

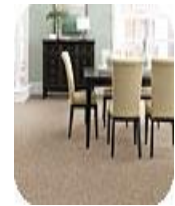


November 17, 2009

## Manufacturers Say: Green Products See Broadening Appeal

by Michael Chmielecki

Green is growing. Manufacturers say the interest in environmentally sustainable products continues to rise, and many predict the residential segment will eventually face similar green requirements as commercial products. They say stricter air quality regulations in states like California will undoubtedly have an impact on the manufacturing process nationwide. Additionally, they note consumers searching for green products want to know they're not only buying durable flooring, but helping the environment as well.



*Corboo from US Floors is a strand-woven bamboo product with cork seams infused into the structure of the strand.*



*Cashmere is part of Bliss by Beaulieu's Healthy Home line, featuring Green Smart PET polyester fiber made from recycled plastic bottles.*

Shaw Industries, like many companies in the industry, is putting its green philosophy front and center. The company's Shaw Green Edge platform incorporates everything from the company's range of eco-friendly products in hard and soft surfaces across five categories, to its Evergreen Nylon Recycling Plant in Augusta, Ga. The company also recently announced plans to build "the largest PET recycling facility in North America, which will recycle more than 5 billion plastic soda bottles each year" and a Reclaimed Carpet to Energy (Re2E) facility that will harness energy from reclaimed carpet materials, said Rick Ramirez, Shaw's vp sustainability and environmental affairs.

Ramirez said sustainable business practices are valuable to everyone in the industry. "We believe we can make our supply chain, manufacturing and distribution operations more efficient through sustainability while reducing our impact on the environment and enhancing our contributions to society, and offer ... environmentally responsible products to our customers. If we do it right, we create value for all our stakeholders," he noted.



*Red Oak Natural is part of Mullican's new FSC-PURE certified engineered hardwood line.*

He added he sees consumers gravitating to green products for several reasons. "Sustainability, environmental stewardship and corporate social responsibility are ever-growing expectations of consumers globally and are transforming the way progressive companies do business and meet customer requirements."

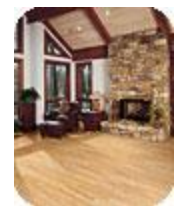


*Stanford Slate from Mannington is a residential resilient product made using recycled content.*

Dave Kitts, Mannington Mills vp environment takes a top-down approach to environmental sustainability. His company has earned FloorScore indoor air quality certification on its hard surface residential products and uses recycled content in many of its commercial and residential lines. The company also looks to leave as little an environmental footprint as possible.

Visitors to the Salem, N.J., headquarters will notice several projects pointing to Mannington's commitment, including a large colony of purple martins, a cluster of manmade beehives, and a landscape restoration to include a riparian buffer (an overgrown area near a stream or estuary) that acts as an important wildlife transition to the nearby wetlands.

Kitts noted he doesn't expect consumers to pay more for green products. "We need to work even harder to integrate environmental improvement and green product attributes at almost a cost neutral position," he said.



*Shaw's Epic hardwood, shown here in Rosedown Hickory, has received Cradle to Cradle Silver certification from McDonough Braungart Design Chemistry.*

According to Jenny Cross, Mohawk Industries' global sustainability director, sustainability should always encompass not only environmental but community stewardship. "The social component of sustainability is often overlooked," she said. "We have developed partnerships and relationships which help communities and individuals to strive [ahead]," noting the company is a longtime supporter of Habitat for Humanity and Global Green USA, among others.

Mohawk promotes its sustainable products and programs under the Mohawk GreenWorks umbrella. The company's EverStrand carpeting is made using recycled plastic bottles and material in its SmartStrand with DuPont Sorona carpeting is derived from corn sugar.

"We provide certification letters for all of our products, clearly supporting any green claims that we make to protect our retail partners and to provide transparency to the consumer," Cross said. "Marketing wise, when you understand that the consumer's needs are still driving the sale, then you continue to market primarily toward performance attributes with the sustainable characteristics being a big cherry on top."



*Rubber mulch is one of the products that can be derived from recycled rubber flooring through Roppe's IMPACT program.*

Patricia Flavin, Beaulieu of America's sr. vp marketing, said her company is becoming more green by cutting natural gas, electricity and water consumption at its plants. She added Nexterra backing, found in the company's commercial products, contains 85 percent post-consumer content. The residential Bliss by Beaulieu Healthy Home line is also green, she said.

"Green Smart is Beaulieu's proprietary PET Polyester fiber, made from 1.6 billion [recycled] soda and water bottles annually. Bliss by Beaulieu Healthy Home carpets are made 100 percent with Green Smart," she commented.

According to Melissa Quick, spokeswoman for Flexco, her company strives to ensure most of its products are eligible to earn the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) credits. "Almost our entire product line can contribute to LEED certification in some form," she said. "Each product contains post-industrial and post-consumer waste, recycled substances or renewable resources."

Brian Greenwell, vp sales and marketing for Mullican, said consumers are definitely more aware of a company's environmental impact. "Consumers are interested in green products," he said "Right now, very few are willing to pay [extra] for them. But all things being equal, the fact we have green products makes consumers more comfortable with our other products as well."

Mullican's green products include Forest Stewardship Council (FSC) PURE-certified hardwood flooring lines in solid and recently unveiled engineered formats. Mullican products also carry the Verified Sustainable label from Appalachian Hardwood Manufacturers Inc.

"We think that as consumers become better educated of the benefits of green, they will be more willing to pay for it. But right now, we're just doing the missionary work," Greenwell said.

John Woolsey, vp marketing and merchandising, Anderson Hardwood Floors, said there is a real advantage to offering sustainable products. "While only a small segment will seek out real green products and pay a premium for them, we believe that products found to be detrimental to the environment will require a hefty discount to be sold."

Anderson uses third-party auditors including Scientific Certification Systems to ensure "all of our domestic and imported timber sources come from verified renewable forestry programs. And when we find a species is being overharvested or is in danger, we discontinue selling it as we did with Santos Mahogany and Teak," Woolsey said.

The company is also one of the charter members of the Hardwood Forestry Fund. "Since 1990, we have planted a tree in our national forest for every consumer warranty registration we receive through the fund," he said.

Dee Dee Brickner, Roppe marketing coordinator, said her company is also focused on green, offering "23 (green) products that are not limited in color options, availability or have added costs." Roppe believes green is the responsibility of the manufacturer, whether or not consumers will pay extra, she said.

"We feel like if a manufacturer is truly committed to their green initiatives, then they will find a way to re-engineer their products to meet the needs of the green design community," Brickner noted.

*Mohawk's SmartStrand carpet is made using green DuPont Sorona polymer. Pictured here is the Horizon collection in Council Gardens, Etchware and Guided Path styles.*





*Tuflex Force from Flexco is made using 85 percent post-consumer recycled content.*

Roppe recently unveiled the IMPACT rubber products recycling program, which urges end-users to recycle old Roppe rubber products rather than sending them to the landfill. Samples can also be recycled. "Specifying our products today means that in 20 years when you decide to renovate, you can recycle [the products] – and that is huge," she added.

Kate Lowry, product manager for ECORE's ECOsurfaces Commercial Flooring line, said her company processes more than 80 million pounds of scrap tire rubber each year.

The recycled material ends up in a range of ECOsurfaces products for the commercial and health and fitness markets. "For the industrial market we manufacturer recycled cork, cork/rubber and rubber products for a wide array of applications," she noted.

Lowry added her company takes a sustainable approach to its entire operations. "Because recycling is the core of our business, all of our production scrap is automatically collected and recycled back into the system so nothing goes to waste," she said. "Our products are packaged on wooden pallets and use recycled newspaper or cardboard for shipment."

Ann Knight, vp marketing of bamboo flooring, panels and products maker Teragren, said her company's products are made in consideration of stringent environmental standards. "The bamboo sawdust created as a by-product of the manufacturing process is used to fuel boilers, rather than being discarded," she noted.

Teragren products also meet strict adhesive and finish standards; the company offers FloorScore certified bamboo flooring and SCS Indoor Advantage Gold certified bamboo panels and veneer. "Currently, Teragren's Washington State headquarters is carbon neutral, and carbon measurement is also underway at the company's factories in China and throughout its product transportation system," Knight added.

For Armstrong, one of the largest hardwood manufacturers in North America, a green philosophy is vital to the business, said Joseph DeZarn, director of marketing communications. "Armstrong has a program by which they replant and replenish the wood they use every year," DeZarn noted.

He also said an increased awareness of green is a benefit to everyone in the industry. "You will find product categories closer to, or further from, the intense center of the spotlight but the overall effect, as we are already

witnessing, is a rising tide of green consciousness – floating all boats. The green aspects of everything will matter more, not less,” he stressed.

Phillipe Erramuzpe, COO of cork, bamboo and FSC-certified hardwood flooring maker US Floors, also sees the importance of sustainability. The company recently completed phase one of a green project in which 180 photovoltaic solar panels were installed on the roof of its plant in Dalton, Ga. According to US Floors, the 31.5 kilowatts generated is enough to power four Georgia homes. Once the next two phases are complete, the output will exceed the estimated 94 kilowatts needed to power a significant portion of the plant.

He noted the awareness of green products and projects will only increase, until it becomes a de facto part of all flooring. “Ultimately, we feel that green products will become the standard as a result of government-imposed restrictions and the preferences of a [more] aware and discriminating customer,” Erramuzpe said.

Dan Smith, president of Smith & Fong Co., agreed. (His company offers a range of bamboo, palm and hardwood flooring.)

“Sustainable building products are a huge part of the new economy,” he said. “All stimulus package construction products are, or will be, built to LEED standards. With more green products emerging, prices will go down. And in the end, consumers will benefit.”