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**Mohawk revamps its presence at TISE**

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## SPOTLIGHT



### Tile fights back

Suppliers are utilizing a variety of manufacturing innovations to combat the forces that are nipping at the category's market share.

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**DIGITAL ACCESS IS INCLUDED**

See our latest issue at [fcnews.net](http://fcnews.net)

## Tariff update



**Cali CEO Doug Jackson said the company's associates got the ball rolling by writing letters to their local congressman.**

## CALI'S VINYL EXEMPTION A WIN FOR THE INDUSTRY

By Ken Ryan

**T**he U.S. Trade Representative's (USTR) decision to grant Cali Bamboo's exclusion from 25% tariffs on LVT-related products employing a click system could potentially save the U.S. flooring industry hundreds of millions of dollars, according to some estimates.

"We're delighted our efforts paid off," Doug Jackson, CEO of Cali Bamboo, told *FCNews*. "This is good news for our industry,

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## Mannington enters residential carpet via Phenix acquisition

By Ken Ryan

**M**annington Mills' recent acquisition of Phenix Flooring and Pharr Fibers and Yarns from Pharr USA represents more than the marriage of two similar companies with similar cultures. It also marks Mannington's entry into the residential carpet arena.

"This acquisition is just a good fit all around," Russell Grizzle, president and CEO of Mannington, told *FCNews*. "It adds to the diversity and breadth of Mannington's residential product offering and gives us a strong entry into residential carpet, which is the largest segment of the flooring industry." Adding Pharr Fibers and Yarns as well as Phenix Flooring to its portfolio gives Mannington one of the strongest market positions in both residential and commer-

cial hard and soft surface. According to Grizzle, the plan is to sell and market under both the Mannington and Phenix brands.

Mark Clayton, president of Phenix Flooring, told *FCNews* that his company had been look-



**Mannington chairman Keith Campbell, left, and CEO Russell Grizzle cite synergies in the purchase of Phenix.**

ing to scale its business for some time. In Mannington, he found the ideal partner. "We feel we

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## NAFCD

## Industry foresees prosperity despite threats

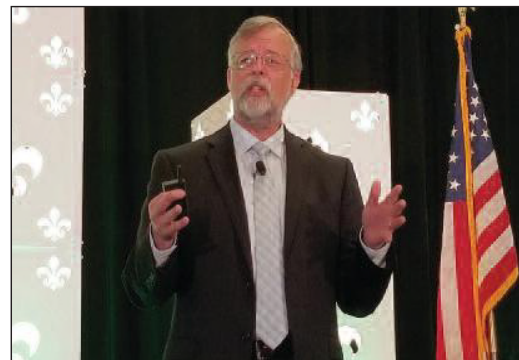
By Reginald Tucker

**N**EW ORLEANS—Despite ongoing labor shortages among truck drivers and installers alike; the negative impact of tariffs on Chinese imports; continued consolidation across the industry; and the economic uncer-

tainty surrounding the upcoming election year, the outlook for the floor covering distribution channel remains bright. That was the prevailing message that emerged from the North American Association of Floor Covering Distributors (NAFCD) convention, held in conjunction with the North American Building Material Distribution Association conference (NBMDA) here earlier this month.

"What you do is of paramount importance to the growth of the economy," said Alan Beaulieu, president of ITR Economics, in his opening remarks to NAFCD attendees. "It's about you and

what you're going to do—not about what Washington is going to do."



**Alan Beaulieu, president of ITR Economics, provided an optimistic outlook for the U.S. economy moving forward.**

Beaulieu, a return speaker to the NAFCD conference who is renown for his uncannily accurate economic forecasts, stressed

the importance of keeping things in perspective despite the upcoming U.S. Presidential Election in 2020.

"Whatever party is in power has little to do with the economy," he said, citing a 2016 study showing that since President Truman there is no correlation between the party in power and economic activity. "The average rate of growth in GDP is virtually the same for both parties. I want all of you to vote in 2020—just understand that it makes no difference."

While Beaulieu does not foresee a "big sea change on the horizon," he warns of a softening

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**The industry's best is only  
getting better.**

***More than 40 MILLION yards  
of carpet sold since 1997.***

***THANK YOU.***



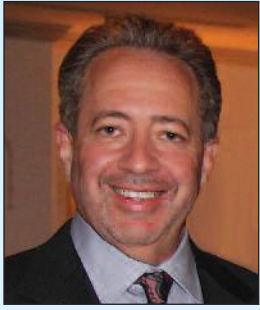
Carpet | Luxury Vinyl | Hardwood | Tile & Stone | Laminate | [shawfloors.com](http://shawfloors.com)

\*Shaw Floors Consumer Research - 2018



# COLOR THAT SPEAKS TO YOU

Discover a true hue that expresses your style.



## my take

# Seeking your feedback on the first issue of *RSA*

**B**y now I am hoping you have been able to take a look at the premiere issue of *RSA*, the magazine for flooring retail sales professionals. We mailed this magazine to our full circulation list a couple of weeks ago and have been receiving positive feedback from those who have perused the issue.

Truth be told, we have been talking about doing something like this for about five years. But talk is cheap. An idea is nothing without execution. So why launch a print publication in 2019, in November no less, when most advertisers' budgets have essentially been exhausted? Why turn left when everyone else goes right? We're certainly not bored. But there are a few reasons.

First, here at *FCNews* we like to consider ourselves disrupters. It makes things interesting. Second, when we floated the idea to *RSAs* and suppliers alike, it was well endorsed. The advertising support in this inaugural issue only serves to illustrate that point. Third, there is a clear void in the marketplace for a publication geared expressly toward this audience. And as the leading publication serving the flooring industry, we believe it is our responsibility to fill that void.

So, what is the goal of *RSA*? Much like *FCNews*, which provides a seamless conduit from manufacturer to retail store owner, *RSA* will connect suppliers and sales pros, who are on the front line and most influential in controlling the sale to the end user. Think about this: When a manufacturer launches a new product, it

can take months for all the manufacturer and distributor reps to reach every store and educate every salesperson. Here, the messaging can be delivered all at once with our dedicated PK pages. As well, a dedicated website will contain PK videos from suppliers who choose this route.

How important is PK? I remember when I was the executive editor at another flooring publication; we undertook a research study that asked salespeople about the drivers that led them to trading a consumer off a brand to which she was predisposed when she walked in the store. The No. 1 driver was "comfortability of selling the product." That speaks to product knowledge. (I would have bet "spiff" was No. 1, but it was only No. 4 or No. 5. FYI, other high-ranking drivers were product quality, support from the manufacturer rep and claims resolution.)

But *RSA* will be much more than PK. Sales professionals will benefit from columns and features on everything from selling, investing and leisure, to health and wellness, and how to maximize downtime in the store. There will be regular features where salespeople themselves reveal how they tackle certain issues. We'll also feature some of the latest and greatest products as well as those creating a buzz that may be worth showcasing to consumers.

*RSA* is a work in progress. Our first edition is far from perfect. We're not kidding ourselves here. We need to tweak content, design, etc. But this soft launch is an opportunity for us to work out the kinks and provide the best value for retail

sales professionals on a quarterly basis next year. As such, we welcome any and all feedback before we launch in earnest next spring. A good analogy is "Seinfeld," the most popular sitcom in TV history. Most people don't know the show actually began as "The Seinfeld Chronicles" and was met with negative reviews from test audiences. The infamous character Kramer was originally named Kessler. The direction was tinkered with. *RSA* will follow the same path until we get the formula right.

Here's the distribution strategy: This first issue was mailed to you, the store owner. We ask that you share it with your team. Next year, we will be sending the print product to you and digitally to your salespeople. We ask that you provide us names and email addresses of your sales staff. (Send that to [info@fcnews.net](mailto:info@fcnews.net).) We will also work with the major mills to compile a solid database of *RSAs*. As well, there will be a dedicated website for *RSA*, so salespeople will have the choice of reading the magazine in three ways: the traditional print issue, a digital version on the website or through their email.

We strongly encourage you to share *RSA* with your salespeople. This will help them become more professional and profitable, which will only help you make more money.

I appreciate your help in making the newest publication within the *FCNews* portfolio the best it can be.

Steven Feldman

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**tom jennings** lessons learned  
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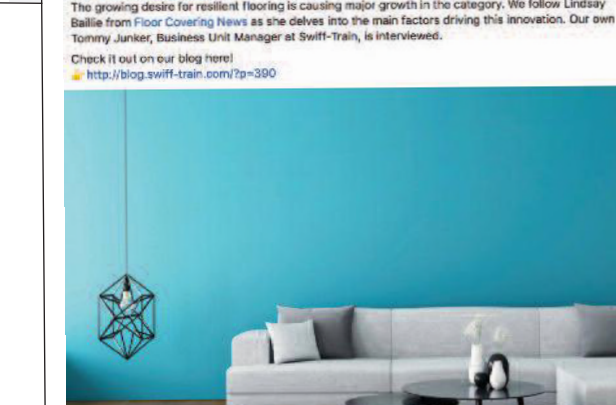
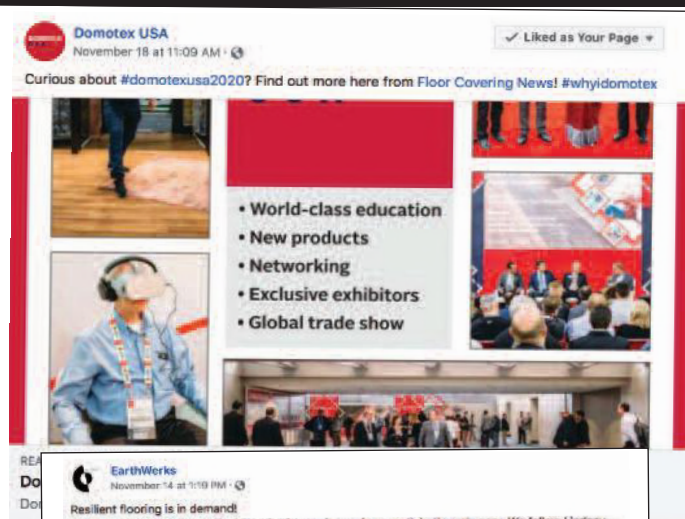
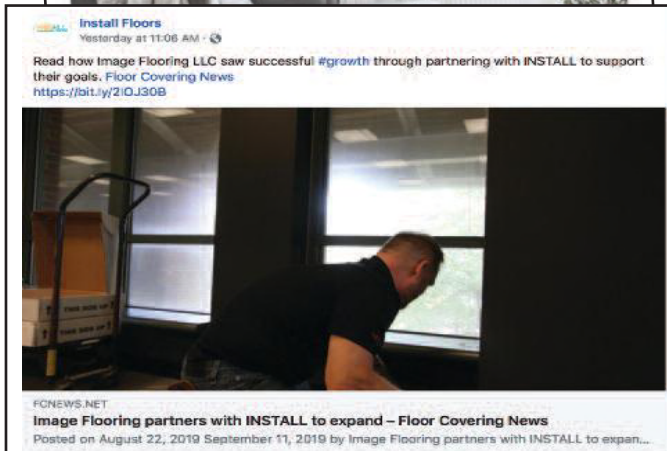
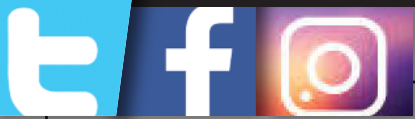


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## GETTING SOCIAL WITH fcnews



**IN THE NEWS**

**Benjamin Hagood Sr. passes**

CHARLESTON, S.C.—Southern Diversified Distributors recently announced the passing of Benjamin Hagood Sr., past president and CEO of William M. Bird, a top-20 wholesaler. He was 91.



Hagood was a leader in the flooring industry for 50 years. He was William M. Bird's sixth president before retiring from the then 128-year-old company at the end of 1993. During his career, he served as a member on the NAFCD board and was recognized with the association's Lifetime Achievement Award in 2012.

Hagood is survived by his wife of 65 years, four sons and their wives, 13 grandchildren and three great-grandchildren. His legacy of faith, family and leadership permeates the William M. Bird core values that define the company today. All who knew him appreciated his modesty, enthusiasm and gentleness.

**Domotex USA, NARI Atlanta renew partnership**

CHICAGO—For the second year in a row, Hannover Fairs USA (HFUSA), the organizer of Domotex USA, has entered into a partnership with the National Association of the Remodeling Industry Atlanta Chapter (NARI Atlanta) for the 2020 trade show.

NARI Atlanta is a non-profit trade association dedicated to professionals in the remodeling industry. All NARI Atlanta members will receive complimentary access to the Domotex USA 2020 trade show and will secure a discount on educational passes.



"We look forward to welcoming NARI Atlanta members to Domotex USA 2020 so they can take advantage of valuable educational sessions and networking opportunities alongside their peers, world-class exhibitors and industry thought leaders," said Donna Busse, show director of Domotex USA at HFUSA.

**Riley joins Mohawk Home**

DALTON—Industry veteran Michael Riley, who began his career in 1987 with Karastan, has returned to Mohawk as general manager and senior vice president in charge of the Karastan segment, the premium brand of Mohawk Home.

With more than 30 years in the industry, including a stretch as president of Oriental Weavers USA from 2003 to 2017, and most recently president of Feizy Rugs, Riley brings experience and knowledge of both domestic and global markets. Kelly Moore, senior vice president of sales; John McLeod, vice president of business development; and Tracy Pruitt, vice president of product development and design, will report to Riley.



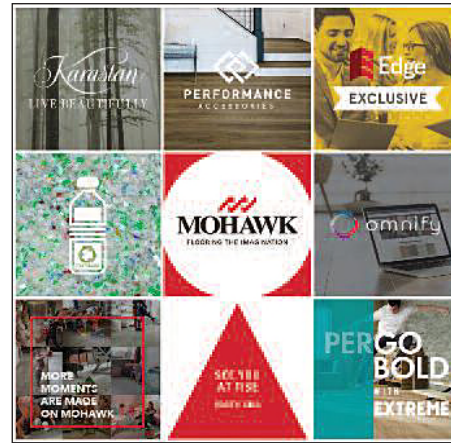
In addition, Bart Hill will lead the Mohawk Home segment as general manager and senior vice president. Hill has spent his entire career at Mohawk beginning in 1997 and has held leadership roles in sales, marketing, product management, global sourcing and various operational positions.

**Mohawk unveils 'reimagined' floor space for TISE 2020**

By Ken Ryan

The flooring industry's largest manufacturer is seeking to make the biggest splash at the industry's pre-eminent trade show this January. Indeed, Mohawk's newly imagined 30,000-square-foot floor space at The International Surface Event (TISE) is designed to be a show-stopper, featuring innovative products, persuasive storytelling and marketing programs aimed at helping retailers thrive in today's increasingly competitive specialty retail arena.

Visitors to the booth will experience product stories designed to capture a consumer's interest and drive her into retail stores in search of Master brands—Mohawk, Pergo and Karastan. "There is no better place to be than Surfaces; it's the industry's premier show where we can connect with our retail partners and the flooring industry as a whole," said Paul De Cock, president of Mohawk Flooring North America. "Mohawk's front-and-center presence communicates to our retailers that we are here to be the best business partner we can be with product solutions that the consumer



**Mohawk's commitment to its retail partners will be on full display at TISE this January.**

needs and, more importantly, feels compelled to buy." Mohawk's reimagining of its show space has been ongoing since the 2019 show ended. Brennan Swing, vice president of creative media at Mohawk, has been working with the design team to create something perhaps not seen at a trade show. He explained his thought process this way: "Walking the floor and seeing how crowded it was [in 2019], we wanted our booth to be a respite, a place where you come and see products, experience our brand but feel comfortable at the same time—and stay for a long period of time."

Swing said the Mohawk booth is all about experiential design—the art of combining interactive storytelling with environmental design to engage an audience. "Experiential is when all things come together in concert with one another. It's the culmination of everything we do."

Mohawk's booth size is the same as last year, but will be reconfigured to focus attention on the Master brands (Mohawk, Pergo and Karastan) by conveying their uniquely different stories and go-to-market strategies. "Everything we do at a Master brand level is to drive consumers to the store," said Laura Bartley, senior director of marketing communication and events. "The booth is set up to reinforce that. Each of the Master brands will have a journey with an entry point for each. Each brand has its own identity, look, feel and experience. Our customers are going to leave

**Continued on page 24**

**Greenbuild 2019 showcases sustainable flooring**

By Megan Salzano

ATLANTA—Known for showcasing the latest trends and technologies shaping the development of green buildings, cities and communities, the 2019 Greenbuild International Conference and Expo, held here Nov. 19-22 at the LEED Gold Georgia World Congress Center, brought professionals in architecture, construction, engineering, planning and interior design to mingle with 300 exhibitors from across the green building sector. Those exhibitors showcased leading products for the sustainable building industry, including new developments in flooring.

"The Greenbuild experience is an opportunity to bring leaders together to share and explore new ways sustainable design, construction and operations can improve our quality of life," said Kim Heavner, vice president of

conferences and events at the U.S. Green Building Council (USGBC). "At this year's conference, attendees, exhibitors and speakers will play an important role in



**Amy Costello, Armstrong's sustainability manager, illustrates the six pillars of sustainability.**

shaping the future of green buildings, cities and communities."

Flooring's part in the sustainability story of the future is vast and everlasting,

and this year's flooring exhibitors came to the show with that notion in mind. Mohawk Industries, for example, framed its presence around the overarching theme of "Sustainability is Second Nature," which was designed to drive home the manufacturer's total commitment to creating a "believe in better" culture across all divisions.

"We're looking at the holisticness of sustainability; not just the individuality of the components," George Bandy Jr., Mohawk's chief sustainability officer, told FCNews. "We're trying to create more transparency, more Declare labels and more information that will make things easier for our customers to understand. We don't want to make this complex. We want to be inclusive because we have an opportunity to influence consumers. We're looking at both sides of the fence—commercial and residential—and coming up with solutions that make a lot of sense for Mohawk. That's what makes Mohawk a little bit different. It's not 'and/or,' it's a

**Continued on page 24**

**SNAPSHOT**

**TISE teams up with celebrity TV designer**

DALLAS—The International Surface Event (TISE) has partnered with designer and television host Jennifer Farrell to be the face of The Style Hub at The DISH.

Attendees at the show will be able to dive into four visionary design worlds at The Style Hub at The DISH. The four spaces are being artfully developed by Farrell—each style pod exemplifying one of her signature design themes.

"Not only does Jennifer have an amazing eye for design and an impressive biography of work both on air and in her design firm portfolio, she also harnesses her craft to forecast design themes in a way that captivates the mind," said Dana Hicks, show director.



## educating the industry

# Sales pitfalls RSAs need to keep in mind



BY JERRY LEVINSON

I've worked with many flooring dealers on a one-on-one basis as well as in the Flooring Business Master Classes. I've found that many flooring pros make the same mistakes when pricing their products and installation.

The most common error made is on the initial contact with the customer. A typical customer will ask, "What do you charge for new carpet?" Most flooring professionals will respond: "It depends—do you want a plush or a berber? We have carpets as cheap as \$2 a square foot or as much as \$10 a square foot. It depends on your situation." However, this is the way everyone should answer that question: "Tell me about the project. What are you working on?"

This response leads to a dialogue that moves the cus-

tomers away from price and into a more meaningful discussion that gets to the root of her needs and demands. Price will follow once more details about the project, the environment and how the space will be used are determined.

Following are other points to keep in mind when selling:

**Don't sell yourself short.** Demonstrate the value of your product as well as your installation. Flooring installation is very complicated and requires a great deal of knowledge, experience and skill. Retailers should never allow a customer to believe that all things are equal. If you don't value your services, your customers won't, either.

**Leverage your knowledge.** It takes months, sometimes years, to learn and understand our product lines, services and the sales process. Yet we sometimes treat customers as if they are more knowledgeable about the product costs than they are when they walk in the door. Don't assume they've been shop-

ping around, getting prices from box stores or other retail outlets. Resist the temptation to lower your price in order to compete.

**Never itemize.** A lot of companies offer a breakdown of prices and services in the name of transparency. Newsflash: Many of our customers don't care. What they really want to know is the final cost to put the flooring down and get their house back together again.

Remember, if you provide a breakdown of products, accessories and services, customers may feel they can pick and choose which service they want in an effort to save some money.

**Protect your margins.** There are a lot of flooring dealers who still work off of "mark-ups" instead of margins. Here's the problem: with a mark-up you have to figure out your costs first. Then you have to

add how much profit you want to make. Psychologically it is difficult to charge the customer more money when you or your sales staff understand what the exact wholesale cost is.

Furthermore, with a healthy margin, you can offer discounts, sales, specials and free upgrades.

**Never lead with price.** All of my salespeople have a hidden shock collar on their neck in case they mention price before the customer. Too often it is assumed the customer wants less expensive materials, or she is looking for a bargain, or she is shopping all over town for the best price.

Asking a customer if she has a budget may be a legitimate question, but in most cases she doesn't. Always allow your customer to ask about price first.

But when you get asked about price, be prepared with your response. Practice your answers with your team so they are prepared to show the value and awesome customer experience you provide.



Jerry Levinson is the owner of Carpets of Arizona and founder of Profit Now, a consultant business for flooring dealers. He has also authored two books on sales and marketing. In addition, Levinson, manages the Flooring Dealer Group on Facebook, which boasts more than 3,000 members.

## RETAILERS REACT

# What was the most significant business move you made in 2019



In 2019 Carpet Collection moved into a new facility. Ben Case, store owner, purchased the property and built a new warehouse.

"We changed the way we display our in-stock carpet selection and reduced our total carpet SKUs from 75 down to 50. We wanted to focus on bringing our customers high-quality carpet at a better value."

—Jon Dauenhauer, Carpet World Bismarck Bismarck, N.D.

"I would answer this differently. What didn't I do that I wish I had done? I wish we had hired an outside estimator to specialize in 'shop at home,' and I wish we had tried harder/had better luck at finding another tile contractor who specialized in bathroom renovations."

—Elisabeth Stubbs, Enhance Floors & More Marietta, Ga.

"This year we moved into a new facility. Best part is we bought this property. We built a new warehouse and customized this location completely to our needs. Couldn't be happier with how it turned out."

—Ben Case, Carpet Collection Lockport, N.Y.

"We made great progress in staffing and training, getting our sales head count up. We continued investing in our showroom by putting trending products on our own floors. We spent more in digital advertising with super results."

—Lee Courson, Carol's Carpet Montgomery, Ala.

"Our strategy for 2019 has been to put our business on a diet by eliminating excess expenditures (review of monthly/yearly subscriptions, services no longer relevant to our business, etc.) and being intentional in strengthening our relationships within our niche markets, specialty subcontractors and general contractors. This has allowed us to conserve cash on hand for future opportunities and focus our workload more on our valued partnerships."

—Carlton Billingsley, Floors and More Benton, Ark.

## CALENDAR

Jan. 5-7

**Flooring America**  
Winter convention, Phoenix Convention Center, Phoenix.  
Contact: 800.450.7595; ccaglobalpartners.com

Jan. 7-10

**Carpet One Floor & Home**  
Winter convention, Phoenix Convention Center, Phoenix.  
Contact: 800.450.7595; ccaglobalpartners.com

Jan. 9-10

**CFI Hardwood/Laminate Certification**  
Two-day classroom and hands-on training of prefinished wood, Certified Flooring Institute, Forney, Texas. Contact: John McHale, 816.231.4646; jmchale@cfiinstallers.org; cfiinstallers.org

Jan. 10-13

**Domotex Germany**  
Annual trade show, Hannover Fairgrounds, Hannover, Germany. Contact: 773.796.4250; messe.de/en/trade-fairs/domotex.xhtml

Jan. 16-17

**CFI All Level Carpet Certification**  
Two-day certification residential (R-I, R-II) and commercial (C-1, C-11), Certified Flooring Institute, Forney, Texas. Contact: John McHale, 816.231.4646; jmchale@cfiinstallers.org; cfiinstallers.org

Jan. 28-30

**The International Surface Event**  
Annual trade show, Mandalay Bay Convention Center, Las Vegas. Contact: 866.860.1975; info@tisewest.com

Feb. 5-7

**Domotex USA**  
Georgia World Congress Center, Atlanta. Contact: 773.796.4250, ext. 236; dbusse@hfusa.com; domotexusa.com

## POINTS OF INTEREST

► **It is clearly** a job seeker's market as companies look to fill important positions despite a dearth of candidates. If you are fortunate enough to be interviewing a strong prospect, it's important to know what factors influence his or her decision. To that end, The McSweeney Group, a national search firm, listed nine reasons why a candidate may or may not accept your offer.

While compensation is important, it did not rank ahead of other intangibles such as: "chemistry connection with the interviewer;" "sense of cultural fit coupled with turnover/retention;" "work/life balance/flexible schedule with a commitment to family;" or "philanthropic commitment."



► **Millennials sometimes get** a bad rap, but the U.S. is lucky it has such an abundance of millennials, for they are the engine that will drive our economy in the future. That's according to Taylor St. Germain of ITR Economics

who spoke recently at Starnet's fall meeting. In contrast to America's strong position, China is losing its millennials. China's population is both shrinking and aging rapidly. By 2030, China will have more people over the age of 65 than under the age of 14. St. Germain also cited Japan's aging population. According to the World Bank, more than one-quarter of Japan's population is over 65; at the same time, its birthrate is plunging.

► **Builder confidence** in the market for newly built single-family homes edged one-point lower to 70 in November, according to the latest National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index (HMI). However, the past two months mark the highest sentiment levels in 2019. "We have seen substantial year-over-year improvement following the housing affordability crunch of late 2018, when the HMI stood at 60," said Robert Dietz, NAHB chief economist. "However, lot shortages remain a serious problem, particularly among custom builders. Builders also continue to grapple with other affordability headwinds, including a lack of labor and regulatory constraints."

# Lauzon Hardwood is alive and kicking

RUMORS OF PLANT CLOSURES, MASSIVE LAYOFFS ARE UNFOUNDED, COMPANY SAYS

By Reginald Tucker

Contrary to news reports, Lauzon Hardwood is not preparing to shutter its operations. So said David Lauzon Jr., the company's director of sales, in response to erroneous reporting from local media in the wake of the closure of a paper mill located near its facilities.

Fortress, the paper mill based in Thurso, Quebec, bought non-flooring grade wood chips from Lauzon, which was authorized to harvest the lumber from the forest. The paper mill announced its closure back in October, leaving Lauzon without a large buyer for the pulp-grade lumber.

"When we go into the forests that is government-owned land, we don't just bring back timber that's good for our sawmill," Lauzon stated. "We are the ones in charge of bringing back all the pulp—those trees that don't meet the standards for the sawmill or finished products. We put this pulp into a chipper, and

that's what the paper mills use for their manufacturing process."

When the paper mill closed a few months back, more than 300 jobs were lost in the small town of Thurso—which has a population of 3,000—where the Lauzon sawmill is located. The local Quebec media estimated 165 jobs would be impacted when Lauzon announced modifications to its log supply. Lauzon disputes this figure, adding the number of employees involved in pulp operations (subcontractors, loggers, drivers, etc.) amounted to roughly 30 people.

Worse, local news outlets erroneously reported that Lauzon would be shutting its operations by the end of November. Note: the sawmill operates under Lauzon Industries, but it doesn't affect the flooring portion of the com-

pany as the sawmill will remain in operation, Lauzon stated.

The confusion, according to Lauzon executives, arose out of a misunderstanding concerning Lauzon Hardwood Flooring's recently announced plans to

one. It just doesn't make sense financially."

As a fully integrated manufacturer, Lauzon gets its logs from three sources: its own private forests; public and government lands; as well as the open market.

At present, roughly 30% of what Lauzon processes through its sawmills is purchased from the open market. "We have been increasing our purchases over the last two months because we were seeing this development coming," Lauzon said.



**We are putting a lot of energy and focus into the U.S. market. The potential is huge.**

—David Lauzon, Jr., director of sales, Lauzon Hardwood Flooring

cease logging from government/public-owned sources as a result of the paper mill closing. "On Nov. 8 we announced that as of Nov. 28 we will stop harvesting logs from public/government land," Lauzon explained. "Until they come back to us with a solution, we are going to increase our harvesting from our private lands as well as grow our purchases of logs on the open market. We cannot continue to accumulate pulp and not be able to sell it to any-

### Heart of the matter

Fortress blamed its closing on the ongoing trade dispute between the United States and China, as well as the weakening of China's domestic demand for textiles and clothing. Canadian hardwood flooring producers agree, citing aggressive dumping actions on behalf of China.

"Due to the tariffs put in place by the U.S. government on Chinese product, the Chinese

are turning around and dumping product into Canada at totally ridiculous prices because we have close to zero barriers here for Chinese product," Lauzon said. "It's sad in that sense because we're seeing competition come in and undercut all the North American manufacturers."

At the same time, China could be a potential market for Canadian suppliers, given the strong demand for Canadian hard maple in China. But there's one small challenge: "We have to pay a 22% fee when going into China," Lauzon said. "It puts many of our mid- to high-end products out of reach."

While the company continues to lobby the Canadian government to work toward a solution on several fronts, it is moving ahead accordingly. "As a company we are putting a lot of energy and focus into the U.S. market," Lauzon told FCNews.

In the short to medium term, Lauzon's sawmill expects to produce less output for the next two months while it adjusts its sourcing strategies. But make no mistake, there are no plans to dramatically curtail operations on the flooring side of the business. "We don't have any facilities closing down" Lauzon said.

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Mark Bischoff presided over his first Starnet meeting as president and CEO.



Thomas Trissl (second from right), principal of Schönnox, HPS North America, spends time with the Great Floors team.



RD Weis Companies' Randy Weis meets with Armstrong's Deb Lechner.

## Starnet members 'speed' by the competition

By Ken Ryan

INDIANAPOLIS—Among the highlights of Starnet's fall meeting here was a trip to the famous Indianapolis Motor Speedway, where members and suppliers rode with professional drivers around the rectangular oval at speeds well exceeding 100 MPH.

The Indy event dovetailed with the theme of the meeting—"Speedway to Success"—and was analogous to Starnet's year as members continue to outpace the competition, with another record year in the offing. But even amidst these relatively prosperous times for commercial contractors, today's marketplace is not without the occasional speed bump or caution flag.

"Our members have to be very sharp in what segments they play in," said Mark Bischoff, president and CEO of Starnet, who was presiding over his first meeting as the top executive. "But our members are smart enough and are flexible about turning their heads to the right segment and showing their expertise."

Trade conferences are usually feel-good events, and while this one was as well, there were

reminders that the red-hot U.S. economy has cooled. In fact, ITR Economics warned of a B2B recession in 2020 as well as a negative first quarter for the U.S. GDP. This slow-growth mode comes as more consolidation impacts the flooring industry.

"Clearly the hot topic of the meeting was dealer consolidation, which is occurring on multiple fronts," said Chuck Bode, president of Columbia, Md.-based CB Flooring.

Within the last six months, four of Starnet's leading members were involved in such deals. In September, Chicago-based Mr. David's Flooring International and RD Weis Companies of New York announced an equity partnership. A month later, New York-based Consolidated Carpet purchased the assets of Vortex Commercial Flooring of Chicago, a move that combines two of the largest unionized flooring contractors in the industry.

"In a market that is not growing, and with soft flooring not in a growth mode, consolidation is going to continue," James Lesslie, executive vice president of

Engineered Floors, said during a roundtable that broached the subject of consolidation.

Consolidation is coming at a time of relative prosperity for Starnet's 185 members (350 locations) who collectively are poised to surpass 2018's performance. "The health of membership is



ITR Economics analyst Taylor St. Germain told members the industry is in a period of slower growth.

strong," Bischoff said. "Our rebate numbers for '19 look better than '18. We're seeing growth across multiple vendors that outpaces the market."

Leonard Zmijewski, CEO of Mr. David's Flooring International, agreed, adding, "We are moving in the right direction and are ahead of the curve. Although there is a lot of work to be done, we are definitely more prepared for the changing future ahead."

### Economic outlook

In one of the most anticipated sessions of the meeting, ITR Economics analyst Taylor St. Germain delivered his company's economic overview/outlook of North American and global markets. Some highlights:

- The rate of growth in the U.S. is slowing and will continue to through the first half of 2020 before a rebound in 2021. "This is not a recession forecast, although the first quarter of 2020 is forecast to be in contraction," St. Germain said. He noted that it takes two consec-

utive quarters of negative GDP movement to be considered a recession.

- B2B is going to be worse off than the overall GDP in 2020, likely finishing in the negative. However, St. Germain stated, "While the B2B economy will be in recession in 2020, it really is just a bump in the road."

- St. Germain said tariffs are not good for the U.S. economy because consumers are the ones who ultimately pay. "Consumer spending accounts for 67% of GDP, so—with regard to tariffs—leave the consumer alone."

- After a mild period of contraction in 2019, single-unit housing sales are poised to surge. "2020 looks like a great year for housing," St. Germain said. "There is a lot of demand to continue building single-family housing, so get in that home now because it's going up over the next 10 years."

- The labor shortage is a big deal and is hurting manufacturing. As St. Germain told members, "Don't let anyone tell you manufacturing is going to be easy; it is a complete lie. There is a massive number of job openings in the B2B economy because we can't find people. We need to retain those good employees in a tight labor market."

- ITR said it "really likes" the U.S. economy through the 2020s. The firm sees a recession in 2023, but overall trends are generally favorable before the predicted "Great Depression" of 2030. "So, get yourself out of debt, have the mortgage paid off, make sure the kids are through school because we think it is going to be a pretty big contraction."

### Taking the reins

Bischoff shared some of his main goals as Starnet's new CEO. Specifically, "preserve it, make it better." He is well positioned to make that happen given the fact he learned the Starnet culture

from the vendor side while working for Johnsonite, Tarkett North America and Mohawk Industries—all in positions of increasing authority. He then moved to the commercial flooring contractor organizational side of the business when he came on board as Starnet as vice president of vendor relations. "The succession here has been great," he told FCNews. "It helped having worked as a staff member for a number of months, and Jeanne [Matson, former CEO] has been great in making sure the handoff was clean."

Bischoff said he is proud of the new structure in place at Starnet that will enable the co-op to respond quicker to vendors' needs at the local level. Eric Boender, vice president of business development, now oversees site-applied surfaces, adhesives, floor prep and moisture mitigation systems as well as the floor care business; and vice president of business development Bruce Campos is tasked with market initiatives for manufactured flooring and accessories, wholesale distribution, business services and business equipment.

The fall meeting was well received by members, due in large part to the educational sessions and numerous networking opportunities. "We like the networking time; a lot of major initiatives can take place during those periods," Bischoff said.

Starnet members agreed the time spent together to discuss business issues, challenges and best practices in a non-competitive arena cannot be overstated. "As with any of our live meetings, the greatest value in attending is the networking and sharing of best practices between the members," CB Flooring's Bode said.

Paul White, CEO of The Paul White Company, Portland, Maine, added that the fall meeting is more concentrated than the spring meeting. "It's less time away from home but still provides ideas to bring into the office on Monday."



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**Emser's Yakedo wood plank line utilizes a series of processes to achieve its unique burnt wood look and sheen.**



**MSI's Arterra Concerto Grigio Paver reflects the growing outdoor living trend.**

## Producers push innovation as consumption falls

By Megan Salzano

As was predicted this time last year, consumption of ceramic tile in 2019 is lower than that of the previous year. The downward trend began in 2018, and the residential ceramic business slowed for the first three quarters of 2019. Many ceramic leaders agree that by the end of 2019 the category will have remained flat or declined by approximately 3% in both volume and dollar sales.

Gianni Mattioli, executive vice president, Dal-Tile Corporation, noted, however, the buildup of inventory, especially from China, during the last quarter of 2018 in anticipation of higher tariffs scheduled for January 1, 2019.

The housing market remains a steady meter against which to gauge the health of ceramic, and numerous factors including housing starts, new home sales/pricing and mortgage rates have impacted consumption.

New construction starts declined 11% in October to a seasonally adjusted annual rate of \$696.3 billion, according to Dodge Data & Analytics. This is the third consecutive monthly drop in construction starts. Through the first 10 months of the year, total construction starts were 4% lower than in the same period of 2018. The October statistics pushed the Dodge Index down to 147 compared to 166 in September.

That trend is expected to continue. Dodge Data & Analytics predicts total U.S. construction starts will slip to \$776 billion in 2020, a 4% decline from 2019 estimated levels. "The recovery in construction starts that began during 2010 in the aftermath of the Great Recession is coming to an end," said Richard Branch, chief economist, Dodge Data & Analytics.

Donato Grosser, industry consultant, noted the conservative nature of builders today as a possible influence on starts.

"Housing starts went down about 70% in the recession. Fifty percent of the builders went out of business because they were over expended during that time. Today, most of the larger businesses have a much higher percentage of the business than they had before, but they are also much more conservative."

Raj Shah, president, MSI, noted a slowdown in new home sales as well. "This is directly attributable to an increase in mortgage rates during this time frame," he explained. "In addition, we have seen a reduction in the size of homes built."

Greg Mather, president of Crossville, also pointed to the affordability of housing in general. "The high cost of new home building is limiting residential construction and homeownership levels," he said.

### Ongoing challenges

In addition to changes in the housing market, ceramic has been impacted by various other factors—namely ongoing trade wars/antidumping legislation, installation woes and the encroachment of resilient flooring.

The ongoing volatility caused by the trade wars, section 301 and the anti-dumping case against ceramic tile have significantly impacted demand. "In terms of the political climate when it comes to ceramic tile, one word comes to mind—tariffs," said Mara Heras, vice president of marketing, Emser Tile. "Clearly, the tariffs and anti-dumping actions have impacted both the suppliers and manufacturers as well as the entire supply chain and final customers."

In November, after receiving a petition from a coalition of

eight U.S. tile producers claiming injury earlier this year, the U.S. Commerce Department made a preliminary determination that Chinese exporters had dumped ceramic tile in the U.S. market at less-than-fair value. The department has imposed preliminary duties ranging from 114.49% to 356.02% but is scheduled to announce its final determination by March 23, 2020. This is on top of the current Section 301 tariffs imposed on ceramic tile. Imports of ceramic tile from China were valued at an estimated \$481.3 million in 2018, according to the U.S. Commerce Department.

While some suppliers argue consumers will benefit from the

sumers to the lower end of the market and toward products such as LVT. "Labor pressure has created an opportunity for 'easy-to-install' resilient flooring,"

Emser's Heras explained.

Crossville's Mather pointed out that ceramic has been

impacted less than wood or carpet. "Nonetheless, we have lost placement," he said. "I would expect tile's position to improve over time as the growth of LVT slows."

To combat this shift, Heras said manufacturers are looking at ways to "impact the labor chal-

lenges and drive better understanding of the total life-cycle cost of ownership for LVT as compared to tile and stone and the impact tile has on property values vs. the inexpensive substitute."

MSI's Shah added that LVT and ceramic can co-exist in today's market. "There are many opportunities for ceramic tile for which LVT cannot be used. This includes any sort of surface that has a finish (i.e., polished, etc.), the wall and outdoors. It's a matter of figuring out what works best for the consumers' need."

### Opportunities

In an effort to combat ongoing difficulties, innovation is slated to grow in 2020, according to suppliers. The technological advancements needed to move that innovation forward have already been implemented. "During the last few years, technological advances in decoration and sizes have totally transformed the ceramic tile industry

with the quality and variety of products that are now being offered," Dal-Tile's Mattioli explained. "Manufacturers now have the ability to offer

greater realism,

more sophisticated designs,

new sizes,

shapes and

thicknesses and

increased performance."

The ceramic category has embraced these new possibilities and is experiencing growth outside traditional flooring. Wall products, countertops and outdoor pavers, for example, have served as key growth segments.

Gauged porcelain panels, Crossville's Mather said, are proving to be a good solution on both walls and floors. "They provide the opportunity for fewer grout joints, tile-over-tile installation, as well as an attractive alternative to more expensive large-format natural stones," he said.

The desire to coordinate visuals and advancements in technology has allowed porcelain countertops to grow in demand as well. "With more fabricators able to install porcelain slabs it is becoming more accessible for consumers," MSI's Shah said. "There is a huge market for porcelain slabs. Over 80% of consumers would like to have a white marble countertop, but due to technical characteristics and price are not able to have it in their homes. Porcelain slabs solve this problem."

There is also a multi-billion-dollar market for decks and pavers, according to Shah. "It's a matter of marketing this product to consumers," he said.

When it comes to opportunity, it's not always about starting from scratch, Heras added. "It is always good to have tried-and-true styles in the line, but constant evolution and advancements can make even the classic looks more updated with unique textures and finishes."



**Isla Tiles' Pietra Mediterranea collection features a variety of tile sizes with a mix of textures.**

superior quality, design and service domestic manufacturers can provide, others note the impact on consumer, distributor and retailer confidence that could lead to a reduction in investments in marketing and innovation. Regardless, uncertainty is still the name of the game.

The struggle to find qualified labor and the resulting growth of installation costs is, however, the biggest challenge faced by the category to date. And no significant solution has yet to be implemented. What's more, the rising costs have pushed some con-



## Tariffs

Continued from page 1

but namely good news for the customer who will maintain access to a high-quality product at a viable price.”

Jackson estimates that “well over 50%” of the LVT family of products are covered by this tariff exclusion. Note: Loose lay and glue-down LVT are not covered. The vinyl tariff exclusions apply until Aug. 7, 2020; at that point Cali would reapply. The company said it anticipates a similar outcome—unless the trade situation changes before then.

The exclusion concerns Section 301 tariffs for select types of luxury vinyl plank flooring. According to Cali, the products granted exclusions include:

- Floor coverings of polyvinyl chloride, presented in the form of tiles or planks designed to snap together during installation (described in statistical reporting as number 3918.10.1000).
- Vinyl floor tiles of polymers of vinyl chloride, designed to click together during installation, each measuring 4.7mm or more but not over 8mm in thickness, 18cm or more but not over 23cm in width and 120cm or

more but not over 182cm in length (described in statistical reporting number 3918.10.1000).

- Vinyl floor tiles of polymers of vinyl chloride, designed to click together during installation, measuring 7mm in thickness, 18cm or more but not over 19cm in width and 120cm or more but not over 125cm in length (described in statistical reporting number 3918.10.1000).

Additionally, Cali was granted exclusions for:

- Standard wood moldings made of oak (described in statistical reporting number 4409.29.4100).
- Engineered flooring (oak) consisting of a 1.2mm thick oak veneer top layer, 5.8mm stone-plastic composite core and a 2mm polyethylene backing, such as flooring coated with aluminum oxide, measuring not over 191cm long by 19cm wide by 0.9cm thick (described in statistical reporting number 4412.99.5105). This includes Cali’s Geewood oak flooring.

Cali achieved the exemption

through a grass-roots effort and collaboration with its local U.S. representative. Jackson said his company approached the congressman in June and together appealed to U.S. Trade Rep.



The vinyl tariff exclusions apply until Aug. 7, 2020, unless the two nations reach an agreement before then.

of the right people.”

Rep. Peters took up Cali’s cause, and with assistance from The Ridge Policy Group, a top government relations firm in Washington, D.C., ultimately got in front of the USTR’s Lighthizer. “[Rep. Peters] got a significant number of emails from Cali, and he pushed it forward,” Jackson said. “I have to give him a lot of credit, as he is the one who carried our torch.”

An unintended consequence of Cali’s exemption is that it covered the entire industry for click LVT—not just its products. “We were under the impression it was company specific,” he said. “When we

learned the code was industry specific, we were elated.”

### Industry reaction

Flooring leaders mostly hailed the USTR decision to rescind the tariff on certain click LVT products but note that confusion still lingers. “As an industry we need stability and clarity,” said Thomas Baert, president of FirmFit and CFL Flooring. “The exemption is good news, but it still creates

uncertainty regarding what happens after August 2020.”

Tim Baucom, president of Shaw Floors, said the Shaw team has worked diligently to understand exactly what this exemption means and how the exclusions will be executed. “While there are still some unknowns that we are working through, we notified our customers on Nov. 15, 2019, that we will remove the tariff-related adjustments from their pricing.”

Flooring dealers, some of whom have benefited by the tariff hikes, nevertheless are seeking a resolution to this ongoing trade tiff. “Hopefully this temporary relief on our wholesale cost will stick as part of the trade deal the U.S. and China are working toward,” said Craig Phillips, president of Akron, Ohio-based Carpet Country and Barrington Carpet & Flooring Design. “Most of our vinyl products are positively affected by this exemption. We have seen actual price decreases from [one of our suppliers] already.”

A public docket that lists all the granted, denied and pending requests for this particular tariff can be seen online at [exclusions.ustr.gov/s/docket?docketNumber=USTR-2019-0005](https://exclusions.ustr.gov/s/docket?docketNumber=USTR-2019-0005).

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## Lessons learned

# Always focus on how the customer feels

As retailers, we've all experienced this scenario at some point in our careers: A sale is lost to a competitor. It happens every day. But have you ever noticed how often the average salesperson seems to assign the blame to the customer?

We've all heard the standard excuses: "We're priced too high," "They found a color they prefer somewhere else" or "The competition must not know what they are getting into." Far too often it seems as if the customer is somehow at fault for making an incorrect decision. I find this thought process to be terribly flawed.

Too often the root cause of this behavior is an attitude that says "I know best what my customer needs." A typical salesperson will spend far too much time talking instead of listening to the customer—that's a deadly sin. Many retail sales associates feel the need to "educate" the customer on everything ranging from the products themselves to the weaknesses of the competition. They'll often advise that they have "the perfect solution"

### MOST CUSTOMERS JUST WANT AN ASSURANCE THAT THEIR ORDER WILL BE DELIVERED AS PROMISED.

for you. Further, they'll state that they have had many customers with situations "just like yours." They have an air about them that says, "I'm pretty darned smart and you're lucky to find me today." This behavior may work some of the time, but not nearly often enough to be considered successful. With this approach they are doomed from "hello."

Hopefully, all salespeople have been taught how to qualify a customer. What very few realize is the customer is busy qualifying the retail sales associate as well. As a product presentation is made, the customer is forming a perception of not only what is being said, but also how it is being said. She is judging not only the merits of your product, but of placing her trust in you. The customer is asking



**TOM JENNINGS**

herself whether this person truly cares about her and her unique situation. For example, is he so busy providing answers that he didn't even hear my questions? What are the chances he would even recognize me on the street a week from now?

Elite sales professionals understand that customers walk into a store asking one question only: "What's in this for me?" They really don't care how a product works, what makes it tick, how many Taber cycles it can withstand, etc. Most customers simply want to know how it will solve their problems or bring them enjoyment for years to come. They don't care how busy your staff may be. They just want an assurance that their order will be delivered as promised.

And if you're banking on your company's longevity to help seal the deal, think again. Most consumers aren't overly impressed that your firm may have been in business for many years; they perceive that as history. They just want assurance that the current staff is capable of quality performance. And believe it or not, they are not always looking for the cheapest price. They are primarily concerned that they receive full value for their investment.

Remember this: It's never about what you think. Rather, it's always about how the customers feel. They are only concerned about themselves—as well they should be. After all, it's their money. The professionals who understand this will make their presentations customer focused and achieve great success. In the words of the late, great sales trainer Zig Ziglar, "You can have anything you want if you help enough people get what they want."

Tom Jennings is vice president of professional development for the World Floor Covering Association (WFCA). Jennings, a former retailer and sales training guru, has served in various capacities within the WFCA.

# Proven ways to generate

By Lindsay Gonzalez

As the world's digital landscape continues to expand, many flooring consumers are starting their journey to purchase online. It is crucial now more than ever that flooring dealers are actively working to generate as well as convert leads online.

FCNews asked several industry experts for their top tips on generating leads.

**Focus on existing customers.** One of the most inexpensive ways to generate leads is by keeping in touch with your past customers. That's according to Jim Armstrong, FCNews columnist and president/founder of Flooring Success Systems. "Your past customers are the only people on the planet who have proven they'll give you money in exchange for flooring," he explained. "Don't invest thousands of dollars chasing cold leads online if you haven't implemented a system to communicate regularly with the people who have already bought from you."

Communication with previous customers open two channels for leads—repeat business and referrals. John Weller, co-

founder and chief innovative officer of FloorForce, suggested flooring dealers contact their customers a few days after a project has been completed to get feedback.

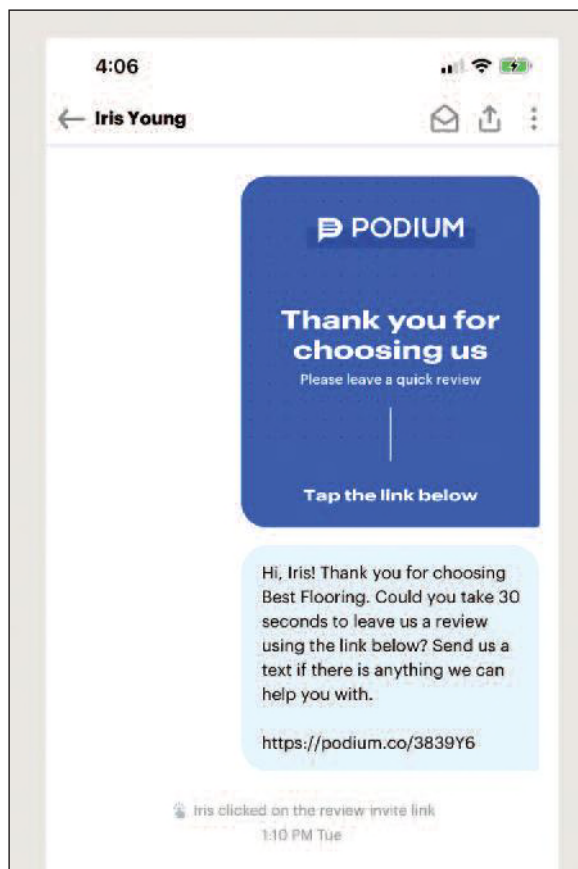
immediate referral, your phone call will leave a positive impression and keep your company at the top of their mind."

**Master your website.** A flooring dealer's website is crucial to generating online leads. However, in order to collect those leads, a website must have the right forms and tools to reel in the consumer. "If a customer comes into your store and your salesperson doesn't ask for the order prior to her leaving, your business is in trouble," Jay Flynn, vice president of Creating Your Space (CYS), explained. "The same holds true for your website, but the 'order' is the request from the consumer to engage with your business."

This, Flynn continued, can be in the form of product information, booking an appointment, requesting samples or pricing, an easy "click-to-call" button, etc. In terms of product information, dealers should show product they actually carry in the store. "They also want to see what that product will look like on the floor—even better, on their floor," Flynn added. "They get this from car dealers, furniture dealers and other big-ticket items. You need to provide the experience they expect."

In addition to product catalogs, FloorForce's Weller suggested dealer websites have useful video content as well as augmented reality and live chat options. "Augmented reality visualization is becoming a key feature on flooring websites and has proven to keep consumers on a website longer," he explained. "Also, more consumers are opting for live chat and texting over phone calls and email. The more communication channels you offer your customers, the more likely they are to connect with you."

**Create brand recognition.** Lead generation can be influenced by brand recognition, according to Jason Goldberg, CEO of Retail Lead Management (RLM) and owner and CEO of America's Floor Source. To increase this recognition among consumers, Goldberg suggested dealers look into both traditional and digital forms of advertising.



Positive reviews can help dealers improve their search engine placement.

"See if they have any friends or family who may need help with their floors," Weller explained. "If they say yes, you'll have a much easier sale on your hands than a typical lead. After all, referrals account for more than 60% of flooring sales. Even if the client does not have an

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# more leads

“For example, I recognize your brand because I’ve seen your wrapped trucks in my neighborhood,” Goldberg noted. “I’ve seen your yard signs; I’ve heard your radio commercials and seen your TV commercials; I’ve seen your Facebook and Instagram social posts, etc. When I do a [Google] search and you show up in the results, the brand recognition is based on everything you are doing, not just digitally.”

Regardless of the type of advertising, experts stress the messaging needs to align with the dealer’s business. “Your digital marketing—whether it is display ads on Facebook, your Google My Business listing, directory ads or Google Search Ads—needs to be specific and custom to your business,” CYS’s Flynn said. “Your brand, your products, your target markets and custom landing pages must be aligned with your offers and ads. Using and paying for generic offers not specific to your business are not going to optimize your results and build your brand, which is the key to long-term success.”

**Be where your customers are.** With the plethora of digital platforms available today, it is important for flooring dealers to

have a presence where their customers usually interact. According to Doug Regner, vice president of sales – home service industry, Podium, local businesses have an upper hand when it comes to SEO. This can help get their businesses in front of consumers.

“Simply managing your presence and reputation on a few sites will allow you to show up at the top of search results,” Regner said. “These days, that starts with optimizing your presence on Google and Facebook. Then do the same on relevant, industry-specific channels and implement a few website best practices to ensure your online presence is just as significant and impactful as it is in person and offline.”

**Be consistent.** While it might be tempting to change offers and messages for every “Hallmark” holiday, Flynn warned against it. “Consistency of message and a focus on driving what your business value is—this could be low price, great inventory, range of products and services, proven value in the market or one of multiple others—will drive the best results,” he explained. “Making changes just to change will have an adverse effect on consumers

## RLM acquires scheduling, field management platform

COLUMBUS, OHIO—Retail Lead Management (RLM), a leader in lead management and CRM software, has acquired NetScheduler from America’s Floor Source (AFS). NetScheduler is a prototype scheduling and field management software that AFS said it has been developing for 15 months.

Jason Goldberg, owner and CEO of AFS, and CEO of RLM, said the acquisition of NetScheduler makes perfect sense for the future development of the RLM platform. “NetScheduler was a project we started at AFS to bring scheduling and field management for the flooring industry into the 21st century. Originally, this software was just being built for AFS; however, with the tremendous growth RLM has seen over the last two years—and with the flooring space severely lacking a modern-day operating platform—I decided to make NetScheduler another part of the RLM operating universe.”

RLM started out the same way. The software was originally devel-

oped by and for AFS. After using the software for a few months, Goldberg decided it was needed throughout the flooring space and made it available to all flooring dealers. The lead management software was spun off from AFS, and RLM was born in April 2017.

According to Goldberg, the acquisition of the NetScheduler software was a substantial investment. “AFS has spent an enormous amount of time and money developing this prototype. RLM will be investing hundreds of thousands more to complete NetScheduler and integrate it into RLM.”

With this acquisition, RLM will grow from a platform for managing leads and customers to one that can also manage installation scheduling and field management. These are vital operating functions for flooring dealers, and Goldberg went on to say there is still a lot of work ahead to finish NetScheduler and make it available to the flooring community.

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recognition of your brand and, therefore, on your sales.”

**Convert leads to customers.** While generating leads is a key point to growing business, dealers must be able to convert those leads into paying customers. To do this, Regner suggested dealers make themselves readily available to prospective customers.

“All call-to-action on your website or business page needs to be crystal clear,” Podium’s Regner explained. “Whether it’s a ‘Get a Free Quote Today!’ or ‘Schedule an Appointment,’ your customers need to know what to do to engage with your business. Other great and modern ways to convert online leads into in-person customers is to encourage two-way messaging by adding a text-to-chat solution to your website, as well as including a phone number or textable link to your Google and Facebook listings.”

To truly grow a business, Weller explained that dealers need to be ready the second those leads come in. “A full 50% of sales go to the company that responds first, so having a plan in place to quickly interact with customers is increasingly criti-

cal as an increasing number of consumers shop online.”

What’s more, Weller explained that being ready means understanding today’s customer. “Many customers will reach out with much more information and higher expectations than they had in the past. Listen for signs that they are ready to move quickly—because if they are ready and you are not, they will likely take their business elsewhere.”

**Manage leads.** A crucial part of converting leads is first properly managing them, according to RLM’s Goldberg. “I don’t care how many leads you generate; if you don’t have a way to manage those leads to a sale with full visibility in that process, you are just wasting money. This is where software, such as Retail Lead Management, comes into play.”

**Get reviews.** An important part of generating leads is appearing at the top of a consumer’s online search. One way to improve your business’ placement is with positive reviews, according to Regner.

“Review frequency, quantity and rating can (and will) help you show up on top when customers are searching,” he added. “If you want to show up at the top of the local online search, make sure to always ask for reviews in person, then send an invite, collect customer reviews after every interaction and respond to reviews and feedback in a timely fashion.”

**Don’t buy leads.** While it may seem easy to purchase leads from different websites, Flooring Success Systems’ Armstrong strongly warns against doing so. “You have to be very careful where you buy your leads. Home Advisor sells the same lead to several flooring dealers. This is really great for Home Advisor, but not so much for dealers who have to fight over these leads. I spoke with a dealer not long ago who spent \$70,000 over the course of a year buying online leads. It mostly attracted price shoppers who wasted hours of his time, and then bought from someone else. He didn’t come close to breaking even.”

## COREtec corner

Josh Elder, president of Gainesville CarpetsPlus ColorTile, recalled the time when his new USFloors rep (an old friend) paid a visit to his Florida store. “I told him that I don’t sell cork or bamboo, so I wouldn’t be a good account for him to call on. He then told me that he had a new product that he just received, and that I’d be the first person he would show it to. Out came COREtec—and the rest is history. I have been selling the product since 2013, and it has been a great product for me and my customers.”

Shoppers at Gainesville

CarpetsPlus ColorTile often come into the store asking for COREtec by name, Elder said, partly because he has advertised the product extensively since the beginning. Of all the benefits of carrying COREtec, Elder said, “the best are the referrals from other happy COREtec customers.”

COREtec is merchandised in the waterproof flooring area of the showroom and commands by far the largest presence among WPC-type floors. The new COREtec Stone is merchandised in the tile room while COREtec Wood is displayed in the wood room.

**CORE TIP OF THE WEEK**  
More than half the customers coming into my showroom are asking for LVT or waterproof flooring. That being said, it’s important to educate the consumer on the difference between COREtec and the quality of the product vs. what the box stores are promoting.



Josh Elder





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# Significant innovations enrich category in 2019

By Ken Ryan

**B**ehind every great carpet is an innovation that went into the design and engineering of the product to create something unique and different. In a year in which carpet sales were lagging, there was no decline in the area of innovation as carpet mills delivered pioneering dyeing processes, enhanced twisting technologies and other performance-enhancing methods to the market.

## 1. ANDERSON TUFTEX

**About the product:** AT Carpet Stain + Soil Remover is a newly rebranded carpet stain and soil remover that is approved for use on stain-resistant carpets and rugs. The range of products covered encompass wool, water-safe fabrics such as clothing and furniture, and automobile upholstery. AT Carpet Stain + Soil Remover is Cradle to Cradle certified.



1

## 2. DIXIE HOME

**About the innovation:** As the residential space trends toward polyester, Dixie Home's goal to offer a great value in a product that delivered great durability drove the development of its EnVision66 program. "We started with nylon 66, the best fiber in carpet," said T.M. Nuckols, president, residential division, The Dixie Group. "We designed a collection of mid-weight cut piles, patterns and loops, which hit a value price point and shared the same color palette."



2

## 3. ENGINEERED FLOORS

**About the innovation:** DW Select by Dream Weaver is notable for its twist multiplier (twistX) technology that uses a 3-ply yarn as opposed to the more traditional 2-ply. The third ply secures the twist and adds to the bundle density of the yarn, thus providing enhanced performance along with enriched style and design. DW Select will launch with 13 products but may grow to 20.



3

## 4. FOSS FLOORS

**About the product:** Grizzly Grass is a new construction that mimics artificial grass but eliminates the negatives associated with tufted grass constructions. Most artificial grass installations are exposed to extreme conditions and are prone to zipper, lose tufts, fray, delaminate and degrade. Foss Floors seeks to eliminate these negatives with Grizzly Grass, which is available in both broadloom and tiles. It also features DuraLock technology, which bonds all fibers in place without the use of latex or other chemicals.



4

## 6. MOHAWK

**About the innovation:** ColorMax is a new dyeing process providing blended colorations, high color clarity, enhanced color saturation and maximum color performance. "ColorMax brings multi-coloration to a new level because it blends vivid and rich colors into amazing shades that set your home apart," said Jamie Wellborn, vice president of residential carpet product development.

## 7. PHENIX

**About the product:** Modern Contours was a culmination of innovative products, technologies and merchandising that generated excitement through 2019. Modern Contours' merchandising blends patterns and textures in fashion-inspired palettes along with coordinating LVT styles to showcase a full flooring solution. Modern Contours features Phenix's SureSoftSD fiber for comfort underfoot.

## 8. PHILADELPHIA COMMERCIAL

**About the product:** Shape of Color, Philadelphia Commercial's newest carpet collection, is engineered to perform in high-traffic applications. It includes two styles offering design versatility—Block by Block and Line by Line. Block by Block has bold contrasting colors, saturated tonal hues and neutrals that encourage the uninhibited use of color. Line by Line features a subtle color palette and sophisticated linear pattern.



5



6



7



10

## 10. SOUTHWIND

**About the product:** Classic Traditions is a solution-dyed polyester that provides an upscale look at a value price. New to the fold is a highly styled line of level cut and loop carpets designed in Southwind's So Soft solution-dyed PET fiber featuring a 1/10-gauge construction. These carpets are fashioned in combinations of solid and barber pole yarns.

## 11. STANTON

**About the innovation:** As customers continue to gravitate to lush carpet in solid and patterned looks, Stanton's new fiber innovations set the stage for an ultra-soft experience. Pattern goods continue to be a creative focus for Stanton. "We believe our next hot look will be livable statement pieces in your home," said Christine Zampaglione, senior director of marketing.

## 12. TARKETT

**About the innovations:** In the soft surface category, Tarkett has introduced new fiber innovations, including a finer denier, solution-dyed nylon. This fiber is approximately 30% smaller than traditional commercial-grade nylons, thus reducing the potential for crush and wear while not sacrificing aesthetics.

## 9. SHAW FLOORS

**About the innovation:** After investing a year in research, design and digital, the Anso Colorwall was reimaged in 2019 as "Color That Speaks to You." This featured updated colors housed in a new, modern merchandising display, coupled with a digital presence for a simplified carpet shopping experience. The display unveiled 60 new "novel solids" with a subtle hint of color variation, tonal textures in 60 warm neutrals and 18 new accents offering a pop of color.



12



9



## Innovation reinvented... again.

Inspired by natural landscapes, DW Select featuring twistX offers beautifully styled patterns, textures, and colors. Utilizing a twist multiplier, twistX delivers industry leading durability in synthetic fiber that has a 33% higher bundle size, meaning each square foot of carpet has more yarn and higher densities.

Come learn more at Surfaces booth #1709!

[engineeredfloors.com](http://engineeredfloors.com)



# Suppliers call a draw on domestic vs. imports

The benefits and shortcomings of domestically produced resilient flooring vs. imported are often used to determine which flooring is the better product. However, it would be unfair to deem one source of production superior over the other, resilient suppliers say, especially considering the fact that a healthy mix of domestic and imported product

is an effective way to keep up with the consumer's ever-growing demand for resilient products.

FCNews polled a handful of manufacturers to get their take on the advantages and disadvantages of producing resilient flooring domestically and overseas. Following are excerpts of what they had to say.

## DOMESTIC ADVANTAGES

**Shorter lead times.** Manufacturing close to the market can provide faster delivery, according to David Morgan, executive vice president of operations, Shaw Floors. But, that's not all. "Having design, engineering, production and service collaborating in close proximity to one another enhances the opportunity for innovation," he said. "Furthermore, with our internally produced products, we're able to completely understand the material chemistry and physical product attributes down to the ingredient level."

**U.S. jobs and quality control.** Domestic production opens the doors for more jobs for U.S. citizens, said Chris Dillon, vice president of sales and marketing, SLCC. "There are several advantages from a consumer as well as an economic advantage when it comes to domestic production," he added. "The quality control can also be localized. When you buy domestic, you know exactly where it is coming from and whom to hold accountable for any issues."



**Mohawk's IVC plant has easy interstate access, which means low transportation costs, the company said.**

according to Doug Ankney, vice president, resilient manufacturing, Armstrong Flooring. "For some consumers and businesses, it's important to buy products manufactured in the USA because it's a means of supporting local economies."

**Close to raw materials.** For Armstrong Flooring, domestic production puts the company in close proximity to raw materials such as limestone. "Locating production close to both raw materials and end markets has both economic and sustainability benefits because it reduces transportation costs and the related environmental impact," Ankney added.

## DISADVANTAGES

**Cost issues.** In some instances, domestic resilient products are unable to compete with imports on pricing, manufacturers say. "Some projects are driven almost entirely by initial cost, which impacts price competitiveness, especially for less durable LVT constructions with lighter wear layers," said Adrienne Roseman, director of LVT, Tarkett North America. "This can hinder the ability to produce these entry-level products domestically."

**Less flexibility.** Domestic production often comes with less flexibility as well as higher minimum order quantities, higher labor costs and longer development time, according to Michael Raskin, CEO, Raskin Industries.



**Armstrong Flooring has six U.S. plants, including this one in Lancaster, Pa.**

**Faster reaction time.** "U.S. production gives Mohawk the advantage of reacting to the customer's needs efficiently and timely—to deliver the products she wants when she wants them," said Joey Faircloth, senior vice president of manufacturing, Mohawk Industries. "Add in natural resources, low energy costs, low transportation costs (due to our IVC plant having easy interstate access) and a very capable workforce—manufacturing here oftentimes makes the most sense."

**Patriotism.** There's a certain patriotic advantage to domestic production, according to Doug Ankney, vice president, resilient manufacturing, Armstrong Flooring. "For some consumers and businesses, it's important to buy products manufactured in the USA because it's a means of supporting local economies."

## IMPORTS ADVANTAGES

**Consistency, reliability.** Manufacturing product globally can help companies provide customers with consistent service. That's according to Jenne Ross, director of marketing, Karndean Designflooring. "For Karndean Designflooring, because we are a global entity with businesses in the U.S., UK and Australia/New Zealand, having a global supply chain is advantageous for our business and our customers because this allows us to offer products with universal consistency and reliability."

**Significant capacity.** With the large growth of LVT, WPC and SPC-type products, capacity is an important factor in production. "WPC and SPC products were originally developed in China creating significant capacity there," Shaw Floors' Morgan explained. "While manufacturing in the U.S. is taking place, getting new facilities online simply cannot happen at a pace that comes close to meeting market demand. Thus, imports are particularly important in the LVT flooring sector where U.S. production is significantly below in-country demand."

**Sustainable sourcing.** For Cali Brands, sourcing its Moso bamboo from within the Zhejiang Province of Southeast China is a move that is not only sustainable but also reduces environmental impact and transportation costs. "Most of the world's bamboo is concentrated in this region, making it the most sustainable place to harvest, process and manufacture bamboo products," said Alex Brodtkin, Cali's senior manager of product management and innovation. "These efficiencies in the supply chain bring customers high-quality products at better prices. Cali relies on a third-party agency to visit manufacturing sites regularly and ensure all quality control processes are being followed properly."

**Flexibility.** Overseas production, noted Thomas Baert, president, CFL, provides a certain level of flexibility not found in the U.S. "Contrary to the general perception, the higher end and more innovative products are often made overseas since they require a certain flexibility in manufacturing, which is hard to realize on fully automated machines typically used in U.S. manufacturing."



**Importing LVT products from China has helped manufacturers meet the growing demands in the U.S.**

**Cost savings.** Despite the tariffs and duties, importing LVT from China, Korea or Southeast Asia can have significant cost savings for companies. That's according to Tommy Junker, LVF business unit manager, Swift-Train. "The LVT market is so saturated that if you aren't the lowest in price, you must differentiate yourself with custom designs and unique features, which for the most part are only offered outside of the U.S."

## DISADVANTAGES

**Longer lead times.** Some manufacturers say longer lead times can pose challenges when importing resilient product. "Because of long lead times during transport, imported goods can pose challenges and unpredictability with inventory control and operating expenses," Tarkett's Roseman said. "This certainly impacts everyone involved in the project and can add expense and complexity to the business model for manufacturers and sales channels."

**Hard to keep up.** With a lower price of entry overseas new resilient factories are frequently created, which can create confusion in the marketplace. "There are so many resilient factories overseas that it is hard to keep up," SLCC's Dillon said. "It seems that almost every day a new one is opening. Vetting these companies are not always easy, and I have seen some U.S. companies get burned by importing from factories that have a lower price, but much inferior quality."



**Cali Bamboo sources its Moso bamboo from within the Zhejiang Province of China.**



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Vote for the best manufacturers in both the A and B sections in each category\*

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*\*Manufacturers and their employees are not eligible to vote. If your company is not listed, contact FCNews at info@fcnews.net or call 516.932.7860.*

<p><b>Carpet</b></p> <p><b>Group A</b></p> <p><input type="checkbox"/> Engineered Floors  <input type="checkbox"/> Mohawk  <input type="checkbox"/> Shaw Floors</p> <p><b>Group B</b></p> <p><input type="checkbox"/> Anderson/Tuftex  <input type="checkbox"/> Dixie/Fabrica/Masland  <input type="checkbox"/> Karastan  <input type="checkbox"/> Lexmark  <input type="checkbox"/> Marquis  <input type="checkbox"/> Milliken  <input type="checkbox"/> Nourison  <input type="checkbox"/> Phenix  <input type="checkbox"/> Stanton  <input type="checkbox"/> Other _____</p> <p><b>Group C</b></p> <p><input type="checkbox"/> Balta  <input type="checkbox"/> Foss  <input type="checkbox"/> Gulistan  <input type="checkbox"/> Nance  <input type="checkbox"/> Prestige Mills  <input type="checkbox"/> Revolution Mills  <input type="checkbox"/> Southwind  <input type="checkbox"/> Other _____</p> <p><b>Commercial</b></p> <p><input type="checkbox"/> Atlas  <input type="checkbox"/> Bentley  <input type="checkbox"/> Interface  <input type="checkbox"/> J&amp;J/Invision  <input type="checkbox"/> Mannington Commercial  <input type="checkbox"/> Masland  <input type="checkbox"/> Mohawk Commercial  <input type="checkbox"/> Patcraft  <input type="checkbox"/> Philadelphia Comm.  <input type="checkbox"/> Shaw Contract  <input type="checkbox"/> Tandus/Centiva  <input type="checkbox"/> Other _____</p>	<p><b>Hardwood</b></p> <p><b>Group A</b></p> <p><input type="checkbox"/> AHF Products  <input type="checkbox"/> Mannington  <input type="checkbox"/> Mohawk  <input type="checkbox"/> Shaw Floors</p> <p><b>Group B</b></p> <p><input type="checkbox"/> Anderson/Tuftex  <input type="checkbox"/> DuChateau  <input type="checkbox"/> Hallmark  <input type="checkbox"/> IndusParquet  <input type="checkbox"/> Johnson  <input type="checkbox"/> Lauzon  <input type="checkbox"/> Mercier  <input type="checkbox"/> Mirage  <input type="checkbox"/> Mullican  <input type="checkbox"/> Preverco  <input type="checkbox"/> Provenza  <input type="checkbox"/> Somerset  <input type="checkbox"/> USFloors  <input type="checkbox"/> Wickham  <input type="checkbox"/> Other _____</p> <p><b>Group C</b></p> <p><input type="checkbox"/> Ark  <input type="checkbox"/> Cali Bamboo  <input type="checkbox"/> Elegance  <input type="checkbox"/> Eternity  <input type="checkbox"/> Hemisphere Imports  <input type="checkbox"/> Hearthwood  <input type="checkbox"/> HF Design  <input type="checkbox"/> Homerwood  <input type="checkbox"/> Legendary Floors  <input type="checkbox"/> Monarch  <input type="checkbox"/> Ribadao  <input type="checkbox"/> Southwind  <input type="checkbox"/> Shamrock  <input type="checkbox"/> Triangulo  <input type="checkbox"/> Urbanfloor  <input type="checkbox"/> Other _____</p>	<p><b>Resilient</b></p> <p><b>LVT A</b></p> <p><input type="checkbox"/> Armstrong  <input type="checkbox"/> Congoleum  <input type="checkbox"/> Mannington  <input type="checkbox"/> Mohawk  <input type="checkbox"/> Quick-Step  <input type="checkbox"/> Shaw Floors  <input type="checkbox"/> Tarkett</p> <p><b>Commercial</b></p> <p><input type="checkbox"/> American Biltrite  <input type="checkbox"/> Armstrong  <input type="checkbox"/> Flexco  <input type="checkbox"/> Forbo  <input type="checkbox"/> Mannington Comm.  <input type="checkbox"/> Mohawk  <input type="checkbox"/> Roppe  <input type="checkbox"/> Shaw Floors  <input type="checkbox"/> Tarkett</p> <p><b>WPC/Rigid Core</b></p> <p><input type="checkbox"/> Adura Max  <input type="checkbox"/> Acrylx  <input type="checkbox"/> Advantium Core  <input type="checkbox"/> Borrowed Scenery  <input type="checkbox"/> Cheyenne  <input type="checkbox"/> CLEO  <input type="checkbox"/> COREtec  <input type="checkbox"/> CORE  <input type="checkbox"/> EverLife  <input type="checkbox"/> Floorte  <input type="checkbox"/> Korlok  <input type="checkbox"/> MaxCore  <input type="checkbox"/> NovaFloor  <input type="checkbox"/> Pergo Extreme  <input type="checkbox"/> ProGen  <input type="checkbox"/> Pure  <input type="checkbox"/> Revotec  <input type="checkbox"/> Rigid Click  <input type="checkbox"/> Rigid Core Vantage  <input type="checkbox"/> SolidTech  <input type="checkbox"/> Sono  <input type="checkbox"/> Tenacity  <input type="checkbox"/> TruCor  <input type="checkbox"/> Other _____</p> <p><b>LVT B</b></p> <p><input type="checkbox"/> Cryntel  <input type="checkbox"/> Earthwerks  <input type="checkbox"/> Eternity  <input type="checkbox"/> Karndean  <input type="checkbox"/> Novalis  <input type="checkbox"/> Raskin Industries  <input type="checkbox"/> Other _____</p> <p><b>Sheet</b></p> <p><input type="checkbox"/> Armstrong  <input type="checkbox"/> Beauflor  <input type="checkbox"/> Congoleum  <input type="checkbox"/> Mannington  <input type="checkbox"/> Mohawk/IVC  <input type="checkbox"/> Shaw Floors  <input type="checkbox"/> Tarkett  <input type="checkbox"/> Other _____</p> <p>Mannington                  Raskin                  Philadelphia Comm.                  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<p><b>BEST OVERALL MANUFACTURER</b></p> <p>1. _____ 2. _____ 3. _____</p>							

# Three key reasons to attend the 2020 Flooring Markets

**W**ith 2019 coming to a close and people all over the country winding down for the year, Market Maker Events is ramping up its efforts to get set for the 2020 Flooring Markets—Jan. 7-8 in Atlanta; Jan. 9-10 in Arlington, Texas; and Feb. 13-14 in Biloxi, Miss.

In support of the event, the organizer of the regional flooring events has partnered with FloorForce, a premier marketing agency specializing in the flooring industry, to create The Playbook: a free sales kit offered exclusively to 2020 Flooring Markets attendees. The Playbook, sponsored by FCNews, contains everything attendees need to sell more flooring, including marketing tips, strategies, tactics and so much more.

According to Lori Kisner, managing partner, the 2020 Flooring Markets are shaping up to be the group's largest and most attended conventions yet. "Attendees will have access to more brands and representatives than ever before," she said. "Because the 2020 Flooring Markets are going to be the biggest yet, we recommend that attendees, especially flooring retailers, don't travel alone. Between the marketing presentations offered by FloorForce and the endless products to explore, there's just not enough time for one person to experience everything the Flooring Markets have to offer."

Following are three reasons why flooring retailers should bring their sales and marketing team to the 2020 markets:

**Two minds are better than one.** If you're the owner of a flooring business, you likely wear a lot of hats around the office. When it comes time to attend the Flooring Markets, consider bringing along someone who can dedicate their time to the digital marketing presentations. This will free up your time, allowing you to meet with more brand representatives and discover new flooring products for your business.

"It's also a good idea to bring a sales or marketing employee with you because they spend the most time working with your customers and, in-turn, have a better understanding of what those customers actually want," Kisner explained. "Armed with a clear understanding of consumer behavior, your sales or marketing employee will be

able to draw clear takeaways from our market that will help you grow your business in 2020 and beyond."

**Manufacturers bring their A-game.** Flooring brands and manufacturers support the regional Flooring Markets,



**Market Maker Events' Lori Kisner encourages dealers to bring managers/salespeople to the regional trade shows.**

because it gives them the opportunity to show off their latest and greatest products. "There is no better place for your sales

and marketing team to learn about the newest flooring trends," Kisner explained. "Manufacturers will be eager to show off their new products, and your team will be able to ask them questions directly, enabling them to sell those new products more effectively."

**Once-in-a-lifetime opportunities.** In addition to partnering with FloorForce to produce The Playbook, FloorForce will also attend the 2020 markets to provide tech talks and one-on-one consultations with flooring retailers to help them sell more flooring. Having direct access to one of the most advanced digital marketing agencies in the industry will give Flooring Market attendees invaluable tools to grow their businesses.

If you haven't registered for any of the Flooring Markets, now's your chance. Pre-register for free using promo code: "FCNews" to attend. Our 2020 markets give you the chance to scope out the latest products, and as an added bonus your sales and marketing team will be able to utilize The Playbook to sell more flooring in 2020 and beyond.

## 2020 Flooring Markets schedule

**Southeast Flooring Market** | Jan. 7-8, Cobb Galleria Centre | Atlanta

**Southwest Flooring Market** | Jan. 9-10 | Arlington, Texas

**Gulf Coast Flooring Market** | Feb. 13-14 | MS Coast Convention Center | Biloxi, Miss.

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## lisbiz strategies

# Make an effort to raise your digital game

**I** have been a supporter of the independent retailer for more than 20 years.

However, I'm afraid some of you have fallen behind or given up. You want more customers, but you're not willing to do what it takes to attract them; or you hire someone who has no idea how to market or how our industry works. There are times when you must bite the bullet and ask for help from digitally savvy experts.

Just because you didn't grow up being digitally savvy doesn't mean you can't learn. Do you think things are fine just the way they are? Well, I'm here to tell you they're not. What's fine about your competitors stealing your customers because you're afraid to look reality in the eye?

When you were first in business, you did everything you could to build success. You took

## JUST BECAUSE YOU DIDN'T GROW UP BEING DIGITALLY SAVVY DOESN'T MEAN YOU CAN'T LEARN.

all kinds of chances and didn't care what anyone thought. Business was all "word of mouth." You went to the right events and met people who could help you get customers, and you stayed in touch.

Nothing has changed, except that staying in touch is even easier if you're digitally savvy. How long do you think you can continue living on the laurels of those 40-year-old customers? All businesses are dealing with the same phenomenon—their aging customers are leaving the marketplace and they're having to deal with customer who are digitally savvy.

When did you become scared to learn new ways to run your business? That's not the same business owner who was willing to take a crack at anything to build business. In the old days, the playing field was pretty level. There were only a few ways to get customers, and the winner usually had the biggest budget. Now, you don't need the budget—you need



**LISBETH CALANDRINO**

chutzpah. Get out there, learn the game and dirty your hands.

Regardless of your age, you are already digitally savvy to some extent. You use email, maybe peek at Facebook and Twitter. Owners often say, "It's stupid;" "I don't want people knowing about me;" "It's for young kids;" etc. Being digitally savvy has nothing to do with age. Your mistake as a business owner is thinking everyone is just like you.

The old expression, "Treat the customer the way you want to be treated" is simply not true. You have to treat her the way she wants to be treated. If you don't have a digitally savvy plan in place, you're treating her as you want to be treated. Every customer is different, you can't lump them all into the same category.

Nor can you use the same strategy from 20 years ago. You've survived this long by staying ahead of the competition, not playing catch-up. You've always been a leader, stay there.

Communication with customers has always been the key to your business thriving. You relied on printed documents and other forms of what I call "static communication." You told the customers what you wanted them to know, and customers didn't talk back.

Like it or not, today's customers are talking back and telling us what they want. I suggest you learn how to listen.

If you're not digitally savvy, you can't hear them when they speak. It's like that proverbial ostrich—sticking your head in the sand and thinking because you can't see them, you believe it's not happening.

I can tell you that the tree is falling in the forest and, yes, it is making plenty of noise without you.

*Lisbeth Calandrino has been promoting retail strategies for the last 20 years. To have her speak at your business or to schedule a consultation, contact her at [lcalandrino@nycap.rr.com](mailto:lcalandrino@nycap.rr.com).*

# QFloors: All about service and simplicity

By Steven Feldman

SPRINGDALE, UTAH—Twenty years after its launch, QFloors has become the second-largest flooring-specific business management software provider in the industry. With a customer list that now numbers around 1,100, QFloors has more than doubled its base in the last seven years because it helps the flooring retailer become more profitable every single day.

How? First, it's the B2B management component, which saves retailers time and effort in maintaining their product catalogs. Then, there are the job-costing modules. "People tell us all the time, 'I never knew whether I was making money or losing money on a job,'" said Chad Ogden, president and CEO. "With QFloors, retailers can see the job costs before they quote the customer. Then there's the use tax calculation, which the off-the-shelf systems do not offer. Usually retailers are paying more sales tax than they should be, or paying their taxes too soon, or charging their customer too much."

Benchmarking is another

key component of the QFloors proposition. In fact, Trent Ogden, CFO, noted how he brought industry averages to one users conference and compared them with each attendee's financials. "We found the attendees' net profit, or their EBITDA, was 2.6% higher than the industry average. So, our average dealer makes more money by implementing our system."

There are a bunch of flooring-specific software companies out there, but QFloors said it sets itself apart in two areas: customer service and ease of use. "I have had multiple people who have come from other industries using all kinds of software say, 'This is the best customer support department we've ever dealt with,'" Ogden said. "It's the way we answer the phone, the responsiveness. We've heard that over and over again."

Ease of use is also a competitive advantage since a retailer's fear of technology is the biggest



From left: Trent, Chad and Chris Ogden with Ron Cluff.

obstacle to automation. QFloors said it conquers that barrier. "We basically have done in five screens what most people are doing in 50 or 60 screens," Ogden said. "If you can do the same thing with the same features—but with fewer mouse clicks, fewer windows and less typing, you can do your job more efficiently, and it's easier to train people. That's why we can convert somebody in one week."

He added that QFloors can also help a retailer easily produce

a financial statement. "That's not true with any other software."

The field is ripe for growth, Ogden said, because in his estimation only 33% of flooring retailers—about 4,000—are using industry-specific software. About 6,000 are using generic programs like QuickBooks, and many are still using nothing at all.

What are some of the advantages of using flooring-specific software? The aforementioned B2B, for one. Then, there are the inventory modules. "Floor covering-specific software features square feet, square yards, cartons," he said. "You're not going to get that in QuickBooks. Also, job costing is more efficient. We can track labor rates and salespeople commissions."

Ogden said the proof is in the pudding. "We've shown that people who are using QFloors are more profitable because everybody's job is streamlined to make fewer mistakes, to do things faster, knowing the cost of the job before you sell it, not losing your inventory, plus the time savings with B2B. You put all that together and it equals about 2% to 3% net profit. A dealer doing \$1 million a year can realize between \$20,000 and \$30,000 a year in greater profitability."

Barb Clements, owner of Al's Carpets in Rockford, Ill., is one retailer who attests to the benefits. "I wouldn't be in business today if I didn't have QFloors," she said. "You don't know if you're winning or losing, and when you're losing you can fix things. I know people who thought they were winning and went out of business because they were broke. It is OK to be in the negative, but you have to fix it. When QFloors did that [benchmarking]—what we should be paying for rent, etc.—my daughter said, 'Mom, this is too much health insur-

ance and too much rent.' My kids got their own health insurance and we got our rent lowered. I should have done this years ago."

We'll Floor U, Hampton Bays, N.Y., was an early adopter of the QFloors software, coming on board nearly from day one. Diane Cullen, sales professional, said, "This integrates the whole business from the ordering to the warehouse receiving to the accounting. It streamlines the business and saves tons of time.

It even organizes your inventory. It's just a full package."

QFloors also takes the fear out of technology for retailers by virtue of an extensive training program that begins with its new customer care department. "When we make a sale, this department will call that person and get them going," Ogden said. "We walk them through every procedure. That's the sole goal of this department. We also have free training videos they can watch online along with unlimited phone support. We don't charge them for that, unlike our competitors."

That phone support can be just as effective as an on-site visit, Ogden said. "We connect with them on our computer, so we can see their monitor and talk them through any issues. Most of our small dealers do it that way."

JB Woodward Floors in Riverside, Calif., has been in business for 58 years, the last seven as QFloors users. Kim Wollman, co-owner, cited the simplicity of the software as well as the customer service as two hallmarks. "QFloors is so user friendly," she said. "The whole process from an invoice to your purchase order is so simple. It makes my job easy to the point where I can move on to other things."

Wollman also said the accounting aspect of the software has made a huge difference in the business. "Before we were doing all our own accounting and had to wait for our accountant at the end of the year to see those numbers. Now, we can see them whenever we want."

She also said the pricing is more than fair for all QFloors offers, citing the customer support and training. "Also, it's so easy to teach; there is not a steep learning curve."

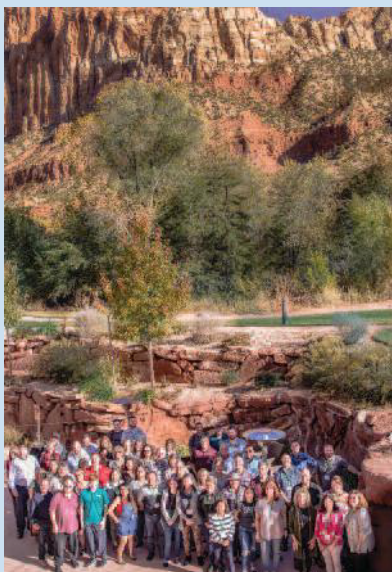
## QFloors celebrates 20<sup>th</sup> anniversary

By Steven Feldman

SPRINGDALE, UTAH—QFloors wanted to do something special for its recent users conference. After all, the business management software provider was celebrating its 20<sup>th</sup> anniversary. So, the company that was founded on need more so than anything else chose this picturesque locale right outside Zion National Park to gather.

QFloors has always prided itself on being acutely attuned to specialty retailers' software needs. That's because the company's roots are in retail—the family business was Ogden's Carpet Outlet, a seven-store chain in Salt Lake City. Trent Ogden, the current CFO of QFloors, was more entrenched in the business than his brother, Chad, the current president and CEO. Chad sold flooring to put himself through college, but left once he had his first job in technology.

"We were using [a leading system] at the time, and we were struggling," Trent Ogden recalled. "My dad made the decision to franchise those seven stores to the managers. He got out of the operations side and just did promotions and advertising. But the store managers really struggled using the software. They needed a lot of help with the financial statements, the



User conference attendees strike a pose.

accounting and things like that. At the time, the system was still DOS. It was just too difficult."

The Ogdens decided to launch their own system, hiring Chad as a consultant. "I would go to Surfaces with them, look at all the stuff and couldn't find anything better."

After going to Surfaces for the fourth time, Chad went back to the hotel and spent the whole night designing QFloors. "They all woke up the next morning, and I said, 'This is what the software needs to do.' That's where the idea for QFloors was born. That was

Surfaces 1999. The goal was to create a business management software system that would be easier than anything else out there. I knew if it wasn't easy, people wouldn't use it."

The first version of QFloors was ready in November 1999. The functionality included writing a sales order, some job costing, assigning it to inventory and keeping track of inventory. "We unveiled it at Surfaces 2000 and signed up five people that first year," Ogden said.

QFloors has come a long way in 20 years, now boasting about 1,100 customers. A turning point occurred when they added Nonn's Flooring, a large, multi-channel retailer based in Madison, Wis. "For years our competition had labeled us as the system for the small dealer," Ogden said. "Signing Nonn's put us on the map."

Over the years, QFloors has evolved from a system initially designed for retail to one that includes features for multi-family, commercial and smaller distributors. It has evolved with retail, too, adding features for multiple locations and advanced warehousing. "We try to implement customer input at these conferences," Ogden said. "Our users have really steered the development process over the years."

## marketing mastery

# Dealers: Be a rancher, not a hunter

(First of several parts)

According to Statista.com, Home Depot spent \$1.06 billion on advertising in the United States in 2018. They were the third-largest radio advertiser in the U.S. in 2017 and made it to the list of top-five retailers in North America in 2017 based on sales. At press time, they have 4,939,108 followers on Facebook, 283,000 subscribers on YouTube and 940,000 followers on Instagram.

Home Depot is outspending you thousands of times over. You will never beat Home Depot, Lowes or any other giant, multi-national, multi-billion-dollar corporation by going head-to-head with them in the advertising game. Yet that is what many dealers try to do with their advertising, usually without realizing it.

The vast majority of dealers engage in “institutional” or “brand-building” advertising. This basically means that you put your business name out there repeatedly—both in digital and offline advertising—in an attempt to build up “name recognition.” The hope is that if people see your name enough times,

### A RELATIVELY SMALL HERD ALLOWS THESE DEALERS TO HAVE GROWING, THRIVING BUSINESSES.

consumers will think of you when in the market for flooring and buy from you instead of your competitor. It's the basis for the old advertising “wisdom” that says people need to see your name at least seven times in order to think of and buy from you. It's the idea behind the phrase, “You need to get your name out there.”

There is some truth to this strategy. You can build up name recognition, but there are three serious problems for independent dealers who attempt it.

**No. 1: It's extremely expensive.** In order to build up name recognition to the point where a meaningful percentage of consumers in your market think of you when they need flooring will cost hundreds-of-thousands of



**JIM AUGUSTUS ARMSTRONG**

dollars spent on advertising over a number of years.

**No. 2: It takes a while to work.** Assuming you have the budget to attempt this strategy, it can take years to build this kind of name recognition. Flooring dealers need their marketing efforts to generate sales now, not three years down the road.

**No. 3: You'll attract a lot of price shoppers.** Think about the difference between a walk-in who is a repeat/referred customer vs. a cold prospect who came in because she saw an ad or discovered you online. The latter is much less trusting, more price-sensitive and she is much more likely to “shop around.”

An effective alternative to brand building for flooring dealers is ranching.

Most dealers are hunters. They hunt a customer, bag it, skin it, then they're off hunting the next one. Smart dealers are ranchers. They round up a herd of customers, then invest time, energy and money into nurturing the herd, building a relationship with them and protecting them from poachers. A relatively small herd allows these dealers to have thriving businesses.

There are many advantages to this approach over brand-building: It's less expensive, works faster, brings you the best customers, creates total differentiation from competitors and recession-proofs your business.

Finally, it fully utilizes the strengths and advantages you have as a small, agile, independent business owner, and exploits the weaknesses inherent in gigantic organizations like box stores. Over the next several installments I'm going to cover specific strategies that leverage your strengths and outline how these strategies fit within the ranching framework.

*Jim is the founder and president of Flooring Success Systems, a company that provides floor dealers with marketing services and coaching to help them attract quality customers, close more sales, get higher margins, and work the hours they choose. For information, visit: [flooringsuccesssystems.com](http://flooringsuccesssystems.com).*

## Mannington

Continued from page 1

are very complementary to Mannington—there is no duplication in what we do vs. what they do,” he explained. “There are strengths from each business that can be leveraged by the other. We have a really good team here at Phenix, and I think Mannington recognizes that and appreciates that. This is a great match.”

Executives from both Mannington and Pharr Yarns spoke often about the synergies and common traits these legacy companies share.

“This acquisition made sense in every way,” said Keith Campbell, chairman of Mannington. “Both Phenix and Mannington have a focus on the customer, multi-generational family ownership, a group of talented, dedicated associates and a commitment to a set of core values that drives everything we do.”

News of the deal drew universal praise from its business partners. Flooring retailers and distributors told *FCNews* they believe the move allows Mannington to diversify its product lines at a time of ongoing industry consolidation. “It makes sense in today's market for major manufacturers like Mannington to be involved in all product categories,” said Sam O'Krent, CEO/owner of San Antonio-based O'Krent's Abbey Flooring Center, whose company has been doing business with Mannington for decades. “We are already supporting Phenix, and we feel the Mannington purchase will only be advantageous to us and the retail industry. We are very excited about this announcement.”

Seizing a market opportuni-

**MANNINGTON**

ty through a smart acquisition like this one was vintage Mannington, according to Jeff Striegel, president of Owings Mills, Md.-based distributor Elias Wilf. “There are going to be strategic opportunities for diversification and better product alignments out there—and in this case,

**PHENIX**

Some flooring dealers said they were initially surprised by the deal but see merit in the move. “Much as manufacturers are in the mode of diversifying, it really makes a lot of sense for Mannington [to make this acquisition] in the evolving flooring world we are involved in,” said Craig Phillips, president, Carpet Country and Barrington Carpet & Flooring Design, Akron, Ohio.

A.J. Boyajian, co-owner of A.J. Rose Carpets & Flooring, with three Massachusetts locations, said he was surprised to see this acquisition in light of the trend of carpet mills getting into hard surfaces—not the other way around. “However, both companies are great to work with, so this merger may end up being great for both,” he explained.

Phenix Flooring and Pharr Fibers and Yarns are headquartered in McAnville, N.C., with operations in North Carolina and Dalton. The two divisions employ approximately 900 people.

Grizzle said no layoffs are planned. No terms were disclosed. The acquisition is expected to close in early 2020.

In a separate but related move, Pharr USA reached an agreement with Coats Group plc (Coats) to purchase Pharr High Performance, yarn supplier for the protective apparel industry.

“As a result of these transactions, each of these Pharr businesses will become part of much larger operations with greater capacity, resources and reach,” said Bill Carstarphen, president and CEO of Pharr USA. “We sought leaders in their industries with proven track records, and who understood and respected what we had built. Coats and Mannington emerged as ideal partners in all regards. We expect these transactions will result in a broad range of future opportunities and growth for our associates.”

Noting the company's 104-year legacy, Mannington's Campbell concluded, “We have a long history of commitment to our customers, associates and communities, and today we are so pleased to welcome the Phenix and Pharr associates into the Mannington family.”



**Phenix president, Mark Clayton, called the pairing with Mannington “a great match.”**

Mannington wasn't going to be a spectator,” he said. “Mannington has an uncanny ability to find companies where they can exploit synergistic capacities and capabilities that fit with their portfolio and which will better position [Mannington] in the marketplace. I'm elated for them.”

Striegel said Mannington over the decades has demonstrated an ability to manage brands effectively, regardless of their go-to-market strategy. “I'm never worried that they would acquire a company and then pollute the brand,” he explained. “I have total confidence in the leadership of Mannington.”

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The NAFCD 2019 convention featured 30 first-time exhibitors. Pictured is Tony Markarian of Austria-based Boden Floor.



Sean Duffy, left, and Mark Howe of USFloors' Fusion distribution brand are all smiles on the show floor.



Luxia Hong, director of business development, Amaz Floors, previews several new additions.

## NAFCD

Continued from page 1

economy in the first half of the new year. “We’re going to be heading toward two consecutive quarters of negative industrial production as we head into 2020,” he said, noting that GDP has been slowing down since September of 2018. “U.S. industrial production goes negative (-1.2%), but the downturn is not going to last for long. You need to be ready for the upturn. On the residential side, we’re already seeing an uptick. 2020 is going to be a good year for you as well as 2021.”

He cited one potential blemish, however. “In 2022, there will be a big recession that’s going to impact housing. Don’t

get silly with all the money you’re going to make in 2021. My advice: buy new equipment, fleet, buildings, vacation homes, etc., because the EBIDTA will be reduced. If you’re going to sell your business, do not do it in 2021. Your earnings will get crushed.”

Citing a complex formula that looks at the relationship between key leading indicators (i.e., retail sales, purchasing managers index, single-family housing starts, J.P. Morgan Global PMI and total industrial capacity utilization among them), Beaulieu said he believes conditions are ripe for distributors and retailers to prosper over the long haul. At the same time, he advises against using the stock market as a yardstick

for economic growth. “The downturn in industrial production hasn’t really caught the attention of a lot of people because the stock market is doing well,” he said. “But that’s not a reliable measurement of the health of the economy. The reality is the stock market can go up while the economy goes down, and vice versa. These are two different things.”

With all the uncertainty surrounding the economy, Beaulieu still encouraged distributors to invest while the getting is good. “If you need more equipment, new products, training, new facility, etc., fix that now because you’re going to need it because you’re about to get busy,” he told attendees. He also encouraged managers

to find the “Bassett Hounds” in their respective organizations—those things they have been doing for a long time but haven’t been productive. “Find the things that you’re wasting time and money on and eliminate them. This also applies to people in your organization who are no longer productive. You need to adapt; otherwise, you’re part of the problem.”

Then there’s the issue of tariffs—the proverbial thorn in the side of many floor covering distributors and retailers alike. Beaulieu cited research that shows exports have been declining since February 2019. “One of the reasons is the strong U.S. dollar, but it’s also because of a soft global market and our retaliatory tariffs against China,” he explained. “The tariffs have hurt a number of industries. Some people have benefited; for others it has been painful—it depends on who you are. The bottom-line impact is it has slowed down the economy. Exports to China have dropped like a stone; imports are also going to continue to decline.”

It’s an issue affecting many distributors in the industry. “To be honest, it’s kind of a mess right now,” said Dunn Rasbury, incoming NAFCD president and director of flooring for A&M Supply, Marietta, Ga. “On

the surface lower costs would appear to be a good thing. However, both me and my vendors own a good deal of material at a much higher cost. This will make pricing strategy challenging at least in the near term. Looking at it from a positive viewpoint, the lower cost basis may make the category more attractive to a broader base of consumers.”

Beaulieu advised patience in seeking a resolution. Until the two countries can agree on how to roll back the tariffs, he suggested looking at new supply chains or new products. “In America’s negotiations with the Chinese it sounds like it’s going well, but underneath there are big problems that have not been solved yet. We want access to their markets, and we’re going to put retaliatory tariffs on them to enforce that. But China is a sovereign nation, and they won’t be told how to act.”

Looking beyond the short to medium term, Beaulieu is optimistic. “I’m really excited about the next decade—it’s going to be phenomenal for everyone people who are 22-30 years old. It’s going to be the decade of the millennial.”

(Look for more coverage of the 2019 NAFCD conference in the Dec. 9/16 edition of FCNews.)

## Arden Kelley earns NAFCD Lifetime Achievement Award

NEW ORLEANS—The National Association of North American Distributors (NAFCD) held a special ceremony during its annual convention here last week to recognize Arden Kelley, founder of Commercial Flooring Distributors, Debary, Fla., with the 2019 NAFCD Lifetime Achievement Award.

The coveted honor recognizes an individual who demonstrates exceptional leadership or outstanding contributions that have led to expanding the vision of the floor covering distribution channel. Kelley certainly fits the bill.

“Participating in NAFCD is something you never forget,” Kelley told attendees during his acceptance speech. “We’re in a time of incredible change. I came into the industry when there were multiple carpet companies; we thought everything was going to go direct. But the thing that NAFCD offers is an opportunity to see what is happening and realize that no matter what the change is, there’s a place for you and your company if you do what your customers need and take care of the folks who got you there.”

Kelley served as NAFCD president in 2001—the year of the 9-11 attacks. The conference was held barely two months after that fate-



Arden Kelley, left, celebrates his Lifetime Achievement Award with his son, Michael.

ful day. “It was the first convention after Sept. 11,” he said. “We thought the world had changed forever.”

Kelley—a retired Lt. Colonel and a Vietnam Veteran—not only led the association through a turbulent time; he also worked to keep his family focused. During the award presentation, Kelley’s son, Michael, spoke fondly of his father. “My dad started Commercial Flooring Distributors when he was 56 years old—that’s a tribute to the kind of man he is.”

Michael recalled stories of how he was always around the

business when he was a little boy. But he took a different path when he entered the workforce. It wasn’t until 12 years ago that he joined his father at the company. “Growing up my father was always in the floor covering business. After 15 years in another business, he asked me to join his company. I may be biased, but I never met a more humble, giving man than my father.”

Arden Kelley acknowledged the benefit of working with junior. “You don’t always get a chance to work with your son, but he’s been a big part of my business and I couldn’t be prouder of him as well,” he said. “I would encourage all those in attendance and their families to stay the business and take advantage of every opportunity it affords you.”

Kelley joins the company of esteemed past winners, including Bob Wagner, Fishman Flooring Solutions; Don Evans (Swift-Train); Jim Gunter (Cronin Co.); Jim Gould; John and Kerry Capell (CMH Space Flooring); Don Wohlfarth, Sr. (Bayard Sales); Lucky Burke (Readers Wholesale); the late Bob Thomas (T&L Distributing); and Hoy Lanning (Haines), who took home the honor last year.

## A conference to remember

The 2019 NAFCD convention was a success by many standards. Kevin Gammonley, NAFCD executive vice president, provided some highlights:

Distributor attendance was up 6% while overall attendance was up 15%. “We had 30 NAFCD first-time exhibitors and sold-out our show floor for the first time,” he told *FCNews*. “We believe this clearly indicates that the NAFCD brand is well recognized as the organization that can help connect suppliers to North American distributors.”

NAFCD continues to upgrade its program year-over-year, and the response to this year’s speaker lineup was overwhelmingly posi-

tive. “Many attendees commented that this was ‘the best convention ever,’” he said.

NAFCD has a growing roster of services that member distributors are responding favorably to, including its University of Innovative Distribution program (UID), truck leasing cost savings program, research center and its brand new online training program for branch managers at a distributorship. “NAFCD’s value proposition is stronger than ever and is showing in our positive momentum in key areas such as membership growth, convention growth, member engagement and volunteerism,” Gammonley said.



**Mohawk's Owls commercial carpet plank points to biophilia with its mottled shades of black, brown, tan and gray in the plumage of owls as they lift into the air.**

## Greenbuild

Continued from page 5

combination of everything in that particular process.”

Mohawk products featured at this year's expo were focused on both social and environmental sustainability. The company showed Owls, designed by Jason McLennan in collaboration with Mohawk Group. The line is designed to capture the essence of the North American birds of prey through color and patterning. This biophilic commercial carpet plank offers two, 12 x 36-inch patterns inspired by the mottled shades of black, brown, tan and gray in the plumage of owls as they lift into the air. Owls meets the requirements of Living Product Petal Certification and is produced in Glasgow, Va., at Mohawk Group's Living Site.

The company also featured Air.o, a hypoallergenic Unified Soft Flooring (USF) that is completely recyclable at the end of its life; Relaxing Floors, a 12 x 36-inch carpet plank collection designed by 13&9 in collaboration with Fractals Research and Mohawk Group based on fractal patterning found in nature; and EverStrand, which is created through Continuum—a process that allows Mohawk to recycle reclaimed PET plastic bottles into the polyester fiber used to produce soft and durable residential carpet.

Shaw Industries highlighted the sustainability focuses of the company's Patcraft, Shaw Contract and Shaw Floors Builder Group brands. It brought to the forefront best practices and lessons learned in specific sectors—including affordable housing, healthcare, multi-family and residential housing. “Our real focus as a brand is how our products and processes impact people,” Susan Farris, vice president sustainability and corporate communications, told *FCNews*. “And we are focusing on material health,

healthcare, healthy acoustics and an apartment of the future. Understanding across a broad sector—from commercial through multi-family and builder—how our products and processes impact people and how we can connect those.”

In terms of product, the company unveiled a test installation of a new trade show carpet product: Comfor<sup>3</sup>t. Made with 60%-80% recycled content (depending on the color), the company said Comfor<sup>3</sup>t reduces the use of virgin materials by possessing the ability to incorporate both post-consumer and post-industrial recycled content. The product can be reused mul-

multiple times, and once it's ready for replacement it is 100% recyclable. It is Cradle to Cradle Certified Bronze having been assessed for material health, material reuse, renewable energy/carbon management, water stewardship and social fairness. It will officially launch in 2020.

The conference also provided an opportunity for various Shaw brands to showcase their sustainability efforts, including Shaw Contract's 2 Degrees sustainability journal; Patcraft's sustainability-themed Idea Book; and Healthy Home market insights from the Shaw Floors team. For the third year in a row, Shaw also hosted an Education Lab as part of the annual conference and expo. Shaw offered five CEU-credit approved education sessions in its Education Lab. The sold-out sessions provided fresh thinking and continuing education opportunities for nearly 500 participants.

Armstrong Flooring took to the event to discuss its products' relationship to what it calls the “six pillars of sustainable flooring.” Those pillars include biophilia, lighting, acoustics, indoor

air quality, life-cycle thinking and safety. “We have also launched HPD's for all our commercial products that are available,” Amy Costello, Armstrong's sustainability manager, told *FCNews*. “That's a look at our contribution from more of a technical standpoint, but we've listened to our customers and we've joined the HPD collabora-



**Shaw's Comfor<sup>3</sup>t can be reused multiple times. Once it's ready for replacement, it is 100% recyclable.**

tion. We're also doing our second-generation environmental product declarations. We're really looking at those environmental impacts and using that to guide product development.”

The company showcased three new products on the show

floor. Rejuvenations Restore, for example, is a vinyl sheet flooring constructed with a comfort base layer to help reduce foot and leg fatigue and joint impact. It was designed for healthcare facilities where caregivers spend long shifts on their feet. Restore is also said to help control sound transmission and surface-generated noise to maintain privacy and create a soothing space.

The company also featured BBT, its PVC-free, bio-based flooring. BBT is made primarily of locally quarried limestone as well as rapidly renewable plant ingredients. Its sustainability attributes are further enhanced with the addition of Diamond 10 Technology coating, which allows for a significant reduction in maintenance compared to the traditional VCT polishing regimen. This is said to lead to as much as a 50%

carbon footprint reduction over the life of a building. The company's Safety Zone Sheet and Tile, which provides enhanced traction for an added measure of safety in healthcare, educational and retail facilities, was also showcased.

## Mohawk

Continued from page 5

the space with a better understanding of who Mohawk is and what kind of business partner we are going to be.”

### What to expect

As flooring dealers and other visitors enter the space, they will hear stories and witness the innovation behind each of the brands, all supported by winning marketing programs. Each space will lead to an area of product displays mirroring a retail showroom. “Everything here has a purpose,” Swing explained. “We're hitting all the senses—we have sound, world-class video and, in some cases, smell will reinforce the brand.”

The inspiration to reimagine came from De Cock. “He breathed new life into this company and how we want to go to market,” Swing added. “The experience all comes together at Surfaces.”

Mohawk's Edge retailers will receive certain perks, including a VIP check-in area—a “Fast Pass” of sorts for access to the booth.

Mohawk's reimagined space is just one element of its full-court press to wow show atten-

dees. The company is kicking off TISE 2020 with a VIP Karastan Better Than Nature Intended event on Monday night before the show opening. The company's leadership team will host Karastan retailers to celebrate the integration of hard surface into the 90-year-old Karastan brand.

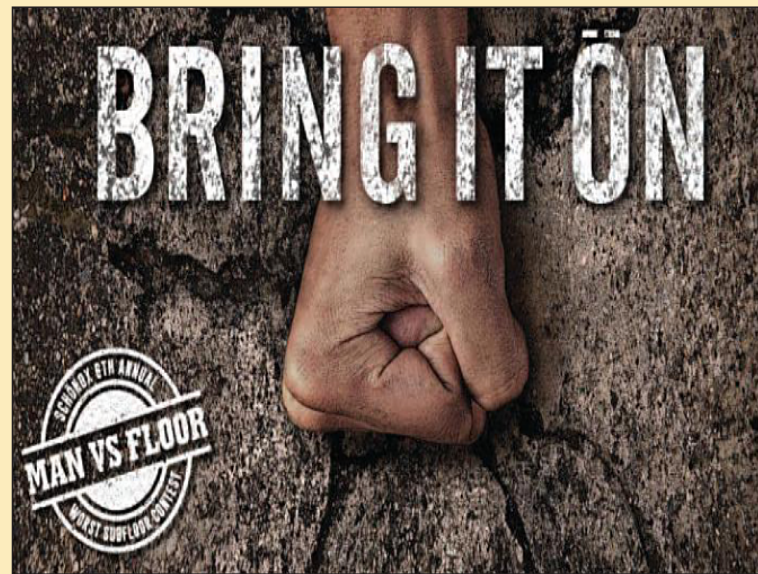
“The Karastan brand is broadening its horizon with two unique collections of premium hardwood and luxury vinyl tile—taking Karastan from a category brand to a flooring brand,” said Karen Mendelsohn, senior vice president of marketing. “We challenged our craftsmen to search the globe for the

best materials and designs. Not only did they seek out the rare and beautiful, they also found inspiration at every turn—allowing us to develop differentiated products for our retail partners, targeting more discerning homeowners. These floors are truly better than nature intended.”

## Seeking submissions for Schönox's Worst Subfloor

FLORENCE, ALA.—The sixth annual Schönox Worst Subfloor Contest is in full swing and, according to the company, competition is fiercer than ever. Since its inception in 2013, there have been 496 projects entered, covering more than 1.24 million square feet. The deadline for this year's contest is Dec. 15.

Prizes for the winning installer team are as follows: first-place winners receive an offshore, deep-sea fishing trip; the second-place team will win a 256GB Apple iPhone 11; and the third-place team will receive a 44mm Apple Watch. Company prizes include: first place—\$7,000 Schönox Dollars; second place—\$4,000 Schönox Dollars; and third place—\$1,000



Schönox Dollars.

The winners will be announced at the company's customer appreciation event in Las Vegas during the

International Surfaces Event. Contestants do not have to be present to win.

Industry members can enter their projects at [bit.ly/2Oo4lgX](http://bit.ly/2Oo4lgX).

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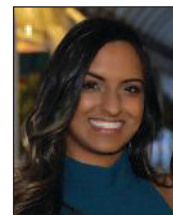


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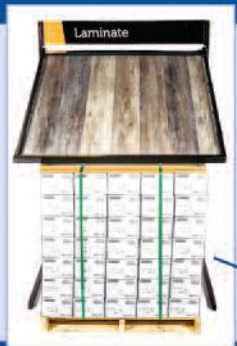


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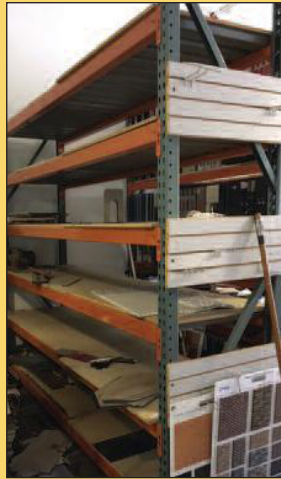


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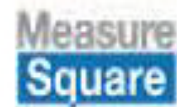
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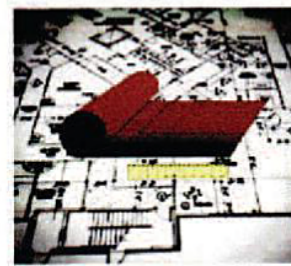
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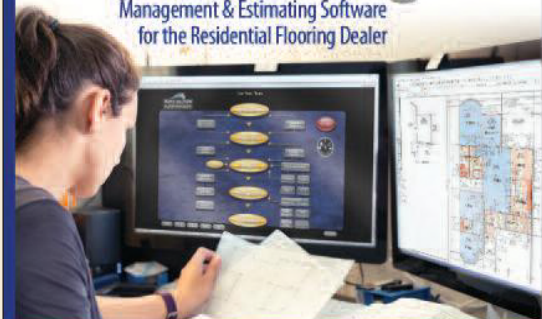
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