

HFN

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***THE HIGHS
AND LOWS OF
HOME FURNISHINGS***

**STATE of the
INDUSTRY**



TECH TAKE IN LIGHTING

By Andrea Lillo

It's all about technology in the lighting category. LED has become mainstream and continues to mature, while the smart home category will only become bigger as more consumers jump on board.

HFN's research saw sales of both portable lighting and fixtures up for 2017. Portable lighting grew by 3.8 percent to \$6.6 billion, while lighting fixtures grew 2.5 percent to \$4.3 billion.

"LED is not going away. Controls are not going away. A younger buyer will expect much more technology than the retiring Baby Boomer majority [retailers] now serve," said Jeff Dross, corporate director, education and industry trends, Kichler Lighting.

Categories such as linear pendants and chandeliers, along with vintage industrial designs and larger product overall, are driving consumers, Dross said. Finishes have also lightened up, he added.

Wayfair has seen strong growth with fixtures, specifically chandeliers, pendants and ceiling fans, said Allison McParland, category manager, lighting.

The growth of the outdoor living category has propelled the need for outdoor lighting solutions as well. "We're seeing a particular demand for durable and stylistic lamps that charge via solar power, so you can leave them outdoors and not worry about them running out of power," said Fred Truong, category manager for lighting, Houzz.

Surya sees task and floor lamps as emerging lighting categories, said Jeni Canaan, vice president of merchandising and product development. In portable lighting, concrete, sandblasted and colored glass and wood are resonating strongly with consumers, she added, while for ceiling lighting, mixed metals and materials, including wood, jute, glass and marble, are trending.

The proposed Chinese tariffs are also top of mind. The American Lighting Association is against the tariffs and last month delivered testimony at the Office of the U.S. Trade Representative's public hearings on them. "Allowing the proposed tariffs on lighting products to take effect would stifle the industry's bright future and efforts to be more innovative," Eric Jacobson, the president and CEO of the American Lighting Association, said at the hearing.

"As with any broad stroke price increase, we will all be affected," said Bernadette Campbell, national lighting manager at Ferguson, the national network of showrooms for kitchen, bath and lighting products.

Ken Lebersfeld, CEO, Capitol Lighting, which has lighting showrooms in New Jersey and Florida, felt the industry could use a price increase, however. "A customer can buy more in my stores for their money today than 10 years ago . . . if vendors could use this opportunity to build freight and return goods costs into the wholesale cost, it would greatly increase the health of our industry."

Lebersfeld added that meeting consumers' assortment and delivery expectations is challenging right now for the industry. "This requires quick ship inventory and single-item freight shipments," he said. Consumers also expect to return anything they don't like for any reason, he added. "All of these add significant costs to the retailer and the vendor." ●

Lighting

Retail sales in millions

	2016	2017	% CHANGE
Portable lighting	\$6,310	\$6,550	3.8%
Lighting fixtures	\$4,160	\$4,263	2.5%
Total lighting	\$10,470	\$10,813	3.3%

