CBI MARKET SURVEY

THE STATIONERY, OFFICE AND SCHOOL SUPPLIES MARKET IN SPAIN

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Report summary

This CBI market survey discusses, amongst others, the following highlights for the stationery market for Spain:

- The Spanish market accounted for 8% of the total stationery consumption of the reviewed countries[1] in 2005. Compared to the other researched markets, Spain was one of the medium-sized stationery markets in EU in 2005. Its total consumption amounted to € 1,151 million in the same year.
- In absolute value the estimated total production of the Spanish stationery market for 2004 was € 2,018 million (including Cases & Satchels and Greeting cards). Spain is one of the few countries where production is increasing over the years.
- Total imports into Spain in value and volume were respectively € 634[2] (million) and 171 thousand tonnes in 2005. In the same year, Spain took 6% of the total EU stationery imports and was one of the medium importers in the EU.
- For the year 2005, the percentage of imports in Spain coming from the developing countries was more than 21%. For a comparison, this same percentage used to be 20% back in 2003. Leading suppliers are: *China (12.7%), India (0.6%), Indonesia (1.6%), Thailand (0.8%), Turkey (0.1%).*

This survey provides exporters of stationery[3] with sector-specific market information related to gaining access to Spain. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey *'The stationery, office and school supplies market in the EU' (2006),* which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used as well as information on other available documents for this sector. It can be downloaded from http://www.cbi.nl/marketinfo.

1. Market description: consumption and production

Consumption

Total market size

- The total consumption of stationery in 2005 in Spain amounted to € 1,151 million at Manufacturing Selling Prices[4] (excl. Greeting Cards and Cases & Satchels[5]).
- The Spanish market accounted for 8% of the total stationery consumption of the reviewed countries in 2005. Compared to the other researched markets, Spain was one of the medium-sized stationery markets in the EU in that year.
- Between 2004 and 2005, total stationery consumption increased by 1.2%.

[1] The reviewed countries are: France, Germany, Italy, The Netherlands, Spain, UK, Austria, Belgium, Cyprus, Czech Rep., Denmark, Finland, Greece, Hungary, Ireland, Poland, Portugal, and Sweden.
[2] Including Cases & Satchels and Greeting Cards
[3] Please, note that by 'stationery' in the whole survey, it is meant 'stationery, office and school supplies'.
[4] MSP (Manufacturing Selling Prices) – The price at which manufacturers sell products to resellers or direct to users.
[5] Consumption information is given for all mentioned product groups except for the segments Greeting Cards and Cases & Satchels. The research agencies used in this report are not gathering information for those two product groups. Separate information for them would be given later in the text.

- This trend is forecast to continue until at least 2008, with consumption growing about 1 - 2% annually.

Product groups

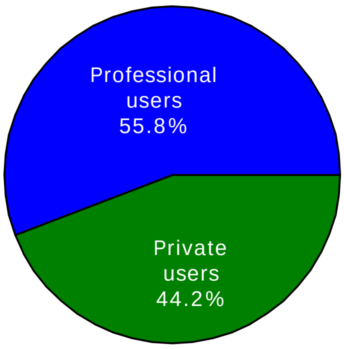
- In 2005, Office furniture was the largest product group in the Spanish stationery market accounting for about 44.2% and € 509 million at MSP. The next largest segment was Paper-based items with 13.6% of the total Spanish stationery market, worth € 156 million.
- In third place by market share was Writing & Drawing Instruments with 13% of the total Spanish market and value of € 150 million.
- Storage & Filing products, Presentation & Planning materials and Office & Desk Accessories were the smallest segments with relative shares of 11%, 9% and 8% and values of consumption respectively of € 131.0, € 109.5 and € 96.5 million at MSP.
- Paper-based items and Storage & Filling products are the two groups forecast to remain static till the end of the decade, mainly due to PC penetration which is negatively affecting this sector (especially duplicate, triplicate and analysis books).
- The best-performing segments are Office Furniture and Office & Desk Accessories, which are forecast to increase by more than 7% by 2009.
- Explanations for the above mentioned developments can be found below in the sub-section '*Trends in consumption'.*

Market segmentation

In general, the stationery market can be segmented into three major market segments, i.e.: Private users, Small office and Home office users (SoHo) and Professional users (which also includes Schools & Universities). However, the line between the different segments is coming increasingly blurred as the distinction between the work and the personal life begins to fade. In this sense, all mentioned segments are of interest for the exporters from the developing countries.

According to Iplusc, the professional users accounted for 55.8% of Spanish stationery sales in 2004, the remaining 44.2% was made up by private users. Unfortunately, the SoHo users are not researched as a separate entity, so consumption of the SoHo users is included in both groups. Both the professional and the private user markets showed steady development. In comparison to the other reviewed countries, professional consumption is somewhat lower, which can be explained by the lower economic development as compared to the more northern parts of Europe.

Figure 1.1: The Spanish Stationery market, segmentation by user, % Share, by value, 2004



Source o.a. Iplusc and MPA International

Trends in consumption

- General trends in EU stationery consumption are given in Chapter 4 of the CBI market survey *'The stationery, office and school supplies market in the EU' (2006).* In this document, attention has been paid only to country-specific consumption trends.
- In Spain, there is an ongoing decline in the school population. That will affect mainly the Paper-based items and Writing & Drawing Instruments segments. Moreover, those segments are also hit hardest by the rapid penetration of PCs in the Spanish market.
- As in most of the big stationery markets in Europe, the Spanish market is also trying to counter declining volumes by innovation in terms of improvements in the design (colours, sizes, and shapes), ergonomics and technology.

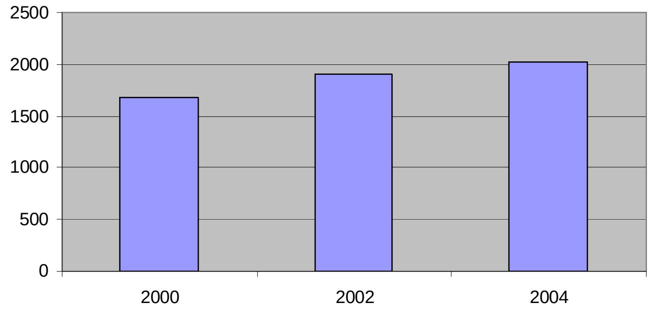
- Non-branded products are quite important in this market, as the Spanish consumer is very price conscious.

Production

Total production

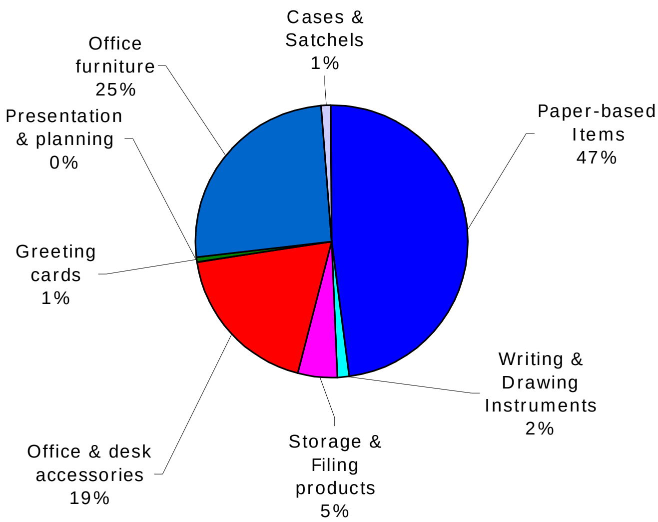
- In absolute value the estimated total production of the Spanish stationery market for 2004 was € 2,018 million (including Cases & Satchels and Greeting cards). Spain is one of the few countries where production is increasing over the years.
- In 2004, Spain accounted for 8% of the stationery production of the reviewed countries based on Eurostat statistics, which makes it one of the medium producers in the EU.
- In comparison to previous years, overall production is increasing (see Figure 1.2). In comparison to 2002, overall stationery production has increased by more than 6%.
- The trend to growth of stationery production will further continue, especially in the Office & Desk Accessories and Office Furniture segments, where demand is forecast to increase over the coming years. For the rest of the product groups[6], production prospects are not so optimistic due to an increasing supply of cheap imports.
- An overview of the most produced product groups is given in Figure 1.3. [7]

Figure 1.2: The Spanish stationery market, total production, by value (x €1,000,000)



Source: Eurostat database

Figure 1.3: Production in the Spanish stationery market, segmentation by product group, % share, by value, 2004



Source: Eurostat database

Major players

In Paper-based Items production Enri (http://www.enri.es/), (subsidiary of Groupe Hamelin), Unipapel (http://www.unipapel.es/) and Liderpapel (http://www.liderpapel.com/) are Spain's leading manufacturers. The latter, the manufacturing division of the Comercial del Sur Group, which also includes a wholesale operation, produces letter pads, notebooks, exam books, exercise books and folder. Another, manufacturer is Dohe (http://www.dohe.es/), which produces diaries,

[6] Presentation and planning product group is between 0.3 and 0.1%.
[7] Please, note that due to unavailability of information in the Eurostat database, production might seem fragmented. Eurostat information is not exhaustive and conclusive decisions should not be based on it.

business books, exercise books etc. Furthermore, Storage & Filing Products are included in its product range.
A notable Spanish manufacturer is El Casco (http://www.el-casco.es/), which focuses on luxurious Office & Desk Accessories and fine leather Cases & Satchels.

Trends in production
- As a result of the decline in demand in some of the stationery segments, the Spanish market has become saturated due to oversupply and overproduction in some of the product groups.
- Moreover, this overproduction and also the increasing penetration of imports from the Far East have driven prices down.
- As a result, competition among producers is tough and some of them are pricing aggressively to stay in the local market. So some consolidation on the manufacturing side is expected and smaller entities may leave the market.
- The aggressive pricing should also increase the outsourcing trend amongst producers and many of them have already started to place their production facilities in China and other Asian countries.

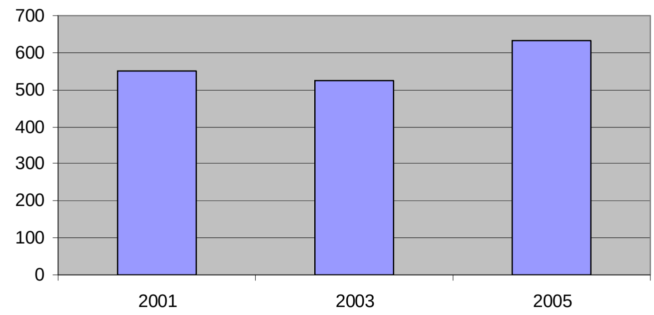
Opportunities and threats
- As mentioned before, consumption is growing marginally and this is an opportunity for all the players on the market.
- Moreover, the Spanish consumer is very price-conscious, creating room for cheap non-branded products.
- On the other hand, Spanish producers, with their high costs, struggle against the cheap supply of outsourced stationery products into the country. This is a definite threat to the exporters from the developing countries.

Useful sources
- MPA International - A global consultancy specializing in marketing research and analysis in the office products industry: (http://www.mpainternational.com/)
- Office Products Magazine (http://www.opi.net)
- Manual (http://www.ifema.es/)
- Spanish Trade Governmental Organization (http://www.icex.es/icex/cda/controller/page/0,2956,35582_1047150_1045682_5101,00.html)

2. Trade: imports and exports

Total Imports
- Total imports into Spain in value and volume were respectively € 634[8] (million) and 171 thousand tonnes in 2005.
- In 2005, Spain took 6% of the total EU stationery imports and was one of the medium importers in the EU.
- In comparison to year 2003, imports have increased by more than 6.5%.
- Import growth is forecast to accelerate slightly into 2007 provided imports remain price-competitive. Moreover, imports will

Figure 2.1: Import in the Spanish stationery market, total imports, by value (€ millions)



Source: Eurostat database

[8] Including Cases & Satchels and Greeting Cards

also be stimulated by the stable and marginally increasing consumption in this country.

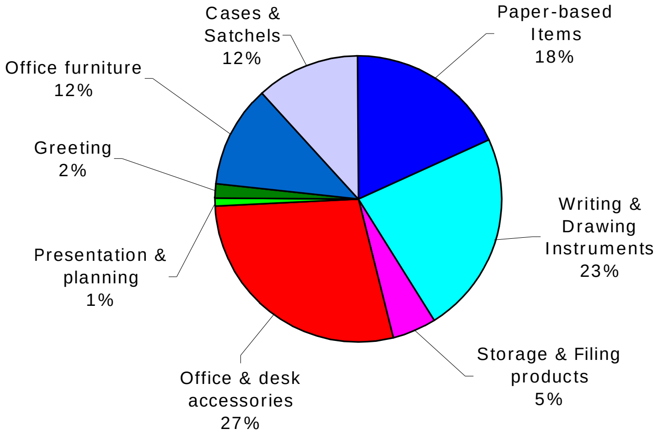
- For the year 2005, the percentage of imports in Spain coming from the developing countries was more than 21%. For a comparison, this same percentage was 20% in 2003. The best performers in the group are shown in Table 2.1.

Imports by product group

For the relative size of the product groups in Spanish import see Figure 2.2. An analysis of the changes of the share of the different product groups over the years shows that most of the product groups remained stable or decreased marginally. Office & Desk Accessories and Office Furniture are the two segments which have increased their share of total imports.

Major supplying countries of these imports from the EU members, non-EU members and especially from the developing countries are given in Table 2.1 in an exhaustive form.

Figure 2.2: Import in the Spanish stationery market, segmentation by product group, % share, by value, 2005



Source: Eurostat database

Table 2.1 Imports by country and leading suppliers to Spain, 2003 - 2005, share in % of value

Product	2003 € mln	2005 € mln	Leading suppliers in 2005 (share in %)	Share (%)
Total market sector	526	634	Intra-EU: France 22%, Germany 15%, Italy 13% Extra-EU excl. DC: Japan 2.0%, USA 1.2%, Taiwan 0.9%, DC*: China 12.7%, India 0.6%, Indonesia 1.6% Thailand 0.8%, Turkey 0.1%,	71% 8% 21%
Paper-based Items	116	115	Intra-EU: France 26%, Italy 14%, Germany 16.5% Extra-EU excl. DC: USA 0.8%, Canada 0.3%, Taiwan 0.8%, Hong Kong 0.2% DC : China 12.5%, India 0.5%, Malaysia 0.4% Thailand 0.9%, Indonesia 2%, Brazil 0.4%	79% 3%. 18%
Writing & Drawing Instruments	150	146	Intra-EU: Germany 26.6 %, France 16%, Italy 7% Extra-EU excl. DC : Japan 9%, Taiwan 2.2%, USA 1.8%, Switzerland 1% DC: China 21%, India 1.4%, Turkey 0.1% Thailand 0.2%, Malaysia 0.3%, Brazil 0.1%	62% 14% 24%
Storage & Filing products	24	31	Intra-EU: France 48%, Italy 12%, Germany 10% Extra-EU excl. DC :Hong Kong 0.2%, USA 0.2%, Switzerland 0.1%, Taiwan 0.23%, DC: China 10.6%, India 2.8%, Philippines 0.04%, Thailand 0.65%,Turkey 0.6%,Egypt	84% 0.9% 15.1%

			0.3%	
Office & desk accessories	167	178	Intra-EU: Germany 22.4%, France 17%, Italy 14% Extra-EU excl. DC : USA 1.4%, Japan 0.6%, South Korea 0.4%, Taiwan 1.2%, Switzerland 0.6% DC: China 10.5%, Morocco 0.05%, Pakistan 0.2% Turkey 0.12%, Thailand 0.1%, Malaysia 0.07%	83% 5% 12%
Presentation & planning	4	5	Intra-EU: Portugal 21%, France 17%, the Netherlands 5.6% Extra-EU excl. DC : USA 1.6%, Hong Kong 0.7 %, Taiwan 0.65% DC: China 37.3%, South Africa 0.1%, Vietnam 3.19%	56% 3 % 41%
Greeting cards	10	10	Intra-EU : France 32.1% , Germany 16%, the Netherlands 12.11% Extra-EU excl. DC : Taiwan 1.1%, USA 1.1%, Hong Kong 0.2%, Canada 0.3% DC: China 8.6%, Thailand 2.6%, Indonesia 0.3% India 0.1%	84% 4% 12%
Office furniture	56	75	Intra-EU: Italy 26%, Germany 17.6%, France 17% Extra-EU excl. DC: USA 0.3%, Canada 0.1%, Taiwan 0.6% DC: China 4.9%, Colombia 0.2%, Turkey 0.15% Mexico 0.1%, Thailand 0.17%, Brazil 0.4%	91% 1% 8%
Cases & Satchels	63	10	Intra-EU : Belgium 14.1%, France 7.7% the Netherlands 4%% Extra-EU excl. DC : Taiwan 0.2%, USA 0.2%, Hong Kong 0.4%, DC: China 57.8%, Thailand 0.1%, Vietnam 0.8% India 1.2%, Turkey 0.1%	38% 2% 60%

Source: Eurostat database (2006) *Developing countries

Table 2.2 Analysis of growing and declining suppliers per product group (2005 – 2003)

Country	Strongly increasing	Increasing	Stable	Decreasing
Paper-based Items	-	France, Italy, China, Malaysia, Brazil	USA, Canada, Taiwan, Hong Kong, Indonesia	Germany, India, Thailand
Writing & Drawing Instruments	China	Germany, France,	Taiwan, Switzerland, India, Turkey, Thailand, Malaysia, Brazil	Italy, USA, Japan
Storage & Filing products	France	Turkey	Hong Kong, USA, Philippines, Thailand, Egypt	Germany, Italy, Switzerland, India, Taiwan,

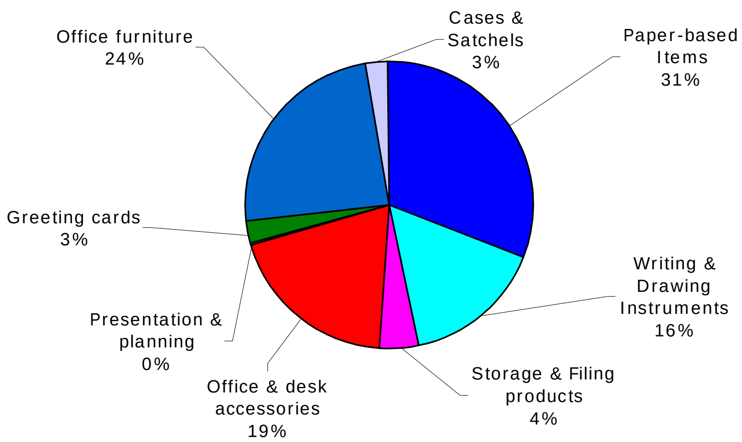
				China
Office & desk accessories	-	Italy, China,	Malaysia, Thailand, Turkey, Pakistan, Morocco, USA, South Korea, Taiwan, Switzerland	Germany, France, Japan
Presentation & planning	-	Portugal, USA, Hong Kong, Taiwan, Vietnam	South Africa	The Netherlands, France, China
Greeting cards	-	The Netherlands, China, Thailand	France, Taiwan, USA, Hong Kong, Canada, India	Germany, Indonesia
Office furniture	-	China, Turkey, Thailand,	Canada, Colombia, Mexico	France, Italy, Germany, - Taiwan, USA, Brazil
Cases & Satchels	China	Belgium, France, Vietnam	Turkey, India, Thailand, Hong Kong, Taiwan	USA, the Netherlands

Source: Eurostat database

Exports

- Total exports from Spain in value and volume were respectively € 450 million and 132 thousand tonnes (including Cases & Satchels and Greeting cards) in 2005.
- In 2005, Spain supplied 4% of the total EU stationery exports and it is one of the medium to small exporters in the EU.
- In comparison to 2003, exports have increased marginally, which makes the export picture from previous years quite unchanged.
- For the relative share of the export product groups, please see Figure 2.3.

Figure 2.3: Export in the Spanish stationery market, segmentation by product group, % share, by value, 2005



Source: Eurostat database

Opportunities and threats

- An increasing share of the 21% of stationery imports into Spain came from developing countries in 2005; this percentage was significantly higher in the following product groups: Cases & Satchels (60%), Presentation & Planning materials (41%) and Writing & Drawing Instruments (24%).
- The share was significantly lower for the product groups: Paper-based items (18%), Storage & Filling products (15.1%), Greeting cards (12%), Office accessories (12%) and Office Furniture (8%).

- As a result of the decline in demand in some of the stationery segments, the Spanish market has become saturated due to oversupply and overproduction in some of the product groups. Import growth is forecast to accelerate slightly into 2007 only if imports retain their strong price competitiveness.

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 - 'external trade' - 'data – full view' - 'external trade - detailed data'.
- European Commission - official publication (http://ec.europa.eu/economy_finance/index_en.htm)

3. Trade structure

Traditionally, exports from the developing countries took place through a set of importers, who have then marketed the products to wholesalers, end-users, or retailers. The disadvantages of working through a large number of intermediaries include poor knowledge of market trends, inability to gain competitive advantage by adapting the product to specific customer needs and, of course, the margin lost at each stage of the value chain. On the other hand, *exporting on your own generally requires more of the resources of your company than exporting through an agent or importer/wholesaler.* In this chapter, the biggest and most prominent distribution and retailing channels are given, so that both types of exporters (ones which are using/not using intermediaries) can select the best channel for them.

Trade channels
As in the Italian stationery market, Spanish stationery distribution is highly fragmented. International companies such as Spicers, Staples and Office Depot have been slow to move into the Spanish market. Due to the economic development of Spain in the last decade and the increasingly competitive situation in other Western European countries, many companies have set their eyes on Spain. Office Depot, Staples and Spicers all entered Spain in 2002. Nevertheless, Office Depot is now exiting the market as it could not adapt to the Spanish environment and culture.

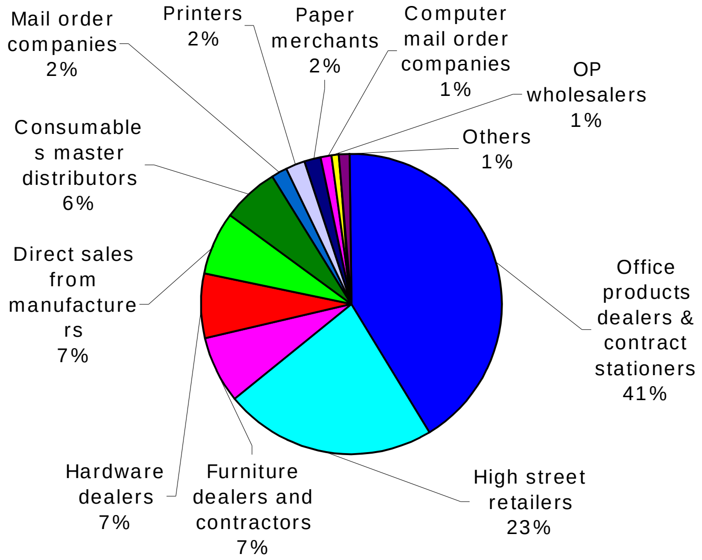
The urban structure in the Mediterranean is different, as people are not used to spending time driving out of town to a hypermarket. This was one of the main causes of Office Depot's withdrawal from the market, as well as the higher prices it charged its customers in comparison to local suppliers.

Direct sales from manufacturers will continue to decrease as the contract stationers' increase their penetration of both the corporate market and the public sector. The contract stationers will gain market share mainly from the small dealers and the office products wholesalers, as the current trend among customers is single-sourcing (buying all your stationery from one supplier). However, competition between contract stationers is fierce and it is the international players who are more likely to benefit from the growth of this channel. The Spanish Professional user segment is dominated by large stationers such as Guilbert, Lyreco, Corporate Express and Burototal.

Wholesaling also plays a significant role in Spain. This segment used to be dominated by wholesalers working on a local or regional basis. Comercial del Sur de Papelaria (http://www.liderpapel.com/) is one of the few wholesalers working on a national scale. Currently, wholesalers are under threat, as their customer base is pressured by international

resellers who can purchase direct from manufacturers, and as the growing numbers of dealer groups also offer smaller dealers the option to purchase direct. As a result, there will be some consolidation of the local wholesalers.
As cooperative buying is becoming increasingly important, combined with the entrance of the international wholesale giant Spicers on the Spanish market in 2002, the market will become increasingly competitive. This will probably eventually lead to a shake out in Spanish wholesaling.

Figure 3.1: Distribution of Stationery in Spain, segmentation by format, % share, by value, forecasts 2005



Source: MPA International

Retail trade
As in Italy, the independent stationery retailers (included in the High-street retailer segment) supply an important share of the stationery distributed to Private as well as SoHo users. They are, however, losing ground, as Spanish retail is rapidly changing from traditional structures, dominated by small, often family-owned stores, to modern shopping environments with new retail formats operated by large multiple groups. An example is Grupo Picking Pack (http://www.pickingpack.net/) (GPP), which has the largest network of office products stores in Spain, primarily serving the SoHo market through a network of franchise stores.

Prospects for high street retailers depend on the type of company. The independent, local office products retailers will decline, while multinational chains of hypermarkets and supermarkets will increase as Spanish shopping habits change. The self-service & department stores take a considerable share of stationery distribution. These mostly non-specialist outlets, like department stores and hypermarkets, have also included large sections of stationery products in their stores. Spain's leading hypermarket is Centros Comerciales Carrefour (http://www.carrefour.es/) operating with a total of 117 outlets, followed by Alcampo SA, part of the Auchan group and Hipercor, which is owned by the group El Corte Inglés. The group El Corte Ingles (http://www.elcorteingles.es/) also operates the leading department store in Spain, with 60 department stores. Its main rival, Marks & Spencer, exited the Spanish market in 2001, because it was unable to compete successfully. According to Euromonitor, this was mainly due to El Corte Ingles' popularity and brand awareness.

Sales through the mail order company channel will continue to grow slowly as Spanish people still tend to be quite conservative, but they are increasing their awareness of such trade channels as well as of Internet trade. However, the channel is likely to continue to face competition as companies such as hypermarket chains create their own mail order divisions. Kalamazoo (http://www.kalamazoo.es/) (Staples) and Viking (Office Depot) used to be the leading mail-order companies. The latter has left the stationery market and currently, Office1 (http://www.office1international.com) is one of the major players on the market.

Trends
- In the coming years office product dealers and contract stationers are expected to increase their channel share of the Spanish office product market, as there are bigger entities with efficient organization and large turnover.

- Direct sales from manufacturers are predicted to decrease dramatically up to 2009, by almost 30% from their current share.
- Office superstores are adapting slowly but continually and although their growth is slow, they are gaining market share from other channels. This is especially true for franchising companies.
- In the coming years, high street retailers, mail order companies and furniture dealers & contractors are expected to keep their share of the market.

Useful sources

- MPA International - A global consultancy specializing in marketing research and analysis in the office products industry: (http://www.mpainternational.com/)
- Office Products International Magazine (http://www.opi.net/index.asp?)
- El Corte Ingles (http://www.elcorteingles.es/)
- See above mentioned web sites of major players in Spain.

4. Prices and margins

Prices and margins

Price is an important selling factor, especially in the lower segments of the stationery market, whereas in the higher segments (higher added value) factors like quality and fashion are more important than price. In the lower segments of the stationery market, retailers have little room to manipulate prices because competition is very fierce and margins are low.

Table 4.1 Developments in import prices per product group in the period 2003-2005, % change

Paper-based Items	Writing & Drawing Instruments	Storage & Filling Products	Office & Desk Accessories	Presentation & Planning	Greeting Cards	Office Furniture	Cases Satchels
-18%	-19%	N.A.	-2%	-13.30%	-8.50%	-8%	N.A.

For more information on prices see *'The stationery, office and school supplies market in the EU' (2006) Chapter 9 'Prices'* and the web addresses provided under '*Useful sources'* of this chapter.

Useful sources

As far as up-to-date information about prices is concerned, below are mentioned some useful techniques for finding relevant information on prices:

- the CBI survey Guide for Market Research has a wide variety of good advice on how to use the internet for doing research;
- in general, one should always at least search for information in trade journals, at exhibitions, from competitors (do not hesitate to contact this group, either directly or indirectly), potential and existing customers, exporters in your own country who sell products in the same market
- when using the internet search machines, you may find out that using key words in the language of the country being researched will make it much easier; do not search only by using the words "Stationery, Office or School supplies", but also look for words of related markets or products; e.g. a manufacturer is advised to use the word "toys", as colour pencils are also sold via that related market, or 'hobby' as they also sell in creative areas!
- Other sources of price information are the local producers. Below are some examples of the important producers and suppliers in Spain:
  - Wholesaling: Comercial del Sur de Papelaria (http://www.liderpapel.com/)
  - Retail: Grupo Picking Pack (http://www.pickingpack.net/), Centros Comerciales Carrefour (http://www.carrefour.es/), El Corte Ingles (http://www.elcorteingles.es/)
  - Manufacturing: please, see chapter *'Market Description: Consumption and Production'* of this country survey for more information on manufacturers.

5. Market access requirements

As a manufacturer in a developing country preparing to access Spain, you should be aware of the market access requirements of your trading partners and the Spanish government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns

Legislative requirements

National legislation in EU countries is compulsory for all products traded within the country concerned. Therefore, as an exporter in a developing country you have to comply with the legislative requirements that are applicable to your products. For information on legislation for stationery go to 'Search CBI database' at http://www.cbi.nl/marketinfo, select your market sector, and the EU country of your interest in the category search, click on the search button and click on legislative requirements for an overview of all documents on legislation in your country of interest.

Non-legislative requirements

Social, environmental and quality related market requirements are of growing importance in international trade and are often requested by European buyers through labels, codes of conduct and management systems. For information on non-legislative requirements applicable to stationery, go to 'Search CBI database' at http://www.cbi.nl/marketinfo, select your market sector and the EU country of your interest in the category search, click on the search button and click on your subject of interest under non-legislative requirements for an overview of all documents on the subject concerned in your country of interest.

Packaging, marking and labelling

A detailed overview of other important packaging, marking and labelling aspects which are valid for all EU countries or for groups of EU countries, can be found in the CBI market survey *'The stationery, office and school supplies market in the EU' (2006*). More information can be found as well in the web site of ITC Export packaging:
http://www.intracen.org/ep/packaging/packit.htm

Tariffs and quota

You can download information on requirements on tariffs and quota in specific EU markets from the CBI website. Go to 'Search CBI database' at http://www.cbi.nl/marketinfo, select your market sector and the EU country of your interest, click on the search button and click on 'market size, distribution, prices and margins' for an overview of documents on the country of your interest. For more information about the countries to which tariffs apply, please, see Chapter 10 'Market Access Requirements' of the *'The stationery, office and school supplies market in the EU' (2006)*.
For Spain the VAT rate is 16%. However, rates within the EU will gradually be harmonized. Between EU countries there is free movement of goods. With the single European market, no VAT is levied on trade between EU-countries. Up-to-date information on import tariffs can be obtained from the TARIC database of the European Union (http://europe.eu.int/).

Useful sources

International Standardisation Institute (ISO) (http://www.iso.org/)
- Comité Européen de Normalisation (CEN) - European Normalisation Committee (http://www.cenorm.be/)

SGS Société Générale de Surveillance (SA) (http://www.sgs.com/)
- International Labour Organization (http://www.ilo.org/)
- Asocianión Española de Normalización y certification (AENOR) (http://www.aenor.es/)

6. Business practices

Selecting a suitable trading partner

A possible way of finding a business partner is the CBI Company Matching Tool, which can appropriately match your company to a Spanish partner. This can be the case only if your company meets the criteria of CBI for an eligible candidate and if it produces products that correspond with the eligible product groups. For more information on that and further procedures consult the CBI site http://www.cbi.nl. Another suitable way of finding a business partner is to follow the steps of Chapter 5 of the CBI's Export planner, namely "Selecting trade partners". Possible ways of searching are through Internet, short-listing possible partners. You should travel around, pick up information, compare and select. An idea here is to visit trade fairs and exhibitions in the selected country (for more information on that, please see the last part of this chapter).

An idea here is the trade fair in Spain for stationery called DIPA, International Stationery Exhibition and Promotional Gifts Trade Fair. For more information contact the organizer FERIA VALENCIA at Web: (www.feriavalencia.com/dipa). Another possible way of identifying a Spanish partner is to contact the Directory of Spanish Export and Import companies (http://www.directory.camaras.org/). A possible option is to use the official register of companies of the Chamber of Commerce (Registro Mercantil Central). You have to print out an agreement form, sign two copies and send them via normal post to the Central Registrar in Madrid, in order to use the service. They send you back a password to log in with. The directory has both Spanish and an English language interface (http://www.rmc.es/).

Coming to terms with your trade partner

- The Spanish mentality and business manners differ per province. The Catalans, Basques, Asturians and Galicians are very different from the Andalusians. Catalans highly appreciate businesslike negotiations and consider the offer of "big discounts" as rather unserious and unprofessional. The Galicians are considered more price-conscious and hard-working, while the Asturians give the impression of spontaneous and cheerful people. In Catalonia business relations can end up in a true friendship, while that is rather implausible in Valencia. In negotiations the fluent use of the Spanish language is quite important; if that is difficult the best piece of advice here is to hire an interpreter. Good and regular contact with Spanish businesspeople is crucial, so learning the local language will greatly assist the relationship. For more information on trade practices and culture in Spain, as well as the business etiquette in the country, check: (http://www.executiveplanet.com/business-etiquette/Spain.html).
- The usual methods of payment in Spain do not deviate substantially from that in the EU. The 'open account' method can be considered the most often used one. However, the exact method of payment depends exclusively on the relation between buyer and seller and the trust between them. Young business relations with little knowledge between the business partners are determined by the position and the strength of the partners. Usually the one with a stronger position and longer experience in the field is the one setting the conditions not only of payment but also of delivery. For general information on payment and delivery option please refer to CBI's Export planner Appendices 1 & 2, namely 'Terms of payment 'and 'Terms of delivery'. Exporters dealing with Spain should be aware of the differences in the payment schedule. The terms in Spain tend to be longer with 90 to 120 days being the minimum.

Sales promotion

The trade fair in Spain over stationery is called DIPA, International Stationery Exhibition and Promotional Gifts Trade Fair. The last edition (33rd) was organized in Valencia from 16th to 19th February 2006 and included the industry sectors that have traditionally been represented at the show - school stationery, informal stationery, promotional gifts, materials for writing, drawing, fine art and crafts, items made of paper, card and plastic, computer and office automation consumables, office supplies and Christmas, party and Carnival goods. Exhibitors at this year's DIPA gained added value from their involvement in the exhibition as they received a copy of the findings of the first in-depth study by KPMG of the stationery market in Spain. For the moment no next edition is scheduled. For more information contact the organizer FERIA VALENCIA at: http://www.feriavalencia.com/dipa.

If you wish to receive information or to take part in any fair you should contact the Trade Fair organization; after that you will need to fill in an Application form from the corresponding fair, taking note of the instructions and conditions of participation on the form. In order for the application to be valid you must attach the appropriate fees and the stipulated percentage of the cost of the space you request. You will be assigned a space on the basis of your application, according to your requirements. You will be sent documentation for hiring the services you might need during the exhibition (electrical power, telephone, entrance passes, etc.).

For more information about trade fairs in Spain visit the following web sites:
- Another address giving more information about trade shows in Spain (http://www.biztradeshows.com/spain/)
- More on Spanish Exhibitions, Conferences & Trade Shows (http://www.eventseye.com/fairs/event_l561.html)
- Manual (http://www.ifema.es/)

This survey was compiled for CBI by DCT B.V. in collaboration with Ms. Y.Netto