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Sam Simonton is making waves

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DAN WEARE ON ATTENDING MARKET

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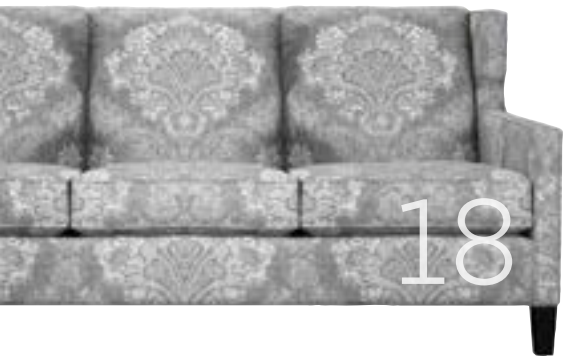
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MICHAEL J. KNELL

Giving you what you want

The organisers of the Canadian Furniture Show are taking a slightly different tack this year. They're giving the people what they say they want.

THERE'S AN OLD SAYING THAT GOES: BE CAREFUL WHAT YOU ASK for as you just might get it. Well, it seems Pierre Richard and the organising team running the Canadian Furniture Show are going to do just that with this year's event, which as we state frequently throughout this issue, begins May 25 at the International Centre in Mississauga.

The surveys conducted after every show say both retailers and exhibitors want the event's sole focus to be the product shown on the floor throughout this country's only national furniture industry event. They don't want seminars, social events or any other distraction that has the potential to take the retail buyer out of the displays and away from the product presentations.

So, aside from the gala held on the evening before market opens and the Trends Showcase in Hall 2, there will be no distractions. Those survey respondents are going to get exactly what they asked for. And, I have to say I'm curious to learn the results of this year's post-event survey.

There's also something else that should be kept in mind. Retail sales of furniture and mattresses have been climbing over the past five years or so. But the number of stores selling them has shrunk. This means every retail buyer walking the floor has more purchasing clout than he or she had just a short time ago. So, when someone complains about declining traffic, remember the traffic that's present has the potential to make a greater impact.

Richard was also correct to note those retailers and exhibitors who come to Toronto with a plan and a willingness to work are the ones who are going to come away satisfied with the event and enthusiastic about their prospects for the rest of the year.

Elsewhere in this issue, we have a few words of wisdom from Dan Weare. He offers retailers some easy to apply guidance about how to approach working a trade event such as CFS and offers a great quote from *Forbes* magazine which asserts the cost of not attending can be greater than actually going.

It seems that every year about this time, I get on my soapbox and preach my usual refrain: get yourself to market. I stand by that and hope to see you there.



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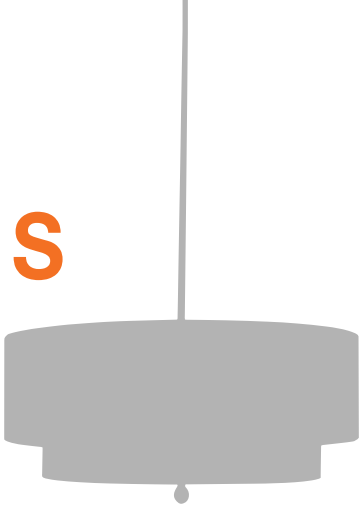
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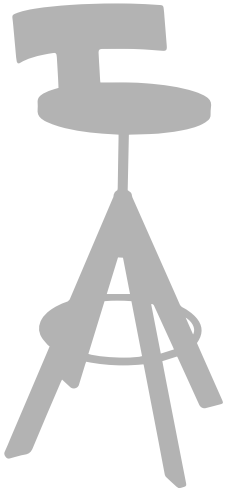
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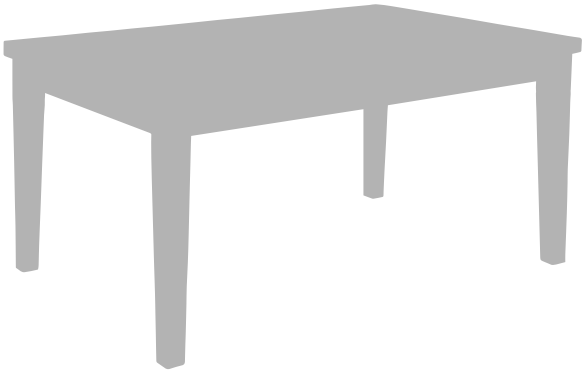
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STRONG VALUES AND RESPECT

Ray Kandola says the success of City Furniture & Appliances can be attributed to three factors: friendship, family and community. This year's Retailer of the Year for Western Canada has a wealth of all three and they're not finished yet.

BY MICHAEL J. KNELL



The City Furniture & Appliance outlet in Kamloops, British Columbia is the newest and largest in the chain at 45,000 square feet.

NO MATTER HOW MANY TIMES it's heard, it remains an uplifting and inspirational story. A young man leaves his essentially tropical home country and lands in British Columbia in the middle of winter where, after a lifetime of hard work is saluted and feted by his peers not only for his accomplishments but for the contributions he has made to his community as well.

This familiar story will once again be told when Resham 'Ray' Kandola, president of City Furniture & Appliances (CFA) receives the 2018 *Retailer of the Year Award* for Western Canada from the Canadian Home Furnishings Alliance (CHFA) at a gala that's set to be held immediately prior to upcoming Canadian Furniture Show.

As he recalls, he arrived in B.C. from India at the age of 18 in 1966 "full of hopes and dreams" even though it was the dead of winter. For the next few years, he worked in different jobs until eventually settling in Prince George to start work with his uncle who happened to be the furniture business. In those days, they worked in the store during the day and then sold door-to-door in the evenings. ▸



The City Furniture & Appliance Store in Salmon Arm, British Columbia.

A decade later and in partnership with two friends from his youth – Ted Sandhu and Ruby Sharma – Kandola opened the first CFA store in Prince George. In 1983, they embarked on their first expansion effort, which saw Sandhu relocate to Dawson Creek and Sharma to Vernon. It wasn't long before Kandola's nephew, Sid, joined the company and another CFA store was opened in Kamloops.

In 2018, the company is operating some 22 CFA stores throughout British Columbia and neighbouring Alberta. In fact, it just unveiled a new store in Kamloops, which at 45,000 square feet is the largest in the chain and three-times larger than the typical CFA stores. It also serves as a warehouse and distribution centre for the entire chain. The company also operates four Ashley Furniture Home Stores and expects to open a fifth in the not-too-distant future.

There are two features to CFA that make it somewhat unique in the Canadian marketplace. First, it is one of the few remaining full-line furniture stores left in the industry that remains committed to consumer electronics with a focus on television and home theatre products.

And each store in its chain is independently owned and operated. Kandola has four brothers and a sister, all of whom have children with a good number joining CFA as a store owner and operator. Each location is essentially a franchise although the owners meet regularly to discuss the state of the business and plot their collective future. "It's one of the reasons why we are doing so well," Kandola told *Home Goods Online* in an interview.

They are also enthusiastic members of Cantrex Nationwide.



Ray Kandola, president of City Furniture & Appliances, will be honoured as the 2018 Retailer of the Year for Western Canada later this month.

Kandola firmly believes CFA is successful because of its family-focused approach to selling furniture, mattresses, appliances and electronics. "We value knowing our communities and our customers' by name," he said.

"We treat customers like guests in our home," he continued. "We're always asking, 'how do they live? How do they want to live? How can we help?' That's the thinking behind our product lines as well as our overall commitment to outstanding service. Staying ▸

"We treat customers like guests in our home. We're always asking, 'how do they live? How do they want to live? How can we help?'"



The mattress gallery in City Furniture's new Kamloops store.



Home theatre furniture as displayed in City Furniture's new Kamloops store. The retailer is one of the few full-line furniture merchants that remains committed to consumer electronics, focusing on televisions and home theatre equipment.



Seen here is a view of the appliance department in CFA's largest store, located in Kamloops.

focused on our customers' needs, keeps us focused on what's important."

Being involved in the community has always been a gi part of City Furniture's day-to-day life with each operator supporting minor league sports and other activities in their own towns and cities. But once each year, the entire network comes together for a golf tournament, which is usually held as part of the CFA owners' annual meeting. Suppliers and other industry members are invited as well, turning it into a major fundraising event.

The tournament rotates among the cities where CFA has a location the beneficiary is usually a local charity, such hospitals, foodbanks or the Boys & Girls clubs. Over the 20 years or so during which the tournament has been held, Kandola estimates they have raised almost $250,000. This year's tournament will be held in Grande Prairie, Alberta in June.

"The strong values, respect, trust and honesty of the Kandola family have allowed City Furniture to grow to 20 stores in British Columbia. The stores are all owner-operated by family which has been the key to their success," CHFA chairman Mark Wiltshire said in his statement announcing their selection as the 2018 *Retailer of the Year* for Western Canada.

"The success of the City Furniture Group is attributed to three factors: friendship, family and community," he continued. "Developing strong relationships and friendships with suppliers and staff has been critical to the success of the organisation. Fostering these friendships has allowed for growth and expansion. A solid family base, the firm belief in family first and its morals and values was instrumental in the success of the business. It is the strength of the family that has carried the Kandola family and City Furniture into its third generation."

Some 43 years after its founding, City Furniture & Appliances employs some 300 people and is looking for continued over the coming years with a new generation getting set to take over the reins.

The 2018 *Retailer of the Year* for Eastern Canada is Germain Larivière. The three-unit Montreal merchant will also be honoured at the CHFA gala as will the 2018 recipient of the *Lifetime Achievement Award.* HGO

MICHAEL J. KNELL *is the publisher and editor of* Home Goods Online *and all of its platforms. He has attended every Canadian Furniture Show for the past three decades. He can be reached at* mknell@homegoodsonline.ca



Samantha Simonton is seen here conducting a product knowledge training session as a marketing representative for Ashley Furniture Industries in the Greater Vancouver Area.

MAKING WAVES: A YOUTHFUL VETERAN TAKES A CHANCE ON AN APP

For many in an industry run by families and dominated by tradition, change has been a terrifying challenge – especially the shift to online shopping. That said, our first NexGen leader has launched a venture that doesn't just include online media – it depends on them.

BY ASHLEY NEWPORT

ONLINE SHOPPING AND furniture seems to have gone from outright fear on the part of many retailers to some semblance of acceptance. Many retail executives and other industry insiders have transitioned from questioning and even belittling its importance to fully embracing the phenomena – including several recently profiled in the pages of this magazine. Some of the more forward looking have even updated their business models or created entirely new ones to cater to the consumer's new way of shopping and, by extension, decorating their homes.


SAMANTHA SIMONTON

One of those blazing a trail across this bright, new digital world is Samantha Simonton, who until a few months ago was a marketing specialist with Ashley Furniture Industries in the Greater Vancouver Area. She was also a 2017 recipient of the prestigious *Rising Star* award from the International Home Furnishings Representatives Association (IHFRA).

After years in the industry, Simonton has launched a company called AMY (Amazing Memorable Year). AMY's focus is to, in Simonton's words, to make it "fun, easy and affordable to make over homes."

As for how AMY works, the design-oriented app is an AI-driven augmented reality platform that offers customers whole room makeovers based on their unique personality and likes for about $100 a month. The website, amyinspired.com, encourages people to, as Simonton says "stay inspired."

"AMY is an AI interior designer, and I have an interior designer who is doing the design work. I'm in prototype development with virtual reality, diminished reality (making a chair or dresser disappear, etc.), and artificial intelligence (AI)," explains Simonton, adding that the app isn't available for users just yet.

The app doesn't just help people layout and design their space, it literally creates the room for them while providing the necessary accents and furniture for a period of three years – something that works well with shoppers who like to keep their homes modern and fresh.

"I do furniture leasing and people own it for three years," she says. "After that period, they ▸

EDITOR'S NOTE:
With this issue of the *Merchandiser*, we introduce a new series of articles devoted to profiling the next generation of leaders in Canada's furniture, mattress and major appliance industry. For the most part, these are men and women under the age of 40 who have chosen to make their fortunes and establish their careers in this our business. For the most part, they are not only heralding change, they're making it and setting new standards for the rest of us to follow.



Samantha Simonton (third from left) is seen here the team from SMARTT, a Vancouver-based digital consulting firm that's helping her bring AMY online including Martin Wong, chief marketing officer (far left) and Saleh Tousi, chief executive officer as well as other members of the team.

can either purchase it or replace it with something else. The used furniture is then sanitized and refurbished and sold back into the market. Nothing is thrown out."

Simonton says the app, which is ambitious but incredibly timely, is a response to changes in consumer buying patterns.

"The whole business is designed around how the next generation is buyers rather than savers," she says. "They have monthly subscriptions to everything and they don't own anything. It's for millennials and generation zed, better known as the *iPhone* generation."

If you think AMY sounds more like a tech company than a furniture one, you're not necessarily wrong. The company fuses décor and design with innovative, state-of-the-art technology that allows the user to take pictures of her room and then see how those furniture pieces look in the space using augmented reality imaging.

So while one might be forgiven for thinking Simonton is leaning more towards the tech business, it should be noted she knows her way around a furniture showroom and is more than capable of marketing on-trend and classic pieces of upholstery and case goods to the consumer.

GETTING STARTED

Like so many other furniture professionals, Simonton learned the industry from her family. "My father was in the electronics side of the industry, he was a rep with Sony for years," she says. "I was around the industry growing up, but got into the industry in 2009. I was against going into sales and did everything I could not to be sales. I laugh at it now, it's ridiculous. I always knew I'd be in business."

After completing a business operations program at DeVry Institute of Technology in Calgary, Simonton packed her bags and moved to Toronto. Having arrived in central Canada, she pursued a multitude of opportunities.

"I worked in random, different industries," she says. "I managed a gym, worked in a warehouse. I lived in Toronto for two years and as an Albertan living in Toronto and working in Brampton, it was an experience. People were more aggressive, the driving was especially aggressive."

Simonton didn't enter the furniture industry initially and gained invaluable sales experience from a retail gig at a popular athletic wear brand. "[At one point] I found a job managing two gyms – a woman's only and co-ed gym. Then I wanted to go back home to Calgary and see my brothers. After that, I was a project co-ordinator with a water engineering firm in Calgary. I also worked for Lululemon. A lot of sales techniques come from Lululemon. I call it 'what I learned from wearing stretchy black pants'."

But even though she was working in a variety of positions, she was never far from the furniture industry and had a change of heart about her anti-sales stance while on a Mega Group trip with her father – the owner of Baker's Appliances in Lethbridge, Alberta and a well-known member of the Saskatoon-based buying co-operative.

"I went on a Mega trip with my father and was sitting at dinner with Albert Marrache from Phoenix AMD who turned to me and said 'you're wasting your life's skills if you don't get into sales'."

Fittingly enough, Simonton's first sales job in the industry was as a sales representative for Phoenix AMD International, the added-value specialist founded by Marrache and based in Bowmanville, Ontario.

"I chatted with Albert and he said he would like to mentor me for a year. This was 2009," she says. "I was hemming and hawing about what I was going to do with my life. It was the perfect time, so I signed up with Albert and travelled across Western Canada for a year and it was insane. I fell on my face so many times, I couldn't count. I got schooled in how to be a good partner for retailers." ▸



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Samantha Simonton is seen here receiving the IFHFA Rising Star Award from Jonathan Schulman (right), the association's secretary/treasurer at a gala held during the High Point Market in April 2017.

Simonton began networking and eventually discovered there was an opportunity with Serta (now a division of SSH Canada) in Calgary. From there, the connections made with clients proved exceedingly helpful – especially when it was time to embark on yet another big move.

"After about three years with Serta and being in a long-distance relationship with my husband, we decided to put our roots down in Vancouver. I resigned from Serta and when I let my clients know, they were amazing and actually started calling people in Vancouver on my behalf."

In 2012, Simonton signed on an agent for Ashley Furniture – the Arcadia, Wisconsin-based furniture manufacturer and distributor. She remained there until February 2018, leaving to launch AMY.

Her jump into the furniture industry was significant, especially since she once swore she wouldn't ever take on the punishing travel schedule her father endured while she was growing up.

"I didn't want to be in my dad's industry, he was on the road and out of communication for weeks at a time. I didn't see potential for me personally, and as a female, in the industry because of that. Now I love this industry and we're at the most amazing time in the industry, experiencing the biggest change since the introduction of the fax machine," she enthuses.

But Simonton didn't only glean personal and professional enjoyment from the industry she got recognition from it in return.

"The IHFRA award was a humbling experience," she says, reflecting on her selection as a *Rising Star* at the spring 2017 edition of the High Point Market.

"And that's because you're nominated by peers and clients for it. That's what it did for me and it was humbling. It was really nice to be recognised on an international stage – especially as a Canadian woman. It was the first time they had ever given the award to a Canadian. I got a lot of value out of the association. It was a great honour. It was great to be recognised."

FIXING THE FURNITURE WORLD'S SHORTCOMINGS

While Simonton clearly loves her industry, it's also clear AMY is a response to some of the furniture world's fixable shortcomings.

"I was watching the retailer getting really frustrated with people buying just one piece and consumers frustrated by so many different options to buy that piece. Somewhere in there was what the next ten years was going to look like," she says.

"If we put a sofa in your room, you've done a lot of research and spent a lot of money. You hope its good quality. But for less energy and less frustration, I can give you a room you actually love because it's all put together. It adds a thousand times more value," she continues.

Simonton says shopping habits have changed and require a new approach. "Twenty years ago, you had to go to your family-owned retail store or Sears or The Bay. A traditional salesperson was your consultant and they'd sell to grandparents and their kids. They didn't let you leave with just a sofa, that didn't make sense in the room," she says.

"Then it turned into the race to the bottom. You could get a sofa and a chair and a whole package for really cheap, and that was the introduction of imported goods. People saw the quality difference. They started buying individual, higher-quality pieces because that's what they could afford. If I go to Amazon, there are over 10,000 sofas that ship to my house right now. It's absolutely crazy. There's no way I'm going to pick all my pieces."

So, earlier this year, AMY became Simonton's sole business focus. "I started doing it February 1 after working on it for about a year," she says. "It's on trend, not too early, not too late."

To make the project even more modern, Simonton operates AMY without a retail location because, well, she doesn't need one. And neither do the app's future users.

"There's no retail location," says Simonton. "You download the app and then you scan your room with your device and answer questions about yourself. From there, it tells us what category to put you in. If we have 50 sofas, we'll show you the right 10." ▸

After that, the app shows the user products that suit her style based on her answers, adding a uniquely personal touch some might not think is possible with an exclusively electronic medium.

"AMY is your guide and interior designer. Customers get three designs and they can plug and play. We show them accent chairs, some sofas, etc. Based on those, we'll show users rug and art options that are going to match. Then it live updates how much it'll cost per month. Average room is about $100 a month for a three-year term. And if and when you're ready to buy the furniture you're leasing, you can."

Simonton says she's capitalising on the fact younger consumers are more open to impermanence and change. She also says the app will allow people to embrace trends with less hesitation.

"You can take more design risks than you would normally do. "People would rather get a new mattress than a whole new bedroom set. Now, you can do an upholstered headboard that's pink! If your partner hates it, you only have it for three years. If you hate it, we can trade it out."

Simonton says AMY will offer 60 day in-house guarantee for everything, and three year warranties will apply. As for when AMY will be available to the public, the soft launch is just a few short months away.

"The company will do a soft launch in the fall and we'll be doing prototypes this summer. We want to do a whole room makeover in one day. We'll get removable wallpaper made up too."

Simonton says AMY will only be available in the Greater Vancouver Area to start, she hopes to cover Toronto within the following year. "Then we'll go to Alberta and Quebec. It's an e-commerce system, it'll go across Canada," she adds, noting, "AMY won't be open to public until the fall."

As far as suppliers go, Simonton says she'll source goods from a multitude of furniture and furnishing resources, but intends to stick to those with warehousing – at least in the beginning. She's also partnering with manufacturers of scanning software.

As potentially challenging as AMY might be to run, Simonton says people have been encouraging. "Mostly everyone loves the idea. My close friends and family are excited for me, but they know it's a really large project. But I'm really doing it for the end consumer."

As far as day-to-day operations go, AMY is run by a small but dedicated team.

"Everyone works from home at AMY. It's super lean as I'm the only full-time person," she explains. "I have a chief tech officer and an analyst, as well as a part-time marketer and part-time interior designer. The new thing for me is that learning how to set up my company. I've had three companies, one in Calgary and the agency for Ashley Furniture, but I've never had to raise money before. That's a whole new ecosystem; I'll have two or three rounds of fundraising for the company."

"There's no retail location. You download the app and then you scan your room with your device and answer questions about yourself. From there, it tells us what category to put you in. If we have 50 sofas, we'll show you the right 10."

And while AMY is unique in the sense that it combines technology with furniture and design, Simonton is also excited to head a female-led and driven operation. "I'm really excited to create jobs that people want. When people get to play in their ideal playground, they're lit up and happy and ecstatic. This is a female-led company, and I want it to be a female environment now.

As for what the future holds for Simonton, she's going to keep the focus on AMY for the time being.

"I'm dedicating myself to this for at least ten years. In 10 years, I'd like to become – and hopefully I've made a bit of money – more of an angel investor that invests in young female entrepreneurs. I'm learning the hard way, so I can mentor people."

Simonton also sees the entire home goods industry embracing technology more and more over the coming years. "The industry will embrace technology more. You've got another couple years of putting your head in the sand, but if you don't get in the boat, you'll see how it goes. I cleared a path for my retailers to step into the digital world. Some are natural, some struggled and some wanted to put their head in the sand. But it's changing, with or without you." HGO

A contributing editor to HGO Merchandiser, ASHLEY NEWPORT *is a Toronto-based freelance journalist who writes primarily for trade and business publications. Her specialties include food, hospitality and emerging social/business trends.*

The 2018 edition of the Canadian Furniture Show might well go down as the first "no frills" market as it will offer no seminars, social events or other distractions. There won't be any distractions taking the attending retail buyer off the show floor beginning with the opening bell. **BY MICHAEL J. KNELL**



The Edimbourg sectional from Belisle Furniture. Its stool/ottoman opens to provide storage.

focusing on product



Part of the presentation from the Portugal Global Trade organisation, the Locust working desk combines expressive design and complete functionality.



Pierre Richard, president and chief executive officer of CFS and the Quebec Furniture Manufacturers Association

THE 2018 EDITION OF THE Canadian Furniture Show will have one focus, and only one focus: product. For three days there will be nothing between the retail buyer and the merchandise and services exhibited on the floors of the International Centre in Mississauga. There will be no distractions. No seminars, no lunches, no entertainers – indeed, no frills of any kind.

And that's by design. In fact, Pierre Richard believes that's the way both attending retailers and participating exhibitors – and to some degree, visiting interior designers as well – want it to be.

"The reality is we've tried a bunch of stuff over the past few years," Richard, president and chief executive officer of both CFS and the Quebec Furniture Manufacturers Association, said during an interview with *Home Goods Online*. "The reality is, to my surprise, they all ranked very, very low in the surveys we did of both attendees and exhibitors."

When only 30 or so people turn out for a 'lunch and learn' session with a renowned expert on demographics, as was the case last year, it's very disheartening. "We have to listen to what the people are telling us," he pointed out.

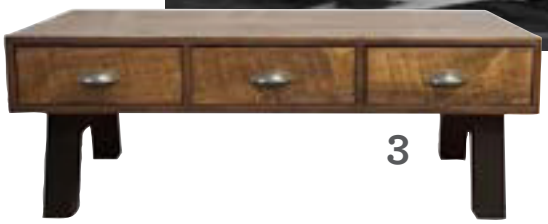
What retail buyers have been saying – in every survey conducted since Richard took the reins almost five years ago – is they want to ▸



Part of its Sofa Solutions Program, the model 9909 from Sofa by Fancy offers simple uncomplicated styling, trac arms and a cozy cuddler.







see new product. That's it. That's all. "For them, it's more about the product and the exhibitor than it is about anything else," he said. So that's what they're going to get.

The exhibit floor

At press time, CFS officials said 96% of the show floor – which includes Halls 1 to 4 of the International Centre – had been sold. "We are in line with last year's square footage," Richard said.

They were also expecting more than 215 exhibitors in total – including the permanent showrooms in the centre's SOFA (Source of Furniture & Accessories) annex as well as four others with permanent showrooms in the surrounding area. These include Korson Furniture Design, Brentwood Classic, Décor Rest and Superstyle Furniture, as well as its sister companies, Trend-Line and Simmons Upholstery Canada. In all, the exhibitor count is down slightly from 2017.

CFS also reported there will be some 55 new exhibitors at this year's event. At least 35 are furniture manufacturers while two are mattress producers.

This year's event will also have something an international flavour as four countries – including China, Indonesia, Portugal and Ukraine – will show off the prowess and product lines of their own furniture makers. Their displays will be in Halls 2 and 3. "Because we update *Trade Show News Network*, we are listed on multiple international trade show listings, and so, as a result, the show's international interest is growing organically," Richard said.

All three of Canada's furniture buying and marketing groups will once again have a presence on the floor, including Cantrex Nationwide, Dufresne Retail Solutions Group and Mega Group.

Returning to CFS with a larger display space than last year will be Palliser Furniture Upholstery, which will occupy several of the ballrooms in the International Centre's confer- ▸

1. The Alana condo sofa from Brentwood Classics is seen here in a fabric called Hamilton Grey.

2. Bugatti Design will unveil the Mozart recliner sofa, which boasts a zero gravity mechanism with adjustable arms and headrest. Available in a variety of leather and ultra-leather colours and includes a rechargeable battery.

3. Hudson coffee table from Springwater Woodcraft features a hand-planed finish while drawers can slide through to either side for easy access. Pewter cup pulls are standard.







1. Mobican Furniture's latest pieces are the extendable Luci table, the Jassi buffet and the Mobi dining chair. The table and buffet feature Nano technology laminates and offered in three colours. The chair has a wood structure and upholstered seat and back.

2. The Banff dining table from Camlen is built in solid birch comes with two 16-inch extensions and two false skirts. Offered in any of ten standard stain options.

3. The Nicholson table from Amisco features a porcelain on glass tabletop with a statuario marble finish. Seen here with Darlene dining chairs.

ence area. The Winnipeg-based producer will be joined by its case goods division – Casana – as well as by Kalora Interiors, its aligned area rug supplier.

Richard also believes CFS is the only place the majority of its exhibitors can be seen as they don't participate in any other North American furniture trade event, giving retailers a heightened opportunity to source exclusive product.

Highlighting the trends

In the centre of Hall 2 will be the only feature element of this year's CFS – the Trends Showcase.

Linda Mazur, the Toronto-based interior designer and columnist for both *Condo Life Magazine* and the *Toronto Sun*, was commissioned by show organisers to review submissions from exhibitors and assemble a display of product she believes is representative of the current trends in style, material and colour.

The display will feature some 25 items that will in all likelihood be available on the floor to attending retail buyers.

Richard believes this presentation is very much in keeping with his team's desire to keep the show's focus on new product. It should be place to start for attending retail buyers and designers to start their search for the on-trend product needed to refresh their store at home.

Who is coming?

With every trade event such as CFS, the big question always revolves around who is actually going to show up and walk the halls and place the occasional purchase order.

Richard reported pre-registration is up approximately 10% over last year, noting "this indicates the importance of this show for the Canadian industry." While that's no guarantee of actual retail boots on the ground, it's an encouraging sign, especially when it's considered the size of the audience is shrinking. There are fewer furniture and mattress stores in Canada than there were just five years ago.

Last year, CFS had a total of 5,000 visitors in all – about 50% of whom were buyers. However, Richard said it's important to remember that thanks to consolidation throughout the retail segment, those buyers may be fewer in num- ▸

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1. New exhibitor Xtraroom will launch its Orion collection, created by designer Chip Wade. It is centered on the console bed (seen here), a hideaway bed that easily folds away into a modern, stylish console table.

2. Made with its Nordic Chill fibre; the Snow pillow from Protect-A-Bed transfers heat away from the sleeper leading to reduced hot spots, better rest and a cool-to-the-touch feeling.

3. Magniflex will introduce the Nuvola mattress collection whose contemporary and modern look contains the latest technology to help increase sleep quality.

ber but their purchasing power has increased significantly.

The show also hosted some 300 designers – an increase over 2016. While they may not buy product the same way retailers do, CFS organisers point out their businesses are growing, meaning they are capable of bringing new incremental business to exhibitors willing to entertain them.

Getting things started

For the past three decades or so, the market weekend in Toronto has begun with a celebration of excellence. This year is no different as the Canadian Home Furnishings Awards gala will be held at the nearby Universal Event Space on Thursday, May 24 beginning with a reception at 5:30pm followed by dinner at 7pm and the awards presentation at 8pm.

This year, the Canadian Home Furnishings Alliance (CHFA) will bestow its *Lifetime Achievement Award* on the senior management team of Stylus, Made-to-Order Sofas of Burnaby, British Columbia –Rick Ripoli, president; Dennis Ripoli, vice president of sales and marketing; and, Derrick Barichello, vice president of production.

It will also present the *Retailer of the Year Award* for Western Canada to Ray Kandola, president of City Furniture & Appliances, a 20-unit full-line furniture merchant based in Kelowna, British Columbia. The corresponding distinction for Eastern Canada will be made to David Larivière, president of the Montreal-based Germain Larivière.

The evening will also see the recipients of this year's Retail Sales Professional Awards presented to the industry. Now in its second year, this program celebrates outstanding achievement by this industry's gatekeepers – the sales people working on retail floors across the country. (This year's recipients are introduced elsewhere in this issue.)

Colin Robertson, vice president and fellow at the Ottawa-based Canadian Global Affairs Institute and a recognised expert on the North American Free Trade Agreement (NAFTA) will be the evening's keynote speaker.

Still vital

When asked, Pierre Richard firmly believes the Canadian Furniture Show remains a vital part of the industry and that the losses seen in recent years of both exhibitors and attendees have stopped.

"When I arrived, we were in a very steep decline in both attendees and exhibitors," he said. "But, I believe that has stabilised and we're now in a new reality."

He points out all furniture industry events in North America have seen declines in attendance – a natural consequence of the shrinking number of retail furniture stores, coupled with the changing patterns product acquisition. He also noted the surveys conducted after each CFS continue to report that for a majority of independent retailers, this is the only industry trade event they attend regularly.

The ongoing trade talks between Canada, Mexico and the United States as well as the ongoing ▸



volatility in the value of the dollar might also encourage greater retail attendance this year as buyers seek to ensure stable, predictable sources of supply. "There is a great deal of uncertainty about NAFTA," Richard said. "That uncertainty might help to bring some retailers to the show this year."

This doesn't mean CFS won't continue to change and evolve. He acknowledges there have been talks with the Canadian Gift & Tableware Association about more closely aligning CFS with the Toronto Gift Show. There is a certain amount of cross-over between the two events in terms of both exhibitors and attendees, although he's quick to point out no agreements or decisions have been made.

"It's a matter of how and when to do it. It would certainly give attendees on both sides more of a reason to come to Toronto," Richard said. "If it became feasible to do, it would certainly crease a whole new dynamic for the show."

With this year's focus on product, Richard has high expectations. "We're going to have a good show," he said. "I'm expecting to see a lot of new product and that's very encouraging."

He also promises to keep listening to his audience. "We'll keep listening to the people who are participating in the show. They will be dictating where we need to go."

He is also adamant the Quebec Furniture Manufacturers Association isn't going to walk away from the event any time soon. "We are committed to this. The show must go on." HGO

CANADIAN FURNITURE SHOW

AT-A-GLANCE

SITE:
International Centre; 6900 Airport Road, Mississauga, Ontario, Canada L4V 1E8 (near Pearson International Airport, Toronto)

OWNED AND OPERATED BY:
Quebec Furniture Manufacturers' Association

DATES:
May 25, 26 and 27, 2018

SCHEDULE:
9am to 6pm Friday and Saturday; 9am to 4:30pm Sunday.

WHO AND WHAT:
Approximately 215 exhibitors showing residential furniture, mattresses, lighting, rugs, juvenile furniture, and decorative accessories in Hall 1 to Hall 4. Some 55 companies are showing for the first time. Other exhibitors include suppliers of related products and services of interest to furniture and home furnishings retailers. The event's 300,000 square feet of display space includes the permanent showrooms found in the SOFA annex of the International Centre and a number permanent showrooms located in the Greater Toronto Area.

MARKET WEB SITE:
www.canadianfurnitureshow.com

SOCIAL MEDIA:
Facebook.com/CanadianFurnitureShow; Twitter.com/CdnFurnShow; Pinterest.com/CdnFurnShow/

FUTURE DATES:
May 24 to 26, 2019; and, May 23 to 25, 2020.

MARKET FEATURE

TREND SHOWCASE:
With product as the chief focus for this year's CFS, interior designer Linda Mazur was commissioned to organise a display of innovative and on-trend products for attending retail buyers and other designer to review. The product on display was selected from submissions made by CFS exhibitors. It will be located in Hall 2 of the International Centre.

MARKET EVENTS

CHFA AWARDS:
The Canadian Home Furnishings Alliance will host its annual gala honouring the recipient of the 2018 Retailer of the Year – City Furniture & Appliances will receive the honour for Western Canada while Germain Larivière will receive the distinction for Eastern Canada. The evening will also salute the 2018 recipient of the Lifetime Achievement Award – Stylus, Made-to-Order Sofas and its leadership team of Rick Ripoli, Dennis Ripoli and Derek Barichello. It will be held on Thursday, May 24 beginning at 5:30pm at the Universal Event Space, located at the corner of Highways 7 and 27 in Vaughan, Ontario.

RETAIL SALES PROFESSIONAL AWARDS:
Presented by Home Goods Online and principle sponsor Zucora Home, the recipients of the 23018 RSP Awards will be announced during the CHFA Gala.

MEET THE CEO:
Visitors can chat with Pierre Richard, president and CEO of both CFS and the QFMA in the registration area of Hall 1 each day of the show from 3 to 4pm. This is an opportunity for attendees to voice their concerns and offer suggestions to improve future events.



All in the family: *60* years of *evolution* and *growth*

This year's recipient of the Lifetime Achievement Award is led by a team of three who have done something quite unique. They bought their company back after selling it five years earlier and are continuing to carve out a leadership position in this country's upholstery industry. **BY ASHLEY NEWPORT**

Above: The Bradford sectional sofa is part of the Architect collection. Made to order, it features the company's Feathersoft-Plus seats and Feathersoft backs & toss cushions. The ottoman is on castors.

WHILE IT'S CERTAINLY NOT uncommon for family-run furniture operations to stand the test of time, it's rare to hear of one that changes hands – although not necessarily in influence and vision – only to end up back in the hands of its original owners. Stylus, Made-to-Order Sofas is one such company, and that steady stewardship has proven a significant contributor to its growth and prosperity.



Located in the Vancouver suburb of Burnaby, British Columbia, the company's current second-generation leadership team is comprised of Rick Ripoli, president; Dennis Ripoli, vice president of sales and marketing; and, Derek Barichello, vice president of production.

Their families founded the company over a half-century ago (in 1959, to be precise) and after buying it back from TerraVest – the Calgary-based investment firm – in 2010 for $6.5 million, the three are doing all they can to grow the upholstery operation which thrives because of what Rick Ripoli describes as its customer-oriented business model. And they're being recognised for their hard work, too.

The company and its leadership team are the 2018 recipient of the *Lifetime Achievement* ▸

Left: The senior management team of Stylus, Made-to-Order Sofas have been named the 2018 recipients of the Lifetime Achievement Award by the Canadian Home Furnishings Alliance. Seen here are (from left to right): Rick Ripoli, president; Dennis Ripoli, vice president of sales and marketing; and, Derrick Barichello, vice president of production.



The Shay sectional is also offered as a sofa. Each piece is made to order.

Award, which is given each year by the Canadian Home Furnishings Alliance (CHFA) – the furniture industry association based in Mississauga, Ontario – "to recognise those individuals who over their career have made exemplary and sustained contributions to the Canadian home furnishings industry and their communities."

At a gala celebration to be held just prior to the opening of the 2018 edition of the Canadian Furniture Show (CFS), Stylus and its leadership team will join an illustrious group that includes, but isn't limited to: Art DeFehr, chairman of Palliser Furniture; the late Orville Mead, president of Durham Furniture; the late Bruce McPherson Sr. of the Gibbard Furniture Shops; Pat Thody, formerly CEO of Simmons Canada; Jean Deveault of Canadel and Richard Magnussen of Magnussen Home, among others.

In an interview with *Home Goods Online*, Rick Ripoli said he was told of the award several weeks ago. He and his partners are more than pleased about it. "We're pretty stoked about it, actually. We've been honoured several times for products, but never for the company."

"We started in 1959," he explained. "The company was founded by Sam Vernon and my father, Philip, who worked for Sam. In 1977, he purchased the company with his brother-in-law Nino Barichello and Nino's brother Eugene.

"I joined in October 1977 and we all became equal partners," he continued. "We had a small shop with 14 or 15 people and we started to grow. We were selling primarily in lower-mainland of Vancouver, but I got more involved in sales and started to reach out to department stores."

At the time, the company was known as Atlantic Furniture and under Rick's leadership made its first forays outside of British Columbia, selling to retailers in Alberta, Saskatchewan and Manitoba.



Seen here is the outside of the Stylus factory, head office and showroom in the Vancouver suburb of Burnaby, British Columbia. The company is looking to establish a second manufacturing plant somewhere in Eastern Canada or the United States.

In the late 1980s, Rick's brother, Dennis Ripoli joined the company, which also prompted the decision to tackle the Ontario market – Canada's single largest furniture market.

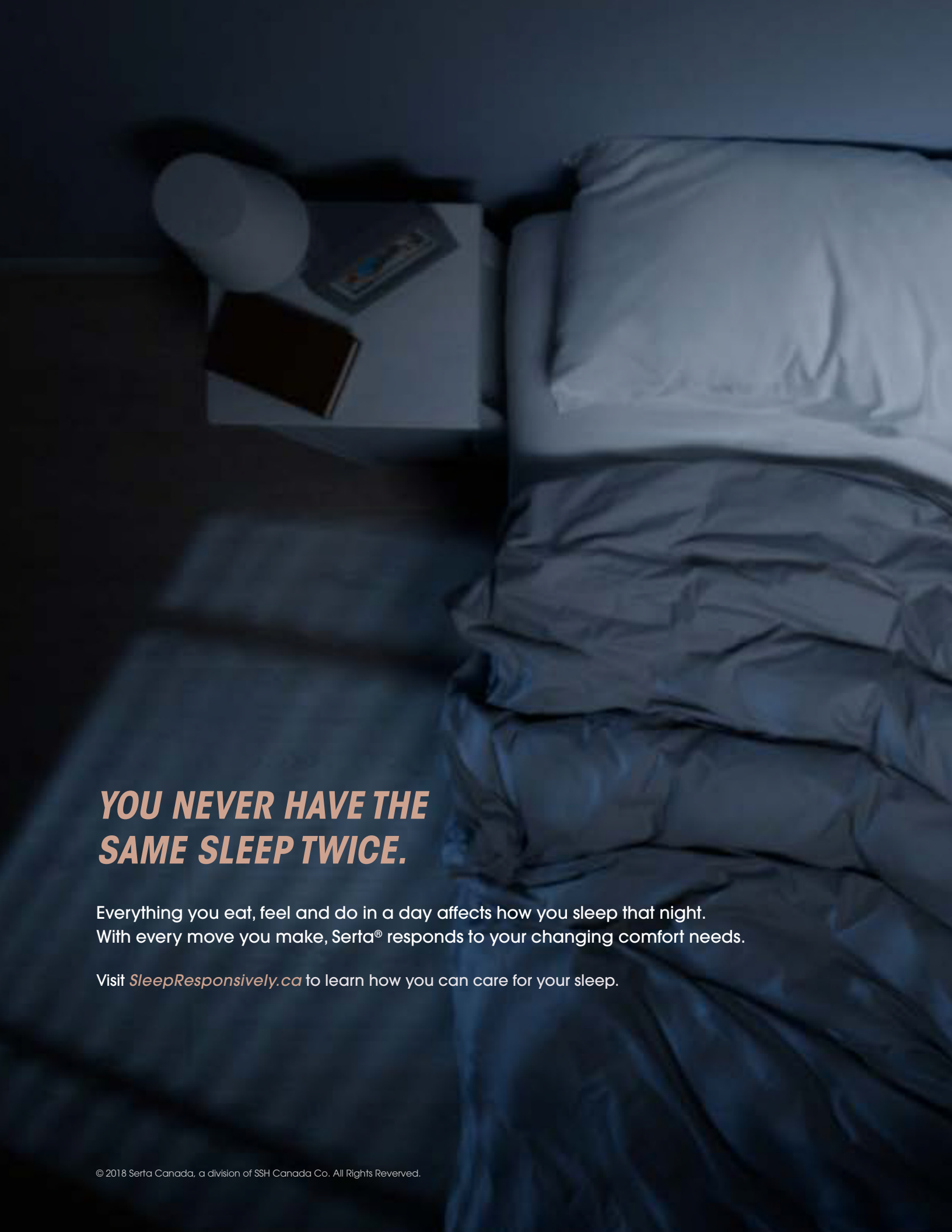
"In 1987, my brother Dennis joined the firm and we started to grow by branching out and taking our products into Ontario and attending more trade shows," Rick Ripoli recalled. "We've moved a few times with our 14-man shop and we started importing products from Europe to supplement our sales, in particular leather furniture – especially in the 80s."

CHANGING THE NAME

In 1992, Ripoli and his team changed the name from Atlantic Furniture to Stylus Sofas.

"For years, we were making custom-made furniture for people. We decided to change our name to reflect what we did – custom-made sofas," he says. "We caught the attention of The Brick and other retailers. In 1994, we were having a hard time breaking into Quebec market and so we decided to show our products in U.S."

The hard work paid off and by 1996, Stylus was gaining traction south of the border. These ▸



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Another member of the Architect collection, the Ellyn group includes a sofa, chair, ottoman and sectional.

days, the company maintains a permanent showroom in the World Market Center in Las Vegas. Its twice-yearly trade event is the only one in which the company participates in the United States. They also exhibit each year in the Canadian Furniture Show.

"We got so busy with Canadian and American sales that we had to build a new factory. It's about 40,000 square feet and it's in Burnaby," Ripoli says. "My father retired in 1991 or so, and my brother bought his shares. We carried on as a four-man partnership. In 2000, we moved into this new building and Nino sold his shares to his son Derek."

Stylus now has a three-man senior management team with 220 employees, making it one of Canada's largest furniture manufacturers.

While most industry insiders know the main three partners, Ripoli said Stylus has benefited greatly from the presence of Jason Harris, who serves as vice-president of sales. "We hired him in early 2000s and he's really been a beacon in the storm for us. He's the driving force of the sales department and he's a big part of the company. He's pushed sales throughout the U.S. and Eastern Canada."

Stylus also expanded by focusing not just on the residential furniture market, but also the hospitality sector. "We were always dabbling in hospitality and in 2004 my brother took the reins and built up our contract division. It's about 35% of our sales," he says. "We supply furnishings to hotel and hospitality industry. We do a lot of work in hotels, especially in Hawaii. We're a sofa-bed specialist."

BUYING IT BACK

One of the most interesting aspects of the company's history, of course, is how a majority interest (80%) was sold and then bought back almost 10 years ago.

"In 2003, we were approached by a group to sell our business. The more we talked to these people, the more intriguing it became. We sold to private equity group TerraVest in 2004 and they're wonderful people to work with," Ripoli said, adding when the recession hit in 2008, TerraVest had to re-evaluate its portfolio – even though Stylus was performing quite well.

"Some businesses in their portfolio suffered, but we didn't. They needed to liquidate some assets and painted themselves in a corner because we owned the property and were managing the business for them. They offered us the business back," he said. "It was a great business, we never left it and we still believed in it. We took a shot and bought it back on March 1, 2010."

Stylus focuses exclusively on soft-seating: sofas, sofa beds, upholstered headboards, dining chairs. And while those products are also offered by a great many competitors – both in Canada and abroad – Stylus has managed to hold its own and not only survive the devastating economic meltdown of 2008, but to thrive.

As for what sets them apart, Ripoli believes its quality, variety and quick turnaround. "To sum it up, we deliver quality quickly. We give the consumer a choice in fabric and we give it to them at a good price. We have a lot of customisation and different SKUs," he said. "There are a lot of consumer-friendly services and that's the success. If you come to our factory, we don't have a sea of blue sofas. Everything is different, there are stripes and florals and different sizes. It's a piece at a time."

Stylus also offers affordable products that suit middle-income purchasers. "I think we're mid-range in terms of price points," says Ripoli. "Some big box retailers went overseas to buy furniture, so their prices decreased considerably. We're right in the middle and it's a beautiful place to be. We know that $1,500 to $2,000 can get you a beautiful sofa."

And at a time when its competitors offer a mix of imported and domestic products, Stylus remains an all Canadian-made company. And while upholstery manufacturers can't buy fabric in Canada or U.S. anymore, Ripoli said all other materials in one of their pieces are Canadian or American made, including the springs, foams, wood, lining and more.

"It's Canadian-made, it has a great story to it," said Ripoli while reflecting on other aspects of the company that have helped it last more than 50 years. "There are lifetime warranties, but the most important part is that you can get a sofa custom built quickly."

Stylus is also active in the local community.

"We do a lot of fundraising events for cancer," says Ripoli. "We've donated to B.C. Cancer and we do have a lot of community work with our local Roman Catholic Church parishes. We've always been involved with our church, as far back as 25 years ago." ▸

THE ONLINE REALITY

For so many retailers, online shopping has not been perceived as an opportunity, but rather a threat. A fun challenge for some, a terrifying change for others, e-commerce has radically changed how people shop – and not everyone in the furniture industry has been able to adjust.

And while Stylus has increased its online presence, Ripoli says e-commerce remains a huge challenge for retailers. "[Online shopping] is the biggest fear of our retailers today," he said.

"That's not to say they don't sell online themselves, but retailers say online companies are a challenge," he continues. "If you look at it, it's not a fair way of doing business because you're using retailers to shop and then buying online. We do online sales through retailers, but this will be a big challenge to our retailers moving forward. How do we support retailers and what consumers are looking for? People in their 20s and 30s shop online – every coffee break and lunch hour, they'll buy clothes and books and exercise equipment online."





Top: Derrick Barichello, vice president of production (back row, with beard) is seen here with members of his manufacturing team at the company's factory. In all, Stylus has a work force of 220, making it one of the largest furniture manufacturers in Canada.

Inset: A look inside the Stylus assembly operation, which focuses on contemporary styled soft-seating: sofas, sofa beds, upholstered headboards, and dining chairs.

That said, Ripoli doesn't believe online shopping hasn't hurt them specifically. "It hasn't hurt us as a company. The reason why we've been successful is we've delineated where our products can be purchased. We pick a dealer and they support us and we support them. By using that strategy, it helps us grow. Year over year, everybody grows."

Another conversation that's dominated small talk exchanged at industry events is the state of the upholstery sector of the furniture industry. The complaints are many, with some pointing out (quite rightfully) that it's difficult to find skilled upholsterers in Canada and others focusing on the current dearth of retailers – especially with the demise of Sears Canada.

But while times have indeed been tough for upholstery sellers and manufacturers, Ripoli remains optimistic the industry can survive – and thrive – in Canada. "We've hit bottom and are on our way back up," he said. "There aren't many of us left. There's Dynasty, Palliser and us. Eastern Canadian factories really buttered their bread with Sears. We're at the bottom without Sears, but we'll start to rebuild. We'll absolutely grow. We'll find different avenues in Canada and the U.S."

One of those avenues could be online retailers. "Independent retailers and online will be selling options. Asking the consumers what they want, looking at different markets. The general consensus of the furniture manufacturers in the GTA has been to look more globally and maybe look into shipping all over the U.S."

As far as the future goes, Ripoli said the momentum hasn't stopped and they don't think it's going to slow down anytime soon. "We have some pretty aggressive plans for growth," he says. "We're looking at acquiring another manufacturer in either Canada or U.S. and opening an east coast facility to grow our east coast business. We're going to build a new manufacturing facility that will add 70% more capacity to our current facility. We hope to break ground on new factory this year.

"We've got lofty goals," he added, noting they're looking at factories in GTA and North Carolina.

Another question no one can avoid asking a furniture aficionado who comes from a family of furniture enthusiasts is: are there any younger family members waiting in the wings to join the company? "I have my son Ryan working with me, he just started about six months ago now and it's coming along slowly," says Ripoli. "I'm not sure if other kids will come into the business. I have two daughters, one is a teacher; one is an interior designer."

As for embracing technology, Ripoli says Stylus boasts an online presence as well, but isn't planning on fundamentally transforming its business model (but that doesn't mean it doesn't have a sleek web site and up-to-date Facebook, Twitter and Instagram accounts. "I think once we start selling online, we'll erode our customer base. I don't see that as being part of our model. It sounds sexy, but I don't think it's something we can do."

But with or without online sales, Ripoli is more than optimistic about the company's future. "From [where we started] until now, it's continued to grow. It's been a fabulous run. Year after year, we continue to grow." HGO

A contributing editor to HGO Merchandiser, **ASHLEY NEWPORT** *is a Toronto-based freelance journalist who writes primarily for trade and business publications. Her specialties include food, hospitality and emerging social/business trends.*



Springwall Sleep Products new True North Chiropractic collection features graphite-infused, gel cooled memory foam that is designed to conduct heat away from the body while alleviating pressure points.

Mattresses stay mighty

The mattress industry is coming off a record setting 2017. While this year isn't expected to be big on the product development front, industry executives are urging retailers to continue adapting to an ever-evolving marketplace, one without Sears and where bed-in-a-box is having some unexpected influence.

BY MICHAEL J. KNELL

THE MATTRESS BUSINESS had a pretty good year in 2017. Retail sales were up for the sixth consecutive year and set a new record, breaching the $2 billion mark for the first time, according to the latest preliminary figures published by Statistics Canada and its *Retail Commodity Survey*. That was up 4.6% up from the $1.97 billion in mattress sales rung up the previous year.

Furniture and home furnishings stores continue to dominate the category, having accounted for 89.2% of sales or $1.84 billion last year – up 3.1% on a year-over-year basis. Unfortunately, mattress specialty stores – such as Mattress Mattress or Mattress Mart – are not tracked separately and are included with furniture and home furnishings stores.

Statistics Canada also monitors the performance of what it calls the Group of Large Retailers (GLR). These are the 80 largest retailers in the country and include such familiar names as Leon's Furniture, The Brick, Brault & Martineau, Hudson's Bay, IKEA, Canadian Tire and, until its demise this past January, Sears Canada. However, the federal bean counter did add Sleep Country Canada (SCC) to the GLR's roster last year.

That addition probably accounts for big jump in GLR mattress sales, which climbed to $1.27 billion in 2017 from $866.3 million in 2016 – a leap of 46.4%. Its market share jumped from 44.0% to 61.5%.

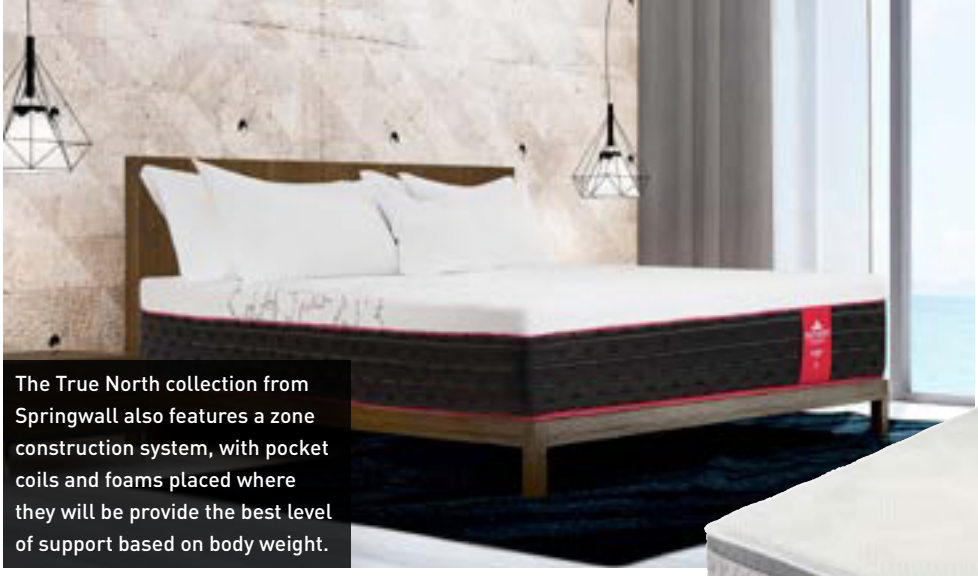
Not to be outdone, SCC saw its mattress sales jump to $474.6 million last year – a 12.9% gain over the 2016 giving the publicly-held sleep specialist a 23.0% market share, up from the prior year's 21.3%. The company's total revenue last year was $588.0 million.

Unfortunately, the commodity survey doesn't include the fast growing e-commerce channel which has been getting more and more crowded in this country over the past couple of years. All of the players are privately held and reliable sales estimates are difficult to discern. However, if their collective share is consistent with those of other product categories, an estimate in the $40 to $50 million range is not unreasonable although their annualised rate of growth believed to be much higher than conventional brick and mortar retailers.

"My impression is the industry doesn't have much of a clue about what they are doing," observed Steve Amis, vice president of sales and marketing for Springwall Sleep Products. The reason is simple, the e-commerce players don't source their product assortment from the big mattress manufacturers in North America.

The apparent market

Not to be outdone, mattress resources also had a decent 2017 as the apparent market (the value of domestic shipments, less exports plus imports ▸



The True North collection from Springwall also features a zone construction system, with pocket coils and foams placed where they will be provide the best level of support based on body weight.



Middle: Part of the BeautyRest Platinum collection, this hybrid mattress is manufactured by SSH Canada, which also makes product under the Simmons and Serta brand labels.

priced at wholesale – that is, before retail mark-ups) was up 8.1% to $1.13 billion.

Domestic shipments were up for the third consecutive year, climbing 5.5% to $934.7 million. Unfortunately, that's still well below the high water mark of $987.6 million set in 2007, the year before the financial markets went sideways sending most of the world's economies into a recession that many haven't quite fully recovered from. It should also be noted domestic shipments include mattresses made not only for the residential/retail market but for the hospitality, health care and institutional markets as well – which are believed to account for about 8% of the total.

Until 2008, mattresses weren't a big commodity in international trade. Imports into Canada – which were up 19.7% to $239.6 million last year – have been outpacing domestic production for the past several years and have been the biggest driver in the growth of the apparent market.

Imports from the United States were valued at $121.9 million last year, up 13.5% over the year prior. While exact figures aren't known, most insiders believe much of growth in U.S. imports can be attributed to the expansion of the Tempur-Pedic brand in the Canadian market over the past several years. The specialty foam product is only manufactured in the U.S. although it is sold by Tempur Sealy Canada, a wholly-owned branch of its Kentucky-based parent company.

Mattress imports from the People's Republic of China are also growing and were valued at $60.3 million in 2017. The emerging player in the mattress market is Mexico, whose sales to retailers in this country climbed 10.6% to $46.3 million. Industry insiders believe almost all of this is sold to one retailer – IKEA Canada.

The most significant change in the apparent market has been in the share owned by the imports. In 2007, imports accounted for 9.0% of the apparent market for mattresses in Canada. Last year, it has more than doubled to 21.2%.

While Canadian mattress makers are pleased dollar sales are up, there is an emerging consensus among industry executives that unit shipments are down. No one really knows how many units – including mattresses and box springs – are shipped by domestic producers each year although it's believed to be on the order of 2.4 million. Thanks to the increasing popularity of platform beds and adjustable bases, 60% of those units are mattresses.

The fall in unit shipments with a corresponding uptick in retail sales suggests quite strongly the industry's average unit selling price (AUSP) is moving upwards. Considering domestic producers are focusing on manufacturing better quality, more technologically advanced and higher priced sleep sets, industry executive s believe the imports are staking their claim in the entry level and promotional price points – a scenario familiar to the producers of other furniture categories, particularly upholstery and case goods.

Coming to retail floors this year

When asked, most mattress industry executives aren't expecting 2018 to be milestone year for new product innovations – developments will happen on other fronts, driven by the recent exit of Sears Canada which over the past two decades was one of the three largest mattress retailers in country (the others being Sleep Country and The Brick).

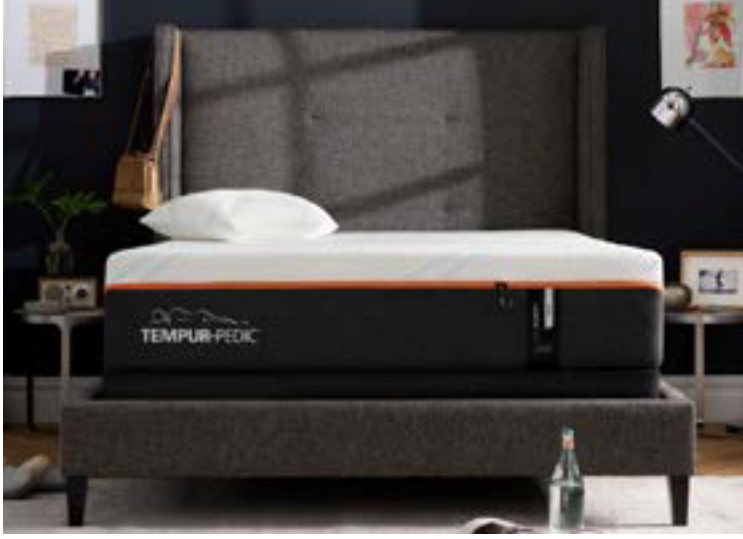
"2018 will be a very interesting year," observed David Gélinas, executive vice president of Zedbed. "Since the Sears ▸



Hybrid constructions, usually in various combinations of pocket coils and memory foam, are still popular with consumers, such as this model from Stearns & Foster, the high-end label produced by Tempur Sealy Canada.



Zyber is a collection of bed-in-a-box mattresses from Zedbed. It is offered in four models to suit most comfort preferences, including semi-firm comfort levels, pressure relief and cooling technology. It is also compatible with adjustable bases.



The complete Tempur-Pedic brand assortment was updated at this past January's Las Vegas Market, giving a renewed emphasis on the higher-end price points.

announcement, retailers want a bigger piece of the pie and manufacturers want to replace this volume. We can predict more promotions and advertising initiatives to attract the Sears customer – which should increase unit shipments but not necessarily the total dollar volume."

This year, Zedbed will launch three new adjustable beds which will offer features such as lumbar support, moving headrests and real zero gravity positioning (tilt). "We see great opportunities in this market segment, but we think the offer needs to be more flexible for the end consumer," Gélinas said.

"We don't expect to see a 'big' new trend in 2018," he continued. "We think the demand for bed-in-a-box will stay high and we're going to see many options. We are way behind the U.S. in this category, where it represents about 10% of the bedding market. Canada should follow in the years to come."

Simon Jervais, vice president of marketing for Tempur Sealy Canada (TSC), noted an entirely new Tempur-Pedic mattress brand product assortment was unveiled at the Las Vegas Market this past January – including not just mattresses but adjustable bases and pillows as well. "They deliver more innovation and are consumer-centric," he said. "And that's one of our top priorities."

Product under the Sealy brand will receive similar treatment in 2019.

"Our focus is on driving luxury," Eric Besner, the newly named vice president of marketing and merchandising for SSH Canada, the makers of the Simmons, BeautyRest and Serta mattress brands. Although, the company isn't an official Canadian Furniture Show exhibitor – instead it's showing in the buying group presentations – three new special edition models from the *BeautyRest Black* collection will have their debut during this country's only national industry event.

The company will also unveil its remodeled Vaughan factory showroom over that weekend.

Springwall Sleep Products make its big product play when it introduced its *True North* brand and collection in mid-2017. Rolling out the assortment and positioning it in the market is still atop the company's priority list, according to vice president of sales and marketing Steve Amis.

Amis believes *True North* hit all the high notes consumers say they are looking for. "This is a high-end product with bigger coil counts covered in big foams and offers retailers good margins and value story for their customers," he said.

What to expect in 2018

While most mattress industry executives don't expect dramatic shifts in the market, the advice they're giving to Canadian retailers strikes a number of common themes.

"A lot of retailers are moving to mattress-only pricing," Amis noted, adding this is partially in response to the bed-in-a-box category. "This action this year is going to be in the entry to mid-range price points and the promotion price points are going to drop. Everyone needs to attract that lost Sears customer."

"The market continues to evolve," Simon Jervais of TSC pointed out. "The consumer shopping behavior continues to evolve. Unit shipments for traditional department, specialty and furniture stores will continue to decline. It is important for these types of stores to evolve with the consumer and create a shopping experience that caters to her. The consumer is in control and has more options to purchase mattresses."

In this environment, Jervais believes retailers need to stress better quality goods and emphasise the quality of sleep the product on the sales floor provides.

"Efficiency of selection is key," he said, adding, "Offering a curated collection of products makes it easier for the consumer to navigate through the purchase journey. Simplify the shopping experience by engaging with the consumer using quality brands they know and trust to drive conversion and AUSP."

"Retailers should start looking for new and different mattress brands to stand out from the competition," Zedbed's Gèlinas said. "Most popular brands can be shopped everywhere and it's very difficult for independent retailers to compete against the major retailers. Independent retailers have their own niche market and innovative mattress manufacturers may better fit their need. The parallel with the craft beer market is very interesting. Just think about how microbreweries disrupt the beer market and you will understand how smaller retailers and manufacturers should act." HGO


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1. Randy Shanks of Daleys BrandSource Home Furnishings in Fredricton, New Brunswick is the recipient for the Atlantic Region.



2. Marisa Deluca of La-Z-Boy Furniture Galleries in Etobicoke, Ontario won the award for the Central Region.

CANADA'S BEST FURNITURE AND mattress gatekeepers will be introduced to the industry when the second annual *Retail Sales Professional Awards* (RSP) are presented just prior to the opening of this year's Canadian Furniture Show at the end of the month. Each will be saluted as leaders who consistently deliver exceptional sales and service.

The awards were created to recognise the outstanding achievements of experienced sales professionals working on the floors of furniture, mattress and major appliance stores across the country. The recipients were selected from nominations received from their peers, associates and managers in an industry-wide nomination process.

The 2018 RSP Award recipients include: Randy Shanks of Daleys BrandSource Home Furnishings in Fredricton, New Brunswick for the Atlantic Region; Marisa Deluca of La-Z-Boy Furniture Galleries in Etobicoke, Ontario for the Central Region; Brian Palethorpe of Perfect Home Furniture in Calgary, Alberta for the Western Region; and, Terry Harder of Innovative Sleep Solutions in Surrey, British Columbia for the Pacific Region.

The recipients will be recognised and honoured during the Canadian Home Furnishings Awards gala set to be May 24 at the Universal Event Space in Vaughan, Ontario.

During the evening, one of these regional recipients will also be recognised as Canada's National Retail Sales Professional for 2018.

The RSP Awards presenting sponsor is Zucora Home, the added-value specialist based in London, Ontario. The supporting sponsors include *Home Goods Online* (HGO); the Canadian Home Furnishings Alliance (CHFA); and, the Canadian Furniture Show (CFS).

The award recipients were selected by a judging panel that consisted of Mark Geddes, senior director of sales for Zucora Home, Corrie-Ann Knell, director of sales and marketing for *Home Goods Online* and Pat Kelly, the recently retired assistant vice president of home furnishings for Cantrex Nationwide. ▸

SALES PROFESSIONALS





3. Brian Palethorpe of Perfect Home Furniture in Calgary, Alberta is the recipient for the Western Region.

4. Terry Harder of Innovative Sleep Solutions in Surrey, British Columbia won the award for the Pacific Region.

In order to be considered for the award, the nominees were required to be actively employed as a sales associate or manager in a retail home furnishings environment with a minimum of three years' experience and must have consistent met or exceeded the performance goals set by the employer. The nominee also had to demonstrate a customer-focused approach to the work and have a record of mentoring and assisting other sales professionals.

"Our home furnishings industry is very proud of the level of professionalism and care provided by sales professionals that serve consumers throughout Canada," said Brad Geddes, Zucora Home president.

The number of nominees received in the second year of the industry recognition effort was more than double over the previous year. "With the significant increase in the number of nominees from across Canada, I'm sure it was very difficult for the independent panel to make their selections," said Geddes. "It's great to see that our industry is well represented and in such good hands on the sales floor."

Each of the RSP Award Recipients will also be hosted by the sponsors during the Canadian Furniture Show being held May 25 – 27, 2018 at The International Centre in Toronto.

Nominations for next year's RSP Awards will open in January 2019. HGO

2018 RSP retail sales professional AWARDS



WHY TO ATTEND **MARKET**

Trade events such as the Canadian Furniture Show play a vital role in every retailer's business. In fact, the cost of not going may turn out to be significantly higher as attending often produces benefits that weren't anticipated when first planning the trip. Remember, the focus should be on the product. **BY DAN WEARE**

SINCE MEDIEVAL TIMES TRADE shows have been an important part of most industries. If you have read any of the many historical novels written by the English author Ken Follet you will have a picture of the central role markets played in medieval society. Trade shows were created to gather buyers and sellers in one place. In addition, there were opportunities to gain industry specific information about the suppliers as well as competitors.

Since 1972, the Canadian Furniture Show (CFS) – as it is now known – has been the showcase for Canadian furniture producers, importers and retailers. In addition to the permanent showrooms in the SOFA (Source of Furniture & Accessories) annex, product from over 200 exhibitors will be shown on the floor of Mississauga's International Centre. This year, there will be a special trend area featuring new products that were chosen because they were relevant and on trend.

Another very important part of any trade show is the opportunity to touch base with other retailers. What's more, for many of vendors this is the only trade event in which they participate. In other words, they won't be found in High Point, Las Vegas or any other event. This is your one opportunity to see their product. And, all expenses you incur will be in Canadian dollars. So, you're also helping the Canadian economy.

You need to be there. The argument for attending was best made in a 2014 article published by *Forbes* magazine entitled: *Why trade shows deliver value to retailers*. It said, in part:

"Over the years we have spoken to retailers who have avoided trade shows for a variety of reasons, but one reason that is fairly common is due to the expense of travel to attend. What they don't realize, however, is that it actually costs them more by not attending. Missing out on your industry's trade shows can impact your business success in a variety of ways, including the missed opportunities of finding new vendors, staying competitive to your competition and not expanding your store's inventory based on market trends and proven data."

In a retail environment that's changing as rapidly as it is in 2018, you cannot – especially if you are the owner/operator of an independent furniture, mattress and major appliance store – I repeat, cannot afford to miss a show such as CFS. You could find the cost of not attending is too steep a price to pay for missing out on what is happening in the market. ▸

THE MUST DO'S OF ATTENDING (ANY) FURNITURE MARKET

(or the Commandments from the Mountaintop in Hamilton)

- **DO –** Cover as much territory as possible.
- **DO –** attend networking and social events.
- **DO –** meet with friends and colleagues.
- **DO –** at least one new thing you haven't done previously.
- **DO –** look for new ideas. Put at least one new practice in place when you get back home.
- **DO –** learn one new thing every day. Ask lots of questions.
- **DO –** Have fun. And lots of it. That's mandatory.

WHAT IS NEEDED TO PREPARE?

I always recommend a minimum of one day of analysis for each day you intend to spend at a market, although it might not always be possible. You will undoubtedly have some floor positions in your store that just are no longer paying their way. It's time to welcome new options to refresh and revitalise your floor. You need to spend some time on the analysis beforehand and then mull over the results on your travel as you prepare for the show.

After you analyse your sales and profit results you need to review your on-hand inventory.

The next step is to prepare a market schedule. This should include not only current suppliers but time to look at other vendors who have new and different product you haven't seen before. The old adage of *Plan Your Work, Work Your Plan* is excellent advice when it comes to maximising your effort at any furniture market. Your time is precious. See as much as you can. Don't allow distractions to get in the way of your purpose. You want to make your time away from the store as profitable as possible.

ONCE AT MARKET, WHAT'S MOST IMPORTANT?

Focus, Focus, Focus. Do your utmost to concentrate on what's happening in the industry and in particular with Canadian consumers. In the isolated space of a trade show you have the time to dedicate to product.

Let your passion be your guide. I have seen store owners so wrapped up in customer service issues they forgot they are really on a shopping trip. One suggestion: this is not the best time to negotiate on customer service issues. This is one time when you will be face to face with your supplier. Work on building your relationship and reviewing the new products being offered.

You are at market to learn. You'll gain the best education by asking questions and learning from both suppliers and other retailers. Talk to people who are contrary minded. I have always found that a difference of opinion helps me to think through what I am doing and improves my business. Use the stimulation that comes from talking to people and looking at new product to help drive your business forward.

Networking is important to help you understand the issues facing other retailers. Make sure to find a few new friends at every market you go to. Sometimes you will learn more by getting to know people who don't always agree with you – it's also reassuring to know you are not alone in the challenges of running a business.



Product has to remain your priority. This is what drives a merchant. Understanding style and design trends is why you are in Toronto. Many suppliers are also having market specials that you will want to take advantage of. Think about adding a vendor or category you haven't previously tried or for whatever reason have gotten away from. Let your customers evaluate new product. After all, your commitment may only be a floor model.

New marketing ideas and best utilisation of all media are important. What is working for other stores? How are they utilising digital media to their advantage? What can learn from them and what you can you try for yourself?

You are in Toronto. It is the national showcase for new retail formats – and not just furniture and accessories, but everything else as well. Take the opportunity to see what the customer experience is like in all of the categories where the consumer uses her disposable income to purchase. You'll find that from the consumer's perspective it's more about the experience than anything else. It's important to remember that the Toronto market is visited by many consumers from smaller markets.

HAPPY SHOPPING!

To view the list of exhibitors, to register or for find additional information go to the Canadian Furniture Show web site at www.canadianfurnitureshow.com.You can also follow the show on Facebook, Twitter and LinkedIn. HGO

DAN WEARE *is a retired veteran of furniture, mattress and major appliance retailing in Canada. His career included stints at Mega Group, Mobilia, Cantrex Nationwide and Sears Canada.*

INDUSTRY CALENDAR

May 28 to 30, 2018
STORE 2018
Retail Council of Canada
Toronto Congress Centre
Toronto
storeconference.ca

June 3 to 6, 2018
SHOWTIME
International Textile
Marketing Assn.
High Point, NC
showtime-market.com

July 9 to 16, 2018
ATLANTA INTERNATIONAL GIFT & HOME FURNISHINGS MARKET
America's Mart
Atlanta, GA
americasmart.com

July 29 to August 2, 2018
LAS VEGAS MARKET
World Market Center
Las Vegas, NV
lasvegasmarket.com

August 6 to 9, 2018
PRIMETIME
Cantrex Nationwide
Las Vega, NV
nationwideprimetime.com

August 12 to 15, 2018
TORONTO GIFT FAIR
Canadian Gift &
Tableware Assn.
International Centre
Toronto Congress Centre
Mississauga, ON
cangift.org

August 16 to 19, 2018
TUPELO FURNITURE MARKET
Tupelo, Mississippi
tupelofurnituremarket.com

August 14, 2018
CHFA ANNUAL GOLF CLASSIC
Canadian Home
Furnishings Alliance
Caledon Woods Golf Club
Bolton, Ontario
chfaweb.ca

August 26 to 29, 2018
ALBERTA GIFT FAIR
Canadian Gift &
Tableware Assn.
Edmonton Expo Centre
Edmonton, AB
cangift.org

September 9 to 11, 2018
CANTREX PRIMETIME
Cantrex Nationwide
Centre des Congrès
Quebec City, QC
cantrex.com

September 20 to 23, 2018
INTERIOR DESIGN SHOW
Vancouver
Vancouver Convention Centre
(West Building)
vancouver.interiordesign
show.com

September 23 to 28, 2018
CASUAL MARKET
International Casual
Furnishings Association
Merchandise Mart
Chicago
casualmarket.com

October 13 to 17, 2018
HIGH POINT MARKET
High Point, NC
highpointmarket.org

January 8 to 11, 2019
CES
Consumer Technology
Association
Las Vegas Convention Center
Las Vega, NV
ces.tech

January 14 to 20, 2019
IMM COLOGNE
The International
Interiors Show
Koelnmesse GmbH
Cologne, Germany
imm-cologne.com

January 17 to 20, 2019
INTERIOR DESIGN SHOW
Metro Toronto Convention
Centre North
Toronto
interiordesignshow.com

January 17 to 20, 2019
IIDEX CANADA
Metro Toronto
Convention Centre
Toronto
iidexcanada.com

January 22 to 25, 2019
THE INTERNATIONAL SURFACE EVENT (TISE)
Mandalay Bay
Convention Center
Las Vegas
intlsurfaceevent.com

March 8 to 11, 2019
MALAYSIAN INTERNATIONAL FURNITURE FAIR
Putra World Trade Centre
Kuala Lumpur, Malaysia
miff.com.my

March 13 to 14, 2019
ISPA INDUSTRY CONFERENCE
International Sleep
Products Assn.
Vinoy Renaissance Resort
St. Petersburg, FL
sleepproducts.org

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lasvegasmarket.com

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