



## SUCCESS STORY

### Kosovo Wood Processors Break Through to Foreign Markets

80 percent of exports generated from online portals



Sheqer Ukaj, owner of Elnor, holding a picture of himself with the door he produced over 30 years ago and started his now successful business

Photo by: USAID EMPOWER Private Sector



Made-in Kosovo chair, ready to be shipped to Germany.

Photo by: USAID EMPOWER Private Sector

October 2016 - When life threw him a challenge, Sheqer Ukaj rose to the occasion and dealt with it in his own way. Lack of technology, lack of financial support, high lending rates followed Sheqer on his path to success. Symbolically, it all started with a wooden door he made himself. Combining the family's three-generation tradition of wood processing with his background in engineering, in the mid 1980s, in Kosovo's western city of Pejë/Peć, he opened a furniture production company named Ukaj.

In 2007, Ukaj moved his production to Pristina and constructed facilities for his new company, Elnor Furniture, to meet the increasing demand for his trademark chairs and tables, and for interior design solutions. In addition to a solid presence in the domestic market, he currently exports some of the products in Denmark, Germany, Switzerland, Finland, Ireland, and Montenegro.

"For a constantly growing company like Elnor, expanding the markets is of utmost importance," says Ukaj. In 2015, Ukaj realized that, in order for the company to maintain Elnor's ability to provide high volume of production, and keep its competitive edge, he needed to increase efficiency and gain style flexibility. He also needed financial assistance to purchase equipment required for a modernized production line.

USAID provided support through a grant by [EMPOWER Private Sector](#), also funded by the Swedish International Development Cooperation Agency, supplementing the company's own investment in the equipment. In January 2016, again with USAID support, Elnor was one of three Kosovo wood processing companies that exhibited for the first time at the SwissBau Fair in Switzerland. The expected sales from nine pre-contracts Elnor signed are estimated at some 90,000 euros (\$100,500).

There is more good news for Elnor and all wood processing companies from Kosovo. In June 2016, the first Kosovo furniture showroom was inaugurated abroad in Stuttgart, Germany.

The showroom is managed by Kelmendi Holzmöbel, a professional sales agent identified by USAID to help promote export of Kosovo products. Nearly 80 percent of sales are generated online by portals such as [www.cleveroo.com](http://www.cleveroo.com) and [www.amazon.de](http://www.amazon.de). These products

are sold under the brand name of Schwarzwald Massivholz, developed specifically for wood products made in Kosovo.

“German-speaking markets are major markets for furniture and wood interior elements made in Kosovo. Our companies are capable of producing the required quality and are highly competitive,” says the Executive Director of Association of Wood Processors of Kosovo Arieta Vula-Pozhegu.

Dekoriti is another Kosovo producer in the German showroom. They sell two types of bookshelves and three types of children’s beds, all made of solid wood, which is hard to process.

“The showroom is a great opportunity for us for two reasons,” says Riad Dërguti, manager at Dekoriti. “First, it helped break a psychological barrier that we cannot export to Europe. And second, the feedback from German clients helps us constantly upgrade our technology and designs.”

For many years, Kosovo wood processing companies have strived to boost exports. The opening of the showroom in Germany is not only a breakthrough into the European market, but also an opportunity to upgrade the technology, and follow the world’s trends of quality and design as a way of achieving competitive advantage.

Tefik Çanga, Deva, Kelmendi and Balaj are the other Kosovo wood processing companies currently selling their products through the showroom.

The five-year USAID EMPOWER Private Sector project has been working since July 2014 to stimulate large-scale job creation by elevating the competitiveness of Kosovo firms in the growth-ready sectors of apparel, wood processing, ICT, renewable energy, tourism, and metal processing. To date, 24 companies have benefited from the project through trainings, fairs, B2B (business-to Business) events and other promotional activities.