

# FCW

F L O O R C O V E R I N G W E E K L Y



Arnquist CarpetsPlus COLORTILE, Alexandria, MN, Tom and Adam Arnquist, owners, won the CarpetsPlus Retailer of the Year award.

## Growth Mode: CarpetsPlus offers members tools for success

By Mallory Cruise-McGrath

[Tucson, Ariz.] CarpetsPlus Colortile and Carpetland focused on keeping members ahead of the curve through new products and sound business strategies, including key ways to approach succession planning, at the group's 2018 Drive convention held here last month. The group also highlighted ways members can take advantage of the opportunities brought about by a strong economy as well as new product introductions to its Destination Boutique Showroom program.

### CAPITALIZING ON GROWTH

Citing a Wells Fargo Forecast for this year, CarpetsPlus Colortile and Carpetland co-owner Jon Logue said there is indeed great opportunity to be had in 2018 for today's flooring dealers, particularly in the remodel market and new home construction with 1.8 million housing starts projected in 2018, a 7 percent growth over last year.

"Expect an on-going robust economic growth in 2018; 2018 will be a very prosperous year," Jon Logue offered during his state of the industry overview at conven-

tion, pointing to strong consumer spending and confidence; inventory and business investment; and, state and local government spending as key factors.

The big story however, noted Jon Logue, is the growth of hard surface which has seen an 8 percent growth in dollars over the past year. Hard surface is the strongest area of growth for the group.

"Digital printing is coming to our industry in hard surface and bringing with it dramatic looks," he shared.

But there are challenges, noted Jon Logue, as 60 percent of small business owners are trying to find qualified workers. And retailers shared with FCW they are feeling the heat.

"Having good qualified installers coming up the ranks with a good work ethic and knowledge to take over the installation end of things for my business is a concern," said Shannon Curtin of CarpetsPlus Colortile in Racine, Wis.

CarpetsPlus is actively sourcing product to ease the pressure of the growing installation crisis. "We keep our ear to ground to source product that can help address installation

— that's a priority for us," said co-COO Kevin Logue, pointing specifically to Mohawk's Air.O as being easier to install because of its attached pad.

Bill Smiddy of Smiddy's CarpetPlus in Terre Haute, Ind., agreed, adding it's been a dou-



CarpetsPlus COLORTILE members are treated to lots of special deals on carpet and hard surface products during Rush Hour.

ble-edged sword as he worries about finding qualified installers and properly servicing his customers in the face of the tremendous growth his business has been experiencing. For this reason, he advises members to look to the group's leadership team to help navigate these challenges. "We get the right samples, right racks, right looks, but we're also given the right tools to sell and train — it's everything all in one," said Smiddy.

### STRATEGIC SUCCESSION PLANNING

During a dedicated seminar, Chick Herbert, senior vice president, Wells Fargo, shared some notable statistics on succession planning, stating, "According to the PricewaterhouseCoopers (PwC) 2017 Family Business Survey, 44 percent of family businesses surveyed said succession planning will be a challenge in the next five years and yet just 23 percent have a robust, documented succession plan in place."

Added group co-owner Ron Dunn, "As entrepreneurs, we don't want our businesses to end,

we want them to go on. That's why we need to ask the right questions: What is the timetable involved? What pieces are involved?" he said. "We have to have the same passion for properly planning for the next generation as we are about other areas of our business." And with 18 new members having joined over the past year, seven new members joining in the next month or so and four prospective members attending convention, Ryan Dunn, co-COO, said for this group, the next generation is coming onboard in a significant way.

"We're seeing the second generation taking over and with ideas that are outside of what the previous generation did. For instance, we're seeing those already in the retail space in other categories now expanding into floor covering which has been an exciting opportunity because they already have a customer base built in," he said.

For more on CarpetsPlus' Drive convention, including new product introductions, visit [fewl.com](http://fewl.com).



Ron Dunn, Ryan Dunn, Kevin Logue & Jon Logue stand in front of the new Waterproof Flooring Destination display.