Swedish Chambers

Market Brief

Focus on the Swedish Market

Home Textiles

November 2009

Facts about Sweden

Area: 449,964 sq.km
Population: 9.3 million

Capital: Stockholm.
Stockholm city: 810.100 inh.
Greater Stockholm: 2 mil. inh.

Business language:
Swedish, English

Religion:
Lutheran

Largest cities:
Stockholm city 810.100 inh.
Gothenburg 500.200 inh.
Malmö 286.500 inh.
Uppsala 190.700 inh.
Linköping 141.900 inh.
Västerås 134.700 inh.
Örebro 132.300 inh.
Norrköping 128.100 inh.
Helsingborg 126.700 inh.
Jönköping 125.200 inh.

Form of government:
Constitutional monarchy,
parliamentary democracy

Some distances:
Stockholm-Malmö 640 km
Stockholm-Gothenburg 490 km
Stockholm-Sundsvall 400 km
Stockholm-Kiruna 1310 km

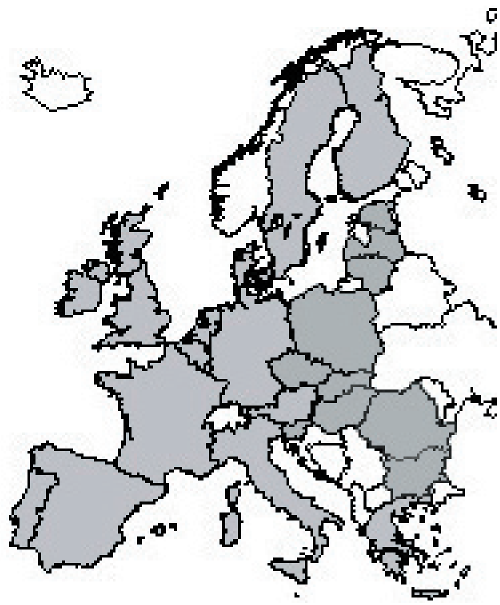
Currency:
1 krona (SEK) = 100 öre

The European Union

- Austria
- Belgium
- Bulgaria
- Cyprus
- Czech Rep.
- Denmark
- Estonia
- Finland
- France
- Germany
- Great Britain
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxemburg
- Malta
- Netherlands
- Poland
- Portugal
- Romania
- Slovak Rep.
- Slovenia
- Spain
- Sweden

The EES/EEA area
EU-countries, Iceland,
Liechtenstein and Norway

EFTA
Iceland, Liechtenstein,
Norway and Switzerland



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This Market Brief has been updated in November 2009 by Mrs Sophia Nygård at the Stockholm Chamber of Commerce.

We owe our sincere thanks to **Mrs. Lotta Cederqvist, Production & Development, Stockholm,** for valuable information, comments and support in writing this Market Brief.

Other sources of information have been the CBI Sector Alert: "Dealing with the economic crisis in the home decoration sector" published by CBI in The Netherlands (www.cbi.eu).

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1 General Background

The Kingdom of Sweden is situated in northern Europe, located in the Scandinavian peninsula, between Finland and Norway. Stockholm is the capital city and a major gateway. Two other major cities are Gothenburg and Malmö.

The climate is temperate in the south and sub-arctic in the north.

Sweden's population is 9.3 million with a labour force of about 4.5 million and an unemployment rate of approx. 8.4 % (October 2009). Approx. 90% of the population is living in the southern part of the country.

Sweden has achieved an enviable standard of living under a mixed system of high-tech capitalism and extensive welfare benefits. It has a modern distribution system, excellent internal and external communications, and a skilled labour force. Timber, hydropower and iron ore constitute the resource base of an economy heavily oriented towards foreign trade. Privately owned firms account for most of the industrial output.

Sweden is a member in the European Union but has not joined the European Union Monetary Union. Therefore, Sweden still has it own currency (SEK).

2 Definitions

This market brief deals with home furnishing textiles such as curtains, draperies, bed linen, table linen, toilet linen, kitchen linen, terry towels and similar products. These products fall under the European Union's Combined Nomenclature (CN) under Chapter 50, 52, 53, 55, 58 and 63. This market brief does not cover home furnishings such as mattresses, pillows and quilts, which fall under CN Chapter 94.

Most home furnishing textiles are made of cotton and to a lesser degree of flax, silk and synthetics. In some cases fabrics of wool as well as mixed fabrics are also used in home furnishing. For this reason this market brief also covers the market for some of these fabrics. The importance of different raw materials for each product group is presented below under the heading Product Facts. Upholstery fabrics are not included.

It is not possible to distinguish between the end uses of different types of fabrics as classified in the Combined Nomenclature. A fabric of a specified fibre content and weight may be used for a number of different end uses depending on other characteristics of the fabric. Thus a lightweight cotton fabric could be used for curtains or for garments, depending on other characteristics of the fabric.

2.1 A Word about Statistics

When trade takes place between Sweden and other EU members, trade figures are submitted to Statistics Sweden by the exporters and importers themselves and not by the Customs. Small companies that trade for less than SEK 2.2 million per year with the EU need not submit trade statistics at all. This has made statistics less accurate.

Not only are the figures a little less accurate, but also trade statistics do not inform about the country of origin of a product when imported from an EU country, only from which EU country the product came to Sweden. Many products that originate in countries outside the EU are imported to Sweden via another EU country. This fact will most likely result in too low figures for imports from developing countries.

The size of the market for a hand-woven and hand-printed product is not possible to calculate. The reason is that within a product group falling under a specific 6 or even 8 digit CN number, there will be both industrially produced articles and hand-made articles as long as they are made of the same raw material.

3 The Swedish Market

Sweden has 9.3 million inhabitants who need bed linen, towels and other home furnishing textiles. In general the domestic production is very small or non-existing.

3.1 General Background

Population

As a result of the baby boom in recent years, the number of young people is increasing in the years ahead. On the other hand, the average lifespan is also high, meaning that the number and age of pensioners is increasing. In addition, pensioners remain active long into old age and have a relatively good purchasing power.

Climate

Companies intending to export home furnishing products to Sweden ought to be aware of the temperate climate and the changing of seasons. Winters are cold with snow and sub-zero temperatures (Celsius) over a period of several months, especially in the northern provinces. Summers are warm, spring and autumn are frequently cool.

The changing seasons influence the home decoration. Some people change curtains, kitchen linen and cushion covers etc. according to the season. Lighter fabrics and colours are more popular during spring and summer than during autumn and winter.

3.2 Consumption

The sector for interior decoration in Sweden is expanding and there has been a great interest in home styling for several years now. The spending on home furnishing articles has increased for ten years in a row, except for a small dip in 2008. In 2008 the turnover for Swedish shops trading with home textiles was 5163 million SEK according to Statistics Sweden.

3.3 Trends

There is an overall increased interest in interior decoration and home textiles. For the past few years there has been an explosion of interior decoration magazines and books and popular television programmes helping out with both the interior and exterior architecture. Television programmes that do “Home-styling” and “Home makeover” have many viewers. Swedes are investing in real estate (houses, apartments, country cottages), which also has had an effect on their interest in home furnishing. The home decoration sector is becoming more influenced by the fashion industry and the trends are changing almost at the same speed. This has an impact on home textile products as it is easier to change cushion covers and curtains than changing a sofa.

Due to the latest economic crisis the consumers in Western markets have reduced their purchases in the home decoration sector. Mainly consumers save money on products they do not regard as essential. Consumers are looking for products they find useful. That might be the explanation of the relative small decline in the home textile sector. People do still need bed linen, kitchen linen etc.

A global effect of the crisis is the difficulty of obtaining financing and credit and this is hitting both importers and exporters. Importers do reduce the size of the orders and they sell the stock before placing new orders. The low-end market segment has been particularly hard hit by the economic crisis. Consumers in this segment are more likely to cut back on spending. According to CBI, some of the problems for the sector became apparent before the crisis started but they are reinforced by the crisis. A current trend is now that importers prefer to import smaller volumes of mostly unique and high-quality products, instead of high-volume standardized products. Consumer interest has shifted from quantity to quality.

Except for the economic crisis the discussions mainly in the media on the climate crisis has had an impact on consumer behaviour. Discussions concerning the environment have been in progress throughout Europe in recent years and Sweden is in the forefront of this debate. Trend analysts foresee an increased demand for environmental-friendly materials. Some consumers are willing to pay extra to protect the environment, while many are not. Swedish consumers are both demanding and aware. Their knowledge of materials, care and the environmental impact is generally good. There is for example an increased interest in buying products of organic cotton. The manufacture and the dyeing should be as compatible as possible with nature and the environment.

Handloom fabrics are in fashion again. Hand-made products in general are appreciated. They are regarded as more authentic and unique than standardised products. The buyer knows that someone is connected to the product and has put in his or her efforts in producing it. In some cases the knowledge is specific for a certain region, a special kind of weaving for example and this attracts the consumers. A product that has a “story” to tell is increasingly popular.

Corporate Social Responsibility (CSR)

CSR is another important trend in Sweden. Consumers are starting to demand that the products sold on the market not only are produced in a more environment friendly way but also that they are produced under humane conditions.

There is no internationally recognized definition of CSR but it refers to the companies’ responsibility towards their stakeholders. In practice it means that business meets the national law and in addition, voluntarily, accepts to take a broader responsibility for the environment, society and all stakeholders concerned. It is not a new phenomenon, CSR has been discussed since industrialisation started. But the information on how different companies behave is so much easier to get in the era of globalisation. From time to time the larger newspapers have published scandalous articles about the working conditions in textile and clothing factories in

Asia. The Swedish consumers are quite conscious about these issues, and the small chain stores and importers will also be forced to revise their routines and comply to the common system. CSR is much about consumers' power. The Swedish consumers are becoming more and more conscious of quality, health, safety, environment and social issues. The consumers feel that the companies have a moral obligation towards their workers and society as a whole. Companies are judged not only on their products and services but on social responsibility or business conscience as well.

The increased awareness of the consumers and the risk of getting a bad reputation which might influence the companies' profits have made most companies develop Codes of Conduct that their many suppliers have to conform with. There are about 300 different conventions, treaties, rules and Codes of Conduct on CSR available. Many Codes of Conduct refer to documents on CSR launched by EU and UN like the EU white book, UN Global Compact, ILO 3 party convention, OECD principle for multinational behaviour and World Business Council for Sustainable Development. What they have in common is a call for multinational companies to behave and not violate the environment, contribute to the abolishment of child work and be open about the company's rewards to the employees. All of the principles refer to the Universal Declaration of Human Rights.

3.4 Consumer Characteristics

Single Households, Older Parents, Active Older People

There are many people living in single households in Sweden, especially in the big cities. Many people postpone childbirth and having a family. The mothers of today are older and better financially positioned than before.

At the same time older people are living a life different to that of earlier generations. Many of the Swedish (and European) pensioners are very active and travel often and for long periods.

High Purchasing Power and Fashion Consciousness

The primary high-purchasing group consists of women between the age of 30-50. The rapidly expanding age group of 50-and-over is also an increasingly attractive target. But there is also an increased interest for home decoration among men and this group should not be underestimated.

Many people in Sweden take an interest in home decoration and are quick to pick up new trends.

4 Product Facts

4.1 Bed Linen

Bed linen is the most important home furnishing item. The apparent consumption in 2008 was worth SEK 387 million, and SEK 370 million in 2007. About 69% of the bed linen sold in Sweden is made of printed cotton.

Bed linen is almost exclusively made of 100% cotton fabric. Satin made out of cotton is increasingly popular.

Bed linen is usually sold in two-piece sets with a duvet cover and a pillowcase, usually printed. Sheets, white or dyed, are usually sold separately, but there are also three-piece sets including sheets. During the past several years duvet covers have replaced the upper sheets in most Swedish homes.

Bed sheets must stand up to washing at 60 degrees Celsius (ºC), and many consumers prefer sheets that can be washed in 95ºC. Shrinkage should be modest and preferably stated on the label.

The weight of the fabrics used for bed linen varies between 115 g/m2 and 150 g/m2. The price of the bed linen sets follows the weight of the fabric, the heavier the fabric is, the better the quality usually is and the higher the price. There are some well-known Swedish and Scandinavian brands that, because of their strong brand names, can charge a higher price than for equally good un-branded bed linen.

In Sweden products tend to be standardised and bed linen is no exception. The most common sizes are:

Pillowcases	50 x 60 cm
Duvet covers	150 x 210 cm
Single-bed sheets	150 x 260 cm or 180 x 260 cm
Double-bed sheets	220 x 260 cm

There may be other sizes on the market, but for the exporter to Sweden the important thing is to be able to match the standard widths. Looms must be wide enough to weave 150 cm, 180 cm or 220 cm wide fabrics.

4.2 Table Linen

Table linen is mainly made of cotton or flax. Table linen is sometimes sold in sets with a tablecloth and six or twelve napkins, depending on the size of the tablecloth.

Tablecloths come in both white and plain colours, but not often in prints. They should stand up to laundry at 60ºC and white ones at 95ºC.

Standard sizes are not as strictly adhered to as for bed linen. Below are the most common sizes:

Small sizes:	90 x 90 cm
	130 x 180 cm
Normal sizes:	150 x 250 cm
	150 x 300 cm

4.3 Towels

Most towels are made of cotton. Mainly there are towels for the kitchen and for the bathroom. For bathroom use at home and in hotels etc. terry towels have become standard. In public wash-rooms, towels have to a large extent been replaced with towel dispensers where the towel is rewound into the dispenser or by paper towels.

Almost all terry towels are imported. There are some well-known brands on the Swedish market which sell at premium prices, but most of the towels are un-branded or sold under the retailer's or importer's brands.

Terry towels should stand up to laundry temperatures of 60 ºC if dyed or printed and 95ºC if white.

Standard sizes are:

Guest towels:	30 x 50 cm
Hand towels:	50 x 70 cm
Shower towels:	70 x 130 cm
Bath towels:	90 x 180 cm

Standard sizes are becoming more and more common while other sizes begin to disappear although they can still be found in the trade. Towels are usually sold piece by piece but gift-packaged towels may occur.

4.4 Curtains

Curtains are made of many different fabrics. The majority is made of cotton and different mixed fabrics. It is not a given that every home in Sweden has curtains, some people prefer a minimalistic design.

In recent years panel curtains have also become popular. They are mostly made of synthetics. Usually they come with a hanging system, a top and a bottom rail.

Made-up curtains have become more and more popular as home sewing has waned and as professional curtain-makers have become more expensive. A large part of made-up curtains sold in Sweden is also manufactured in Sweden. But for cotton curtains imports play an important part.

Standard sizes for made-up curtains are:

Full length, narrow:	115 x 240 cm
Full length, wide:	150 x 240 cm
Kitchen curtains:	approx. 85 x 170 cm

Shrinkage should be modest and preferrably stated on the label.

4.5 Other Home Furnishing Articles

The most important item under this heading is bedspreads. This is a fashion item and is usually bought in colours and prints to match the bedroom curtains. Fitted bedspreads are not very common in Sweden. In 2008 the apparent consumption of bedspreads was SEK 26 million, down from SEK 34 million in 2007.

Common bed sizes in Sweden that the bed-spreads should cover are 200 x 90 cm up to 200 x 120 cm for single beds and 200 x 160 cm and 200 x 180 cm for double beds.

Cushion covers is a very trend-sensitive product. Compared to bedspreads it is less expensive to change cushion covers. They are made of silk, synthetics, cotton, flax, wool and leather etc. It depends on the season and the latest interior decoration trend. There are no standard sizes for cushion-covers, it is up to the importer.

4.6 Fabrics

Swedish families usually buy their home furnishing articles as made-ups ready to use. Thus there is very little over-the-counter trade in piece goods for fabrics for home-furnishing products. Fabrics have two markets in Sweden. The first consists of manufacturers who import fabrics for their own production. The second is the over-the-counter trade in piece goods for final customers and fabrics for curtains for offices, hotels and other public places as well as for expensive home curtains. These curtains are sewn and fitted by professional curtain makers, who are often employed by home furnishing retailers or interior decorating firms.

The most important cotton fabrics are cotton prints followed by dyed cotton fabrics and yarn dyed stripes. The market for silk fabrics is small. The main reason is that Sweden has no domestic garment industry that uses silk fabrics. The bulk of the silk fabrics imported to Sweden is sold over the counter as piece goods. Silk sold over-the-counter is mainly used for garments and decorative home furnishing items sewn at home. Only small quantities end up as cushion covers, tablecloth or curtains. The exporter will find customers among importers/wholesalers of fabrics.

5 Imports and Exports

Most home furnishing textiles are imported. Bed linen is the biggest import and export group of these items. Sweden imported cotton bed linen for SEK 602 million in 2008 and for SEK 651 million in 2007.

The exports of home furnishing textiles went mainly to the neighbouring countries and other countries within EU.

Top ten countries 2008 with regards to Sweden's imports of bed linen of cotton, table linen, kitchen linen and toilet linen of cotton and terry towel, bedspreads and curtain of cotton.

		Million SEK
1.	India	322
2.	Bangladesh	186
3.	China	165
4.	Pakistan	148
5.	Turkey	105
6.	Estonia	77
7.	Poland	66
8.	Portugal	57
9.	Denmark	49
10.	Indonesia	30

Source: Statistics Sweden (SCB)

Sweden's import and export of home furnishing articles (value in 1000 SEK)

	Swedish import (SEK)		Swedish export (SEK)	
	2007	2008	2007	2008
Printed bed linen of cotton	426 699	406 406	186 738	138 597
Other bed linen of cotton	224 305	195 797	94 456	76 302
Table linen of cotton	128 802	124 965	58 836	44 846
Table linen of flax	45 330	23 908	20 763	12 841
Toilet linen, kitchen linen etc of terry cloths	329 509	318 970	103 666	95 815
Toilet linen, kitchen linen etc of cotton	37 108	39 584	21 223	21 123
Toilet linen, kitchen linen etc of flax	4 760	5 150	1 840	1 949
Curtains, blinds, draperies of cotton	264 319	221 185	93 437	78 045
Bedspreads	67 144	52 474	33 146	26 788
Summa	**1 527 976**	**1 388 439**	**614 105**	**496 306**

Source: Statistics Sweden (SCB)

Sweden's import and export of fabrics (value in 1000 SEK)

	Swedish import (SEK)		Swedish export (SEK)	
	2007	2008	2007	2008
Woven fabrics of cotton	104 219	92 706	43 268	39 193
Woven fabrics of flax	70 601	65 512	31 030	26 724
Woven fabrics of silk or silk waste	13 217	11 203	2 524	1 794
Terry towelling of cotton	2 277	3 930	8 705	9 079
Summa	**190 314**	**173 351**	**85 527**	**76 790**

Source: Statistics Sweden (SCB)

6 Channels of Distribution

An exporter of home furnishing textiles can enter the Swedish market through different channels. It is hard to state which channel is the best.

The traditional way is to use a commission agent. Commission agents are still very important in the trade with fabrics. Manufacturers of home textiles usually import their fabrics directly from weavers abroad, but agents play an important part in this trade. The foreign weavers cannot visit all potential customers in Sweden and must rely on agents to represent them. The commission varies from 2% and up to 10%, depending on the type of fabric.

Another way to enter the market is to sell directly to an importer. This method could work well for an exporter selling made-ups. The importers that need to be visited and sold to would be retail chain stores, importing wholesalers or mail-order companies. Made-up home furnishing textiles are retailed through home furnishing stores, department stores, mail-order companies and IKEA, the furniture and home furnishing hypermarket chain. Specialist home furnishing stores and

IKEA have taken a growing share of the market from the traditional department stores.

The institutional markets, such as hospitals, hotels, restaurants and laundry service companies are best covered by an importer/wholesaler that is specialised in this trade.

Which channel to choose depends on the product and on the effort and expense the exporter can spend on selling and marketing in Sweden. It is important, however, for the exporter to stay with one agent or distributor once he has chosen. The Swedish market is small and an agent or distributor expects to be the sole representative of the exporter.

It is of course possible for an exporter to sell directly to these importing companies without necessarily visiting Sweden. IKEA and some of the others have purchasing offices abroad. Buyers usually want to see their suppliers' plants and they often visit factories when they travel around the world visiting international trade fairs.

The most important trade fair, which Swedish importers and agents regularly visit, is Heimtextil in Frankfurt in January every year. Two other important international trade fairs which also take place in Frankfurt are Ambiente and Tendence. Furthermore, Maison & Objet in Paris is frequently visited.

In Sweden there is a trade fair for home furnishing articles called Formex, held twice a year in January and August in Stockholm. There is also the Nordic Fabric Fair, a Swedish trade fair for fabrics, which is held in Borås, Sweden, twice a year in March and October. An exporter must have an agent or representative in Sweden to exhibit at the Swedish fairs.

7 Trade Margins and Pricing Structure

Since home furnishing articles are sold through so many different types of outlets, the mark-ups vary considerably.

In order to give some idea of the pricing structure this example will show how the mark-ups and trade margins are calculated when the trade goes over an importer/wholesaler to a retailer.

	SEK
Retail price to consumer, including VAT	**200.00**
Value added tax, VAT 25% of retail price	40.00
Retail price excluding VAT	**160.00**
Retailer's mark-up, 80-120% of wholesale price	80.00
Wholesale price	**80.00**
Importer's/wholesaler’s mark-up 100%	40.00
Landed cost	**40.00**
Duty 12% on most items	App. 4.50
CIF price	**35.50**
Insurance, freight etc.	App. 5.50
FOB price	App. **30.00**

Quantity discounts and cash discounts come out of the wholesaler's gross margin. Retailers traditionally have two big sales every year, in January and in the summer, when they sell off slow-moving articles but also lots of specially purchased discounted goods. These discounts make the average margins in the trade considerably lower than what they appear to be in the example above.

8 Customs Duty and Import Regulations

8.1 The GSP System and Other Preferential Duty Agreements

As a member of the European Union the same duty and import regulations apply in Sweden as in the rest of the Union.

The least developed GSP countries enjoy duty-free entry for their textile exports to the European Union under The Everything But Arms agreement. The products must have a GSP certificate of origin, which for most textile and clothing products requires manufacture from yarn. This means that yarn can be imported from a third country, but the weaving and the subsequent stages of production must be undertaken domestically in the GSP beneficiary country. For some products, there is an alternative rule, which requires domestic printing accompanied by at least two preparatory or finishing operations and that the unprinted non-originating material must not exceed 47.5 percent. Finally, for some specific textile and clothing products, there are some deviations or alternative rules (such as a value added requirement or a requirement based on change in tariff heading). However, there is currently an ongoing reform process, which strives to increase utilisation of the GSP through, among other things, simplified and more 'development-friendly' rules of origin.

Since many new bilateral agreements are being negotiated and many tariffs are continuously being changed as well as the requirements for certificates, it is crucial to check the latest duty rate and documentary requirements before exporting. An excellent tool is the EU’s Export Helpdesk for developing countries. It is the easiest way to keep up-dated on what tariff level or duty free access your product and country can benefit from. By typing in your product and country you will immediately see if and what tariffs apply to your product and what type of certificate of origin you must use as well as a list of any other possible documentary requirements. For contact details to the Helpdesk please refer to **Appendix 2**.

8.2 Quotas and Licensing

Many of the products in this market brief are under quota from North Korea, Uzbekistan and Belarus. Other products are under surveillance.

Products under quota, and in some cases also products under surveillance, need both an export license and an import license, a system known as double-checking. The exporter applies for an export license from the licensing authorities in his country. When the exporter has been given the license, he sends it to the importer in Sweden. The importer must show the original of the export license when applying for the import license from the proper authority. The import license will be granted after the licensing authority has checked with the database in Brussels that the appropriate quota has not been exceeded. Only after the import license has been granted should the goods leave the exporting country, or even be manufactured.

The quota system is normally based on past performance of the exporters, which means that quotas are allotted in proportion to earlier export performance. But a part of the quotas are given to new exporters, and in that case licenses are granted on a first-come-first-served basis until the quota has been filled. All quotas are common for all the EU countries.

8.3 Rates of Duty in 2009

Product	Duty
Fabrics	
Natural silk fabrics	3.0-7.5%
Cotton fabrics, containing 85% or more of cotton	8.0%
Cotton terry towelling	8.0%
Fabrics of flax	8.0%
Made-ups	
Bed linen, table linen, terry towels & kitchen towels	12.0%
Curtains, drapes & bed valances	12.0%
Other home furnishings, bedspreads etc.	12.0%

8.4 Open Trade Gate Sweden

If exporters from non-EU countries have questions, or experience problems, with rules and regulations or trade barriers it is possible to have some guidance from Open Trade Gate, located at the National Board of Trade, which is Sweden’s governmental agency for foreign trade and trade policy.

The purpose of Open Trade Gate is to provide exporters with information about rules and regulations, to investigate and try to solve barriers to trade, as well as influencing Swedish and EU trade policies and development strategies.

Find more information on: www.opentradegate.se.

9 Guarantees

According to the Swedish Consumer Sales Act there is a general two-year limit for complaints, which applies to the relationship between retailer and consumer. This is not a guarantee but gives the consumer the right to complain about malfunctioning or bad quality up to two years after purchase, and get compensation if the fault lies with the retailer or manufacturer. An example of the type of complaint covered by the law could be running colours or excessive shrinking. The law puts the burden of proof on the consumer, however.

This law has not made formal manufacturer's guarantees less important from a retailer's point of view. Many retailers insist on including in the purchase contract a stipulation granting them compensation by the importer/manufacturer if they become liable to claims from customers.

Although it is the responsibility of the importer to see to it that the goods he sells comply with laws and regulations, it is recommended that the exporter familiarises himself with these laws and regulations in order to avoid surprises and disputes later on.

10 Delivery Times, Terms, Packaging and Payment

The home furnishing trade is seasonal in Sweden. Many articles are sold during a special time of the year, and with the rapid move towards the fashion industry with new collections every season, it is of high importance that the agreed delivery times are kept. An item delivered late is impossible to sell as it then does not match the other articles in the collection.

Swedish importers usually give very specific packaging and delivery instructions, which the exporters must adhere to. It is especially important that textiles from warm and humid countries are packaged and stored in such a way that mildew and bad odour cannot develop while the goods are in dockside warehouses or aboard ships.

Labelling of goods is regulated in the EU and of course in Sweden and the exporter must follow the instructions of the importer. Sweden has some of the most stringent requirements worldwide regarding marking. Most importers provide detailed and exact specifications concerning the information that is to be included on the label of the product: type of material, washing and care instructions.

Payment for imports from overseas countries is normally some of the following; cash against documents (CAD), telegraphic transfer (TT) or letter of credit (LC), although long-term trading relationships may lead to other terms. Exporters in Europe usually sell against invoice.

11 Market Prospects

The home textile sector is in rapid development. Fashion trends seem to play a more important role in people's choices and natural fibres are coming back in favour despite the more difficult care involved. When people change cushion covers as they change shirts this is a good opportunity for the exporters. In order to be able to deliver according to the latest trends it is important for the exporter to have good feedback from an agent or importer.

Consistent quality, reliable deliveries and competitive prices are the keys to success on the Swedish market.

Appendix 1 – Some Useful Addresses and Links

A selection of organisations and authorities involved in the Swedish home textile trade:

Clothing and Textile Trade Organisations

Svensk Handel Stil
(Swedish Shoe, Textile & Clothing Retailers' Associatio)
SE-103 29 Stockholm
Phone: +46 10 471 85 00
Fax: +46 10 471 86 65
E-mail: info@svenskhandel.se
Internet. www.svenskhandel.se

Swedish Textile & Clothing Industries' Association
Box 5510, SE-114 85 Stockholm
Phone: +46 8 762 68 80
Fax: +46 8 762 68 87
E-mail : teko@teko.se
Internet. www.teko.se

Textile Importers' Association in Sweden
Box 92073, SE-120 07 Stockholm
Phone: +46 8 505 970 92
Fax: +46 8 505 970 95
E-mail: info@textileimporters.se
Internet: www.textileimporters.se

Other Organisations

Association of Swedish Chambers of Commerce and Industry
Box 16050, SE-103 21 Stockholm
Phone: +46 8 555 100 00
Fax: +46 8 556 316 35
E-mail : info@chambertrade.com
Internet: www.swedishchambers.se

The Swedish Association of Agents
Box 3146, SE-103 62 Stockholm
Phone: +46 8 411 00 22
Fax: +46 8 411 00 23
E-mail: mail@agenturforetagen.se
Internet: www.agenturforetagen.se

Swedish Federation of Trade
SE-103 29 Stockholm
Phone: +46 10 471 85 00
Fax: +46 10 471 86 65
E-mail: info@svenskhandel.se
Internet: www.svenskhandel.se

Swedish Distance Sellers (SDS)
Torggatan 19, SE-503 34 Borås
Phone: +46 33 13 17 70
Fax: +46 33 12 53 17
Internet: www.postorder.se

Authorities

Swedish Consumer Agency
Box 48, SE-651 02 Karlstad
Phone: +46 771 42 33 00
Fax: +46 54 19 41 95
Internet: www.konsumentverket.se

National Board of Trade
Box 6803, SE-113 86 Stockholm
Phone: +46 8 690 48 00
Fax: +46 8 30 67 59
Internet: www.kommers.se

Statistics Sweden
Box 24300, SE-104 51 Stockholm
phone: +46 8 506 948 01
Fax: +46 8 661 52 61
E-mail: information@scb.se
internet: www.scb.se

Swedish Customs
Box 12 854, SE-112 98 Stockholm
Phone: +46 771 520 520
E-mail: contact form via Internet
Internet: www.tullverket.se
Customs tariffs: http://taric.tullverket.se

Some Useful Links

Official Gateway to Sweden	www.sweden.se
Open Trade Gate Sweden *provides information and helps exporters to solve bureaucratic problems that might occur when trading with Sweden.*	www.opentradegate.se
Swedish Customs	www.tullverket.se
Statistics Sweden	www.scb.se
Swedish Chambers of Commerce	www.swedishchambers.se
Swedish Distance Sellers (mail order)	www.postorder.se
Scandinavian Trade Fair Council *trade fairs in the Nordic countries.*	www.fairlink.se
Association of German Trade Fair Industry *trade fairs in Europe and the world.*	www.auma.de
European Union	http://europa.eu
European Commission	http://ec.europa.eu
European Customs	http://ec.europa.eu/taxation_customs/index_en.htm
European Statistics - EuroStat	http://epp.eurostat.ec.europa.eu
Exporting to the EU - Advice for Developing Countries	http://exporthelp.europa.eu
Chamber Trade *business inquiry database*	www.chambertrade.com
Kompass *international business directory covering more than 70 countries including Sweden*	www.kompass.com

Appendix 2 – Exchange Rates

Average exchange rate of the Swedish currency SEK

	Average rate in SEK					
	1995	**2000**	**2005**	**2006**	**2007**	**2008**
1 US Dollar	7.13	9.17	7.48	7.38	6.76	6.58
1 Euro	8.65	8.45	9.28	9.25	9.25	9.61

Source: Swedish Central Bank (Riksbanken)

The following EU-countries use the Euro as their daily currency:

Austria
Belgium
Cyprus
Finland
France
Germany
Greece
Ireland
Italy
Luxembourg
Malta
Netherlands
Portugal
Slovakia
Slovenia
Spain

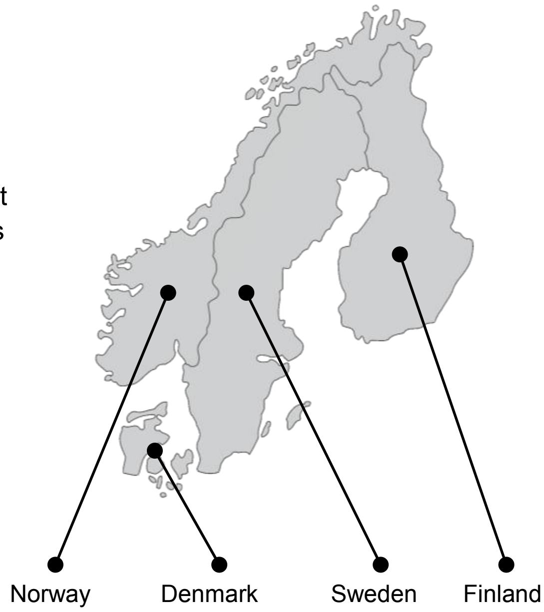
The Nordic Market

There are many similarities among the Nordic countries with regard to culture, language, political and social systems etc. Also when it comes to consumer behaviour and product preferences you find many similarities.

When entering one of the Nordic markets it therefore might be relevant to consider the possibilities in the other countries as well.

All four Nordic countries work with trade and import promotion aktivities. Below you will find contact details of the import promotion organisations in Denmark, Finland, Norway and Sweden.

Population:	Denmark	5.5 million
	Finland	5.3 million
	Norway	4.8 million
	Sweden	9.3 million



Denmark

The Danish Import Promotion Programme (DIPP) is integrated in the Danish Chamber of Commerce and operates under contract between The Danish International Development Assistance (Danida) and the Danish Chamber of Commerce.

The objective is to assist exporters in Africa, Asia and Latin America who wish to enter the Danish market with special focus on the 16 Danida programme countries.

Contact details:
DIPP – Danish Import Promotion Programme
Boersen, Slotsholmsgade
DK-1217 Copenhagen K, Denmark
Phone: +45-3374 6000
Fax: +45-3374 6080
E-mail: dipp@danskerhverv.com
Internet: www.dipp.eu

Norway

Department of international trade cooperation (DITC) is established according to an agreement between NORAD (Norwegian Agency for Development Cooperation) and HSH (Federation of Norwegian Commercial and Service Enterprises). DITC promotes imports from developing countries.

Contact details:
HSH – Department of International
Trade Promotion
P.O. Box 2900 Solli,
NO-0230 Oslo, Norway
Phone: +47-2254 1700
Direct phone: +47-2254 1752
Fax: +47-2256 1700
E-mail: ellen.gjeruldsen@hsh-org.no
Internet: www.hsh-org.no

Finland

The Finnish business partnership programme, Finnpartnership, provides advisory services for business activities of Finnish companies in developing countries and financial support in the planning, development and implementation phases of a project.

Contact details:
Finnpartnership - Finnish Business Partnership Programme
c/o Finnfund
P.O. Box 391
FI-00121 Helsinki, Finland
Phone. +358-9-3484 3314
Fax +358-9-3484 3346
Internet: www.finnpartnership.fi

Sweden

The programme is carried out in cooperation with Sida (Swedish International Development Cooperation Agency). It focuses on business contacts, market information, training and extended contacts in order to promote export from developing countries.

Contact details:
Swedish Chambers of Commerce
Trade Promotion
P.O. Box 16050
SE-103 21 Stockholm, Sweden
Phone: +46-8-555 100 00
Fax: +48-8-566 316 30
E-mail: info@chambertrade.com
Internet: www.swedishchambers.se

Swedish Chambers

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info@chambertrade.com

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