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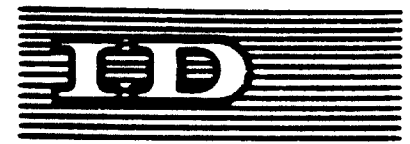
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09408



Distr.
LIMITED

ID/WG. 302/20
2 January 1980

Original: ENGLISH

United Nations Industrial Development Organization

Seminar on Furniture and Joinery Industries

Lahti, Finland, 6 - 25 August 1979

The Economic Panorama of the Wood Furniture
Industry in Colombia^{1/}

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In recent years, production of the furniture industry in Colombia had greatly expanded. From 1967 to 1975 the total increase was 341%.

The majority of this furniture is produced in the capital, Bogotá and in Soacha; Medellín, Barranquilla, Cartagena and Pereira being other less important centres of production. However, there is one small city located in the south of Colombia called Pasto where there are more skilled workers employed than in any other part of the country but its production rate is very low.

Most of these industries are either small or medium size and they generally have many skilled workers, but their productivity is lower than that of the bigger factories.

The furniture factories in Colombia produce many types of furniture, but they have always specialized in production office and home furniture with emphasis on furnishings for living rooms, dining rooms, bedrooms and kitchens. Home furniture constitutes 55% of production while both home and office furniture together constitute more than 75% of total production.

The principal production material for this furniture is wood. Other types of materials used are leather and other covering materials, hardware, and paints which are extremely important in determining the quality of the final product. Colombia has many forests with a wide range of species of wood, but the production decreases daily due to the uncontrolled exploitation by the lumber industry.

Another result of this lack of control is the apparent "extinction" of our forests there are also problems due to the 1,000 approximately species which exist in the same area; problems then which arise when the lumber jacks attempt to select then fell a tree of a specific specie. There is no orderly grouping of species into classes which makes the selection process very difficult and tedious.

However, Colombia utilizes only 10 to 15 of these 1,000 species in furniture production since many of the remaining species have not yet been exploited for their wood value.

There are also problems between those who actually fell the trees and those manufacturers who receive the lumber. The furniture manufacturers require a specific size of lumber in order to begin production but the lumber they receive never corresponds with the measurements they request due to the will of the sawmiller to produce as much as possible at as low a cost as possible. All trees are felled with the lumber extracted always the same size. Therefore, a furniture manufacturing industry is forced to accept a standard size lumber whether or not it needs this requirement. The furniture manufacturing industry in Colombia can be divided into three basic categories: Big, medium and small industries. We can find many problems in all three types of industries but each has different specific problems.

The big industries in Colombia have certain technical problems. There is no sufficient number of skilled workers able to produce the volume of required production, and there are also certain production restrictions that have to be taken into account since there is not a sufficient demand by buyers for these products. Another technical problem is that because of the many different machines in use there are not enough workers who know how to properly operate these machines. For this reason the full production capacity is often not utilized.

The medium size industries have similar marketing problems as the big industries but because of different reasons. In general, a medium size industry receives very little economic aid to finance certain production aspects. Because of this limited sponsorship, medium size furniture industries are constantly plagued with financial problems. They are also forced to use more skilled workers than the big industries because they cannot afford the latest machinery which would reduce the number of these skilled workers.

The managers of the different production and process departments have not been as well trained or prepared as needed. Therefore they are unable to solve certain technical problems which arise in modern industry. The majority of these managers or directive heads have learned through experience, and not by studying.

The small industry also has many problems although they differ from those of the big industry. They are able to find the natural-resources necessary for their level of production, these small industries purchase wood through a "Middle-man" which renders their raw material requirements very expensive. Naturally, being the least important of the industries, the quality of lumber sold to them is usually rather poor making it very difficult to work with. They have very few techniques to work with, since the employers have had any specialized training, which in turn makes a final product of very poor quality. Furthermore, they must use older-model machines which also reduce the quality of their products.

The big industries sell to buyers at a wholesale price. These buyers then sell to their clients raising the price for profit. Also the big industries can select their clients. In other words, it imposes prices and regulations for buying its merchandise.

Generally the medium size industries have their own furniture stores and/or they sell to the bigger stores although they have problems selling their merchandise since they have to produce a variety of items in order to satisfy many tastes. The small industry is obliged to wait for the client to approach them because the client has to pay in advance before the carpenter is instructed to begin producing the furniture.



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