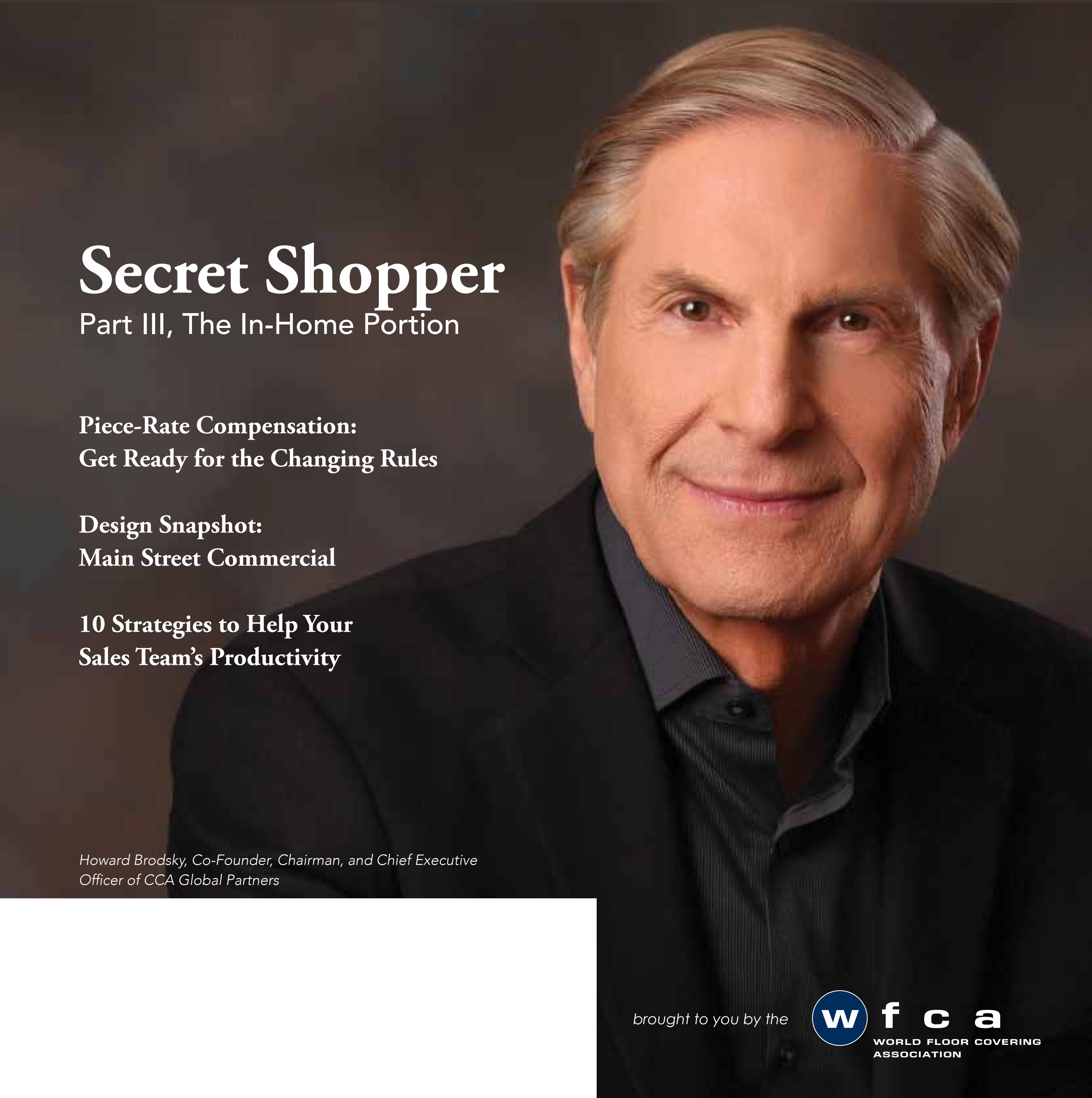
NOVEMBER/DECEMBER 2015

PREMIER FLOORING RETAILER



Secret Shopper
Part III, The In-Home Portion

Piece-Rate Compensation: Get Ready for the Changing Rules

Design Snapshot: Main Street Commercial

10 Strategies to Help Your Sales Team's Productivity

Howard Brodsky, Co-Founder, Chairman, and Chief Executive Officer of CCA Global Partners

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PREMIER FLOORING RETAILER

NOVEMBER/DECEMBER 2015
Volume 2, Issue 6

www.pfrmagazine.com

ISSN 2374-3107

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On the Cover: Howard Brodsky, Co-Founder, Chairman, and Chief Executive Officer of CCA Global Partners is in the spotlight this issue as an inductee into the World Floor Covering Association Hall of Fame in 1992 and the current Floor Covering Industry Foundation chairman of the board. See story on page 38.

CHANGE OF ADDRESS: In order to ensure uninterrupted delivery of *Premier Flooring Retailer*, notice of change should be made at least five weeks in advance. *Premier Flooring Retailer* is published bi-monthly (Jan/Feb, Mar/Apr, May/Jun, Jul/Aug, Sep/Oct, Nov/Dec) by the World Floor Covering Association, 2211 E. Howell Avenue, Anaheim, CA 92806. Application to Mail at the Periodicals Postage Prices is Pending at Anaheim, CA and at additional mailing offices. POSTMASTER: please send address changes to: Premier Flooring Retailer, 2211 E. Howell Avenue, Anaheim, CA 92806.

Things Are Changing

By Scott Humphrey, CEO, World Floor Covering Association

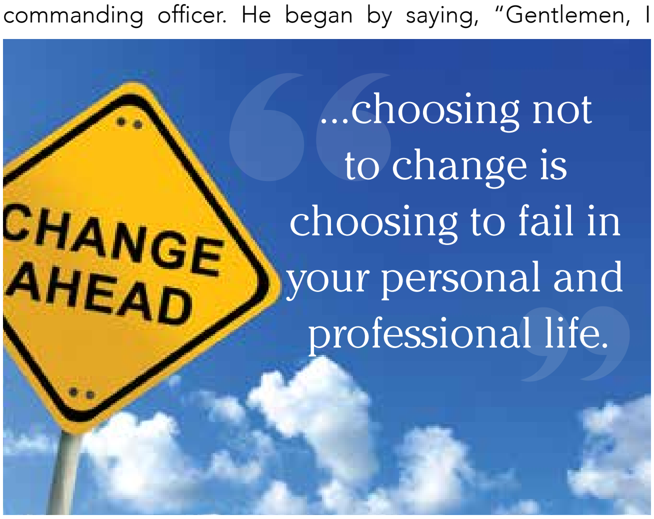
Things are definitely changing. One can feel good when creating change and very uncertain when you are forced to react to it. Our goal at the WFCA and through this publication is to keep you on the cutting edge of best practices to ensure your success and profitability.

We listen to the industry through our personal interactions with you, the professional flooring retailer. Last year, our staff spent over 500 days on the road interacting with current and potential members and industry leaders. Through this interaction, one thing has become apparent, the more willing a retailer is to change, the more likely they are to succeed. Even so, change can be difficult.

A military friend of mine who trains Green Berets shared the following humorous story that illustrates the mindset of many when it comes to change. He said that one part of the Special Forces Green Beret training is based around survival. During this time, the soldiers and their backpacks full of provisions are airdropped into the Okefenokee Swamp for an unspecified number of days. The backpack often weighs as much as 75 pounds, and once they locate their pack and put it on, they are not allowed to take it off. If they do, a sensor will sound and they are eliminated from that aspect of the training, making it virtually impossible for them to become a Green Beret.

According to the Special Forces trainer, the weight of the pack would begin to wear on the cadets after a few days -- with several noting that they would sleep in the swamp with the backpack resting against an old stump.

After several days, one group finally heard the signal calling them to a central point where they were met by their commanding officer. He began by saying, "Gentlemen, I see you have all survived thus far. I have some good news and some bad news. Which would you like first?" To which they replied, "Give us the good news sir. We are not sure we can handle any bad news right now." His response surprised them. "O.K. The good news is you are going to get to change underwear today." Now, before you downplay this good news, remember that they have been wearing the same pair of underwear for several days now. They are excited! Then one of the cadets asks: "Sir, what was the bad news?" The commanding officer replied, "Jones, you change with Smith… Leonard you change with Ross…"



Now that is change we all want to avoid, but therein lies the problem. We often avoid change because we expect the worst, or believe we would be moving from one thing that didn't work to another that is no better. The change I am encouraging is based on best practices and a fundamental belief that choosing not to change is choosing to fail in your personal and professional life.

There are two key areas where change is essential in today's flooring industry. **The first is found in changing the way the industry solves the installation crisis.** In this critical area, the WFCA has put its money where its mouth is.

Over a year ago we began to discuss acquiring certain key assets from the International Certified Flooring Installers (CFI). We did so knowing that the industry could not continue to talk around this issue. We, as an industry, are facing a severe shortage of new installers and a lack of clarity related to existing installer expertise.

We could have done what many others have done and simply continued to talk around the challenges the industry faces because of the lingering effects of the great recession; a defining period where qualified installers left the trade because there wasn't enough work to keep them busy and provide for their essential needs. Because of this slowdown, we not only lost those installers who exited the profession, but also those who would have apprenticed under one of these flooring technicians.

Now, we will fight to bring these skilled artisans under our fold and provide the support to begin to address and eventually solve the installation problem.

We will change the way the industry addresses this issue in multiple ways:

1. Through our first Certified Flooring Institute (CFI) School in Forney, TX, designed to bring new craftsmen

into the industry. We are reaching out to veterans groups, vocational schools, Chambers of Commerce, government agencies, and anyone else to help us find men and women willing to make a career out of installation.

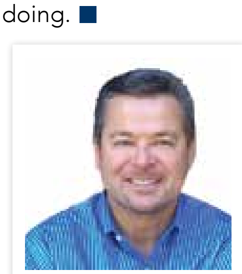
2. Through regional training events designed to certify existing installers in their areas of expertise. These two-day programs will provide certification to existing installers in all product categories.

3. Through two-week programs designed to get apprentices up to speed. This provides an entry level of knowledge and a first step toward a career in installation.

4. Through reaching out to manufacturers, distributors, and other flooring associations to discuss ways we can work together to overcome this crisis.

The second challenge will impact everyone in this industry eventually. Many are already feeling the burden of the government's latest attack on small business. I am referring to the government's interpretation of an *Independent Contractor*. As the government seeks to make every sub-contracted worker an employee, we are working on multiple ways to prepare our members on the correct way to handle this issue. Members of the WFCA already have access to a great tool, "*The Independent Contractor – Understanding the Rules and a Model Contract*," by the WFCA's legal counsel Jeff King. It contains information and guidelines on the government's interpretation of this issue. In addition, many of Jeff's articles in *PFR* focus on this challenge. Some even offer a test to help retailers see if their relationships with subcontracted employees will be acceptable by government standards.

Change is coming! Our goal is to have you prepared to embrace change instead of being forced to react to it. In fact, that is the vision behind *PFR* -- providing tools and resources to ensure your success and profitability. We monitor the pain points of the industry and report back to you the change necessary to avoid and/or eliminate that pain. In addition, we provide insights on how you can use each challenge as a competitive advantage. Please let us know how we are doing. ■



Scott Humphrey

Scott Humphrey
CEO of WFCA

Can You Handle the Truth?

By Tom Jennings, World Floor Covering Association, VP of Professional Development

Warning: This article may cause some readers to become defensive, prideful or downright have their feelings hurt. Sorry but the truth is often painful, and the truth is: the installation element of the retail flooring industry is a total mess. Unlike others, I'm not going to blame the manufacturers, the educational system, today's workforce candidates or the current or past economy.

The reality is that today too many retailers are facing a problem they created. This begs the question, "How are all of those past corners cut, and responsibilities reassigned, looking to you now?" The saying "you can't reap in the fall what you failed to sow in the spring" is looking entirely prophetic to too many retailers in today's business climate.

Imagine creating a business plan that failed to budget any funding for the recruitment or training of your fabrication and delivery workforce, on either an initial or recurring basis, yet you intend to hold these same workers accountable when their performance is considered insufficient by the customer on the grounds "they should have known better."

You want a workforce that is loyal. You desire that both the worker(s) and their vehicles represent your business in a professional manner. You say that you care about them – just not enough to see that they and their families have access to vacation time, insurance and retirement plans. You've got to keep them "independent," right? While we're at it, let's pay them less in real dollars than was being paid 30 years ago. "Market conditions" you say. Then when you can't find a sufficient number of new workers that find your paltry benefits package acceptable your next course of action is to steal someone from a competitor but they aren't "trained" either. Brilliant!

"Sorry, but **the truth is often painful,** and the truth is: the **installation** element of the retail flooring industry **is a total mess.**"

I could go on, but hopefully you see my point. This isn't an attempt at humor. Sadly, it's behavior that I observe every day. Turn this type of a business plan in to a bank and they would first chuckle, and then decline any requests for funding. The denial must stop!

I recently read a quote from a large multi-store retailer saying, "Thankfully, most new introductions are easier and less complicated to install than the items that they are intended to replace." He saw this as an advantage to his firm. Seriously? Does any specialty retailer really think that dumbing down the installation process is going to increase their advantage when competing against the Big Boxes?

A few years ago, laminate flooring installation technology moved from a glue and clamp system to an easier click together system of installing, minimizing the need for installation expertise. How did that work out for you? Now that it's easier to install, the big boxes and online merchants account for roughly 70% of sales in the segment. Be careful what you wish for! Simplifying the installation process is likely not the path to success for an independent retailer either.

I'm sure that most of you are aware that the WFCA recently acquired the operational assets of the CFI. This is a venture we are obviously excited about as it will give our members an avenue to begin addressing their greatest issue today – finding qualified flooring installers. We will not only continue to support existing CFI programs, but are also preparing an array of new installation training programs that are not only for installers, but for sales and operational staff, as well.

Please understand the WFCA and CFI can only provide the tools. You have to use them. Simply belonging to the WFCA won't improve your installation efforts any more than merely belonging to a gym will make you look buff!

The practices that have been the norm for many years are simply outdated and not working to anyone's benefit anymore. Who's winning when these practices are executed today? Not the businesses. Almost to a fault, each will tell you installation is a bigger headache than ever before.

For the installer, the situation is grim too! If they had it as great as some retailers would like you to believe, why aren't young men and women lining up to join their ranks? Worse yet, the retail customer often becomes the victim of all of this dysfunction.

For too many years, we as an industry have been willing

Continued

PREMIER FLOORING RETAILER

Columnists
Dr. Stan Beecham, Annette Callari, Stacy Eickhoff, Randy Gravitt, Leah Gross, Jeffrey King, Josh McGinnis, David Romano, John Simonson, Michael Vickers

Publication Staff
Jeff Golden, Editor/Co-Publisher
Dan Lipman, Sales Manager/Co-Publisher
Arpi Nalbandian, Associate Editor
Tony King, Art Director

Editorial and Advertising Offices
JG Media Group LLC
4607 Lakeview Canyon Rd. Ste. 560
Westlake Village, CA 91361, (877) 742-6467
jeff@pfrmagazine.com; dan@pfrmagazine.com
www.pfrmagazine.com

WFCA
Scott Humphrey, Chief Executive Officer
Tom Jennings, Vice President, professional development
Freida Staten, Vice President, sales and marketing
Steve Abernathy, Chief Financial Officer
Kay Wiley, executive assistant to the CEO
Jenny Ostad, Manager, affliliate and affinity program
Gena Basenback, Manager, member services
Renee Gutierrez, administrative assistant

Offices
2211 E. Howell Ave., Anaheim, CA 92806
(800) 624-6880 (714) 978-6440 Fax: (714) 978-6066
E-mail: wfca@wfca.org
855 Abutment Road, Suite 1, Dalton, GA 30721 (855) 330-1183

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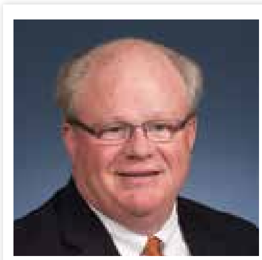
Can You Handle the Truth?, Continued

to turn our heads and lower our expectations in the name of getting the inventory out the door and on the floor. This must stop! Recently conducted WFCA-sponsored customer research indicates the average customer does not see the specialty retailer as being any more professional than the national big box competition. Deny this if you wish, but the fact remains in a nationwide survey, across markets of all sizes, there was only a 1% differential in the consumer's eyes. I'll bet that many of you are saying, "I don't believe it," or "I'll bet that they didn't shop my market." There could always be anomalies, but in the end it really doesn't matter what you or I think as the customer is funding the enterprise anyway, and that is their perception.

While we must all recognize that a lack of qualified installers may be an industry-wide crisis, not being able to find installation talent in your market is your problem in the end. You can continue to live in denial, or you can decide to become the truly professional firm that many customers are desperately looking for. Remember, the survey did not say the customer didn't desire or wouldn't pay more for a superior experience. In fact they do so in many fields every day. They will absolutely do so for an installation-dependent purchase such as flooring. A clear finding from the study is she doesn't think the typical specialty dealer offers any more value in her eyes. That is a very important distinction. Would you want to pay more for what you perceive to be the same? Of course not! Neither does she. Since there is a certain sameness to product, providing a superior installation experience is an excellent avenue for you to differentiate yourself from the competition. Otherwise, you will be forced to constantly play the price game with the national retailers. Sorry to say, the smart money would not be on you to win that battle long-term.

In many respects, decision time has arrived for the independent flooring dealer. Do you have the conviction to improve and build a better operation that offers differentiation and execution like no one else in your market from your front door to the customer's front door? Or, are you content to continue in a state of mediocrity, eventually becoming irrelevant in your market? The choice is yours. But don't too take long to decide. The clock is ticking! ■

ABOUT THE AUTHOR



Tom Jennings is a lifelong member of the flooring business. Since selling his family's retail business in 2006, he has served the industry as an educator and speaker. He is a past-board chairman of the WFCA and is currently the board chairman of WFCA Services, Inc. and WFCA vice president of professional development. He may be reached at tjennings@wfca.org.

Secret Shopper: How Consumers View Independent Flooring Retailers & Big Boxes, Part III - In-Home

By David Romano, Founder and Owner, Benchmarkinc

Editor's Note: *This is Part 3 of a four-part series presenting the results of a Secret Shopper case study going through the four steps of the flooring purchase process at 108 flooring stores, including independents and Big Boxes in six markets: Atlanta, Dallas, Kansas City, Los Angeles, Philadelphia and Phoenix. In each of the markets, metropolitan, suburban and rural stores were included.*

Selling flooring to a retail customer is a lot like convincing Tiffany, the most popular girl in your sixth grade class, to go steady. First, you have to figure out how you are going to approach her and make enough of a good impression so that the door of opportunity starts to open. Then, you spend days watching her behavior patterns. Finally, you rehearse for countless hours in the mirror what you are going to say to ensure you have your pitch just right. Doesn't it sound familiar when looking at what a flooring sales associate must do to make the right first impression with a customer? A sales associate first needs to identify the customer behavior patterns, then determine the needs and, finally, refine the selling strategy to convince customers that they indeed are the one to trust when making a flooring purchase.

According to the survey conducted by the World Floor Covering Association and Benchmarkinc independent retailers were more successful in getting Tiffany's attention than their Big Box rivals. Their in-store score was 63.8 points, on a 100-point scale, versus 58.2 for the Big Box retailers.

Now that the door to Tiffany's heart is open, she is going to want to know why she should consider you a good mate versus Johnny who has been passing notes her way for the last five days. This is where you create the most awesome mix tape that includes great hits of the 80s like: "Two Out of Three Ain't Bad" by Meatloaf, "Open Arms" by Journey, "All Out of Love" by Air Supply, and the attention grabber "Do You Think I'm Sexy" by Rod Stewart. You come up with the genius scheme of having your buddy Bobby tell her friend Amber that you like her, hoping that she inadvertently tells Tiffany. Although strange, this method produced some amazing results; at least that is what I have heard.

Now let's see how Independent Retailers stacked up when it came to taking things to the next step. We know they make a better first impression, but do they keep the momentum going when trying to show value, illustrate benefits, and portray the reason why they should be the apple of the customer's eye? The direct answer is, no. Big Box retailers rated nearly 10% higher once they got in the home to measure.

During this study, the Secret Shoppers rated their in-store, in-home, and quote/follow up experience. In our previous article, the analysis was primarily on the in-store experience. This article will focus on the in-home portion. The next and final article for this survey series will reveal the quote/follow up experience.

Throughout the in-home process, the Secret Shoppers were required to rate their experience related to particular practices exhibited by the sales/measure associate. As with the previous report, the ratings and/or responses for how the customer felt about those 23 items were then analyzed to see the overall effect on:

1. The total score
2. The in-store score
3. Whether or not they would purchase a product from that retailer
4. Whether or not they would refer a friend to make a purchase from that retailer
5. The average amount quoted by the sales associate

The results of the study **(See Chart 1)** indicate that Big Box Retailers scored significantly higher than Independents when it came to the in-home experience. These results are illustrated in the following table.

1. Comparative Data

Variable	Total Average	Big Box Average	Independent Average
Total Score	58.6	57.9	58.9
In-Home	61.9	66.1	59.6
Would You Purchase	62.8%	51.4%	58.0%
Would You Refer	68.1%	54.1%	63.8%
Average Quote	$1,642	$1,562	$1,685

If one can take a neutral position and understand the dynamics of both parties being analyzed, then this score can be explained. The overwhelming majority of Big Box retailers have their measures completed by a specialized subcontractor who completes many measures per day. Some even have the installation subcontractor complete the measures. These subcontractors are held to very high standards and if their ratings fall below standard, then they are switched out for another subcontractor in the blink of an eye. I have many clients that provide these services and I am amazed at the level of performance required to stay in good standing with

Continued


BEFORE
Badly damaged ordinary gypsum in a multi-family housing situation
AFTER
Floor primed with KH Fix and Schönox APF poured directly over broken gypsum
MAN VS FLOOR
SCHÖNOX SECOND ANNUAL WORST SUBFLOOR CONTEST
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Secret Shopper, Continued

the contract. Those who are measured and held accountable tend to produce at higher than average levels.

Many of the Independent Retailers have their sales associates complete the measure in-between handling customers in the store or at the beginning or end of a shift. I am heavily in favor of sales associates completing their own measures due to increased close rates and average tickets, but in order to achieve those results, they must be properly trained, spend enough time building rapport with the customer, and do the job right. Having someone complete the measure that is ill prepared or cannot allocate the right amount of time to do a proper job is counterproductive.

Before we get into the details, let's talk about some very interesting global observations. Shoppers, in general, reported the in-home experience received from Big Box retailers to be more professional. They were also impressed with the process and the technology. Here are some facts to consider:

- 41% of the shoppers received phone calls the morning of the measure to confirm appointment and set expectations. 59% for Big Box and 28% for Independents;
- For the most part, the measure person showed up on time to the appointment; just over 10% were late;
- The majority of measures lasted less than 20 minutes. 32% of Independents took over 20 minutes and only 22% of Big Box stores took over 20 minutes;
- 48% of Independents did not have the sales associate that assisted the shopper in-store measure the job;
- 4% of shoppers felt that the appearance of the measure person was negative; 3% for Independents and 5% for Big Box;
- 83% of the shoppers felt the measure staff was friendly and helpful; 81% for Independents and 86% for Big Box;
- 9% of the measure staff made suggestions about flooring for any other rooms; 10% for Independents and only 5% for Big Box;
- 13% of shoppers reported the measure associate seemed rushed;
- 49% of the Independents completed the measure with a tape and paper;
- 9% of the time the measure associate left a folder with summary of next steps or promotional material;
- 21% of the measure associates presented the shopper with a quote at the time of measure

Now, here comes the fun part. Let's take a look at what happened to the score of both the Independent and the Big Box stores when the secret shoppers were asked how they perceived they were treated during the in-home experience. In order to analyze the shoppers' perception of how they were treated, specific practices were selected. In the following tables, the column labeled "Affected Score" represents the new score that resulted from the individual effect each particular practice had on the stores' ratings.

2. Did Not Show Up Within 2-Hour Window - Big Box Stores

Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	61.8
In-Home	61.9	66.1	63.3
Would You Purchase	62.8%	51.4%	13.5%
Would You Refer	68.1%	54.1%	13.5%
Average Quote	$1,642	$1,562	$1,525

3. Did Not Show Up Within 2-Hour Window - Independent Retailers

Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	57.4
In-Home	61.9	59.6	41.7
Would You Purchase	62.8%	58.0%	8.7%
Would You Refer	68.1%	63.8%	8.7%
Average Quote	$1,642	$1,685	$1,948

(See Charts 2 & 3) The data illustrates that when the measure associate was late for the appointment, the shopper was not very likely to make a purchase or provide a referral. It's also apparent the shoppers were less forgiving for the Independent Retailers.

Continued

Secret Shopper, Continued

4. Measure Took More Than 20 Minutes - Big Box Stores			
Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	61.8
In-Home	61.9	66.1	66.0
Would You Purchase	62.8%	51.4%	35.1%
Would You Refer	68.1%	54.1%	35.1%
Average Quote	$1,642	$1,562	$1,660

5. Measure Took More Than 20 Minutes - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	63.8
In-Home	61.9	59.6	67.4
Would You Purchase	62.8%	58.0%	33.3%
Would You Refer	68.1%	63.8%	33.3%
Average Quote	$1,642	$1,685	$2,034

(See Chart 4 & 5) This table presents a mixed bag of results. When the measure took longer than 20 minutes, the in-home rating for the Independents increased, but the percentage of those who would purchase or refer was reduced. An explanation for this could be that because the average ticket was higher, the shoppers required an even greater increase to the overall in-home experience to feel comfortable with making the purchase.

6. Did Not Complete Measure - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	60.0
In-Home	61.9	59.6	67.6
Would You Purchase	62.8%	58.0%	47.8%
Would You Refer	68.1%	63.8%	47.8%
Average Quote	$1,642	$1,685	$1,466

(See Chart 6) There is not a table for the Big Box stores because over 98% of the shoppers reported that the in-store associate was not the person who completed the in-home visit. For Independent Retailers, the data indicates both the average transaction and the percentage of shoppers who would purchase were much lower.

7. Appearance of Measure Associate Not Positive - Big Box Stores			
Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	48.5
In-Home	61.9	66.1	41.7
Would You Purchase	62.8%	51.4%	5.4%
Would You Refer	68.1%	54.1%	5.4%
Average Quote	$1,642	$1,562	$1,858

8. Appearance of Measure Associate Not Positive - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	50.0
In-Home	61.9	59.6	55.6
Would You Purchase	62.8%	58.0%	4.3%
Would You Refer	68.1%	63.8%	4.3%
Average Quote	$1,642	$1,685	$2,589

(See Charts 7 & 8) The data for this practice indicates both good and bad news. On one hand, less than 4% of the Secret Shoppers reported the appearance of the measure associate as an issue. However, the bad news is that once a bad impression was made, for both sets of retailers, the customers were highly unlikely to purchase or provide a referral.

(See Charts 9 & 10 - Next Page) The findings for this practice resemble the results for the in-store experience. When the measure associate was deemed friendly and helpful, the ratings and the likelihood of a customer to purchase and/or refer were greatly affected. Both the independent and Big Box retailers rated high in in-home and purchase percentages.

Continued

Secret Shopper, Continued

9. Associate Was Friendly and Helpful - Big Box Stores			
Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	60.0
In-Home	61.9	66.1	71.8
Would You Purchase	62.8%	51.4%	86.5%
Would You Refer	68.1%	54.1%	86.5%
Average Quote	$1,642	$1,562	$1,516

10. Associate Was Friendly and Helpful - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	61.6
In-Home	61.9	59.6	68.6
Would You Purchase	62.8%	58.0%	81.2%
Would You Refer	68.1%	63.8%	81.2%
Average Quote	$1,642	$1,685	$1,640

11. Associate Was Not Friendly and Helpful - Big Box Stores			
Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	55.6
In-Home	61.9	66.1	41.7
Would You Purchase	62.8%	51.4%	8.1%
Would You Refer	68.1%	54.1%	8.1%
Average Quote	$1,642	$1,562	$1,898

(See Charts 11 & 12) When analyzing this particular practice, the negative impact on the new scores comes as no surprise. Flooring is one of the largest purchases a consumer will make in a lifetime. If customers do not feel the staff is friendly and helpful, then they are likely to take their business elsewhere, regardless of the price. This is apparent when looking at the data above for the likelihood of who would purchase or offer a referral.

12. Associate Was Not Friendly and Helpful - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	50.1
In-Home	61.9	59.6	50.0
Would You Purchase	62.8%	58.0%	5.8%
Would You Refer	68.1%	63.8%	5.8%
Average Quote	$1,642	$1,685	$2,635

13. Associate Seemed Rushed - Big Box Stores			
Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	58.3
In-Home	61.9	66.1	45.8
Would You Purchase	62.8%	51.4%	10.8%
Would You Refer	68.1%	54.1%	10.8%
Average Quote	$1,642	$1,562	$1,561

14. Associate Seemed Rushed - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	51.6
In-Home	61.9	59.6	56.5
Would You Purchase	62.8%	58.0%	13.0%
Would You Refer	68.1%	63.8%	13.0%
Average Quote	$1,642	$1,685	$1,709

(See Charts 13 & 14) Not taking the time to build rapport or giving the perception of being rushed caused the purchase and referral percentages to plummet. When customers felt unimportant and as if they were an inconvenience, the probability they would purchase was slim to none.

(See Charts 15 & 16 - Next Page) For most customers, making a decision to purchase flooring is scary. If customers

Continued

Secret Shopper, Continued

> The solution to this poor performance is simple…build rapport; and establish needs, show up on time, dress nicely, and keep the customer informed about what happens next.

15. Setting Expectations of Next Steps - Big Box Stores			
Variable	Average All	Big Box Average	Affected Score
Total Score	58.6	57.9	61.6
In-Home	61.9	66.1	71.3
Would You Purchase	62.8%	51.4%	81.1%
Would You Refer	68.1%	54.1%	81.1%
Average Quote	$1,642	$1,562	$1,581

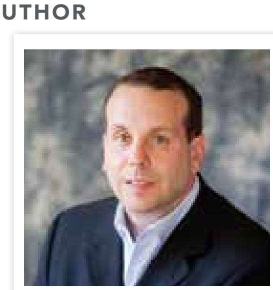
16. Setting Expectations of Next Steps - Independent Retailers			
Variable	Average All	Ind. Retailer Average	Affected Score
Total Score	58.6	58.9	62.4
In-Home	61.9	59.6	69.7
Would You Purchase	62.8%	58.0%	78.3%
Would You Refer	68.1%	63.8%	78.3%
Average Quote	$1,642	$1,685	$1,675

are confused or uncertain throughout the process, then they are going to be more apprehensive during each step of the process. That point is highlighted above. When the Shoppers understood what was coming scores increased as did the likelihood that they would purchase or refer a friend.

We all know the heartbreak of Tiffany liking Johnny more can have a nearly devastating effect, for close to a week, on any sixth grader. That is until they figure they like Monica just as much.

The unfortunate thing for an Independent Flooring Retailer is the heartbreak of losing customers to Big Box Retailers because they do a better job in-home. The solution to this poor performance is simple: send out qualified sales associates; have them get to know the customer, build rapport; and establish needs, show up on time, dress nicely, and keep the customer informed about what happens next. It really is a simple solution. As a matter of fact, it appears as if Lowe's and Home Depot have already figured it out. ■

ABOUT THE AUTHOR



David Romano is founder and owner of Benchmarkinc and its predecessor, Romano Consulting Group. David's professional career spans nearly 20 years of management experience in the retail, restaurant and consulting industries. His companies have been providing consulting, benchmarking, and recruiting services for nearly a decade exclusively for the flooring and restoration industries.

Design Snapshot: Main Street Commercial

By Annette M. Callari, Allied ASID; CMG

Your showroom may be geared to the residential customer, and that's great – but that shouldn't preclude you from taking on Main Street commercial work. The category should be an important ingredient in your formula for success. Based on your reputation and clientele, it probably comes to you anyway, via satisfied residential customers. Doctors, dentists, realtors, and accountants all have places of business that require floor coverings. So what do you need to do to attract and win even more of these projects? Here are some practical suggestions:

Build Your Library

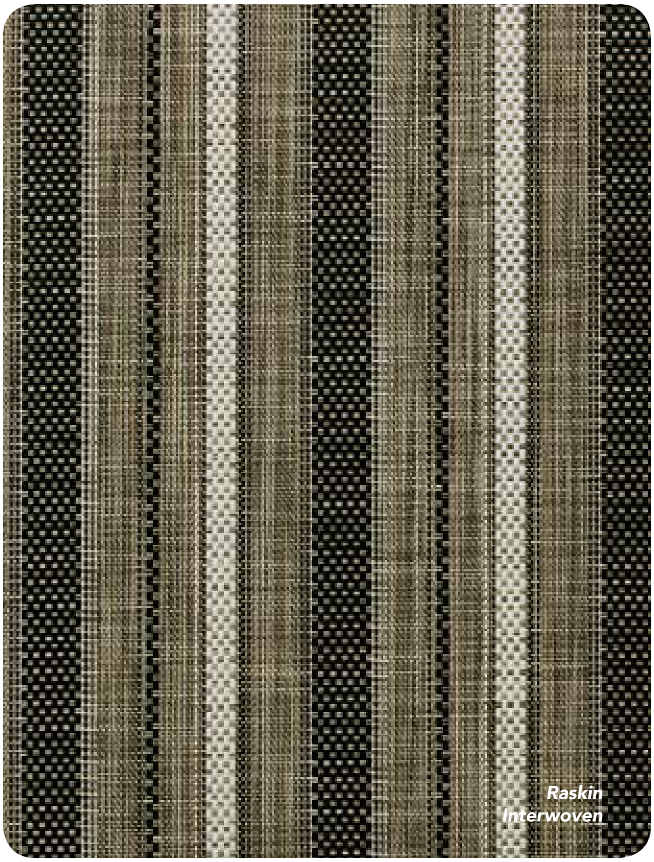
If you don't already have an adequate commercial library built – get to it. You already have strong mill ties for your residential needs, those same mills can provide you architect folders to get you started. Shaw, Mohawk, Bolyu Commercial are a great place to start. Once you have samples and pricing, you need to let your customer base know that you have this capacity. E-blasts are a perfect way to remind former customers or announce to them your Main Street direction. On a daily basis, every sale you make should be followed by an inquiry as to what they might need on the commercial side. The leads you generate from that simple question may astound you. One postscript to this: be sure your library is kept current and add new styles periodically to keep your selections up-to-date and design-relevant.

Know Your Limits

This might be the most important take-away from this article. It is so tempting to follow a lead that might land you a huge commercial project. But ask yourself: do you have the crews to handle this? Is your credit line sufficient to purchase the materials? Can you cover expenses for the 60 to 90 day terms expected of you? Do you need to be bonded? Will your crews work nights and weekends to accommodate the business' needs? The list goes on as to special needs for large projects. This is not your every day Main Street commercial, and although it's very enticing, it's a very specialized field and one wrong step could be disastrous for your business. The rewards may be high, but so are the risks. Stick to what is comfortable and expand your capacity incrementally.

Network Locally to Find Commercial Leads

It's amazing how affiliations lead to new business. Your local



Raskin Interwoven

Armstrong Safety Zone

Continued

Commercial Floors, Continued


Mannington Commercial Insight Crossbar Iron

Chamber of Commerce, Small Business Owner's Clubs, Rotary, Elks Club, church affiliations – all are potential sources for new commercial business. Given the choice, most professionals prefer to do business within their own community, which puts you at a definite advantage.

Build an Online Portfolio

You don't need to invest in a professional photographer to build an online commercial portfolio. Just make sure you photograph each completed Main Street project and add it to your website. One small tab that leads to your gallery of commercial photos speaks volumes. Be sure you have identified projects featured online, and if requested, provide contact names for references.

Attend a Local Commercial Trade Show

What better way to research what's available to you than to walk the halls of a floor covering trade show? Even if you can't hit one of the major shows nationally, the trend to host regional events is growing. The newest styles and colors (and sometimes previews of experimental products) are showcased under one roof to make your search easier.

Connect with Commercial Designers

I know this is easier said than done, but there are so many competent designers who work out of their homes and really could use the commercial resources you have in your library. ASID is a well-respected association of professional designers, and industry memberships are available. That entitles you to attend the monthly chapter meetings and also give a brief talk describing your services to the membership. What better way to convey the fact that you are open for Main Street business. You can find out more information on the website for the American Society of Interior Designers (www.asid.org).

Reconnect with Customers

Former customers are a goldmine. If you are serious about building your commercial business, then designate one of your staff to contact former customers. Specifically asking about their work-place floor covering needs could net big results.

Tap Into Marketing and Web-Based Resources

Are you part of a buying group? If so, then capitalize on that affiliation. The merchandising, advertising and marketing


Creekwood American Olean

> Your showroom may be **geared to the residential customer,** and that's great – but that **shouldn't preclude** you from taking on Main Street **commercial work.**

benefits offered to members might help expand your commercial horizons. Also investigate key suppliers' websites. Online, virtual "design a room" spaces allow the user to plug-in various types of floor coverings with the click of a mouse to help visualize the end result. This tool can assist the design process immeasurably. You can utilize these kinds of tools to make your own product presentation to an end-user, showing rather than telling how different floor coverings will look in their space.

As a commercial designer and product specifier for many years, I see more and more mid-sized Main Street projects being awarded not to the big flooring contractors, but to the local retail store owner. This is because of their good reputation and established business relationships. As long as you are respectful of your true capacity and installation abilities, these types of jobs add a solid baseline to your business. But finding that comfortable ratio of commercial to residential projects is the key. Slow, steady growth in both sectors should be the long-term goal.

Product Showcase

Here are a few suggestions to get you started with some recent product stand-outs:

Shaw Contract The Park

Porcelain Tile: Creekwood is a warm natural-toned floor tile from American Olean (Daltile) offering an authentic wood visual. It's a durable tile suited for high-traffic residential and commercial uses.

Carpet: Shaw Contract The Park. The unstructured linear design of this carpet tile collection is fresh and nature-based. Seven carpet tile designs in a range of formats make up The Park collection. Bringing nature into the workplace is the ultimate goal.

Resilient: Armstrong Commercial Flooring has added Safety Zone Sheet to its current safety tile offering. This new slip-retardant sheet provides a through-pattern construction. Karndean's new 30 mil collection of Art Select LVT stone looks are flawless. Slates, travertines, marbles and limestones are perfectly replicated in commercial-grade LVT. Mannington Commercial's Insight Plus Crossbar is a nature-inspired pattern. The collection features stone and wood visuals and low maintenance with Quantum Guard HP wear layer for moderate commercial applications.

Woven Vinyl: Unique in the floor covering market are woven floor coverings made from extruded vinyl yarns (some with metallic yarns), brought to market by Chilewich. Tiles in 18"x18" size have been the traditional format, but at Neocon this year, Chilewich introduced 6"x36" planks.

Vinyl Tile: Electrostatic discharge (ESD) tile is an important category to commercial design. Newcomer to the ESD category is Flexco's introduction Delane, a flecked style in 12 new colors. The solid vinyl tile contains 10% chip content to create an inviting new look for the commercial market.

Sheet Linoleum: Sheet linoleum lends itself to creative curvilinear designs. Forbo Marmoleum is a leader in offering brightly colored sheet linoleum, and their Marmoleum Real offers 59 incredible colors that provide designers all they need to create artistic floors. ■

ABOUT THE AUTHOR

Annette Callari is an interior design expert with over 20 years of residential and commercial design experience. An allied member of the American Society of Interior Designers and a Chair Holder of the Color Marketing Group International, she is the Southern California commercial sales specialist for Karndean Design Flooring.

Piece-Rate Compensation:

Get Ready for the Changing Rules

By Jeffrey King, General Counsel for the WFCA

Paying a piece-rate is one of the most common practices for compensating flooring installers. This compensation method is perfectly legal if properly executed and documented. It is often assumed however, if retailers pay a piece-rate, they do not have to worry about minimum wage or overtime pay. To the contrary, the requirements of the federal Fair Labor Standards Act (FLSA) and state wage and hour laws requiring minimum wage and overtime pay still apply. These laws require the flooring retailer or contractor to keep track of employee hours and to ensure each employee is paid minimum wage and all overtime due.

Unfortunately the calculation is more complicated than simply dividing the hours an employee works by the amount paid to see if it equals or exceeds minimum wage. Further complicating the calculations, is the growing trend to require additional compensation for rest periods and down time. These trends are also adding another basis to expand the recent attacks on independent contractor classification.

How Do I Calculate the Proper Hourly Rate?

The federal Wage & Hour Division defines piece-rate as the "regular rate of pay for an employee paid on a piece work basis ... obtained by dividing the total weekly earnings by the total number of hours worked in that week." The total hours must include all time worked, including traveling to a job site from the employer's premises, picking up job materials and similar time.

This calculation must also take into account any overtime worked by the employee. To use the example provided by the Wage and Hour Division who enforces the FLSA, assume an employee worked 45 hours and was paid $675. The regular hourly rate for that week would be $15 ($675 divided by 45 hours); a rate well over minimum wage and minimum overtime rate. This only determines the non-overtime rate. The employee is entitled to time and a half for the five hours of overtime, ($22.50 an hour). Since the $675 already paid included the $15 base rate, an additional $7.50 (half the regular rate) must be paid for each hour worked over 40 hours. This would require the employer to add an additional $37.50 for a total pay that week of $712.50.

This calculation may need to be further modified to accommodate specific state laws. In California, for example, an employee is due overtime for any time worked over eight hours in any given day, even if the week's total hours were 40 hours or less. Accordingly, an employee who worked four 10-hour days would be owed eight hours of overtime.

To calculate the correct amount, therefore, the employer must keep track of the worker's hours. It is important that the employer keep accurate time records showing the hours

"Effective January 1, 2016, it will become much more complicated to pay employees on a piece-rate basis in California."

> It is important that the employer keep accurate time records showing the hours worked and that it used the approved methods to calculate wages.

worked and that it used the approved methods to calculate wages. If the dealer fails to have these records, it may be largely defenseless to employees' claims that it did not pay them the minimum wage, overtime or both.

What About Breaks and Down Time?

Federal and most state laws require minimum rest and meal breaks. All meal breaks should be eliminated from determining the hours worked. The federal rules and most states allow the employer to include rest breaks and nonproductive time in calculating the total hours worked. There is a trend, however, to require the employer to pay separately for rest time.

A. California's New Law

Effective January 1, 2016, it will become much more complicated to pay employees on a piece-rate basis in California. Under a new law (CA Labor Code § 226.2), an employer will be required to account and pay its piece rate employees for nonproductive work time and for rest and recovery periods.

The new law imposes three basic requirements:

1. Nonproductive time: Employers must pay piece-rate employees for other nonproductive time at a rate that is no less than the minimum wage. If employers pay both an hourly rate for all hours worked and a piece-rate rate as an incentive, then those employers would not need to pay amounts in addition to that hourly rate for other nonproductive time.

2. Rest and recovery periods: Employers must separately compensate piece-rate employees for rest and recovery breaks. These breaks must be paid at an hourly rate no less than the greater of either the applicable minimum wage or the employee's average hourly wage for all time worked (exclusive of break and recovery time) during the work week.

3. Wage Statements: Employers will be required to add to an employee's wage statements the following information:

- The total hours of compensated rest and recovery periods, the rate of compensation for those periods, and the gross wages paid for those periods during the pay period; and
- The total hours of other nonproductive time, the rate of compensation for that time, and the gross wages paid for that time during the pay period.

It is recommended that, at a minimum, California flooring retailers or contractors should consider the following actions:

1. Remember to deduct all 10 minute rest periods from the total time spent in calculating the average hourly pay for piece-rate work. Under California law, the employer must provide a rest period for every 3½ hours worked. The rest period must be at least 10 minutes for every four hours worked. To comply with the new law, it is recommended that each employee paid on a piece-rate basis should automatically have 10 minutes paid at the average piece-rate for every four hours.

2. Be sure not to include meal breaks in calculating the average hourly piece-rate pay.

3. Clearly identify what is included in the piece-rate. Picking up flooring products to install and traveling to the construction site is likely part of the piece-rate work.

4. Identify what is not included in the piece-rate. If an installer is required to report to your store each day rather than directly to the worksite, the travel time may be considered nonproductive. Similarly, time spent waiting for the retail store to deliver products or make them available for pickup is probably nonproductive time that must be compensated at minimum wage.

To use the earlier example, an employee works from 7 a.m. to 4:30 p.m. for a week, for a total of 45 hours. The employee is paid a total of $675 based on the amount of flooring installed under your piece-rate. Assume a half hour for lunch, two 10-minute breaks and 20 minutes of nonproductive time each day. In a five-day work week, the total rest period would be 1 hour and 40 minutes (two 10-minute breaks per day for five days). This 1 hour and 40 minutes must be subtracted from the piece-rate hours for a five-day work week total of 43 hours and 20 minutes. The hourly pay rate calculates to $15.58 ($675 divided by 43 and 1/3 hours). You would need to pay the employee an additional $38.94 for the five hours of overtime and an additional $25.96 for the 1 hour and 40 minutes of break time. In addition, you need to pay the employee for 1 hour and 40 minutes of nonproductive time at the minimum wage of $10 an hour (effective January 1, 2016) for an additional $16.67. The employee's total pay for the week would be $756.57.

Continued

Piece-Rate Compensation, Continued

The new law follows a string of court decisions ruling that California law required separate payment for nonproductive time and rest and recovery periods. The courts reasoned that a piece-rate plan did not provide compensation for any activities that do not directly increase production. Accordingly, the courts already ruled that California law required employers to pay separately for all nonproductive time and rest periods.

The new California law provides a limited safe harbor for employers that: (1) have not been sued regarding these issues prior to April 2014; (2) come into compliance with all of the obligations under the new law before the December 31, 2015: and (3) pay actual or liquidated damages for unpaid time by the end of 2016. These steps will prevent the flooring dealer from being sued for back wages.

The California law is new and there will likely be litigation over what is nonproductive and rest time. The likely dividing line is whether the time is required to do the work being paid on a piece-rate basis. It is recommended you contact competent legal counsel to review your payroll to ensure it is in compliance with these requirements.

B. Other States

While the new California law applies only to employees in California, it is not the only state that interprets its laws to require separate pay for rest and down time. Washington State Supreme Court, for example, recently ruled that its wage and hour laws require pay for rest breaks, separate from piece rate. Washington state law requires a break for every three hours worked. The Court ruled that state regulation requires that rest breaks for pieceworkers be paid at the piece rate. As with the California law, in calculating the piece rate, the rest time had to be excluded in the hours worked. Thus, the total piece rate paid an employee for the week must be divided by the total hours worked minus the rest periods.

Many states have laws and regulations similar to those in Washington. Accordingly, it is possible that other states will begin to consider whether rest and nonproductive time needs to be paid for separate from and in addition to productive time for employees paid on a piece rate basis.

What About Independent Contractors?

The laws governing minimum wage and overtime apply only to employees and not to independent contractors. Simply paying on a piecework basis, however, will not automatically turn an employee into an independent contractor. Since employees can also be paid on a piecework basis, it is key

> Now is the time to review any piecework rates and your independent contractor relationships and take steps to minimize the risk of paying the correct rate.

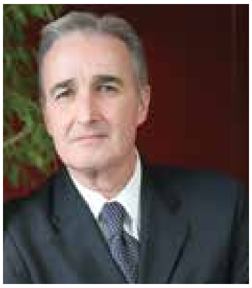
to have other indicators that the workers are independent contractors. Moreover, there is an increasing challenge to classifying workers as independent and not employees. The new California law and trend to separately pay for rest and nonproductive time will likely increase the attempts to find contractors to be employees subject to the laws and the new requirements.

The dealer should insist that the independent contractor provide invoices for all its work and the dealer should maintain a billing file for each independent contractor. The dealer should also have the contractor provide with each invoice the approximate total man-hours worked on each project. In fact, some state laws, such as Illinois, require the dealer to keep records of the days and hours that their independent contractors worked. The dealer should not insist that contractors record their time, or provide a breakdown by worker. Rather, all that is needed is the total of man-hours spent on each job. This will provide the dealer with the information needed to defend itself if contractors are found to be employees owed minimum wage and overtime.

Now is the time to review any piecework rates and your independent contractor relationships and take steps to minimize the risk of paying the correct rate.

Notice: *The information contained is abridged from legislation, court decisions, and administrative rulings and should not be construed as legal advice or opinion, and is not a substitute for the advice of counsel.*

ABOUT THE AUTHOR



Jeffrey King has more than 35 years' experience in complex litigation with a focus on contracts, employment, construction, antitrust, intellectual property and health care. He serves as general counsel for WFCA and other trade associations, and is a LEED Accredited Professional. For more information, contact him at (561) 278-0035 or jeffw@jkingesq.com.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How to Determine Your Marketing (Ad) Budgets

By Josh McGinnis, Owner, Unlock Your Biz

Flooring dealers have two basic questions when it comes to ad marketing: "How much should I spend?"; and, "Where and how should I spend it?" While there are no silver bullet advertising rules to follow, here are some guidelines to provide direction, consistency, and ultimately success. In part one of this two-part series, I will address three options for determining your marketing (advertising) budget.

First, it's important to create a budget or spending plan. Many retailers dread this step and avoid it. Some simply repeat the previous year's schedule or plan, while others simply make decisions based on competitive actions or as opportunities present themselves. Following any of these approaches is a bad idea.

> When determining your marketing budget, it's not only important to determine the dollar figure, but how your ad budget will be allocated throughout the year.

Successful dealers have a budget and a plan to attract and acquire in-market consumers and are consistently growing at a rate greater than the general market. I've noticed over the years there are three common methods to determining an advertising budget:

Budget Option #1: Match your competition. This could be someone in your city or in another part of the country. The idea is to do what someone else is doing and success will follow. The trouble with this plan is you really never know the actual dollars being spent and the strategy behind the budget and messaging. Furthermore, your customer base could be a completely different demographic. Playing follow-the-leader could take you down a very expensive path with little return on investment.

Budget Option #2: Owner Decision. This is another popular means of budgeting. It begins with limiting the marketing plan to one or two people's opinion of the market – typically the owner, president, or store manager – the best use of dollars spent, and how much is necessary to have an impact on the store. In today's technically advanced and ever-changing marketing world, this option can leave a retailer trailing behind his competitors while pouring money into less-performing options.

Budget Option #3: Percentage of Sales. This is the most common method used by successful retailers – regardless of the industry. There are two ways of doing this:

- **a.** Choose a percentage of last year's sales; or
- **b.** Predict what you believe this year's sales will be.

If you believe your market will experience a surge in new homes and renovations, then increase your advertising budget to maximize your potential gain. When selecting a percentage of sales, most successful retailers are spending between 4- 6%. Compared to other industries, 6% is average. I know of at least one large $10 million flooring store that spends almost 10%.

When determining your marketing budget, it's not only important to determine the dollar figure, but how your ad budget will be allocated throughout the year. Options include spending a consistent amount each month (dividing

> Successful dealers have a budget and a plan to attract and acquire in-market consumers and are consistently growing at a rate greater than the general market.

your total spend into 12 equal parts), or weighting your expenditure according to the buying cycle. Every dealer has a natural flow of sales where certain months are higher than others. December and January are examples of slow months where you might reduce your ad budget so you can spend more during the better selling months.

Once you take into account the months that are low and those that are high, you can adjust your advertising accordingly. Consider spending more of your marketing dollars the month before you expect an increase in sales. For example, if March is a strong month for you, then increase the amount in February. This is so you can capture consumers who may not have thought about purchasing or may have decided to delay a purchase. Capture their interest and entice them to buy.

Now that we have determined how much to spend and when on ad marketing, the next question is where to spend those marketing dollars. In part 2 of this series, I will cover how to allocate those monies for the best impact and return based on your store and community.

Meanwhile, your assignment before the next article is to determine the dollar amount of your 2016 budget, and identify which months produce the strongest sales for your store. ■

ABOUT THE AUTHOR

Josh McGinnis is in the top 5% of business coaches worldwide. He specializes in fixing marketing, sales, and people problems so his clients can maximize their growth potential. His clients routinely outperform the national average for their individual industries. This is part of the reason he has doubled his own business by word of mouth and referrals each year for the last four years.

Do the Right Things at the Right Time With the Right People & Watch Sales Grow

By Michael Vickers, Executive Director, Summit Learning Systems

Salespeople always have something to do. The best ones know which tasks to work on first. A successful salesperson should focus on the activities that have the biggest impact on making sales targets.

When you plan your day, week or month, determine which activities are closest to bringing in revenue and prioritize those activities.

A common attribute of top sales performers is having a daily routine, thus allowing them to complete the specific tasks that generate revenues. Each day, they plan their calls and appointments and connect with as many potential buyers or customers as possible. Unfortunately, many salespeople work way harder than they have to. Why? Because many salespeople are task-oriented rather than purpose-oriented. Most are busy with activities that have no direct impact on their sales success.

Want a great exercise you can do with your team? Identify a list of tasks your salespeople do everyday and then have them secretly prioritize them. The final results might surprise you. Typically, you will find very little common ground among their responses. The lesson here is simple: What is a priority for one salesperson might not be for another.

There should be a common understanding from your sales team as it relates to their activities and which ones are the most important. So how do you decide which activity is more important than another?

The standard we always use is: What's closest to the money? When you plan your day, week or month, determine which activities are closest to bringing in revenue and prioritize those activities. Meetings or conversations with customers would be a better use of your time versus doing paperwork. Save your non-revenue generating activities for non-primetime hours or, if possible, delegate them. In other words, spend less time seeking time management solutions and allocate more time to high value activities.

Here are some additional strategies to help your sales team's productivity.

1. Weekly review and planning sessions. Capture everything you need to do for the coming week on Saturdays, and plan your upcoming week on Sundays. During the week, spend a few minutes at the end of each day to view your next day's activities.

2. Add everything to a To-Do list as soon as you think of it. If you dump everything into your list, you don't have to remember it, thus freeing up your brain to focus on more important tasks.

3. Do the most important tasks in the morning. Mornings are when we are more creative and productive. Also, try to avoid electronic interruptions or distractions for large chunks of time. The Internet can be a huge time-waster.

> A successful salesperson should **focus on the activities** that have the **biggest impact** on making sales targets.

4. Don't multi-task. It doesn't work! Your brain is incapable of doing two things at one time. It takes you 30-40% longer to get things done than if you were single tasking. Do one thing at a time and focus on it.

5. Check email twice a day. Email by its very nature is not urgent, yet we often treat it like it is. Try checking your email twice a day such as at noon and at 4 p.m., and you will cut down on a slew of interruptions. If you don't have the time to respond immediately, you will end up re-reading it later and cut into your productivity.

6. Write shorter emails. Most business professionals receive literally hundreds of emails each week and spend about one-third of their work time organizing, reading and replying to emails. Get in the habit of cutting the fluff from your emails and improve engagement by writing short and sweet messages. If it's more than three-to-five sentences, it's too long.

7. Shorten your meetings with customers. Instead of leaving open-ended time frames for your customer meetings, put a time limit on the meeting, such as 20-30 minutes. When you meet with the customer, let them know you have budgeted 30 minutes with them and confirm that it works for them.

8. Improve your follow-up. Keep your persistence up and make sure you stay connected with your customer following the initial meeting. The quality of your follow-up can often be the difference between winning and losing the business.

9. Qualify your opportunities more thoroughly. Well-qualified customers are ready to buy and will make a purchase either from you or your competitor. So if they don't buy from you, well, you do the math!

10. Improve your home office productivity. If you occasionally work from home you can improve your effectiveness by creating a separate work area that is different from your relaxing space. Stick to a disciplined work schedule as if you were in the office and make it easy for your team to connect with you while you are at home.

At the end of the day there's no single path to increased sales productivity. You can however, improve your efficiency and results over time by effectively employing the habits of top sales performers. ■

ABOUT THE AUTHOR

Michael Vickers is executive director of Summit Learning Systems, a provider of customized in-house training and e-learning programs; and author of the best-selling book, Becoming Preferred – How to Outsell Your Competition. Contact Michael at: www.michaelvickers.com.

UNITED STATES POSTAL SERVICE®
Statement of Ownership, Management, and Circulation (All Periodicals Publications Except Requester Publications)

1. Publication Title: Premier Flooring Retailer
2. Publication Number: 2 3 7 4 - 3 1 0 7
3. Filing Date: 9/28/2015
4. Issue Frequency: bi-monthly
5. Number of Issues Published Annually: 6
6. Annual Subscription Price: 0

7. Complete Mailing Address of Known Office of Publication *(Not printer) (Street, city, county, state, and ZIP+4®)*: 2211 E. Howell Ave., Anaheim (Orange County) CA 92806
Contact Person: Freida Staten
Telephone *(Include area code)*: 714/978-6440

8. Complete Mailing Address of Headquarters or General Business Office of Publisher *(Not printer)*: 2211 E. Howell Ave., Anaheim (Orange County) CA 92806

9. Full Names and Complete Mailing Addresses of Publisher, Editor, and Managing Editor *(Do not leave blank)*
Publisher *(Name and complete mailing address)*: Freida Staten, 2211 E. Howell Ave., Anaheim, CA 92806
Editor *(Name and complete mailing address)*: Jeff Golden, 4607 Lakeview Canyon Rd. Ste. 560, Westlake Village, CA 91361
Managing Editor *(Name and complete mailing address)*: Arpi Nalbandian, 4607 Lakeview Canyon Rd. Ste. 560, Westlake Village, CA 91361

10. Owner *(Do not leave blank. If the publication is owned by a corporation, give the name and address of the corporation immediately followed by the names and addresses of all stockholders owning or holding 1 percent or more of the total amount of stock. If not owned by a corporation, give the names and addresses of the individual owners. If owned by a partnership or other unincorporated firm, give its name and address as well as those of each individual owner. If the publication is published by a nonprofit organization, give its name and address.)*

Full Name	Complete Mailing Address
World Floor Covering Association	2211 E. Howell Ave., Anaheim, CA 92806

11. Known Bondholders, Mortgagees, and Other Security Holders Owning or Holding 1 Percent or More of Total Amount of Bonds, Mortgages, or Other Securities. If none, check box → ☑ None

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12. Tax Status *(For completion by nonprofit organizations authorized to mail at nonprofit rates) (Check one)*
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☐ Has Not Changed During Preceding 12 Months
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13. Publication Title: Premier Flooring Retailer
14. Issue Date for Circulation Data Below: September/October 2015

15. Extent and Nature of Circulation		Average No. Copies Each Issue During Preceding 12 Months	No. Copies of Single Issue Published Nearest to Filing Date
a. Total Number of Copies *(Net press run)*		10,100	10,100
b. Paid Circulation *(By Mail and Outside the Mail)*	(1) Mailed Outside-County Paid Subscriptions Stated on PS Form 3541 *(Include paid distribution above nominal rate, advertiser's proof copies, and exchange copies)*	0	0
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	(4) Free or Nominal Rate Distribution Outside the Mail *(Carriers or other means)*	1017	1130
e. Total Free or Nominal Rate Distribution *(Sum of 15d (1), (2), (3) and (4))*		10,055	10,065
f. Total Distribution *(Sum of 15c and 15e)* ▶		10,055	10,065
g. Copies not Distributed *(See Instructions to Publishers #4 (page #3))* ▶		35	35
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Statement of Ownership, Management, and Circulation (All Periodicals Publications Except Requester Publications)

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a. Paid Electronic Copies ▶	0	0
b. Total Paid Print Copies (Line 15c) + Paid Electronic Copies (Line 16a) ▶	0	0
c. Total Print Distribution (Line 15f) + Paid Electronic Copies (Line 16a) ▶	10,055	10.065
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17. Publication of Statement of Ownership
☐ If the publication is a general publication, publication of this statement is required. Will be printed in the November/December 2015 issue of this publication. ☐ Publication not required.

18. Signature and Title of Editor, Publisher, Business Manager, or Owner: Editor — Date: 9/28/15

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13th Annual Alan Greenberg Golf Tournament Raises Over $150,000 for FCIF

By Leah Gross

The 2015 Alan Greenberg Golf Tournament, hosted by CCA Global Partners and benefitting the Floor Covering Industry Foundation (FCIF), took place September 16th at Barnsley Gardens Resort in Adairsville, GA. The charity tournament was attended by more than 170 flooring executives from across the country and around the globe. This year's event raised $155,000 for FCIF to help people in need in the flooring industry.

"Hosting the annual golf tournament to benefit the Foundation is one of the highlights of our year at CCA," said Howard Brodsky, chairman and co-Chief Executive Officer, CCA Global Partners and FCIF chairman. "There is no other event like it that brings together executives from companies that ordinarily compete with each other for a day that benefits a cause we all care about. We are very pleased to be a part of such an organization whose soul purpose is to help our floor covering family."

The golf tournament attracts industry executives from all sectors– manufacturers, dealers, suppliers, retailers and others – who put their businesses aside and come together for a round of competitive play that benefits an organization for which they all care deeply.

This year's winning team was sponsored by ITEL and consisted of the following players: Hall Long, Shaw Industries; Lee Phillips and Chase Jones, both from PTL; and Nathan Day, Beckler's Carpet.

FLOOR COVERING INDUSTRY FOUNDATION

Charlie Hoffman from Milliken won Closest to Pin; Julius Shaw from Shaw Industries won Straightest Drive; and Hall Long won Longest Putt. In addition, the tournament included a putting contest - 1st place went to George Forte of Stanton; 2nd place to Ken Sherwood of Beaulieu of America; and 3rd place to Eric Parada of Tarkett.

"There is no other industry that takes care of its own the way the floor covering industry does," said Larry Nagle, president, N.L. Nagle, Inc. and vice chairman, FCIF. "We had more attendees at this year's tournament than ever before, which is testament to its importance. The golf tournament, which was started in 2002, has helped to raise nearly $2,000,000 for the foundation – now that is something to truly celebrate!"

The FCIF is a philanthropic organization that was founded

Awarding the Check -- From left are: Darcy Glidewell (Alan Greenberg's daughter); Scott Humphrey, FCIF president; Larry Nagle, FCIF vice chairman; Sharon Greenberg and Tod Greenberg.

There is no other industry that **takes care of its own** the way the floor covering industry does.

First Place Team sponsored by ITEL included Hall Long, Shaw Industries; Lee Phillips and Chase Jones, both from PTL; and Nathan Day, Beckler's Carpet.

in 1985 by industry leaders Walter Guinan, Al Wahnon, Harry Saul and Nagle. The FCIF is dedicated to providing financial assistance to floor covering industry professionals who experience catastrophic illness, severe disability, or other life-altering hardships. Since its inception, the FCIF has distributed approximately $4 million to recipients in need. The Foundation is dependent on charitable contributions from companies, manufacturers and industry associations. The amount of assistance that can be provided, as well as the number of beneficiaries who can be helped, is determined by the availability of funds.

"Clearly our efforts are paying off as more and more people recognize the importance of FCIF and giving back to our industry," said Charlie Dilks, chief product officer, CCA Global Partners. "It's a great feeling to be a part of this organization."

Putting Contest Winners -- From left are: 1st place: George Forte, Stanton Carpet; 2nd place: Ken Sherwood; Beaulieu of America; and 3rd place: Eric Parada, Tarkett.

"FCIF enhances our industry unlike any other organization," said Keith Campbell, chairman of the board, Mannington Mills and chief financial officer and treasurer, FCIF. "FCIF makes it possible for each and every one of us to touch the lives and help those who need it most in our industry."

Alan Greenberg Annual Charity Golf Tournament
2003 2015
Supporting the Floor Covering Industry Foundation

The Foundation makes aid available to individuals who have derived their primary income from employment in the floor covering business for at least five years, as well as to immediate family members of those individuals. The applicant or immediate family member must be in extreme financial need – with other sources such as family assistance, medical insurance and disability insurance depleted.

Since it's founding, the FCIF has granted millions of dollars to help those in need. Beneficiaries include retailers, installers, retail salespeople, distributor personnel, mill employees and executives.

The current FCIF board includes Howard Brodsky, chairman; Larry Nagle, vice chairman; Keith Campbell, chief financial officer and treasurer; Scott Humphrey, president; and Julius Shaw, corporate secretary. The FCIF is managed by the WFCA.

If you or someone you know in the floor covering industry has suffered a medical setback and is experiencing serious financial hardship – or if you'd like to help other industry families cope with life-altering adversities –then please visit fcif.org.

Individuals and companies interested in registering to sponsor, participate or advertise in the 2016 FCIF golf tournament fundraiser can obtain more information by visiting www.alangreenbergfcif.com; or by contacting Paula Holt at (800) 466-6984 ext. 1101, or pholt@ccaglobal.com. ■

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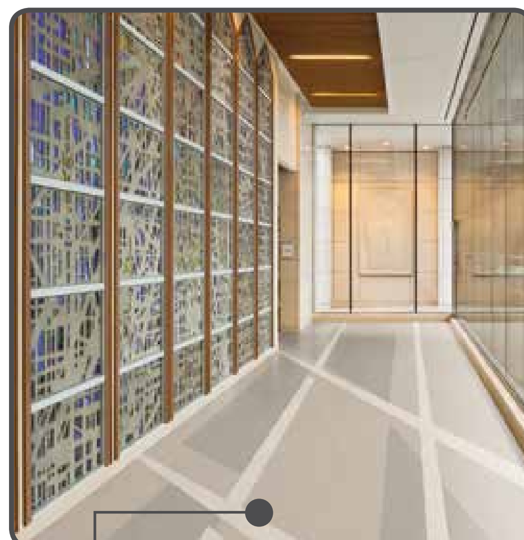

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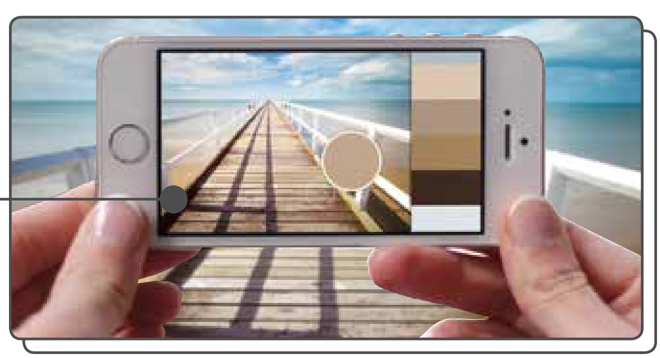

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Hall of Fame Inductee 1992: Howard Brodsky

Howard Brodsky is Co-Founder, Chairman, and Chief Executive Officer of CCA Global Partners, one of the largest privately held companies in the United States; and the second largest private company in the state of New Hampshire. Brodsky, along with the founding team, is responsible for creating a cooperative retail powerhouse in the marketplace. CCA is comprised of 13 companies from retail stores to lighting stores to biking stores to skiing stores totaling over 3,300 locations with aggregate sales of over $10 billion.

Brodsky was inducted into the World Floor Covering Association Hall of Fame in 1992 and currently serves as Chairman of the Board of the Floor Covering Industry Foundation (FCIF), a charitable organization founded in 1980 with a mission to financially assist floor covering industry colleagues who experience catastrophic illnesses/injuries, severe disabilities, or other life-altering hardships.

A pioneer of the cooperative business model, Brodsky has dedicated his career to helping entrepreneurs build successful businesses by providing the scale, resources and innovation to compete in an evolving marketplace. Brodsky's most significant accomplishment was his induction into the Cooperative Hall of Fame, established by the National Cooperative Business Association to recognize individuals and companies who make unparalleled contributions in advancement of the principles of cooperation in the United States. Another of Brodsky's notable accomplishments was being inducted into the Entrepreneur Hall of Fame, along with Michael Dell and Starbucks' Howard Schultz.

Most recently, Brodsky was named New Hampshire Business Leader of the Year. He has also been the recipient of many prestigious awards throughout his career including Retail Entrepreneur of the Year, and the U.S. Chamber of Commerce Blue Chip Enterprise Initiative Award.

Further, Brodsky was vice chair of the New England Chapter of CEOs Against Cancer. He also serves as chairman of the New Hampshire Better Business Bureau, as well as on the boards of Southern New Hampshire University, the Palace Theatre in Manchester, the New Hampshire Institute of Art, Elliot Hospital, and the National Cooperative Business Association.

In his spare time, Brodsky serves as a justice of the peace performing wedding ceremonies. To date, of the more than two-dozen marriages he has performed all remain intact. ■