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Alliance Flooring: 'Clear sighted' on growing in 2020 & beyond

By Ken Ryan

Tucson, Ariz. — The mood here at the annual Alliance Flooring convention was positively upbeat, and nothing—not even coronavirus nor the plunging stock market from the week before—could dampen expectations for these flooring retail entrepreneurs.

With 10 new members in attendance at the JW Marriott Starr Pass Resort—the most in years—the future indeed looks bright for this group, which represents CarpetsPlus ColorTile, CarpetlandUSA, and Floorco.

"The main takeaway here was our members came with a renewed sense of optimism for 2020," Kevin Logue, co-COO and vice president of marketing, told FCNews. "There's always uncertainty in an election year, but you don't see that here. [Retailers] are optimistic."

The theme of this year's convention was "Clear Sighted Drive 2020," which was only appropriate as members clearly have their sights set on a strong 2020. Alliance Flooring's goal for 2020 was to bring in 20 new members; it was already at the halfway mark by the end of February.

"People are taking notice of our group—we're the up and comers," Logue noted. "We're small enough where we can be nimble and aggressive, but we're also big enough that we have a lot of buying power."

Suppliers often speak glowingly about the familial nature of members and their inclusiveness. Newcomer Happy Feet wanted to be part of that camaraderie and invested \$1 million to establish the first exclusive program for Alliance members. The product, called Sidewinder, is an SPC with a 30-mil wear layer and a bevy of other differentiating benefits. Happy Feet also created specific ColorTile packaging exclusive for Alliance retailers.

"We've wanted to do an exclusive for years," Logue explained. "In the past, we couldn't meet the minimum that I was comfortable with. We met with Casey [Johnson, CEO] and they can work on lower minimums that I

Alliance Flooring co-COO & VP Marketing Kevin Logue, talks about new merchandising and programs at the group's recent convention in Tucson.

felt comfortable hitting in terms of what our sales projections could be. Casey knocked it out of the park with this one. He's warehousing it, fronting the capital—it's a nice deal for us. What's more, this product is uniquely ours. It's the kind of exclusive deal you would see in the box stores or with larger buying groups."

Johnson said he wanted to join Alliance Flooring for years and believed the offer of an exclusive program was the ticket to entry. His goal at convention was to sell 100 pallets; he sold 120 by the end of the trade show, with more commitments coming after the event. "This is by far the best show we have ever had," he said.

During the general session co-CEO Ron Dunn encouraged members to get behind the exclusive launch in a big way. "ColorTile Sidewinder is unprecedented—a product made for us," he told members. "If you compare the thickness, the wear layer—all the things—it's the best price product out there. Casey has built a great company. Let's support him on this."

Ryan Dunn, co-COO and vice president of sales, agreed, adding, "When we move together as a group, we can do big things, and this is going to be a grand slam."

One dealer lending support was Jerry Butler, owner of Fred's CarpetsPlus ColorTile, Torrance, Calif., who ordered eight pallets. "I like that this packaging represents our group, and you won't see this product anywhere else," he said. "It's a nice selling story."

Don Grubb, owner of D&R Floor Covering, Midland, Mich., said he loves the exclusivity of the collection, which has five colors. "It puts us in a different league," he said.

Casey Johnson, CEO of Happy Feet, is flanked by Kevin Logue of Alliance Flooring and Jerry Butler of Fred's CarpetsPlus ColorTile, Torrance, Calif. Johnson struck a deal with Alliance for a product exclusive, an SPC offering called Sidewinder.

Strength in numbers

Membership within Alliance Flooring continues to grow, in part fueled by word of mouth in the industry. That's precisely what convinced Chad Higley, owner of Bobcat Mattress & Home Furnishings, Bozeman, Mont., to join. He credited a former owner of the business with recommending Alliance Flooring, telling Higley, "If you need anything, this group is completely awesome." Higley said he didn't need much impetus. "I've been in the business for 25 years, so I have been around a lot of people and companies. I have never heard one negative thing about this group, which is amazing. Everyone at this convention—and I've met people from Indiana to Oregon—has given me a card and said, 'If you need anything, call me.'"

Fellow newcomer, Dana Will, owner of Stoneworld Seattle, said he knew some of the ColorTile dealers when he was a factory agent before transitioning into flooring retail. "I needed a way to get the resources to buy at a competitive rate," he said. "So, not only do I get the buying power here but also the resources and support of the other members. Alliance has some great marketing and



Alliance Flooring co-CEO Ron Dunn, speaking about how business relates to baseball in 'Baseball and Business' during General Session.

the racks are beautiful. I'm glad I joined. This will save me a lot of energy and a lot of mistakes."

Hard surface surge

As a percentage of mill shipments to Alliance Flooring dealers, hard surface now represents 62%—30% of which is SPC/rigid core, a segment that was well represented at convention. One new collection that stood out was USFloors' private label Elite Performance Stone. Asked about retail reaction to the engineered stone product, Chanel Clifford, vice president of national accounts, USFloors, said, "This product is on fuego. The features on the stone negate all the challenges of installation. It can take four to six weeks for a stone installation; we can install it the next day. It has an angle-top installation; it's not heavy; there's no messy grout; there is cork on the back, so it is so much more comfortable underfoot."

Mohawk's SolidTech Plus also got recognized for its features and Made in the USA story. "To the greatest extent possible we will bring U.S.-made products to the group," Logue said. "We think this product (American Home) has a story to tell, so we encourage our members to tell that Made in USA story. It can set you apart."

In the same vein, Mannington's American Restoration Anthology, a 12mm-thick SPC offering, is made in North Carolina.

Soft surface is still an important category for members, and filling that need were new offerings like Milan from Shaw Floors. This super soft Anso Caress nylon features eight new styles made with Color Point technology and LifeGuard spill-proof backing. "It's unlike anything I've seen from Shaw," Logue said.

When Alliance Flooring brought on Engineered Floors a year ago, it was with the promise of winning products coming from Bob Shaw's company. One such product that fits the bill in 2020 is Pure Color Destination, a solution-dyed polyester featuring twistX technology. "We think this is a no brainer," Logue said. "We have tremendous hope for this introduction."