

# Coverings

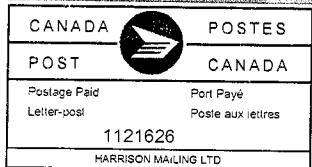
CANADA'S FLOORCOVERING MAGAZINE

September 2011

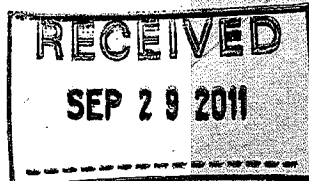
## CAREER FOR THE FUTURE INSTALLATION

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## Canada flooring the wood market

Canada continues to be the United States' largest and growing export market in wood flooring, according to an article published by *Hardwood Floors*, the magazine of the National Wood Flooring Association.

According to the article, the American Hardwood Export Council has presented data compiled by the USDA (United States Department of Agriculture), which shows a six percent increase of wood flooring exports to Canada in the first half of 2011, which stood at \$37.7 million, compared to the same period in 2010.

These numbers also confirm Canada's continued standing as America's largest export market for wood flooring, followed far behind by Mexico.

### Do good things grow in Ontario?

Ontario has launched a new logo that is to be placed on products



**Ontario Wood**

The natural choice

made of wood grown and milled in

Ontario. Such products include flooring, furniture, mill work, manufactured housing and engineered wood products. The move is part of the province's Ministry of Northern Development, Mines and Forestry's efforts to encourage consumers to buy local.

## Carpet and rug streamlining

CRI, the Carpet and Rug Institute, has announced a restructuring of its organization. The CRI, which has members from Canada — and even one from Belgium — is eliminating committees and issues management teams in favour of multi-functional panels focusing on certain priorities. These panels can in turn create short-term task groups to be disbanded upon completion of their assigned tasks.

Each panel will comprise of representatives from member manufacturers with expertise in marketing, technical information and government relations. The CRI has also created a high-level executive group, called the Strategic Issues Leadership Council, which will oversee communications between the panels, CRI's board of directors, and its policy committee.

The CRI says the moves are intended to make their organization more responsive to the industry's needs. According to president Werner Braun, "Without question, the new organizational structure will make CRI a more focused and effective organization."

## A keynote affair

IIDEX/NeoCon Canada, the country's national design exposition and conference to be held in Toronto on Sept. 22-24, has announced its list of keynote speakers. For design, it will be architects Dominique Jakob and Brendan MacFarlane of Jakob+MacFarlane of Paris, France. Three speakers are scheduled for the hospitality keynote: Isadore Sharpe, founder of Four Seasons hotels and resorts, Howard Pharr, president of Hirsch Bedner Associates, and Ilana Weitzman, editor-in-chief of Air Canada's enRoute magazine. The architectural keynote speech will be delivered by Matthias Sauerbrauch, founding director of Sauerbrauch Hutton in Berlin.

## Tarkett continues international march

Flooring and sports surfaces maker, Tarkett, continues to make moves beyond the North American continent. First, its acquisition of French wood floor manufacturer, Parquets Marty, has been approved by a commercial court in France. The company says that the move is part of its strategy to accelerate its flooring business in Southern Europe, particularly in single strip planks.

According to Tarkett, it is now the leading flooring manufacturer in Europe with four production sites and more than six million square meters produced each year. This new acquisition will give Tarkett a production facility in Cuzorn, France, which will serve as a launching pad for wood flooring products shipped to France, Italy and the rest of the Mediterranean region. Tarkett also says the buyout saves 130 jobs in France.

This most recent acquisition is the latest in a string of international manoeuvres by Tarkett, which includes the acquisition of Serbian rub maker, Sintelon, in 2002, the establishment of a distribution company in Shanghai, China, this year, as well as buying Brazilian resilient flooring maker, Fadamac, in 2009. In 2010, Tarkett sales in emerging markets increased by 24 percent and represented 34 percent of the company's consolidated revenues.

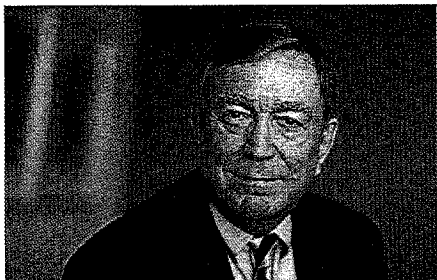
## Taking hard wood flooring to school

In its pursuit to provide technical training to wood flooring professionals, the National Wood Flooring Association has established scholarships that provide financial assistance for on-going education. And, as NWFA senior director of communications and events tells *Coverings*, "The scholarships are available to Canadian students. They are also available for schools in Canada as long as they

meet the criteria for the scholarships." Non-members can also participate in the scholarships program, which offer a variety of scholarships awarding different monetary amounts, ranging from \$250 to \$1,000, to offset the tuitions of a number of courses. These courses exist at different levels and are offered by NWFA schools. Applications are due 30 days before the start of school.

### Flooring pioneer passes away

Interface Inc. founder Ray Anderson has died after a 20-month battle with cancer. Anderson died in his home in Atlanta surrounded by family.



Anderson was probably best known for his advocacy for environmentally-friendly practices in a petroleum-intensive industry like flooring. He wrote about Interface's environmental journey in two books: *Mid-Course Correction* and *Confessions of a Radical Industrialist*. Anderson founded Interface in 1973 to produce what the company says were the first free-lay carpet tiles in America.

### Building permits soar

The value of building permits has reached a record high, according to data released by Statistics Canada. For the month of July, permit values increased by 6.3 percent to reach a total of \$7 billion. This equals the record that was set in May, 2007.

This marked the third consecutive monthly increase in permits, which was led by Ontario, as well as increases in five

other provinces. Quebec experienced the largest decline in this sector, with building intentions falling in the non-residential sector after consecutive gains in the three previous months.

### Join the who's who of flooring

The World Floor Covering Association (WFCA) is now accepting applications for nominations to the Floor Covering Hall of Fame, which currently boasts a roster of 37 inductees that the organization says is a virtual who's who of the floor covering industry.

For a chance to join this distinguished list, a sponsor must fill out a thorough application for the candidate of her or his choice, which details the nominee's work history, significant accomplishments, industry, trade and governmental and civic accomplishments. The candidate can come from any sector of the floor covering industry.

Applications can be obtained by contacting the WFCA and they must be submitted by Nov. 4, 2011.

### Housing starts look good

According to the Canada Mortgage and Housing Corporation (CMHC), housing starts climbed over the 200,000 mark for the first time since April, 2010. In July, 205,100 units were started across the country, with multiple starts fuelling the increase in all parts of Canada except Quebec. Ontario, British Columbia and the Atlantic provinces led the charge in this sector.

However, the CMHC was also quick to point to its forecasts for 2011 and 2012, which call for housing start levels more in line with demographic fundamentals, and this prediction was borne out with the numbers released for August, which showed a drop in housing starts to 184,700 units.

According to CMHC deputy chief economist, Mathieu Laberge, "Despite recent financial uncertainty, factors such as employment, immigration and mortgage rates remain supportive of the Canadian housing sector."

### Appointment reflects sector focus

Mohawk has hired Lauri Watnee as its new director of the health care and education segments. The company describes this appointment as a continuing focus on industry sectors that are rapidly growing at the moment.

According to vice president of business development, Paul Cleary, "Lauri's education and health care expertise, combined with her expansive market intelligence, gives her the edge needed to strengthen the company's presence in these two markets."

Watnee brings to her new job 20 years of industry experience, all with Mohawk, with a specific background in sales and specification, and has specialized in the health care and government sectors.

### Three-year sector outlook

The North American Association of Floor Covering Distributors (NAFCD), in conjunction with the North American Building Material Distribution Association (NBMDA), has released a report outlining their economic outlook for 2011, 2012 and 2013. The report was developed by the Institute for Trend Research exclusively for the NAFCD and NBMDA.

Among the report's analyses, it is expected that the U.S. economic climate will remain positive, with accelerated growth occurring in 2012 and 2013. However, the housing sector continues to be a drag on economic recovery, and is not expected to grow significantly until after 2013.

One of the few beacons of hope in the housing sector lies with home improvement construction, where a 12.2 percent growth rate is expected in 2012, followed by 8.2 percent growth in 2013. The expected growth is attributed to trends associated with a slumping housing sector, which involves consumers making improvements on their existing homes instead of buying new homes altogether.