CBI MARKET SURVEY

THE STATIONERY, OFFICE AND SCHOOL SUPPLIES MARKET IN IRELAND

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Introduction

This CBI market survey gives exporters in developing countries information on some main developments in the stationery[1] market in Ireland. The information is complementary to the information 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

- The total consumption of stationery in 2005 in Ireland amounted to € 168.3 million at Manufacturing Selling Prices[2] (excl. Greeting Cards and Cases & Satchels[3]).
- The Irish market accounted for 1% of the total stationery consumption of the reviewed countries[4]. Compared to the other researched markets, Ireland was one of the small stationery markets in Europe in 2005.
- Between 2004 and 2005, total stationery consumption decreased by 2.5%.
- However, Irish consumption of stationery products is forecast to grow by between 3 – 4.5% annually up to 2008.
- In 2005, Office furniture was the largest product group in the Irish stationery market, accounting for about 42% of the market and € 72 million at MSP. The next largest segment was Paper-based items with 23% of the total Irish stationery market, worth € 39.5 million. In third and fourth places by market share were Storage & Filling products and Office & desk accessories with 14% and 8% of the total Irish market respectively and values of about € 22.7 and € 12.7 million. Writing & Drawing Instruments and Presentation & Planning materials were the smallest segments with relative shares of 7% and 6% and values of consumption respectively of € 11.1 and € 10.3 million at MSP.

Production

- In absolute value the estimated total production of the Irish stationery industry for 2004 was € 156 million (including Cases & Satchels and Greeting cards).
- In 2004, Ireland accounted for 1% of the stationery production of the reviewed countries, based on Eurostat statistics, which made it one of the small producers in the EU.
- Between 2002 and 2004, stationery production increased by about 2 - 3%; this is completely in line with the economic situation in the country in those years.
- Irish Stationery production is stable, with no large fluctuations or variations from the business cycle.

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

Trends

- 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.
- According to MPA International, the Irish population is expected to increase by almost 5.5% between 2003 and 2010, reaching 4.1 million in 2010. People of active working age and students make up the largest share of the population which, according to the agency, will have positive effect on both office and school supplies consumption.
- The trend to higher office products consumption is also backed by the expectation that employment in the service sector will continue its steady growth. This will have positive effect, especially on the consumption of Office & Desk Accessories, and Office Furniture.

Opportunities and threats

- Office furniture and Paper-based items consumption are expected to show a strong increase in their consumption and that percentage is especially remarkable for Office furniture (MPA International forecast). The Paper-based items segment offers exporters/producers from developing countries good prospects.
- Moreover, production of Office furniture declined over the years (a discrepancy between increasing consumption and declining production). This might be considered an opportunity if exporters manage to increase their share of imports of Office Furniture in the future.

Useful sources

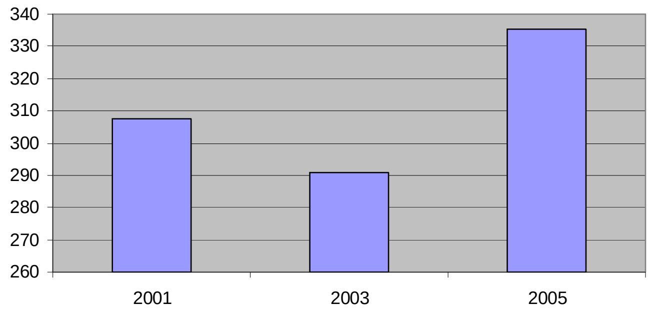
- MPA International - A global consultancy specializing in marketing research and analysis in the office products industry: (http://www.mpainternational.com/)
- Office Products Magazine (http://www.opi.net)
- Victor Stationery – manufacturer and leading supplier of quality paper stationery and exercise books to the education, commercial and retail stationery markets (http://www.victorstationery.com/main/indexmain.asp)

2. Trade: imports and exports

Imports

- Total imports into Ireland in value and volume were respectively € 335[5] (million) and 74 thousand tonnes in 2005.
- In 2005, Ireland took 3% of the total EU stationery imports and was one of the small importers in the EU.
- In comparison to 2003, imports have increased by about 14%.
- Import growth is forecast to accelerate into 2007, in line with the projected pick-up in consumer expenditure.
- For the year 2005, the percentage of imports into Ireland coming from the developing countries is more than 18%. By comparison, this percentage was 5.5% in 2003, which represents a considerable increase which is expected to continue.

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



Source: Eurostat database

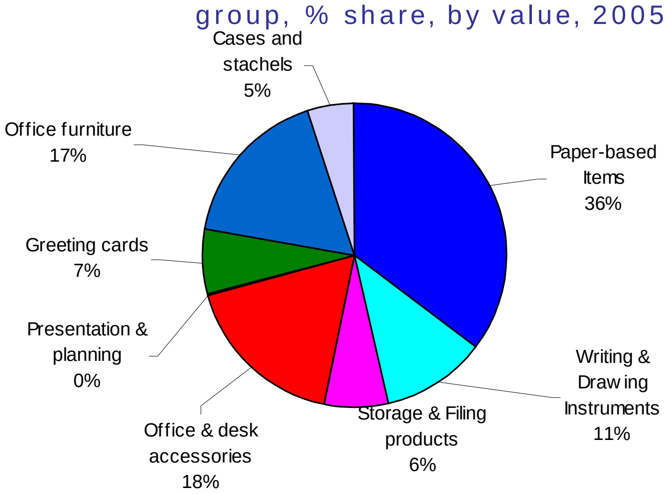
[5] Including Cases & Satchels and Greeting Cards

- Major developing countries suppliers in Ireland are: *China (15.3%), Thailand (1.28%), Indonesia (0.4%), Turkey (0.2%), etc.*
- For the relative size of the product groups in Irish imports see Figure 2.2.

Exports

- Total exports from Ireland in value and volume were respectively € 182 million and 19 thousand tonnes (including Cases & Satchels and Greeting cards) in 2005.
- In 2005, Ireland supplied 1.7% of the total EU stationery exports and it was one of the small exporters in the EU.
- In comparison to 2003 exports have decreased by about 5%.
- In Ireland, services exports are projected to put in a strong performance, but the outlook for merchandise exports is somewhat less positive as a whole. This is might the case with the stationery exports as well (MPA International).

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



Source: Eurostat database

Opportunities and threats

- In general, the share of imports coming from developing countries is relatively high in Ireland (18%) and those suppliers are gaining an increasing part of the market. Segments in which developing country exporters have a good position are Cases & Satchels, Presentation & Planning materials and Writing & Drawing Instruments.
- According to MPA International, import prices are likely to benefit somewhat from the sustained strength of the Euro against both the Dollar and Sterling. This should have a strongly positive effect on import growth.

Useful sources

- EU Expanding Exports Helpdesk - http://export-help.cec.eu.int/
- Eurostat – official statistical office of the EU - http://epp.eurostat.cec.eu.int
- European Commission - official publication (http://ec.europa.eu/economy_finance/index_en.htm)
- Irish Government Trade Directory (http://www.ask-ireland.com/default.asp)

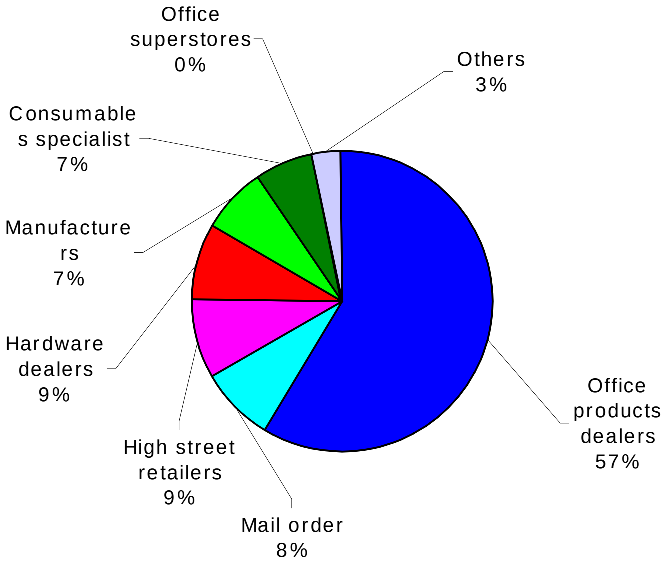
3. Trade structure

Traditionally, *exports from the developing countries took place through a set of importers who have then marketed the product to wholesalers, end-users, or retailers*. 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, most important 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.

The Office product dealers and the contract stationers have the biggest share of the distribution structure in Ireland. Contract stationers have an increasing market share, thanks to their huge purchasing power, and may win more and more market share from smaller players in the Irish market, especially independent dealers. However, those two distribution channels are also competing strongly with each other. Contract stationers will continue to pressure Irish Office Products dealers. Direct sales by manufacturers will generally continue to decrease as they are not as flexible, as Contract stationers and Office products dealers. *However, direct sales of furniture are likely to increase.*

In retailing, High-street retailers are the ones with greatest impact and coverage of the market. They are expected to keep their hold of the market quite unchanged until the end of the decade. Another very promising retail channel is the office superstores. Currently, their share of the market is low, but two players, Office 1, formerly the dealer Office City – and Bizmart, are about to enter the market with a total of over 70 shops expected to open in the next five years. In this sense, exporters from the developing countries might find this retail channel one of the most important in the future. It is predicted that their advantages will ensure that the superstores will continue to gain market share in Ireland in future.

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



Source: MPA International

Websites of important players in Ireland are:

- Bizmart – the business store (stationer office superstore) (http://www.bizmart.com/index.htm)
- Spicers (http://www.spicers.net/index.html)
- Office1 Superstore (http://www.office1web.ie/index.htm)
- Antalis is the leading distributor of paper, envelopes, packaging and visual communication products with over 12,000 products in stock from 18 local warehouses in the UK and Ireland (http://www.antalis.co.uk/sitesweb/FO/pages/home.php?l=9&m=66)
- Victor Stationery is a long established manufacturer and leading supplier of quality paper stationery and exercise books to the education, commercial and retail stationery markets. (http://www.victorstationery.com/main/indexmain.asp)
- ACCO Brands Corporation (NYSE: ABD) is one of the world's largest suppliers of branded office products (http://www.accobrands.com/) (http://www.acco.com/)

Websites with interesting information on the trade structure of Ireland are:

- 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?)

4. Prices

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

N.A.	-10%	N.A.	-2.10%	-6%	5.20%	4%	N.A.

For examples of prices see for more information *'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.
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, potential and existing customers, exporters in your own country that sell products in the same market
- Other sources of price information are the local producers. Below are some examples of the important producers and suppliers in the Irish region:
- Victor Stationery is a long established manufacturer and leading supplier of quality paper stationery and exercise books to the education, commercial and retail stationery markets (http://www.victorstationery.com/main/indexmain.asp)
- ACCO Brands Corporation (NYSE: ABD) is one of the world's largest suppliers of branded office products (http://www.accobrands.com/) (http://www.acco.com/)
- Antalis is the leading distributor of paper, envelopes, packaging and visual communication products with over 12,000 products in stock from 18 local warehouses in the UK and Ireland (http://www.antalis.co.uk/sitesweb/FO/pages/home.php?l=9&m=66)

5. Market access requirements

- Manufacturers in developing countries should be aware of the market access requirements of their trading partners and the country 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.
- For more information go to 'Search CBI database' at http://www.cbi.nl/marketinfo

A detailed overview of important packaging, marking and labelling aspects which are valid for all EU countries or for groups of EU countries as well as of more information about the countries to which tariffs apply, can be found in the CBI market survey *'The stationery, office and school supplies market in the EU' (2006).* More information about packaging can be found as well in the web site of ITC Export packaging: http://www.intracen.org/ep/packaging/packit.htm. The VAT rate in Ireland is currently 21%.
Important sites:
Taric database at http://europa.eu.int/comm/taxation_customs/index_en.htm
European Union (http://europe.eu.int/)
European Committee for Standardization (http://www.cenorm.be)
European Committee for Standardization (CEN) and http://www.iso.org/

6. Business practices

- Trade shows in Ireland (http://www.biztradeshows.com/ireland/)
- Irish Exhibitions, Conferences & Trade Shows (http://www.eventseye.com/fairs/event_l291.html)
- For trade press and related articles: Office Products International Magazine (http://www.opi.net/index.asp?)
- For more information on trade practices and culture in Ireland as well as the business etiquette in the country, check: (http://www.executiveplanet.com/business-etiquette/Ireland.html)

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