



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

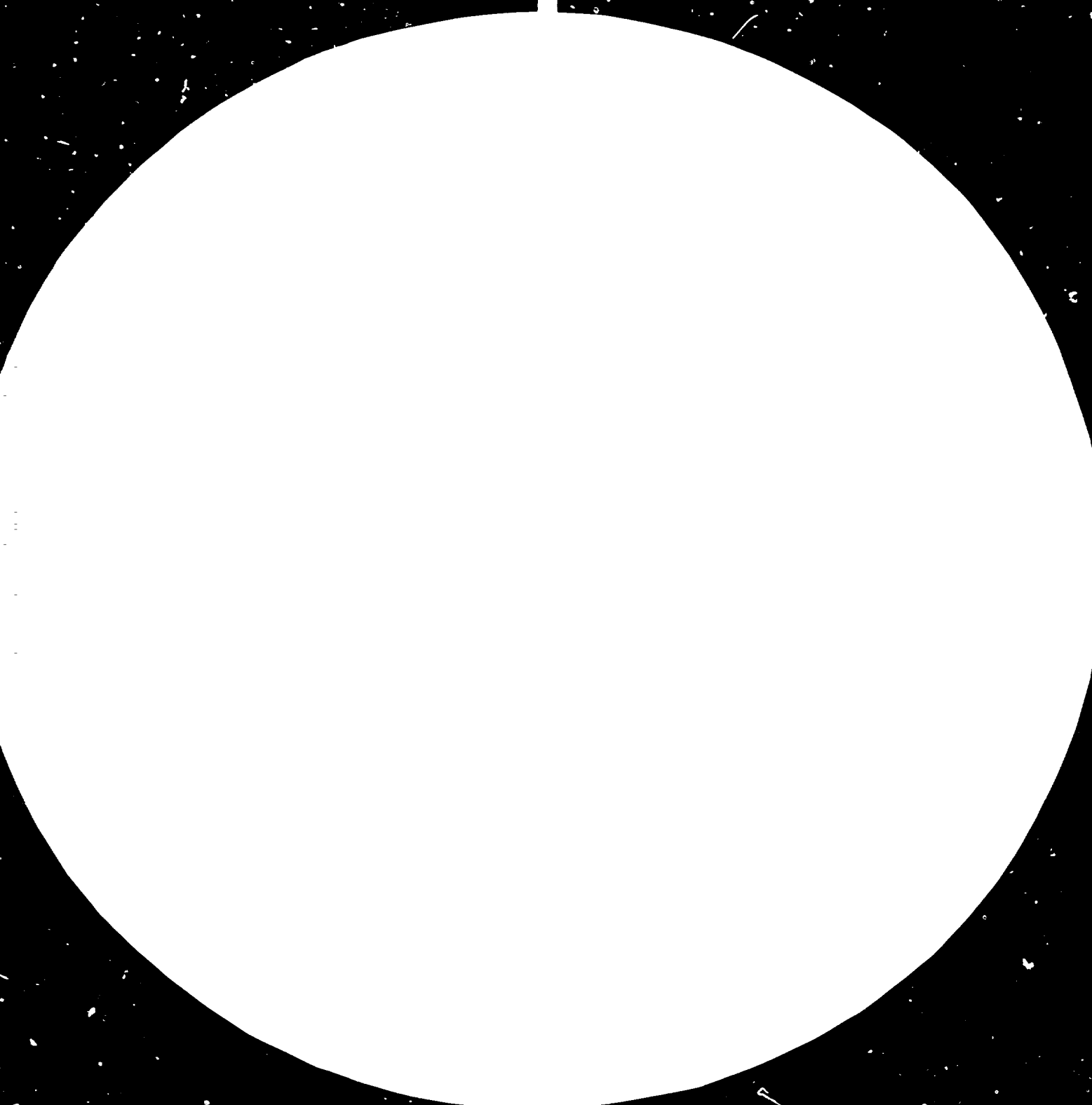
FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org





3.2

3.6

4



Resolution Test Chart
1.0 1.1 1.25 1.4 1.6 1.8 2.0 2.2 2.5 2.8 3.2 3.6 4



10755



Distr.
LIMITED

ID/WG.338/28
10 August 1981

ENGLISH

United Nations Industrial Development Organization

Seminar on Economic Criteria for the Selection of
Woodworking Machinery and Plant Systems
Hannover, FRG, 19 May to 2 June 1981

THE WOODEN FURNITURE INDUSTRY IN EL SALVADOR*

by

Jorge Augusto Molina**

901.0

* The views expressed in this paper are those of the author and do not necessarily reflect the views of the secretariat of UNIDO. This document has been reproduced without formal editing.

** Presidente y Gerente Gral., Muebles Molina Hermonos, Santa Tecla.

Introduction

El Salvador is a country with an area of 22,000 square kilometres and a population of about 5 million persons. This high density of people per square kilometre, together with an average income of \$ 80.00 per month (which does not allow the average person to use electricity as a source of energy but gas instead) has caused the extinction of any significant forest area (our forests have been depleted since the 1940's).

The furniture industry, however, has reached a level comparable to that of its neighbors, namely, Guatemala, Honduras, Nicaragua and Costa Rica, which supply 90 per cent of our wood to us which we then use in our industry. The most widely used species are mahogany, cedar, pine, and other secondary hard and soft woods.

Products manufactured include upholstered living room sets, dining room sets, bedroom sets, desks, coffee tables, portable bars, wall units, rocking chairs, etc.

The most widely accepted styles are the french provincial with cabriole legs and carving and colonial-spanish style with turnings and solid wood. The upholstered furniture follows the American style as well as the European but adapted to size of the local homes.

The mid and high priced furniture manufactured locally is also marketed by the manufacturer. The low price furniture is manufactured by small shops, ranging from one to ten workers. These shops usually work directly for retailers, or sell their furniture to the retailer. There are no wholesalers acting as middlemen.

There are five or six plants in El Salvador equipped with machinery like planers, jointers, benchsaws, routers, copying lathes, tenoners, mortisers, radial saws, air compressors, pneumatic staplers,

airspraying equipment, manual sanding machines, band saw, etc. Most of these machines are manually or semi-automatically operated. All of these manufacturers produce a diversity of designs in a relative amount (according to the size of the plant), between 20 and 100 pieces of a design. These manufacturers also do the machining of the furniture, as well as the assembly, upholstering and finishing. Some of them work with small shops which manufacture some type of complementary furniture for them.

There are about 500 one to 10 man shops who manufacture either high price custom made furniture or low price furniture. These shops usually have only a small circular saw, a portable router and perhaps a band saw and a small air compressor.

These shops have been up to now able to produce furniture at a low cost. This is due to the fact that about 40 per cent of the total cost of a piece of furniture are labour costs because of the relatively low pay that the workers received. But as inflation increases wages will rise which will shove up the cost of the furniture and since we can't control materials (which is the other 60 per cent, of course) the alternative becomes to earn less or to increase the price thus losing competitiveness in the market.

About 80 per cent of the 5 million people living in El Salvador can be classified as consumers of low price furniture (\$ 100-300 per living or dining room set).

But with inflation rising the cost of materials and machinery it gets tougher to produce manually a fair quality of furniture, with a practical design, at an attractive price. The only way in which to keep cost down seems to be the use of more efficient means of production, in which labour is not as high (in per centage) of the cost and equipment can be used more efficiently as well as fixed assets.

The lack of technology in mass production, and the style of furniture that local people like, are some of the more problematic issues to be faced. There is a plant which manufactures fibreboard using sugar cane bagasse as its raw material and it has not been able

to introduce its product yet due to the lack of technology in
working with that kind of material and to the resistance of the consumer
to buy straight line designed furniture made out of "card-board".



