

FCW

FLOOR COVERING WEEKLY

The Industry's Business News & Information Resource

MANNINGTON
Bliss BY BEAULIEU®
 SmartStrand
 with DuPont® Sorona™ renewably sourced polymer
 Shaw *Living*
 FOR EVERY STEP OF LIFE
Brand Power
 How much weight **Armstrong**
 do flooring brands hold? **4**

GREENSTEP

Floor Covering Weekly announces 2011 winners

[DALTON] On July 26, *Floor Covering Weekly* will honor eight companies with its GreenStep Environmental Awards in recognition of leadership in the area of environmental sustainability and stewardship.

Winners will be honored at an awards ceremony and luncheon to be held at the Dalton Holiday Inn. There are two award levels across four categories: Product for best green product; Practice/process for best green manufacturing process or plant improvement; Promotion for communication and education initiatives; and the Pinnacle Award for the Environmental Leader of the Year. This year also marks the addition of a new award category: Retail.

The goal of the GreenStep program is to recognize sustainable environmental initiatives throughout the industry; to promote and support those efforts by providing a communications platform and a public industry forum, and to recognize those people and organizations whose efforts embody the ideals of environmental stewardship.

The 2011 GREENSTEP Award Winners

Tied for the PINNACLE AWARD:

Anderson Hardwood Floors – Pinnacle Environmental Leader of the Year
Mohawk – Pinnacle Environmental Leader of the Year

Other GreenStep Winners are:

Dal-Tile – Process **Mannington Mills** – Product
Mohawk SmartStrand – Promotion **Carpet Plus of Charlottesville, VA** – Retail

In addition to the GreenStep winners, *FCW* also recognizes GreenStep honorees for their meaningful environmental contributions.

The GreenStep Award Honorees are:

Shaw Industries – Pinnacle **MPGlobal** – Product
Shaw R2E – Process **MAPEI** – Promotion

Continued on page 3

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MARKET INTELLIGENCE REPORT

More than 500 respondents chart the purchase power of today's consumer and the key brands that drive the flooring business.

Pages 6–16

NeoCon's pulse signals shift

By Kimberly Gavin and Amy Joyce Rush

[CHICAGO] NeoCon, the world's largest commercial interiors show held at the historic Merchandise Mart, has seen traffic ebb and flow with the times. After a tough two years, exhibitors and management recognized a buzz and energy that speaks to a strong market. Traffic counts, while not yet official, are said to be up. And that's good news for everyone.

"It felt like NeoCon is back," said Brenda Knowles, vice president of marketing and product development for Shaw Contract Group. "We had a great opening day. Firms that sent three people in the past sent more people this year. It's certainly much improved from 2009 and 2010," she said. "Design firms are hiring again."

There was no official count from Merchandise Mart Properties Inc. (MMPI) at press time, but the anecdotal evidence makes it pretty clear. "We had customers calling at the 11th hour wanting rooms," said Ralph Grogan, COO, Tandus, on opening morning of the show. "We're pretty encouraged by that."

Another example: Invista scanned 3,000

visitors in its award-winning showroom on the first day and 1,200 by late afternoon on the second, according to Diane O'Sullivan, global marketing director. The scan rate last year in the company's showroom was not even close, she said.

Then there's the evidence MMPI can measure. Mark Falanga, senior vice president, MMPI, told *FCW* that the company tracks the number of people attending as well the number of companies that attend and companies appear to be sending more people to the show and staying longer. "The number of companies hasn't changed from 2007 but what did happen in 2009 and 2010, the number of people (per company) was much fewer. We are up 6 percent this year and the hotel pick up is 20 percent," he said.

What really matters, though, is not how many bodies attend the show, but how much current and future business they represent. "The level of discussions of projects is encouraging. After a drought, projects are moving forward and business is revived. This year has been a pretty good comeback," Falanga said.

Continued on page 5

FCW Executive Quarterly Index

Exec's project 5% growth in 2011

The flooring market should increase by over 5 percent this year. That's according to readers of *FCWPrime*, an e-newsletter for executive level readers, who recently participated in the *FCW Executive Quarterly Index*. The new quarterly survey will serve as a benchmark comparing expectations and market performance.

When asked about sales projections for the year, respondents expect results to be up on average 5.1 percent with manufacturers expecting fully 6 percent increases (this compares to a 1 percent sales increase they cited in 2010 and a three percent sales drop in 2009). Some 21

Continued on page 29

Arley hosts 150 accounts

By Emily J. Cappiello

[SCANTON, PA.] Arley Wholesale held its 9th annual Arley Classic and Tradeshow here from June 5 – 7. The tradeshow has become a staple on the East Coast, as architects, designers, retailers and contractors flock to the show to see the new trends and stock up on new product.

This year, the show had more accounts than ever before. Scott Levy, executive vice president of operations, said that there were 82 accounts at the Classic tournament, while more than 150 accounts attended the show.

“It has been an amazing few days,” Levy said. “Every year, the tradeshow grows. The

customer reaction has been strong and they are excited about the direction that we are going. The company is growing and we have some of the best lines coming,” he said.

Jason Helf of To the Trades in Lancaster, Pa., explained that he comes to the show to see the newest looks in tile. “Arley has some really nice, unique looks. They are importing the latest and greatest for their customers. You can’t see everything from the representatives, so it’s good to come here and see what they have. They also have great service, good stocking ability and a good price,” he said.

Sari Baron, from Kitchen Technology in Ardmore, Pa., told *FCW* that she comes every

year. “Arley is our main supplier and we come every year to see the new trends. More than that, we appreciate that we can rely on them,” she said.

Haim Baron, also of Kitchen Technology, agreed. “The difference is about the service. The product, you can get it if you want to, with Arley, it’s about the service,” he said.

And, according to Levy, the service and relationship that the company has with its customers is going to continue to stay strong. “These relationships aren’t just business relationships, they are personal relationships. We work on problems and solutions together. Our customers grow with us and they want to grow with us,” he said. *FCW*

Are flooring and furniture a fit?

By Janet Herlihy

The history of selling flooring and furniture along with various other home products in a huge retail setting is a mixed bag of success and failure. While Home Depot’s Expo Design Centers have gone the way of the dinosaurs and The Great Indoors stores by Sears have seen many closures, there are one-stop shopping home retailers that are successful and soon, there will be more.

Nebraska Furniture Mart, with locations now in Omaha, Kansas City and Des Moines, has a long history of customer satisfaction. Founded in 1937 by Rose Blumkin in Omaha, the store added carpet in the 1940s. According to director of flooring for the company Gary Cissell, “Mrs. B always loved carpet and added it to the store in the 1940s. Appliances and electronics came on in the 1950s and hard

surface flooring started in 1993,” he explained. “We are lucky enough to have the four categories — furniture, flooring, electronics and appliances — under one roof at the Omaha and Kansas City stores, because the combination draws traffic and gives us cross-marketing opportunities. Des Moines offers flooring, appliances and televisions,” he reported.

NFM grew in a natural way, adding categories to a strong foundation. It added the Kansas City and Des Moines locations from a position of strength and experience gained in Omaha.

Hoping to make the most of home furnishings synergy with flooring, Art Van Furniture, the largest furniture retailer in Michigan, and World of Floors, a division of Minneapolis-based Preferred Brands, are teaming up to bring a wide assortment of flooring to 33 Art Van stores in Michigan.

The first Art Van World of Floors store-

within-a-store will open in southwest Michigan this month. By September, the flooring stores will be operating in all Art Van locations.

Because Art Van is already a successful furniture retailer and has used the store-within-a-store concept successfully with California-based Paul’s TV, the retailer expects to avoid the problems of trying to add a brand new category of product. World of Floors currently has five stand alone stores in Michigan, which will be adjuncts to the Art Van showrooms, offering additional assortments of flooring.

“We have partnered with Art Van to service their customers’ flooring needs,” stated Emil Pedick, president of World of Floors and executive vice president of Preferred Brands. “We will operate the showrooms with our own staff, stocking the locations with the best of our products,” he said.

The World of Floors showrooms will average 2000 square feet and offer carpet, laminate, ceramic, wood, vinyl and a line of window treatments. *FCW*

GREENSTEP

Continued from page 1

“This year we had a couple of firsts for the GreenStep Awards: two Pinnacle Award winners and a new category for retailers. It’s easy to see why the judges selected both Mohawk and Anderson for the top award. Both of these organizations are not only industry leaders but they embody the principles of environmental stewardship,” said Santiago Montero, publisher and editor in chief, *Floor Covering Weekly*. “Both these companies join our two previous Pinnacle winners — Shaw Industries and Interface

FLOR — for their outstanding contributions, investments, and most importantly, for their leadership.”

New this year was also an award for retailers for the critical role they play by engaging and educating today’s consumers. This year’s retail winner features green products in its showroom, has incorporated green practices into its own business, and actively engages the community through many educational and volunteer activities.

A distinguished panel of industry and environmental experts selected this year’s winners. This year, almost 80 entries were received and featured in the April 4/11, 2011 issue of *Floor Covering Weekly*. *FCW*

GREENSTEP 2011 Judges

Ed Korczak, executive director, National Wood Flooring Association

Dr. Bob Peoples, director, American Chemical Society Green Chemical Institute

Bill Dearing, president, North American Laminate Flooring Association

Bill Griese, standards development and green initiative manager, Tile Council of North America, Inc.

Chris Davis, CEO, World Floor Covering Association

Frank Hurd, vice president, Carpet and Rug Institute

Mannington makes headline in Philadelphia

Mannington has been touted by the floor covering industry for its sustainability efforts including the use of solar panels, recycled content, VCT reclamation and energy conservation. Mannington has also been named *FCW*’s GreenStep product winner for the 2011 GreenStep award program. Now, Mannington has received accolades in a recent article published in *The Philadelphia Inquirer*. According to the article, written by Harold Brubaker, Mannington Mills has been working to reduce its environmental impact by restoring 12 acres of native habitat on its 500-acre Mannington Township property and by striving to use more recycled materials in vinyl floor tiles and other products.



DOC changes AD rate

The Department of Commerce has adjusted the antidumping rate for engineered wood imported from China to 6.8 percent for separate rates exporters from the original 10.88 percent set at the preliminary determination last month due to “significant ministerial errors.” The China-wide rate is now 27.12 percent.

According to the DOC’s report, “The Department has determined that it made certain significant ministerial errors in the preliminary determination of sales at less than fair value.” This announcement comes after the filing by Samling, one of the three mandatory respondents, alleging three clerical errors earlier this month. Samling’s rate has been adjusted to zero as a result.

At the preliminary determination registered May 26, the DOC charged two of the mandatory respondents with zero and Samling 10.88 percent. The separate rates exporters also received 10.88 percent. China-wide rate was determined at 82 percent. These rates have now been adjusted. The three mandatory respondents will be at zero, separate rates exporters will be 6.78 percent and the China-wide rate is 27.12 percent.



David Meberg of the Greater New York Floor Covers Promotional Fund and Dwayne Sherland of Sherland and Farrington

Scholarships awarded

[NEW YORK] — Four new scholarships were awarded here recently by The Greater New York Floor Covers Industry Promotional Fund and the Francis J.P. McHale Scholarship program. More than 60 scholarships have been awarded to the families of union members and others affiliated with the floor covering industry. This year’s co-honoree, selected in honor of a lifetime of dedicated service to the local floor covering industry, was Dwayne Sherland of Sherland and Farrington, a commercial contractor in New York City. Scholarship recipients are: Christopher Croson, Alyssa Olsen, Courtney Fleming and Michael Moger. *FCW*