://www.armoirelinen.com>) – the UK
- Biberna (<http://www.biberna.de>) - Germany
- Brun de Vian- Tiran (<http://www.brundeviantiran.com>) – France
- Cevelit (<http://www.cevilit.nl>) – the Netherlands
- Christy (<http://www.christy-towels.com>) – the UK
- Damai (<http://www.damai.nl>) – the Netherlands
- De Witte Liettaer (<http://www.dwl.be>) – Belgium
- Dyckhoff GmbH (<http://www.dyckhoff24.de>) - Germany
- Herding Heimtextil (<http://www.herding-heimtextil.de>) – Germany
- Ibenä (<http://www.ibena.de>) - Germany
- JMA (<http://www.jmabenelux.nl>) – the Netherlands
- Libeco Home (<http://www.libeco.com>) – Belgium
- Lysdrap (<http://www.lysdrap.be>) – Belgium
- Matheis – (<http://www.matheis-textilgruppe.de>) - Germany
- Yves Delorme (<http://www.yvesdelorme.com>) – France
- Zucchi Group (<http://www.gruppozucchi.com>) – Italy

The websites of other manufacturers and associations of manufacturers can be found in the CBI market survey 'The household and furnishing textiles market in the EU' and in the CBI sector surveys covering the market in individual EU countries.

Trends

This section will discuss the most important production trends on the European market for bed linen.

- **Product piracy and counterfeiting.** Product piracy and counterfeiting are constantly on the rise and already account for an estimated 8% of world trade. This is also a problem for bed linen design.
- **Implications of a strong Euro.** The strong euro complicates exports outside the euro-zone (United Kingdom, USA, Switzerland etc.) and makes imports from the dollar zone into European markets cheaper, resulting in larger competition for European producers.
- **Sourcing from LCCs.** Manufacturers in Europe are focusing on high-value products. They are supplying to the higher segments of the market and sourcing basic products from LCCs.
- **Integration of performance apparel technologies in home textiles.** Performance apparel technologies, such as moisture management technology, previously used in the active wear segment, are increasingly being integrated into the production of bed linen and other home textile products. One of the newest developments is temperature regulating bed linen. This bed linen helps balance temperature changes while sleeping.
- **Design of bed linen by celebrities.** More and more producers are making use of celebrities as designers. Examples are designs by Kylie Minogue (search for 'Kylie' on <http://www.houseoffraser.co.uk>) or by the Dutch celebrities Wendy van Dijk or Daphne Deckers (<http://www.mullertextiel.nl>).

- **Sustainable production in demand.** As a reaction to market demands, bed linen producers are increasingly using materials from sustainable sources and implementing environmental management systems in their production processes.

Colour, design and style

It is particularly important for producers of bed linen to understand colour, design and style in their particular target market, as this is a major decision-making factor for most buyers. These trends change rapidly and it is therefore important to keep knowledge up to date.

Source: <http://www.capecraftanddesign.org.za>

Opportunities and threats

Trends and market developments offer opportunities and threats to DC suppliers. A given trend can be a threat to some and an opportunity to others at the same time. Therefore, the following opportunities and threats should always be analysed in relation to your specific circumstances.

- + Increased media interest in home decorating and the reduced lifecycle of household textiles will have a positive effect on the demand for bed linen.
- + The further sourcing of products in LCCs has led to a decrease in production in the major EU countries.
- + Increasing demand for organic and eco sound bed linen offers interesting opportunities for DC suppliers offering this type of bed linen.
- + There is an increasing demand for easy to use, high quality fabrics.
- + Increasing demand for allergy and asthma friendly bed linen offers interesting opportunities for DC suppliers who can offer this.
- ± The increasing number of working women in the EU is expected to have a positive effect on the demand for household textiles, including bed linen. However, it is expected that declining consumer confidence will have a downwards effect on the demand for household textiles, including bed linen.
- The consumption of bed linen is slightly decreasing in the EU (on average 1.6% per year in the period 2003-2007).

Please refer to chapter 7 of the CBI market survey covering the household and furnishing textiles market in the EU for more information on opportunities and threats. This survey can be downloaded at <http://www.cbi.eu/marketinfo> – go to search CBI database.

Useful sources

- Droomhome - <http://www.droomhome.nl> – trends and inspiration on interior decoration in the Netherlands – click on 'slaapkamers'.
- Emerging Textiles - <http://www.emergingtextiles.com>
- Eurostat – <http://epp.eurostat.ec.europa.eu>
- Euratex Bulletins - <http://www.euratex.org>
- Heimtextil - <http://heimtextil.messefrankfurt.com>
- Home & Living - <http://www.homeandliving.nl>
- Masters of Linen - <http://www.mastersoflinen.com> – trends and inspiration can be found below 'Online services'.
- Sippo - forecast of bed linen trends for 2009 - 2010 - http://www.sippo.ch/internet/osec/en/home/import/countries/sectors/nonfood/textiles.-RelatedBoxSlot-43861-ItemList-62708-File.File.pdf/pub_forecast_hometextiles.pdf (note: pdf file size is 4MB).
- Wohndesign Style!Guide 2009 – interior decoration trends 2009 - <http://www.wohndesign-online.com>

2 Trade channels for market entry

Trade channels

The trade structure is changing in all EU countries. Independent retailers are losing market share to specialists chains, including interior department stores; clothing chains like Esprit, Benetton and Next have introduced household and furnishing textiles in their product range,

including bed linen, but also furniture chains, DIY chains, hyper- and supermarkets and garden stores have added household and furnishing textiles (on an irregular basis sometimes) to their product range.

The following intermediaries have their place between exporting companies in DCs and consumers or buyers in the EU: importing manufacturers, importers/wholesalers, agents and importing retail organisations. The choice of strategy depends on the resources available and the priority given to the European market. However, wholesalers/importers and retailers are, in general, the most interesting trade channels for DC exporters.

For more information, please also refer to the CBI market survey on household and furnishing textiles in the EU. This can be downloaded from <http://www.cbi.eu/marketinfo>.

Wholesalers/importers

Wholesalers play an important role in distribution, accounting for an estimated 50% of the purchases of independent retailers. Wholesalers are generally used by manufacturers of cheaper mass market and standardised products. Manufacturers of classic and exclusive higher-priced bed linen mainly sell directly to retailers or through their own outlets - either fully owned or franchised.

Importers mainly operate nationwide and generally demand exclusive distribution rights for the whole country. Importers/wholesalers in the classical sense are faced with fierce competition within the distribution system and the strong position of textile brands. Importers can often only position themselves by adopting a low price strategy e.g. by sourcing in DCs. Foreign manufacturers will often set up their own sales organisations or work through an exclusive importer for the market. The latter company may in turn sell through a network of regional wholesalers or agents in major countries like Germany, the UK, France, Italy and Belgium. Big retail chains buy directly from domestic producers and usually import for their own account.

Agents

The sales agent does not take title to the merchandise, but is limited to presenting samples to potential clients, obtaining orders and forwarding these to the exporter. The role of the sales agent in household and furnishing textiles is limited. The purchasing agent is widely used by retail organisations and importing wholesalers, due to their wide net of contacts and knowledge of foreign markets. They do not carry their own stock, but purchase solely at the request of their customers. Purchasing agents work on a 4 -5% commission based on Free On Board (FOB) prices.

Retail trade

The balance and share of design labels, brands and retail own labels depends fundamentally upon the nature of the retail format in a country or region. Bed linen is retailed across the EU through a variety of retail formats. Each of these formats will have a different merchandise assortment and will, of course, be selling at different prices.

- Department stores: sales are mostly brands and at the upper price level. Only a small part forms private labels. Examples are Debenhams (UK), Printemps (France), Bijenkorf (Netherlands), Karstadt and Kaufhof (Germany), Mercato Uno (Italy) and Galeria Inno (Belgium).
- Variety stores mostly sell their own label, but may have some branded merchandise. Prices are medium to lower medium. Examples (not exhaustive) are Marks and Spencer or BHS in the UK, Hema in the Netherlands, Belgium and Germany.
- Interior department stores. Bed linen forms part of the assortment of these retail organisations, besides home furniture, furnishings and all kinds of accessories. Examples are Ikea and Habitat and in the lower segments, Argos and Kwantum.
- Specialist household textile chains. It is in this group that the widest selection of brands will be found, outside the largest up-market department stores. Examples are Descamps, Geneviève Lethu and Cottonhouse.

- Specialist furniture and furnishing textiles (including bed furniture in the assortment). Examples are Ka International, BeterBed and Roche Bobois respectively.
- In the case of independent retailers (fewer than 20 stores), buying takes place directly from manufacturers, wholesalers, agents and they are often members of buying (especially in Germany and the Netherlands) or selling organisations.
- Home shopping companies, including mail-order catalogues and Internet mail-order are liable to offer a relatively broad assortment of both their own label and brands. Most mail-order catalogue shopping companies have evolved to Internet mail-order shopping companies. The biggest success is formed by original mail-order companies based on their knowledge and experience in this specific logistical process and methods of collection. Examples (not exhaustive) are Quelle and Otto in Germany, Grattan and Freemans and Home Linen in the UK, Wehkamp in the Netherlands, La Redoute and 3 Suisses in France, La Redoute and Bonprix in Italy and Neckermann and ColliShop in Belgium.
- Value retailers and discounters mainly sell to buyers who are not influenced by fashion or brand awareness and price is the main criterion for them. Examples (not exhaustive) are Peacock, Matalan and TK Max in the UK and Zeeman in the Netherlands.
- Super- and hypermarkets occasionally sell bed linen (either through their own labels or unbranded items). Examples (not exhaustive) are Asda and Tesco (the UK), Lidl and Aldi (Germany), Carrefour and Casino (France) and Albert Heijn (the Netherlands).
- Other channels include street markets and wholesale Cash & Carry formula, like Makro/Metro (Germany).

The names and websites of major players and retail organisations can be found in the CBI market survey 'The household and furnishing textiles market in the EU' and in CBI market surveys covering the household and furnishing textiles market in individual EU countries.

Critical success factors for DC exporters

For many DC suppliers of bed linen it is very difficult to compete on price with Pakistan, India and China. As a result, you need to distinguish yourselves from Pakistani, Indian and Chinese suppliers. Examples of how you can do this, are:

- Design – continuously design products suitable for the EU market
- Quality – always deliver high quality
- Socially responsible production – socially responsible production is increasingly important to European buyers.

Source: interviews Facts Figures Future (2008)

Price structure

The effect of the market position, often indicated as low, medium and high, results in different margins on the consumer end price, based on a CIF (cost, insurance and freight) price for different market segments. A multiplier of between 2 and 4 on the manufacturer's price should be used to calculate an appropriate final consumer price. Elimination of the wholesaler, for instance in the case of department and variety stores and home-shopping companies, does not always lead to a lower multiplier.

Selecting a suitable trading partner

The Internet is an excellent source to identify potential buyers in the EU. Some examples follow below.

- Febeltex - <http://www.febeltex.be> – click on 'Directory', subsector 'interior textiles' – for an overview of Belgian home textile companies.
- Mandelnet - <http://www.mandelnet.com> – click on 'fashion – textile' and then on 'textile, fabrics, yarns' – for an overview of French producers, wholesalers and importers of home textiles.
- Masters of Linen - <http://www.mastersoflinen.com> – click on 'member database' and 'household linen: finished goods' under 'weaving' for an overview of European manufacturers of bed linen.
- Modint - <http://www.modint.nl> – click on 'MODINT directory' – for an overview of Dutch home textile companies.

- Italian Textile and Fashion Association - <http://www.smi-ati.it> – contact them for Italian home textile companies.
- The Wholesaler - <http://www.the-wholesaler.co.uk> – click on ‘cushions and soft furnishings’, ‘House and Home’ or ‘Textiles’ for an overview of British household and furnishing wholesalers (incl. bed linen).
- Wer liefert was - <http://www.wlw.de> – search for ‘bed linen’ for an overview of German manufacturers, wholesalers and importers.

Additionally, the websites of trade fairs contain very useful databases with exhibitors, often searchable by name, product and/or country. Please refer to Chapter 6 for an overview of interesting trade fairs in the selected countries.

For more names and websites of associations, intermediaries and manufacturers per country, refer to the CBI surveys covering the household and furnishing market in individual EU countries. Another option may be to make use of sources in your own country:

- The Economic Affairs departments of the official representative (Embassy or Consulate) of a specific EU country. Find the specific country’s embassy in your country at <http://www.embassyworld.com>. Another suggestion may be to contact the consul of your own country in the country of your choice.
- Public and private trade promotion bodies.

3 Trade: imports and exports

Imports

The total EU import value of bed linen increased on average by 6.7% per year from 2003 to €2,535 million in 2007. The share of intra-EU imports increased on average from 32% in 2003 to 37% in 2007, which was mainly the result of the accession of ten new EU countries in 2004. The share of DC imports increased remarkably (from 54% in 2003 to 61% in 2007). This was at the cost of the share of extra-EU imports (from 13% in 2003 to 2% in 2007). Imports from outside the EU totalled €1.590 million in 2007. The countries under review saw different trends in imports. The Netherlands, the UK, France, Belgium and Italy saw an increase in imports varying from an average of 3% per year in the Netherlands to an average 12% increase in Italy. Germany saw a small decrease in imports of 0.4%. Table 3.1 shows the leading suppliers of bed linen to the EU and the selected countries.

With a total market size of €2,627 million, imports are becoming more and more important on the European market. Imports annually increased by 6.7% to €2,535 million, while at the same time, European production annually decreased by 7.7% to €1,539 million in 2007. This is a result of the shift of European production to LCCs. Manufacturers in the EU are focusing on high value products with a high design content.

Table 3.1 Leading suppliers of bed linen to the EU and the selected countries, 2003- 2007, share in % of value

Product	2003 € mln	2005 € mln	2007 € mln	Leading suppliers (share in %)	Share (%)
EU27	629	858	945	Intra EU : Portugal (6), Germany (4), Belgium (4), France (3), Spain (3)	37
	263	121	56	Extra EU ex. DC : Switzerland (1), Israel (1), U.A.Emirates (0), Canada (0), Russia (0)	2
	1,065	1,262	1,534	DC : Pakistan(20), Turkey (13), China (10), India (6), Bangladesh (6), Egypt (2), Tunisia (1), Moldova (1), Indonesia (1), Vietnam (0)	61
Germany	80	148	122	Intra EU : Poland (6), Czech Rep. (3), Greece (3), Austria (3), Romania (2)	24
	127	31	19	Extra EU ex. DC : Switzerland (2), Israel (1), Canada (0), Russia (0), Taiwan (0)	4
	321	359	378	DC : Turkey (27), Pakistan (17), India (15), China (8), Bangladesh (3), Egypt (1), Indonesia (1), Moldova (0), Turkmenistan (0), Brazil (0)	73

Product	2003 € mln	2005 € mln	2007 € mln	Leading suppliers (share in %)	Share (%)
UK	91	84	78	Intra EU : Portugal (9), Italy (2), France (2), Ireland (2), Germany (1)	17
	13	14	9	Extra EU ex. DC : Israel (1), Hong Kong (0), U.A.Emirates (0), Canada (0), USA (0)	2
	250	282	370	DC : Pakistan (26), China (26), Bangladesh (14), Turkey (6), Egypt (4), India (4), For.JRep.Mac (1), Indonesia (0), Vietnam (0), Sri Lanka (0)	81
France	129	174	215	Intra EU : Belgium (21), Spain (11), Portugal (8), Italy (4), Poland (3)	56
	17	13	8	Extra EU ex. DC : Switzerland (2), Canada (0), USA (0), Israel (0), U.A.Emirates (0)	2
	145	151	163	DC : Pakistan (15), Turkey (7), Tunisia (5), Bangladesh (4), China (3), India (2), Egypt (2), Indonesia (1), Moldova (1), Albania (1)	42
Belgium	66	76	78	Intra EU : France (14), Netherlands (14), Portugal (5), Germany (3), Romania (3)	43
	9	5	5	Extra EU ex. DC : U.A.Emirates (2), Israel (0), Bahrain (0), Canada (0), Switzerland (0)	3
	54	77	98	DC : Pakistan (33), Turkey (10), Tunisia (4), China (4), India (1), Bangladesh (1), Croatia (0), Egypt (0), Thailand (0), Serbia (0)	54
Italy	14	26	60	Intra EU : Austria (8), Romania (8), Germany (7), Spain (5), Bulgaria (4)	38
	24	33	4	Extra EU ex. DC : U.A.Emirates (2), Russia (1), Switzerland (0), Canada (0), USA (0)	3
	63	74	94	DC : Pakistan (21), Turkey (12), Moldova (10), China (5), Egypt (3), India (3), Vietnam (1), Bangladesh (1), Turkmenistan (1), Ethiopia (1)	59
The Netherlands	31	32	29	Intra EU : Belgium (11), Germany (4), Portugal (4), Denmark (1), France (1)	24
	4	2	2	Extra EU ex. DC : Israel (1), Russia (0), U.A.Emirates (0), USA (0), Norway (0)	2
	70	86	89	DC : Pakistan (32), Turkey (17), China (10), Bangladesh (6), Egypt (4), India (4), Indonesia (1), Djibouti (0), South Africa (0), Tunisia (0)	74

Source: Eurostat (2008)

The DC share in import value grew fast, from an average 54% in 2003 to an average 61% in 2007. Pakistan was the most important supplier of DC imports to the EU27 (share is 20% in 2007) and to most of the selected countries, and showed a growth of 4% per year in the period 2003-2007. Germany was the exception where Turkey was the most important supplier of DC imports (share is 27% in 2007). Compared to 2003, among DCs that showed the largest annual growth were Albania (+238.8% to €2.5 million), Ethiopia (+152.3% to €3.3 million), Cambodia (+85.5% to 269 thousand) and Turkmenistan (+79.9% to €5.2 million).

Exports

The value of European exports of bed linen annually grew by 3.6% to €1,446 million in 2007. Italy was the largest exporter in 2007, accounting for 11% of total exported value by the EU in that year. Of the other selected countries, Belgium was the second largest exporter (10.4% share of total EU exports), followed by Germany (8.9% share), France (8.3% share), the UK (4.6% share) and the Netherlands (3.1%). Belgium, the UK, the Netherlands, Germany and Italy showed an annual increase in exports of 13.8%, 8.2%, 7.4%, 6.2% and 3.7% respectively between 2003 and 2007. France showed a decrease of 0.8% in the same period.

Unfortunately, the exact value of re-exports cannot be given by means of Eurostat. The EU27 ran a trade deficit (more imports than exports) of €933 million for bed linen. Of the selected countries, the following countries ran trade deficits: Germany (€392 million), the UK (€391

million), France (€268 million) the Netherlands (€75 million) and Belgium (€36 million). Italy ran a trade surplus of €27 million for bed linen.

Opportunities and threats

Trends and market developments offer opportunities and threats to DC suppliers. A given trend can be a threat to some and an opportunity to others at the same time. Therefore, the following opportunities and threats should always be analysed in relation to your specific circumstances.

- + The EU is a large net importer of bed linen.
- + Compared to 2003, DCs that showed the largest growth were Albania, Ethiopia, Cambodia and Turkmenistan.
- + The value (share) of DCs in total imports increased from an average of 54% in 2003 to an average of 61% in 2007.
- + Although EU consumption of bed linen slightly decreased, DCs succeeded in increasing their total value and share of total EU imports. This was at the expense of EU imports from non-EU countries.
- + The total EU import value of bed linen has annually increased by 6.7% in recent years. Imports from DCs increased even faster by 9.6%.
- + While imports of bed linen succeeded in increasing their share on the market, European production decreased between 2003-2007.
- ± Imports from Pakistan represented a considerable share of DC imports (20%). China, Turkey and India are also important exporting countries of bed linen.

Please note that the developments discussed above should be interpreted with care, as changes in imports do not reflect consumption in these countries. Imports can change abruptly because of re-exports to neighbouring countries, building up stock by distribution centres for the following year, the establishment or departure of manufacturers or large retailers in a particular segment of the bed linen market.

Please refer to chapter 7 of the CBI market survey covering the household and furnishing textiles market in the EU for more information on opportunities and threats. This survey can be downloaded at <http://www.cbi.eu/marketinfo> – go to search CBI database.

Useful sources

- EU Expanding Exports Helpdesk
 → <http://export-help.cec.eu.int>
 → go to: trade statistics
- Eurostat – official statistical office of the EU
 → <http://epp.eurostat.cec.eu.int>
 → go to 'themes' on the left side of the home page
 → go to 'external trade'; → go to 'data – full view'; → go to 'external trade - detailed data'

4 Price developments

Import prices

An analysis of the import prices of bed linen shows mixed results. Although it is only a rough indication, the prices of all imported bed linen in the EU decreased by 1.7% on average per year to €5.40 per kilogram in 2007. The prices of imported bed linen from DCs decreased by 1.9% on average per year to €5.10 per kilogram in 2007. Only British total imports showed an increase in prices.

Table 4.1 Average annual price change of imported bed linen per selected country, '03-'07

Product group	Total imports		DC imports	
	CAGR '03-'07	Price per kg '07	CAGR '03-'07	Price per kg '07
EU27	-1.7%	€5.40	-1.9%	€5.10
France	-2%	€6.50	-4%	€5.60

Product group	Total imports		DC imports	
	CAGR '03-'07	Price per kg '07	CAGR '03-'07	Price per kg '07
Belgium	-2.8%	€6.30	-1.6%	€5.30
Germany	-0.7%	€6.10	-0.41%	€5.50
The UK	7.4%	€5.80	-1.2%	€5.50
The Netherlands	-2.8%	€5.60	-2.3%	€5.00
Italy	-0.87%	€4.90	-2.8%	€4.20

Source: Eurostat (2008)

Prices charged by competitors can be found by browsing their Internet sites or looking at general marketplaces, like <http://www.globalsources.com> or <http://www.alibaba.com>.

Consumer prices

An impression of average (consumer) prices in EU countries can be formed by browsing through the catalogues of home shopping companies on the Internet, for instance:

- Belgium - <http://www.3suisses.be> - click on 'Linge de maison' and 'Linge de lit';
- France - <http://www.laredoute.fr> - click on 'Linge de maison' and 'Linge de lit';
- Germany - <http://www.otto.de> - click on 'Wohnen', 'Wohntextilien' and 'Bettwäsche';
- Italy - <http://www.laredoute.it> - click on 'Casa' and 'Biancheria per il Letto';
- The Netherlands - <http://www.wehkamp.nl> - click on 'slapen' and 'bed textiel';
- The UK - <http://www.littlewoods.com> - click on 'Homewares' and 'Bedding'.

Comparisons can also be found in the prices given in catalogues from interior department stores (e.g. <http://www.ikea.com>), furniture/furnishing chains and many other retail chains in all segments of the market. Addresses can be found in the CBI sector surveys covering the market in individual EU countries. Here you can also find an overview of average consumer prices in varying distribution channels (such as discounters, home shopping companies, interior department stores and speciality stores).

5 Market access requirements

As a manufacturer in a DC preparing to access an EU country, you should be aware of the market access requirements of your trading partners and the European and national governments. Requirements are demanded on legislation and on labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at <http://www.cbi.eu/marketinfo>, select your market sector and country of interest in the category search, click on the search button and click on market access requirements.

Additional information on packaging can be found on the ITC website under export packaging: <http://www.intracen.org/ep/packit.htm>.

Information on tariffs and quota can be found at <http://export-help.cec.eu.int>.

6 Doing business

General information on doing business, such as approaching potential business partners, building up a relationship, drawing up an offer, handling the contract (methods of payment, and terms of delivery) can be found in the CBI's export manuals 'Export Planner' and 'Your image builder'. Furthermore, cultural awareness is a critical skill in securing success as an exporter. Information on cultural differences in the EU can be found in chapter 3 of the CBI's export manual 'Exporting to the EU'. These manuals can be downloaded from <http://www.cbi.eu/marketinfo> - go to search publications.

Sales promotion

For DC exporters, trade press, trade fairs and website promotion are among the most important promotional tools; they are briefly discussed below. For more information, also refer to the CBI's Export Planner and Your Image Builder – <http://www.cbi.eu>, as well as the CBI market survey covering the household and furnishing market in the EU.

Trade fairs

Visiting and participating at a trade fair abroad can be an efficient means to communicating with prospective customers. It provides more opportunities to convey one's message than any other promotional tool. It can also be an important source of information on market development, production techniques and new product applications. There are no trade fairs specifically aimed at bed linen. However, it would be advisable to visit general trade fairs on household and furnishing textiles as these trade fairs will also feature bed linen. Table 6.1 shows the most important household and furnishing textiles trade fairs in the selected countries:

Table 6.1 Major household and furnishing textiles fair in selected countries

Name	Website	Month	Country and place
Decorex	http://www.decorex.com	September	The UK - London
Decosit	http://www.decosit.be	September	Belgium - Brussels
Heimtextil	http://heimtextil.messefrankfurt.com/gl/obal/en/home.html	January	Germany - Frankfurt
Maison & Objet	http://www.maison-objet.com	September	France - Paris
Macef	http://www.macef.it	January & September	Italy - Milan
Home Interior Fair	http://www.htc.nl/htc/nl/events/homeinterior.html	February & September	The Netherlands - Nieuwegein

It would be better to first visit a trade fair a few times before participating yourself. During a visit you can extensively look around at the stands of the main players and get a better idea of the latest fashions. At trade shows, you have an opportunity to talk to potential partners on a face-to-face basis and assess whether or not you would like to work with them.

Trade press

An interesting story about your company or new product introduction will boost the company's image and increase user awareness. In that respect, building up contacts with the trade press would be helpful and should be used whenever possible. There are no trade magazines specifically aimed at bed linen. However, it would be advisable to contact general trade magazines on household and furnishing textiles as these trade magazines feature bed linen as well. Please refer to the CBI sector surveys covering the market in individual countries. For tips on how to write a press release, please refer to the CBI's 'From survey to success. Guidelines for exporting household and furnishing textiles to the EU'. These manuals are available at <http://www.cbi.eu/marketinfo>.

Website promotion

These days, it is an absolute must to have a professional website aimed at your main target groups. Make it interactive and promote it in the right way. More information can be found in the CBI Export Manual 'Website Promotion', available at <http://www.cbi.eu/marketinfo>.

Business culture

Cultural awareness is a critical skill in securing success as an exporter. Information on cultural differences in the EU can be found in Section 3 of the CBI's export manual 'Exporting to the EU'. This manual can be downloaded from <http://www.cbi.eu/marketinfo> - go to search publications. Furthermore, refer to Kwintessential for practical tips on business culture and etiquette in the selected countries: <http://www.kwintessential.co.uk>. Click on 'Country Profiles' at the section 'Intercultural resources and tools'.

Credit check

You should do a credit check of your potential trade partner, especially when an investment on your part is involved. This credit check could be done by a specialist company such as Dun and Bradstreet (<http://www.dnb.com>). A bank does not usually give the credit ratings of its customers. In this regard, you could also contact Business Support Organisations in the selected countries or the commercial department of your own embassy to see if they have any useful contacts. They may even have some knowledge of the contacts you may have made independently.

This survey was compiled for CBI by Facts Figures Future. It is an update of the previous version which was compiled by Fashion Research and Trends.

Disclaimer CBI market information tools: <http://www.cbi.eu/disclaimer>

Appendix A General product description

Bed linen

This product survey discusses bed linen. This includes sheets and quilt/duvet covers, both for single beds and double beds, and pillowcases. The most important product group (for consumption and imports) is printed/woven cotton bed linen, followed by not-printed woven cotton.

Materials used

100% carded cotton, ring-spun yarn or open-end yarn. Open-end yarn is usually acceptable once the sample has been tested for strength. Polyester/cotton is used to a much lesser degree than cotton, though its advantage is its shrink resistance and durable qualities. Other textile fabrics, such as silk, account for a minor percentage of the market. Yarn specifications are part of the contract. Cloth construction criteria include the weight, the yarn count and the type of weave. The specifications on sheet dimensions cover not only the selvages but also the weight.

Sizes

The sizes of bed linen depend on the sizes of the beds (children's beds, single beds, double beds and twin beds) and the mattresses on the beds. The development in the heights of mattresses in the last decade is an important point. More and more, heights of 12 cm are being replaced by heights of 15 cm and even 20 cm. The average height for fitted sheets in the middle market (and higher) is 18 cm. A specific requirement in some EU countries concerning quilt covers is the so called full flap. This flap of about 30 cm is used for putting the quilt cover under the mattress at the foot end, which means a total length of 250 cm instead of 200/220 cm.

The most common sizes for bed linen are (in cm)

Sheets:	for single bed:	150x250; 160x260
	for double bed:	180x250; 200x260;
	for twin beds:	240x260/270
Fitted sheets:	for single bed:	80x190/200; 90x190/200; 90x210/220
	for double bed:	140x200
	for twin beds:	160x200; 180x200
	for waterbeds:	190x220
Quilt covers:	for single bed:	150x200; 150x220
	for double bed:	200x200; 200x220
Pillow cases:		50x50; 60x70; 65x65

Statistical codes

The following HS code numbers in the category 'bed linen' are specified by Customs and used for statistical purposes in the EU.

Bed linen

- 6302. 10.00 knitted (from 2005)
 - 10.10 knitted; cotton (until 2005)
 - 10.90 knitted; other materials (until 2005)
- 21.00 woven/printed; cotton
- 22.10 non-woven/printed; synthetics
- 22.90 woven/printed; synthetics
- 29.10 woven/printed; flax or ramie
- 29.90 woven/printed; other materials
- 31.00 woven/not printed of cotton (from 2005)
- 31.10 woven/not printed; cotton with flax (until 2005)
- 31.90 woven/not printed; cotton (until 2005)
- 32.10 non-woven/not printed; synthetics
- 32.90 woven/not printed; synthetics

- 39.10 woven/not printed; flax (until 2005)
- 39.20 woven/not printed; flax or ramie (from 2005)
- 39.30 woven/not printed; ramie (until 2005)
- 39.90 woven/not printed; other materials

The following PRODCOM code numbers in the category 'bed linen' are used:

- 17.401.230 Bed linen of knitted or crocheted textiles
- 17.401.253 Bed linen of cotton (excluding knitted or crocheted)
- 17.401.255 Bed linen of flax or ramie (excluding knitted or crocheted)
- 17.401.259 Bed linen of woven textiles (excluding of cotton, of flax or ramie)
- 17.401.270 Bed linen of non-woven man-made fibres (excluding knitted or crocheted)

More information about the statistical sources used, the limitations of these sources and other information can be found in appendix A of the CBI market survey 'The household and furnishing textiles market in the EU'.