CBI MARKET SURVEY

THE STATIONERY, OFFICE AND SCHOOL SUPPLIES MARKET IN ITALY

Publication date: August 2006

Report summary

This CBI market survey discusses, amongst others, the following highlights for the stationery, office and school supplies market in Italy:

- The Italian market accounted for 12% of the total stationery consumption of the reviewed countries[1] in 2005. Compared to the other researched markets, Italy was the fourth largest stationery market in Europe in 2005. Its total consumption amounted to € 1,798 million in the same year.
- In absolute value the estimated total production of the Italian stationery market for 2004 was € 6,626 million (including Cases & Satchels and Greeting cards). In comparison to previous years, overall production is declining.
- Total imports into Italy in value and volume were respectively € 735 million and 177 thousand tonnes in 2005. In the same year, Italy took 7% of the total EU stationery imports and that made it one of the mid-sized importers in the EU.
- For the year 2005, the percentage of imports into Italy coming from the developing countries was more than 27%. For a comparison, this same percentage was 23.5% back in 2003. Leading suppliers are: *China (10.8%), Thailand (0.7%), India (0.5%), Turkey (0.3%), Brazil (0.2%), Malaysia (0.14%).*

This survey provides exporters of stationery[2] with sector-specific market information related to gaining access to Italy. 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 Italy amounted to € 1,798 million at Manufacturing Selling Prices[3] (excl. Greeting Cards and Cases & Satchels[4]).
- The Italian market accounted for 12% of the total stationery consumption of the reviewed countries. Compared to the other researched markets, Italy was the fourth largest stationery market in Europe in 2005.
- Between 2004 and 2005, total stationery consumption decreased by 1%.
- Italian consumption of stationery products is forecast to grow by between 0.8 - 1% annually up to 2009.

---

[1] The reviewed countries are: France, Germany, Italy, The Netherlands, Spain, UK, Austria, Belgium, Cyprus, Czech Rep., Denmark, Finland, Greece, Hungary, Ireland, Poland, Portugal, Sweden.
[2] Please, note that by 'stationery' in the whole survey, it is meant 'stationery, office and school supplies'.
[3] MSP (Manufacturing Selling Prices) – The price at which manufacturers sell products to resellers or direct to users.
[4] 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 is given later in the text.

Product groups

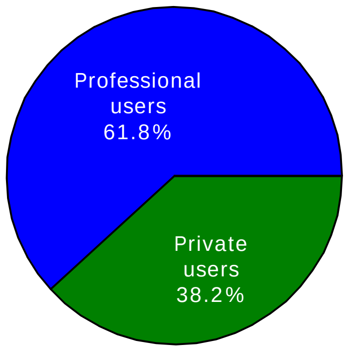
- In 2005, Office furniture was the largest product group in the Italian stationery market, accounting for about 56% of the market and € 1,009 million at MSP. The next largest segment was Writing & Drawing Instruments with 16% of the total Italian stationery market, worth € 280.5 million.
- In third place by market share were Paper-based items with 9% of the total Italian market and a value of about € 167.5 million.
- Storage & Filling products, Presentation & Planning materials and Office & Desk Accessories were the smallest segments with relative shares of 7%, 7% and 5% and values of consumption respectively, € 129, € 116 and € 96 million at MSP.
- In the Italian stationery market, all product groups have decreased marginally or remained static, between 2004 and 2005.
- Between 2005 and 2009, Paper-based items and Storage & Filling products are forecast to decrease slightly. Writing & Drawing Instruments will lose more than 7% of its Euro value over the coming four years (mainly due to decreasing prices). On the other hand, Office Furniture and Office & Desk Accessories are forecast to increase by about 8% and 4% respectively between 2005 and 2009.
- Explanation 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 becoming 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.

The Italian Professional user market has more or less sustained itself, increasing by 1.0% in the period between 2002 and 2004. The Private user market however, has dropped by 3.0% in the same period. The Professional user share is generally smaller than the other Western European countries. This can be explained by the fact that the percentage of office workers is generally lower than in countries such as The United Kingdom, France and the Netherlands.

Figure 1.1: The Italian stationery market, segmentation by user, % share, by value, 2004



Source: MPA International, Iplusc

Trends in consumption

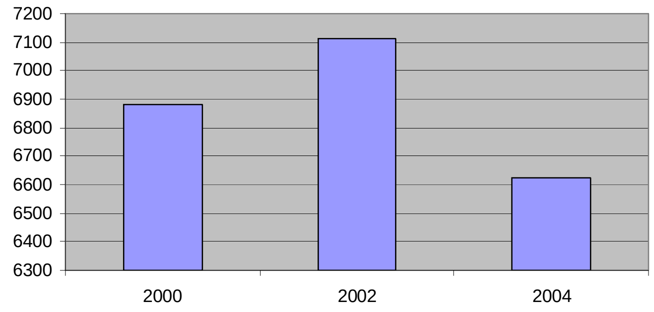
- General trends in EU stationery consumption are given in Chapter 4 of the CBI market survey *'The stationery, office and school supplies market in the EU' (2006)*. In this document, attention has been paid only to country-specific consumption trends.
- The Italian office services and supplies market has experienced low growth rates during the 2000-2004 period. According to Datamonitor, low growth has largely come about from strong competition which has pushed prices down and decreased margins. This trend is forecast to continue for the future.
- Companies need to engage in more product innovation and diversification if they are to increase unit prices (Datamonitor).

Production

Total production

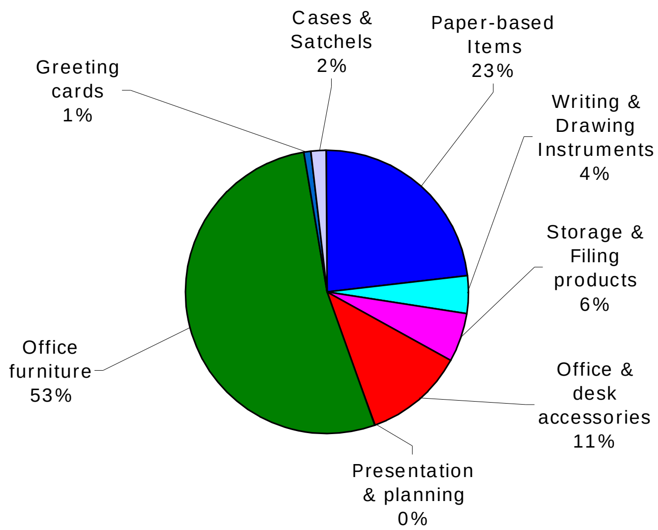
- In absolute value the estimated total production of the Italian stationery market for 2004 was € 6,626 million (including Cases & Satchels and Greeting cards).
- In 2004, Italy accounted for 26% of the stationery production of the reviewed countries, based on Eurostat statistics, which makes it the biggest producer in the EU[5].
- In comparison to previous years, overall production is declining (see Figure 1.2). In comparison to 2002, overall production has decreased by more than 7%.
- Nevertheless, the Italian economy is now recovering and the prospects for production are slightly brighter. In short, the general growth trend is slightly larger in comparison to previous years' total production due to growing business and private sector, but domestic producers face growing competition from the rising trend of cheap imports from the Far East and Eastern Europe, which is expected to continue. Moreover, due to the high manufacturing costs part of the production will continue to be outsourced, which will affect local stationery production in a negative way.
- An overview of the production by product group is given in Figure 1.3[6].

Figure 1.2: The Italian stationery market, total production, by value (€ millions)



Source: Eurostat database

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



Source: Eurostat database

Major players

Leading Paper-based Items manufacturers on the Italian market are Cartiere Paolo Pigna (http://www.pigna.it/), Favini (http://www.favini.com/), Banzato (http://www.banzato.it/) and Blasetti (http://www.blasetti.com/). Blasetti is well-known for its envelopes, and also manufactures exercise books and block notes. For school children they have created a range of bright and colourful exercise books, which appeal to taste of the younger generation.
Balma Capoduri & C (http://www.zenithbc.com/) is a leading Italian manufacturer in the Office & Desk Accessoires product group, with three main brands: Zenith, for staplers, staple

[5] Please, note that this conclusion is based on Eurostat database. However, for 2004 there was no or incomplete information for some of the product groups. Other sources show that Germany is the largest producer in the EU.
[6] Presentation and planning product group is 0.1%.

extractors and perforators, and Coccoina and Lakol, which make glue products and some other accessories, such as address books and notebooks.
Fabricca Italiana Lapis e Affini (FILA) (http://www.fila.it/) is the leading manufacturer in Writing & Drawing materials, with market leadership in the Italian school stationery market. Fila's portfolio includes brands such as Giotto, Tratto, Pongo, Das and Didò, which are present throughout Europe. Today, Fila operates four manufacturing sites, in Italy, France, Spain and Chile.
In Storage & Filing Products, Leonardi-Fellowes is an important Italian manufacturer. The Italian Storage & Filing market is however, dominated by the Swedish Esselte.
Italy is Europe's leading Cases & Satchels manufacturer. In this product segment, Seven (http://www.sevenindustries.com/) is a leading manufacturer. The company manufactures backpacks, bags and school accessories. Its strength lies in its thorough understanding of its target group, children. It has a good sense for the trends, tastes and demand amongst young consumers. Licensed products are included in its product range.

Trends in production

- According to Datamonitor, a challenge that the leading players face is that they operate in a highly cyclical industry, where the demand for office products is dependent upon the general state of the economy and the growth in employment. Therefore, during an economic downturn, when the customers become more cost conscious, companies witness a contraction in demand.
- In order to reduce the negative effects of an economic downturn, manufacturers and retailers need to provide a wider range of products, which appeal to a larger range of sectors.
- Since 1999, Italy's unit wage costs in manufacturing have risen by almost 20% more than in its Euro area partners. In addition, high non-wage costs also weigh on Italy's competitive position. On the other hand, the expected higher rate of productivity growth and deceleration in unit labour costs will temper but not halt the loss of international competitiveness.

Opportunities and threats

- The total proportion of the workforce employed in the services sector in Italy has continued to grow at the expense of the industry and agriculture sectors. Employment in service industries accounted for approximately 65% of the total Italian workforce in 2004. According to MPA International, that would give a lot of opportunities to all businesses operating in the Office Furniture and Office & Desk Accessories segments.
- In future, the Italian population is forecast to remain fairly stable and eventually to start to decrease slowly, although much will depend on any legislation on immigration adopted by forthcoming governments. In any case, no increase in the school population is predicted in this market, which will have a negative effect on the demand for school supplies and accessories.

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)
- ItalTrade - Business to business international trade help (http://www.italtrade.net/)
- The Italian Institute for Foreign Trade (http://www.italtrade.com/)

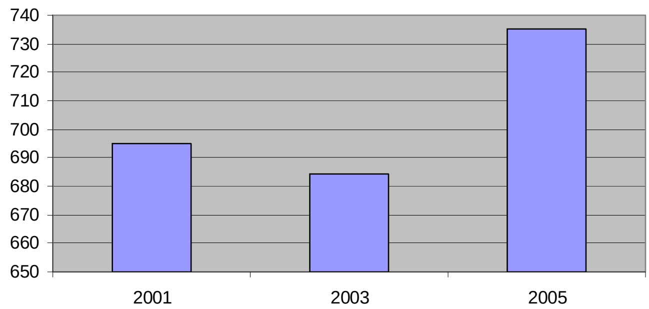
Italian Customs is responsible for overseeing international entries into the country, collecting Customs and Excise revenue, facilitating trade and the movement of people across Italy's border, and undertaking border management activities (http://www.mclink.it/com/makros/dogane/indexi.htm)

2. Trade: imports and exports

Total imports

- Total imports into Italy in value and volume were respectively € 735[7] (million) and 177 thousand tonnes in 2005.
- In 2005, Italy took 7% of the total EU stationery imports and that made it one of the mid-sized importers in the EU.
- In comparison to 2003, imports have increased by more than 7.5%.
- Import is forecast to grow with about 3 – 4% into 2007, in line with the projected marginal increase of stationery consumption (MPA International).
- For the year 2005, the percentage of imports in Italy coming from the developing countries was more than 27%. For a comparison, this same percentage was 23.5% back in 2003. The best performers in the group are shown in Table 2.1.

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



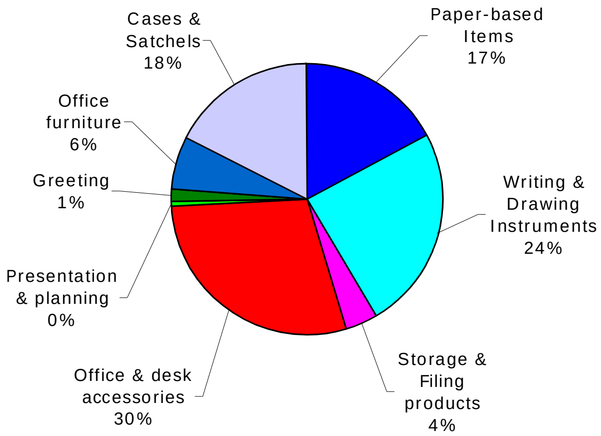
Source: Eurostat database

Imports by product group

For the relative size of the product groups in Italian imports see Figure 2.2.

An analysis of the changes of the share of the different product groups over the years shows that Greeting cards lost big part of their import share. Office Furniture and Cases & Satchels are the segments which increased most, with more than 5% and 3% respectively. The rest of the segments kept their share of imports almost constant over the last 2 years.

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



Source: Eurostat database

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 and 2.2 in an exhaustive form.

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

Product	2003 € mln	2005 € mln	Leading suppliers in 2005 (share in %)	Share (%)
Total market sector	684	735	Intra-EU: Germany 25%, France 11.3%, United Kingdom 5%	61%
			Extra-EU excl. DC: Switzerland 2.5%, USA 2.1%, Taiwan 1.0%, Romania 0.7%	12%

[7] Including Cases & Satchels and Greeting Cards

			DC*: China 10.8%, Thailand 0.7%,India0.5%, Turkey 0.3%, Brazil 0.2%, Malaysia 0.1%	27%
Paper-based Items	115	127	Intra-EU: Germany 18.5%, France 20.1%, United Kingdom 12.9% Extra-EU excl. DC: USA 3.52%, Switzerland 2.9%, Hong Kong 0.95%, Taiwan 0.35% DC: China 15.38%, Thailand 1.0%, Indonesia 1.9%, Turkey 0.2%, India 0.5%, Malaysia 0.37%	68% 10% 22%
Writing & Drawing Instruments	171	177	Intra-EU: France 8%, the Netherlands 6.4%, Czech Republic 5.6% Extra-EU excl. DC: Japan 6.5%, Switzerland 4.4%, USA 4.0%, Taiwan 1.64% DC :China 18.7%, Thailand 6.4%, India 0.6%, Brazil 0.3%, Malaysia 0.3%, Turkey 0.34%	57% 19% 24%
Storage & Filing Products	23	30	Intra-EU: France 16.2%, Germany 16.0%, Austria 11.1% Extra-EU excl. DC: Romania 1.4%, USA 0.8%, Switzerland 0.5%, Taiwan 0.5%, DC: China 18.8%, India 3.5%, Laos PDR 1.03%, Thailand 0.18%, Turkey 0.8%,	69% 4% 27%
Office & Desk Accessories	217	212	Intra-EU: Germany 36.9%, France 12.8%, United Kingdom 10.3% Extra-EU excl. DC: USA 3.5%, Switzerland 2.5%, South Korea 0.7%, Taiwan 1.2%, DC: China 7.9%, Pakistan 0.8%, Mexico 0.2%, Turkey 0.12%, Thailand 0.10%, Malaysia 0.18%	81% 9% 10%
Presentation & Planning Materials	3	3	Intra-EU: Germany 15.4%, the Netherlands 11.0%, France 7.7% Extra-EU excl. DC: Taiwan 0.5%, Hong Kong 0.4%, Romania 0.1% DC: China 37.9%, Mexico 1.4%, Malaysia 0.71%, India 0.09%, Thailand 0.14%	58% 1 % 41%
Greeting Cards	7	11	Intra-EU : Germany 42.4%, Austria 10.6%, France 8% Extra-EU excl. DC : USA 1.4%, Hong Kong 0.5%, Switzerland 0.3% DC: China 10.8%, Thailand 2.1%, Philippines 0.8%, India 0.3%, Turkey 0.2%	79% 5% 16%
Office Furniture	43	46	Intra-EU: Germany 36.1%, France 11.1%, United Kingdom 9.8 % Extra-EU excl DC: Switzerland 2.6%, Taiwan 2.0%, Romania 1.6%, USA 0.9% DC: China 8.6%, Croatia 2.9%, Turkey 1.3% Indonesia 0.3%, Philippines 0.1%	78% 8% 14%
Cases & Satchels	105	129	Intra-EU : France 6.8%, Belgium 5.1%, Germany 3.2% Extra-EU excl DC: Romania 6.6%, Hong Kong 1%, Switzerland 0.6% Bulgaria 0.5% DC: China 63.1%, India 0.7%, Indonesia 0.92% Moldova 0.65%, Tunisia 3.5%	19% 10% 71%

Source: Eurostat database *DC – 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	China	UK, USA, Hong Kong, Taiwan, India, Malaysia, Thailand, Indonesia	-	Germany, France, Switzerland, Turkey
Writing & Drawing Instruments	Czech Republic, China, Thailand	The Netherlands,	India, Brazil, Malaysia, Turkey	France, USA, Japan, Taiwan, Switzerland,
Storage & Filing Products	-	France, China, India, Lao PDR, Turkey	USA, Taiwan, Thailand	Austria, Germany, Romania, Switzerland
Office & Desk Accessories	-	France, China	UK, USA, South Korea, Taiwan, Pakistan, Mexico, Turkey, Thailand, Malaysia	Germany, Switzerland
Presentation & Planning	The Netherlands	Germany, China, Malaysia, Mexico	Taiwan, India, Thailand	France, Hong Kong, Romania
Greeting Cards	Germany,	France, Austria, Hong Kong, China	India, Turkey	USA, Switzerland, Thailand, Philippines
Office Furniture	Germany, China	UK, Turkey	USA, Switzerland, Romania, Indonesia, Philippines	France, Taiwan, Croatia
Cases & Satchels	-	France, Germany, Switzerland, Romania, Bulgaria, Indonesia, Moldova, Tunisia	Belgium, Hong Kong	China, India

Source: Eurostat database

Exports

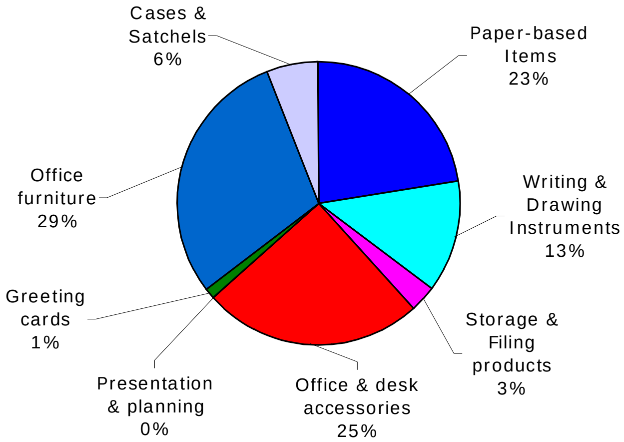
- Total exports from Italy in value and volume were respectively € 1,366 million and 373 thousand tonnes (including Cases & Satchels and Greeting cards) in 2005.
- In 2005, Italy supplied 13% of the total EU stationery exports and it is the third biggest exporter in the EU.
- In comparison to 2003, exports have increased by about 10%. According to Euro Aria[8] forecast, the external sector will not continue to grow, or at least not at that pace, due to the assumed weakening in foreign demand and further losses in price competitiveness.
- For the relative share of the export product groups, please see Figure 2.3.

[8] Directorate-general for Economic and financial Afairs

Opportunities and threats

- The share of stationery imports into Italy which came from developing countries in 2005 was 27%; this percentage was significantly higher in the following product groups: Cases & Satchels (71%), Presentation & Planning materials (41%), Storage & Filling products (27%) and Presentation & Planning materials (31%).
- The share was significantly lower for the product groups: Writing & Drawing Instruments (24%), Paper-based items (22%), Greeting cards (16%), Office Furniture (14%) and Office accessories (10%).
- Import prices will be under pressure and the decrease in average import prices will put further pressure on Italian producers and force them to pare margins and/or to source abroad even more. Exporters should note that this is a case of: an opportunity if you can respond, a threat if you can't!

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



Source: Eurostat 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 - '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

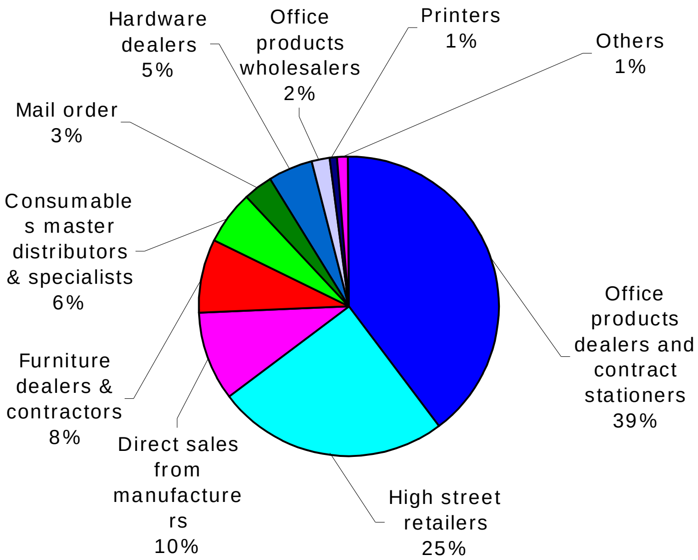
Traditionally, exports from the developing countries took place through a set of importers, who have then marketed the products to wholesalers, end-users, or retailers. The disadvantages of working through a large number of intermediaries include poor knowledge of market trends, inability to gain competitive 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

Italy's stationery distribution is quite fragmented, there have, however, recently been some dramatic changes. Especially in Professional user market segment, foreign companies, such as Office Depot and Staples, are increasingly making inroads into the Italian market, mainly targeting small and medium-sized companies. The Private user segment is still dominated by the traditional stationery retailers; they, however, feel the increasing pressure of the new formats. Despite these developments, stationery distribution in Italy can be regarded as traditional. Manufacturers serve regional wholesalers, who in turn distribute the stationeries to shops. In 2004, approximately € 956 million worth of stationery was distributed through wholesalers. Due to the arrival of new formats, such as mail-order companies and superstores, the wholesale trade in experiencing a decline. Between 2002 and 2004, the trade dropped by 7.5%. In 2004, Spicers (http://www.spicers.net/) entered the Italian stationery market, with the most comprehensive catalogue in Italy, containing over 12,000 different products.

The Italian Professional user segment is dominated by Errebian (http://www.errebian.it/), which is by far the largest contract stationer in Italy. In 2003, Errebian became a partner of EOSA (http://www.eosa.biz/), to enhance their purchasing and sales strength. Also Corporate Express gained a foothold in the Italian market ever since it acquired two Italian contract stationers Katro and Asite S.p.A in 1997. Also Guilbert (http://www.guilbert.com/), Lyreco (http://www.lyreco.com/) and Corporate Express (Bührmann) have operations in Italy.

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



Source: MPA International

Retail trade

The stationery retailers are still the key distributors when it comes to serving Private and SoHo users. In 2004, the stationery retailers had a market share of 31.5%, down from 33.2% in 2002. Within this group Buffetti (http://www.buffetti.it/) a large franchise chain, with more than 1,200 stores throughout Italy, is the leading player. The retail sector is traditionally dominated by small independent retailers who are finding it increasingly difficult to compete with the chains and new formats.
As regards to department stores, the Italian retail landscape is dominated by two operators, Coin (http://www.coin.it/) and La Rinascente (http://www.rinascente.it/). Important hypermarkets are Esselunga (114 outlets) and Carrefour (40 outlets).
The new formats for the Italian market, mail-order & superstores, showed considerable development in the relatively flat Italian stationery market. Viking, a subsidiary of the American Office Depot, is a leading mail-order company in Italy, with sales amounting to € 47.3 million in 2003, according to Euromonitor. Other important mail-order companies are MondOffice (http://www.mondoffice.com/) a subsidiary of Staples since 2002 and Dmail (http://www.dmail.it/).

Trends

- Of all the distribution channels, Contract stationers have the best prospects and will further gain share of the market due to good organizational efficiency.
- The number of office products wholesalers is expected to progressively decline because of the fierce competition among them, which increased further when the pan-European wholesaler Spicers entered the Italian market at the end of 2004, bringing a new wholesaling concept to Italy. Moreover, both the small retail shops and small/medium sized office products dealers, which together represent the wholesalers' client base, are under pressure and are likely to decrease in number in future. However, despite the above, there are two main factors that could sustain the office products wholesaler channel: long-lasting and personal relationships with their clients and the topography of the country.

- The mail order channel is expected to increase its share further, as attitudes to this mode of business begin to change in Italy. Mail order is expected to compete successfully with smaller office products dealers, retailers and office superstores.

Useful sources
- Grupo Buffetti Spa (http://www.buffetti.it/)
- Carrefour (http://www.carrefour.it/)
- Office Products International Magazine (http://www.opi.net/index.asp?)
- See above mentioned web sites of major players in Italy.

4. 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
-2.90%	-16.20%	-5.80%	-1.90%	0.90%	14%	-15.0%	N.A.

As it is visible from Table 4.1 above, import prices are decreasing for all product groups. 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 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, or exporters in your own country that 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 color 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 Italy:
  - Wholesaling: Spicers (http://www.spicers.net/)
  - Retail: Buffetti (http://www.buffetti.it/)
  - 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 Italy, you should be aware of the market access requirements of your trading partners and the Italian 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 sector 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 sector, 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 Italy the VAT is 20%. 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/)
- Italian Standards Institution - Ente Nazionale Italiano di Unificazione (UNI) (http://www.uni.com/)
- International Labour Organization (http://www.ilo.org/)

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 an Italian 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. Other suitable ways 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).

Plausible option is to use ItalTrade - Business to business international trade help (http://www.italtrade.net/). For general information you can use the 'CBI's Export planner'.

Coming to terms with your trade partner

- Italians are very professional and business-like when it comes to signing a contract or to negotiations. During a business conversation, never use the first name of your partner, as this could be regarded as impolite. If one of the parties has an academic degree, always use 'dottore' or 'dottoressa'. If the person in front of you is an engineer, use the formal 'ingegnere' for such people. Sometimes even people without any degree may be introduced to you with such a title.
- The usual methods of payment in Italy do not deviate substantially from that in the EU. 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 options, please refer to CBI's Export planner Appendices 1 & 2, namely 'Terms of payment 'and 'Terms of delivery'.

Sales promotion

For more information about trade fairs in Italy visit the web sites giving more details on that:

- Trade fairs and exhibitions in Italy - Chibi & Cart (http://www.fmi.it/)
- Another address giving more information about trade shows in Italy (http://www.biztradeshows.com/italy/)
- More on Italian Exhibitions, Conferences & Trade Shows (http://www.eventseye.com/fairs/event_l21.html)

For more information about trade press in Italy visit the web sites giving more details on that: OPI International (http://www.opi.net).

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