Mann | Armistead | Epperson

The Furnishings Digest

Second Quarter 2025
Volume 32, Issue #2

The latest news, views, and announcements

IN THIS ISSUE
Reading Time:
15 min

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Contents:

—

Come Meet Jerry
- Hall of Fame, Sat. 3:30-5:30
- Retail Resource Ctr, Sun. 9:00am!

—

Tariff Madness?
- Little concrete information
- Feels like getting into a rolling car

—

The Problem?
- What did all these closed stores not know that you do?

—

Trans-Shipping
- Ever heard of it? You will!

—

Latest Import Statistics

For more information on our firm **www.maeltd.com**

Welcome to the Spring High Point Furniture Market

Please come see JERRY EPPERSON live:

SATURDAY, April 26 at the American Home Furnishings Hall of Fame from 3:30-5:30pm to celebrate his 100th High Point Furniture Market with his family and partners Jimm Mann, Howard Armistead, and Mike Watson.

SUNDAY, April 27 at the Retail Resource Center at 9am gives his "one hour furniture industry overview" presented by the Home Furnishings Association as it has for decades!

Both events are free with hopes everyone can relax and share time with their friends and peers at these EXTREMELY IMPORTANT EVENTS FOR THE FURNITURE, MATTRESS AND DECORATIVE ACCESSORY INDUSTRIES!

The extremely smart and successful home furnishings executives that took their valuable time to teach me the subtle but complex ways the furniture, mattress and decorative accessory industries function ALL AGREED THE SPRING HIGH POINT MARKET WAS THE MOST IMPORTANT EACH YEAR!

The decisions, choices and arrangements made in these few days in North Carolina will decide how this year and much of 2026 perform.

And I cannot remember when this event would be more important because of global issues and events we see in our headlines. We are a truly global industry and source actively in quantities from about 70 nations, all of which will be in some form of negotiations with our administration's staff. There are more people speculating than I can remember. The most concerns Vietnam and Cambodia which often seem like proxies for China. China is clearly the largest target for trade issues but there is a widespread belief that you can source through Vietnam or Cambodia for less. Is this because of lower tariffs or, as some believe, products manufactured in China are being taken elsewhere and relabeled?

In our opinion, pricing has been a challenge for the last three years as traffic slowed and consumer spending weakened. But now with new tariffs being discussed from both the sellers/ importers and domestic retailers, the task is even more complicated with more possibilities for mistakes and misunderstandings. And this doesn't include how shipping costs are changing.

WISHFUL THINKING

Right now, it's almost impossible to find a political observer that can be truly unbiased about President Trump's global agenda. You can tell in moments if a news show or comedian or article is pro or anti Trump. If I attempt to review an array of analysts, it strikes me that:

1. Anything the President states in public automatically gets trashed by a hysterical Democratic speaker. We have all seen them breakdown on camera sometimes crying or worse. Of course, what they claim President Trump actually said does not have be accurate or true because their audience wants the worst and most unbelievable.

I have come to believe President Trump and his staff INTENTIONALLY DO THIS TO MAKE THEIR POLITICAL ENEMIES LOOK IMMATURE, UNSTABLE AND EXTREME. And many do.

2. There are parallels to this administration's foreign policy as well. This keeps them guessing about the long-term goals and what is necessary to succeed in negotiations. It is also upsetting to the investment industry. But some of his spoken goals do offer hope to certain audiences like tax reductions, removing taxes on Social Security (a favorite with the elderly like me!), support for Israel, strengthening the military, cutting waste in government spending and much more.

3. In most simple terms, he is using his extreme on-air media coverage on essentially every topic to play ROPE-A-DOPE with his enemies and those who doubt his every effort and who despise him whatever results he achieves. In other words, he can do nothing right no matter how popular it is with many voters.

HAVE YOU THOUGHT OF THIS?

Larry Kudlow, one of the few analysts and/or economists that speaks in a language that most furniture and mattress folks (my universe) can understand, said on Tax Day (4/15/25) that China has been using Vietnam as an illegal proxy, something rumored for about a decade.

Last year, China shipped about $180 billion into Vietnam and Vietnam shipped about $160 billion to China. This includes all imports, not just furniture and mattresses.

By Mr. Ludlow's estimates, about between 40% to 60% of the product China shipped into Vietnam is relabeled in Vietnam and trans-shipped to other nations so that tariffs, fees, taxes and penalties can be avoided.

Because China is moving towards manufacturing more expensive furnishings, they are selling their least expensive to Vietnam- shifting its mix to the U.S. and everywhere else downward. Can you imagine the billions $ involved?

I have used Vietnam in my example but Mr. Ludlow mentioned both Cambodia and Vietnam as China's trade proxies.

This tells me that:

1. We have been overpaying in parts of Asia for decades.

2. 92% of all frozen shrimp is imported with most coming from Asia.

3.Not going to High Point? This decision may go beyond stupid to become fatal.

Do you think furniture and mattress retailing failure can't happen to you? What happened to The Franchise Group, Big Lots, American Freight, RoomPlace, Sam Levitz, Factory Mattress, Walleroos, Furniture Factory Outlet, and many others, including friends in recent years? It wasn't Covid-19.

WHY?

- Inadequate planning without recognizing remaining management's talents.
- Hiring the wrong advisors.
- Misunderstanding how assets work. You can get spoiled by too much cash and inventory, or believe real estate will keep you safe. Have you seen what happened to our central cities?

One of our largest furniture store chains in the 1970s, with new modern self-built stores on the best interstate intersections nationwide, died a miserable death surrounded by well-intentioned but greedy people who knew little about our industry. It went bankrupt repeatedly, like a tennis volley without balls. I won't tell you it was Levitz. I considered all three brothers' friends. Their store carcasses still pepper our country.

THE PROBLEM?

Furniture retailing seems simple and easy. Maybe it was when I joined the industry in 1971. The only places to buy furniture and mattresses were stores because they were the only ones that offered financing and in-home delivery. Boy, has that changed!

And back then, less than 10% of the residential furniture was imported. Today, we estimate that nearly 90% of wood and metal furniture is imported and about 30% of mattresses are.

The upholstered sector is more complex and this has resulted in two different manufacturing models. Long production runs resulting in identical chairs and sofas are common in Asia with many manufacturing efficiencies. In dollar terms we believe just under 50% of all home upholstered furniture is imported.

In contrast, custom upholstery is made one at a time and takes longer and is more expensive per unit. Most of this is sourced domestically in the U.S. with production available in almost every state.

On Sunday, April 13th, an economist/analyst who I have never heard of claimed to be the one who first predicted the 2008 recession (that didn't help much since almost everyone predicted it in 2007 because the banks had made so many bad mortgage loans and we ended up with thousands of our homes in foreclosure. It took until 2014 to restore some sense in our housing sales and furniture and mattress sales improved a bit). This investment sales specialist questioned President Trump's sanity in negotiating with China, not that this was a new idea among lots of media types. But his new idea and thought were interesting and has given us all something new to worry about.

Mattress Imports in 2024 Figure 1

	$ mil	Units	Avg. Unit Px
Indonesia	$151	2,020	$74.63
Mexico	102	1,111	91.56
Vietnam	45	1,057	42.73
China	14	299	41.17
Singapore	19	245	75.92
All Others	61	903	67.57

Note: Average unit price in $ millions
Average unit price for U.S. manufactured mattress $422.49
Source: International Sleep Products Association

China is dependent on our American consumer on so many of the products they manufacture and the trade balance is HUGE IN China's favor. But China in the recent decade has been an increasingly important buyer of U.S. debt. As a result, they (China) have bargaining power that no one else can claim.

So far, the Trump administration has discussed with 30+ nations calling to negotiate the tariffs that our administration has proposed. As of now, most of the tariff negotiations are in a time-out for some reason. As I wrap this up, I just heard a spokesman report that TAIWAN was leading in the race to have tariff rates set.

TALKING HOUSING!

Earlier in my career, I was asked to serve on the doctorial board in the large and highly respected Forestry Department at Virginia Tech in Blacksburg, VA.

It was decided that a major need was more detail about the housing sector and an amazing monthly report is still available FREE! Contact information is given below. Please tell Urs that Jerry Epperson appreciates their work.

We believe 2025 will be a critical year in the long-term recovery in housing at all levels. There are numerous reasons. With mortgage rates expected to level out about 6%, we are

February Housing Statistics Figure 2

	M/M	Y/Y
Housing Starts	▲ 11.2%	▼ 2.9%
Single-Family (SF) Starts	▲ 11.4%	▼ 2.3%
Multi-Family (MF) Starts*	▲ 10.7%	▼ 4.6%
Housing Permits	▼ 1.0%	▼ 6.7%
SF Permits	▲ 0.4%	▼ 2.8%
MF Permits*	▼ 3.8%	▼ 14.0%
Housing Under Construction	▲ 0.1%	▼ 14.8%
SF Under Construction	▲ 0.0%	▼ 6.7%
Housing Completions	▼ 4.0%	▼ 6.2%
SF Completions	▲ 7.1%	▼ 1.0%
New SF House Sales	▲ 1.8%	▲ 5.1%
Private Residential Construction Spending	▲ 1.3%	▲ 1.6%
SF Construction Spending	▲ 1.0%	▼ 0.1%
Existing House Sales[1]	▲ 4.2%	▼ 1.2%

* All multi-family (2 to 4 + ≥ 5-units)
M/M = month-over-month; Y/Y = year-over-year; NC = No change

Sources: Virginia Tech – USDA Forest Service and U.S. Census Bureau expecting a 9% gain in home sales this year and another 12% in 2026. Some are expecting 5 interest rate cuts from the Fed, and the need for additional dwelling units is almost universal across our nation. Our younger generation is suffering from a lack of housing.

Everyone agreed housing affordability is an important issue with average single family home price growing from $179,000 in 2000 to $480,000 last year. We "Baby-boomers" are not complaining.

DON'T MISS THIS!

Contact Ashley and get a copy of its *2024 CORPORATE SOCIAL RESPONSIBILITY REPORT.*

This 60-page report illustrates what our population expects from our vendors and retailers.

LATEST IMPORT STATISTICS

We offer the following quarterly tables to show and quantify the latest important source nations for the U.S.

All Household Furniture Imports by Significant Countries Table 1.

USD $ (millions)

Country	3Q23	4Q23	3Q24	4Q24	3Q%Δ	4Q%Δ
Vietnam	$2,122.9	$2,332.5	$2,688.2	$2,895.7	26.6%	24.1%
China	2,072.0	2,377.0	2,269.5	2,179.5	9.5%	-8.3%
Mexico	800.4	767.5	700.4	643.6	-12.5%	-16.1%
Canada	534.5	543.4	523.6	500.3	-2.0%	-7.9%
Indonesia	301.7	318.2	323.1	389.1	7.1%	22.3%
Malaysia	264.8	292.2	257.0	318.5	-3.0%	9.0%
Italy	364.3	325.0	354.2	312.7	-2.8%	-3.8%
Thailand	128.6	115.2	163.9	186.5	27.4%	61.8%
India	179.3	164.9	153.5	176.3	-14.4%	6.9%
Cambodia	96.2	119.0	138.9	170.5	44.3%	43.3%
Taiwan	176.2	173.7	164.1	165.3	-6.9%	-4.8%

Wood Furniture Imports by Significant Countries Table 2.

USD $ (millions)

Country	3Q23	4Q23	3Q24	4Q24	3Q%Δ	4Q%Δ
Vietnam	$1,250.3	$1,351.3	$1,567.3	$1,629.3	25.3%	20.6%
China	399.4	435.8	412.2	404.1	3.2%	-7.3%
Malaysia	216.1	236.4	213.9	266.4	-1.0%	12.7%
Canada	256.8	249.4	262.2	233.5	2.1%	-6.4%
Indonesia	178.1	166.4	191.0	198.9	7.2%	19.6%
Mexico	199.7	189.7	203.7	188.4	2.0%	-0.7%
Italy	212.5	184.8	219.1	178.2	3.1%	-3.6%
India	121.6	110.9	109.8	127.0	-9.7%	14.5%
Thailand	67.4	59.6	82.4	83.6	22.3%	40.3%
Poland	74.0	56.7	66.3	56.6	-10.3%	-0.2%

Upholstered Furniture Imports by Significant Countries

Table 3.

USD $ (millions)

Country	3Q23	4Q23	3Q24	4Q24	3Q%Δ	4Q%Δ
China	$670.9	$794.2	$754.9	$700.0	12.5%	-11.9%
Vietnam	604.6	722.7	798.0	887.6	32.0%	22.8%
Mexico	218.5	217.9	206.0	200.9	-5.7%	-7.8%
Italy	88.6	87.6	84.6	80.0	-4.5%	-8.7%
Canada	65.3	71.5	61.6	63.3	-5.6%	-11.4%
Cambodia	40.3	48.9	42.3	57.9	5.0%	18.5%
Malaysia	37.5	42.5	29.0	37.4	-22.6%	-12.0%
Indonesia	22.6	26.8	24.6	26.1	9.2%	-2.9%
Thailand	17.2	18.5	17.8	19.3	3.4%	4.3%

Metal & Other Furniture Imports by Significant Countries

Table 4.

USD $ (millions)

Country	3Q23	4Q23	3Q24	4Q24	3Q%Δ	4Q%Δ
China	$995.1	$1,146.2	$1,092.0	$1,073.0	9.7%	-6.4%
Vietnam	258.7	245.4	314.6	362.5	21.6%	47.7%
Mexico	263.1	263.7	261.5	227.1	-0.6%	-13.9%
Canada	205.5	216.6	190.6	194.6	-7.2%	-10.2%
Taiwan	120.8	124.7	135.8	138.9	12.4%	11.4%
Thailand	44.0	37.2	63.2	83.2	43.5%	123.5%
Cambodia	21.6	25.4	46.2	64.3	113.8%	153.5%
Italy	58.0	50.7	50.1	54.4	-13.7%	7.2%
United Kingdom	32.5	34.8	47.7	49.3	46.8%	41.7%
India	43.8	42.6	35.3	40.8	-19.5%	-4.3%
Indonesia	21.9	31.8	29.6	38.8	35.5%	22.1%

Mattress Imports by Significant Countries

Table 5.

USD $ (millions)

Country	3Q23	4Q23	3Q24	4Q24	3Q%Δ	4Q%Δ
Indonesia	$79.2	$93.3	$77.8	$125.3	-1.7%	34.4%
Laos	N/A	N/A	29.3	29.8	N/M	N/M
Mexico	119.1	96.2	29.2	27.2	-75.5%	-71.7%
South Korea	14.9	15.8	27.4	22.5	84.1%	42.5%
Vietnam	9.3	13.1	8.3	16.3	-10.5%	24.6%
Canada	7.0	5.8	9.0	8.9	29.5%	52.4%
Singapore	5.2	8.1	9.9	8.1	92.3%	-0.2%
Sri Lanka	0.1	0.2	1.0	7.4	1257.1%	3615.0%
Poland	1.4	2.7	3.2	3.9	135.6%	45.7%
Malaysia	3.4	1.6	2.4	3.6	-28.7%	125.2%
North Macedonia	N/A	N/A	6.1	3.2	N/M	N/M
Cambodia	4.0	2.3	5.1	3.0	27.7%	32.9%

Furniture Imports by Category

Table 6.

USD $ (millions)

Furniture Category	2022	2023	2024	23-22%Δ	24-23%Δ
Total Furniture	$41,362.3	$32,416.9	$33,881.6	-21.6%	4.5%
Wood Furniture	17,959.3	13,544.1	14,374.3	-24.6%	6.1%
Upholstered Furniture	9,448.6	7,684.8	8,454.2	-18.7%	10.0%
Metal & Other	12,507.7	9,828.7	10,156.7	-21.4%	3.3%
Mattresses	1,446.7	1,359.3	896.5	-6.0%	-34.0%

* All import data is from the United States International Trade Commission

Monthly Numbers

Table 7.

% Change y/y 2025	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total consumption of furniture & bedding (a)	1.5%	5.6%										
Furniture stores sales (b)	(6.5%)	(2.6%)										
Furniture factory shipments (c)	N/A	N/A										

% Change y/y 2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total consumption of furniture & bedding (a)	(3.8%)	(2.6%)	(1.4%)	(0.4%)	(0.0%)	(0.6%)	(0.3%)	(0.2%)	1.8%	4.4%	2.9%	6.5%
Furniture stores sales (b)	(11.8%)	(5.3%)	(11.5%)	(4.1%)	(2.6%)	(7.4%)	2.0%	0.3%	(1.5%)	5.1%	3.7%	7.2%
Furniture factory shipments (c)	(13.0%)	(5.0%)	(17.5%)	(5.0%)	(8.4%)	(8.0%)	1.6%	(9.5%)	(6.5%)	(4.2%)	N/A	N/A

Sources:

(a) U.S. Department of Commerce (b) U.S. Census Bureau (c)"Furniture Insights" a monthly publication by Smith Leonard

ABOUT MANN, ARMISTEAD & EPPERSON, LTD.

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- **Industry Research and Insights** – Proprietary data, demographic analysis, and market trends

Investing in Home Furnishings Companies Today: Mergers and Acquistions

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For more information on our firm **www.maeltd.com**

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About The Furnishings Digest
Driven by Jerry Epperson's respected insight and long-term commitment to the furniture and mattress industries, Mann, Armistead & Epperson, Ltd. publishes The Furnishings Digest. For more information, please email research@maeltd.com or call (804) 644-1200.