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Note from the President......Murray Vaughan.

It has been my goal for some time now to have a communication piece for the members, which includes news and articles of interest from the industry as well as information on what the association is doing on your behalf. Member input is very important. Please submit to myself any news or articles of interest you would like to share with other members. Personnel announcements and ads for jobs are also welcome. Future editions of the CHFA Newsletter will also include articles from the Safety Group, Credit Committee and the Events Committee. Everyone is invited to submit an article. As this newsletter evolves you will notice changes in the format.

Chairman's Message.....Laine Reynolds

As I enter the third and final year of my term as Chair, Board of Directors I feel there is reason to be positive about our industry association.

We began 2008 with an organization that has a new name, mandate and is financially strong. My special thanks and appreciation to the participants and sponsors that supported this year's edition of the Canadian Home Furnishings Awards which was the most successful awards event this organization has produced with a record number of attendees. The CHFA is better connected to the Federal and Provincial governments and will continue to work closely with both levels to address the issues of this industry.

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Chairman's Message (Cont'd.)

Our website www.chfaweb.ca has seen many changes and is now updated on a regular basis. The new Media Center will house press releases and announcements. The website will also be the home of the CHFA Newsletter. Let's get behind this initiative and support it by submitting any items/information that you would like to share with other members. The CHFA now has a working governance model with new By-Laws, an active Board of Directors and active Standing Committees-Executive, Nominating, Finance & Audit and Special Events.

There is still a great deal of work to be done. However, I believe that between the staff and the support of members we will be able to achieve our goals and meet any future challenges.

FEDERAL AND PROVINCIAL BUDGETS by Murray Vaughan, President

It's interesting that prior to the presentations of the budgets both levels of government were expressing concerns about the state of manufacturing. On January 21, 2008 I met with David Ramsey, Parliamentary Assistant to the Premier. David was preparing a report for the Premier and the Minister of Finance on the state of manufacturing in Ontario and wanted input from our association. This is a positive step by the Province. However, it was hoped that recommendations from this meeting would materialize in the budget.

I have written to Jim Flaherty, Federal Minister of Finance and Dwight Duncan, Minister of Finance for the Province of Ontario. It has been made quite clear that our industry is disappointed with the budgets and that future government policies including

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FEDERAL AND PROVINCIAL BUDGETS (Cont'd.)

the budget must address the challenges facing furniture manufacturers. At the same time I registered our disappointment I also expressed a desire to work with both levels of government to develop policies and programs that will assist our industry. I have also requested that the Canadian Home Furnishings Alliance be part of any prebudget consultation process. Both levels of governments must hear the voice of our industry and it is important for us to stay connected.

CHFA SAFETY GROUP

Improving workplace safety is easier if you can learn from other firms' experience and knowledge. The Safety Groups program provides you with a network of firms who share the common goal of reducing injuries and illnesses.

Here's what the Safety Group means to participants in the CHFA program:

"The safety group is a great opportunity for Durham Furniture to network with other companies in order to share ideas and learn from other's experience. The industry as a whole benefits from this opportunity as it leads to implementing injury/illness prevention programs that result in a safer work environment."

Lynn Morris, Health & Safety, Durham Furniture

"The CHFA Safety Group is a major professional resource of knowledge on Health & Safety. It's a very powerful program for set-up and implementation of various Management Systems-Safety, Quality, Environment. Sharing experience through group work, brainstorming/problem solving sessions and presentations is the most valuable outcome."

Ernest Itzkovich, Director Quality Resources, Global File Inc.

"Safety groups are a great venue for networking with people who all have the same objective, to make their workplace a safer place to be."

Rick Tyrala, Reflections Furniture Industries

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REMOVING THE 14% TARIFF ON IMPORTED FABRICS

by Murray Vaughan, President

Hafner Inc. in Granby, Quebec has announced that it will close its weaving plant on May 2, 2008. There are three mills in Canada, which supply a very small amount of fabric to residential furniture manufacturers and employ a total of 65 workers. Based on this information I have written a letter to the International Trade Policy Division at Finance Canada in Ottawa requesting that the 14% tariff be removed on imported fabrics for residential furniture manufacturers. I will keep you updated.

SPECIAL EVENTS COMMITTEE by John Power, Chair

Thanks to the sponsors and participants the 2008 edition of the Canadian Home Furnishings Awards was a success. 470 people attended the event. CONGRATULATIONS to the following honourees:

Lifetime Achievement Award

John Colalillo Founder and President of Superstyle Furniture

Mario Colalillo Founder and President of Edgewood Furniture

Retailer of the Year Award

Mel and Blayne Lastman Founder and Re-Founder of Lastman's Bad Boy

Retailers' Choice Award

For the second year in a row within their class Superstyle Furniture and Brentwood Classics.

This year the Toronto Summer Furniture Show and Golf Tournament will be combined. Please mark the following dates in your calendar:

Toronto Summer Furniture Show Sunday, August 10 – Monday, August 11 Tuesday, August 12

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SPECIAL EVENTS COMMITTEE (Cont'd.)

Many thanks to the following Committee members for volunteering their time and expertise:

Ed Farquarhson-Eztia Furnishings
Mike James- Owen & Company Ltd. (Kingsdown)
Michael Knell-Windsor Bay Communications
Paolo Macchione-Ther-A-Pedic/Sleepking/Crown Design
John Power-Star Bedding Products (Serta)
Laine Reynolds-Superstyle Furniture
Murray Vaughan-CHFA

NEXT EDITION

Don't forget to submit any news, articles of interest, personnel announcements, employment opportunities or even a joke that you would like to share with your fellow members.