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THE SECONDARY WOOD (FURNITURE) PROCESSING
PROGRAM OF THE REPUBLIC OF THE PHILIPPINES

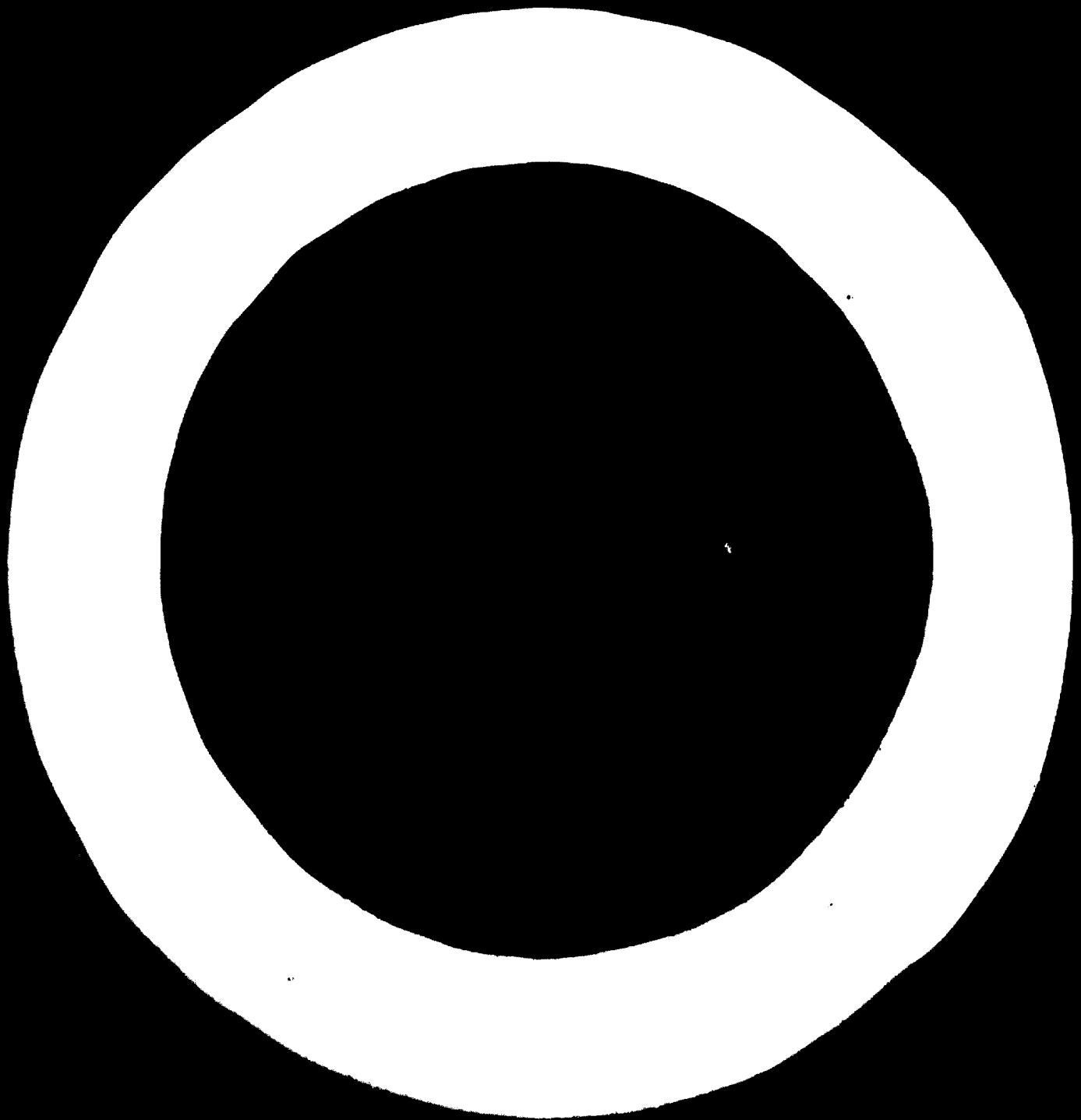
Country Paper

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I. State of Development and Underlying Problems

The Philippines is a country blessed with an abundant forest. The number of wood species that can be found in this tropical country amounts to 3,700 of which only 100 are being utilized on a commercial basis and the rest relatively unknown as far as physical composition is concerned. Aside from the number of species, the volume of production of commercial lumber is equally staggering - 12,000,000 cubic meters of logs annually. Her export of logs is the highest in the world and, in terms of its aggregate industries, contributes 20 per cent to the total export earnings of the country.

Viewing the amount of raw materials available, one is almost shocked to find that the wooden furniture export of the country is merely symbolic and the per capita consumption of furniture by the Filipinos is low (US \$0.17 per person).

By quantity and value, the Philippines' export for the year 1970 can be broken into:

	<u>m³</u>	<u>000 US\$</u>
Logs	9,374,000	240,365
Sawn Timber	184,000	11,175
Plywood	253,000	25,400
Veneer	77,000	8,100
Other Wooden Products	-	9,206

As far as the production of furniture is concerned, it can be seen that its volume is quite insignificant. And because of this, one is tempted to look deeper into the root of the problem. Apparently, the production of furniture has never been considered correctly in the light of its export potential and mass production for local use.

Traditionally, the existing small and "big" furniture producers have always looked at the market as such that one has to produce on order, that is, the "sell to produce" - producing only according to the specification of individual buyers. Thus, instead of developing factories which are geared towards mass production, we have job order shops. The net results are factories using general purpose equipment and relying too much on highly skilled artisans.

Because of the traditional method of making and selling furniture, the net result is the prohibitively expensive products (measured in terms of the local market) and a system that cannot react to the demand of the world market. The production demands of the export field are measured in terms of huge quantities which very few manufacturers in the Philippines can meet. Aside from the productivity aspect, we also find that there exist very few facilities which can treat the wood properly in order that they can correspond to international specifications (specially with respect to moisture content).

Also, as far as foreign marketing is concerned, we see that there is no entity that consolidates the marketing efforts of wood producers. Each manufacturer has his own exporter - which makes it quite difficult to face the changing conditions of an intricate world market. "Contacts" abroad for one's product is the sole business of a producer - whether he is big or small. This procedure is definitely inefficient in the sense that there is no concerted effort in their marketing.

Definitely, the design of furniture has something to say in the marketability of one's product. The Philippines, with the exception of Rattan (Manila) furniture, has no original design to speak of. Most of its products are copies of existing designs of other countries. And even though this design problem exists, still there is no Institution, in spite of the large number of Philippine Universities, that offers training to prospective furniture designers which can come up with original exotic forms that can be demanded by foreigners.

Aside from the above-mentioned problems, one can see the wastefulness of the country in its utilization of valuable wood. Table tops are made out of solid lumber whereas they can very well utilize fibre boards and veneer. Even the "not seen" parts of furniture are normally made out of the high quality wood species. Perhaps this is the result of having too rich a broad-leaves forest which cannot last forever. But nevertheless, wood, being as important as "gold" should be properly utilized - if only to gain more from what we have.

We therefore see a case wherein the potential of the secondary wood processing industry can be greatly improved since the materials are there and only the methods are lacking.

Definitely, there is a lot to be desired in our wood industry's level of development. And, definitely, the prospects for advancement exist.

II. The Future Trends of Wood Processing

The recognition of the preceding problem is already a sign of impending progress. It is just a matter of time and education which can be properly facilitated.

Already there are several governmental agencies which are existing which can be utilized to promote the wood processing industry. The Forest Product Research Development Commission is there to know more about the value of all the wood species in the Philippines and their possible uses. Once their studies are properly compiled and disseminated to the producers, we can expect a tremendous return in terms of benefits to the country.

The Institute for Small-Scale Industries of the University of the Philippines can help the manufacturers in their management problems, and, quite important too, help the wood processors mechanize cheaply through Low-Cost Automation. Mechanization in a cheap way can be achieved in a way which is most beneficial to the producers and consumers.

Tax incentives exist through the Board of Investment so that manufacturers can gear themselves towards export marketing.

Colleges of architecture are trying to gear their training programs towards design of furniture. It may take some time, but, a start will surely develop into a full-time effort.

Skills exist amongst the people and skills can further be conserved so that they are used more efficiently.

Agencies exist and climates are favourable to harness the national effort towards the development of the wood processing industries.

And with all these in mind, a Furniture Centre is now in the initial implementation stage. A Furniture Centre which will coordinate existing agencies and gear their efforts, carry out research and train people in the best methods of getting the most out of our rich wood resources - for the benefit of the Filipino nation.

Perhaps, in the very near future, this Furniture Centre will be functioning in its fullest potential.

As envisioned, the Furniture Centre should be equipped with a laboratory which can:

1. Conduct tests on wood species as to its nature and physical characteristics - whether it can be produced (and in what manner) and make into an attractive, acceptable furniture.
2. Test wooden furniture components to determine the treatment required so that the same can be acceptable to the market (both local and foreign).
3. Make prototype furniture to send the same to foreign buyers and local producers so that they can be guided accordingly.
4. Determine in what way a certain piece of furniture can be produced most efficiently and economically.
5. Carry out experiments in terms of new design requirements.

The Laboratory can be the heart of the following activities which the Centre can undertake:

1. Facilitating the export marketing of furniture products.
2. Promote increased productivity amongst the different furniture and joinery factories in the Philippines.
3. Facilitate the improvement of local, exotic designing of Philippine furniture for world consumption.
4. Research on lesser known wood species so that the same can be introduced in the world market.
5. Training of personnel and executives in the latest trends and methods in production, design and marketing.

The above plan will definitely cost a lot of money. But, through its implementation, many can benefit - from the wood producers and processors to the textile manufacturers (whose products will be parts of the furniture). Only the result will tell the final outcome, but nevertheless, the outlook is promising.

PHILIPPINES EXPORT OF FURNITURE 1967 - 1970 in 000 *

No.	Items	1966	1967	1968	1969	1970
1	Chairs (excl. barbers') of wood	0.9	2.9	0.6	6.7	0.1
2	Other furniture of wood, u.e.s.	19.5	40.6	32.3	16.0	58.3
3	Parts of furniture of wood	26.0	0.2	0.8	0.1	-
4	Total	46.4	43.7	33.7	22.8	58.4
5	File Cabinets and other office furniture of metal	-	-	-	-	4.4
6	Other furniture of metal	-	6.7	-	3.6	3.8
7	Total	-	6.7	-	3.6	8.2
8	Chairs (excl. barbers') other than wood and metal	-	7.0	1.1	9.5	2.6
9	Furniture of bamboo	2.8	-	2.2	-	-
10	Parts of bamboo furniture	-	-	0.1	-	-
11	Total	2.8	-	2.3	-	-
12	Furniture of rattan	328.4	498.7	586.0	624.1	857.3
13	Parts of rattan furniture	124.4	107.9	181.8	261.8	167.6
14	Total	452.8	606.6	767.8	885.9	1,024.9
15	Buri furniture	8.8	5.7	20.3	69.5	83.2
16	Parts of buri furniture	-	-	0.4	-	-
17	Total	8.8	5.7	20.7	69.5	83.2
18	Other furniture of other material	41.3	22.1	28.9	4.6	34.6
19	Parts of furniture of other material	-	1.4	-	0.7	-
20	Total	41.3	23.5	28.9	5.3	34.6
21	Mattresses and supports	-	25.2	-	2.4	36.3
22	Cushions and pillows	-	-	-	-	11.6
23	Total	-	25.2	-	2.4	47.9
24	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
25	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
26	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
27	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
28	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
29	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
30	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
31	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
32	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
33	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
34	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
35	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
36	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
37	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
38	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
39	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
40	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
41	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
42	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
43	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
44	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
45	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
46	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
47	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
48	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
49	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
50	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
51	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
52	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
53	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
54	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
55	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
56	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
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58	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
59	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
60	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
61	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
62	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
63	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
64	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
65	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
66	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
67	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
68	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
69	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1
70	Total	1,024.9	1,139.5	1,144.2	1,001.9	1,174.1

ASSORTMENT OF FURNITURE PRODUCED IN 1969*

	I t e m s	Quantity	Value in 000 ₪	Total
1	Tables of wood	11,539 pos.	2,186	
2	Headboards of wood	1,806 pos.	295	
3	Chairs, benches, stools, rockers, settees, lounges, sofas of wood	50,149 pos.	3,681	
4	Beds of wood	2,555 pos.	407	
5	Sala, dining, bedroom sets of wood	4,481 pos.	1,680	
6	Chests, desks, dressers, aparadors, trunks, cupboards, plateras of wood	6,992 pos.	2,026	
7	Showcases and other partition fixtures of wood	8,321 pos.	1,664	
8	Wood furniture not specified in detail	- no figures -	4,262	
9	Miscellaneous wood furniture and fixtures not elsewhere specified	- no figures -	656	
10	Cabinets for radio, phonograph, radio phonograph, television sets of wood	21,599 pos.	2,225	
11	Cabinets for household sewing machine of wood	42,965 pos.	<u>2,284</u>	21,366
12	Tables of rattan	6,904 pos.	424	
13	Chairs, benches, stools, rockers, settees, lounges, sofas of rattan	32,384 pos.	1,846	
14	Sala, dining, bedroom, lawn sets of rattan	3,438 sets	2,507	
15	Beds and other rattan furniture and fixtures, not specified including rattan furniture parts	- no figures -	<u>2,200</u>	6,977
16	Box beds and mattresses	27,650 units	<u>5,602</u>	5,602
17	Tables of metal	3,225 pos.	157	
18	Chairs, benches, stools, rockers, settees, lounges, sofas of metal	83,915 pos.	1,052	
19	Beds, sala sets, dining sets, bedroom sets, lawn sets, desks, chests, trunks, dressers, buffets, cupboards of metal	- no figures -	876	
20	Lockers, shelves, counters, showcases and other partitions and fixtures of metal	4,065 pos.	618	
21	Miscellaneous household metal furni- ture and fixtures including metal furniture parts	- no figures -	574	
22	Office filing cabinets of metal	11,157 pos.	2,107	
23	Office and store lockers, shelves, counters of metal	2,133 pos.		
24	Miscellaneous office, store showcases, restaurant metal furniture and other partition and fixtures, plain and painted	- no figures -	241	
25	Cabinets for radio, phonograph, radio phonograph, television sets and other furniture and fixtures, n.e.o. of metal	- no figures -	115	6,188
	T o t a l	325,278 pos.	40,113	40,113

* Source: Industry Division, Bureau of Census and Statistics



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77

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