

# Baltic Wood: Poised for growth

By Emily J. Cappiello

In the face of the economic downturn, Baltic Wood set out to recreate itself as a company focused on quality. Although it may seem like a small company, Baltic Wood is backed by the Poland-based Nowy Styl Group and has been around in the U.S. since 1999. "We are very fortunate in that we, being a small company, have huge resources backing us from the parent furniture company," said Marc Pacacha, vice president of sales, Baltic Wood. "We manage Baltic Wood as a small company and are very nimble, open to fulfilling our customer's needs and special requests, and we make ourselves an extension of our distributor partners. But the strength of our organization is the support of the company behind us."

Baltic Wood manufactures real wood engineered long-strip flooring and real wood engineered 5-inch and 7-inch plank flooring, but previously, the company had a difficult time reacting to the needs and trends of the retail market — an issue that Pacacha and company co-founder Ron Stern have worked hard to overcome. "Our biggest hardship, other than a depressed economy, has been not reacting quickly enough to trends in the marketplace. The long-strip market was getting smaller and we needed a 5-inch plank product that we didn't have. From adversity comes opportunity, and we reinvented ourselves with a beautiful 5-inch product line and reengineered our long-strip collection to be extremely price competitive," Pacacha said.

Additionally, the company offers no up charge, a product without beveled edges and FSC-certified goods. "Every product that Baltic ships to the U.S. is FSC-certified without any up charge or special order needed," Pacacha said. "Our plant is ISO 9001 and ISO 14001 certified. Our strength is making extremely high-quality products priced very competitively and all with a very compelling and important environmental story. All of our boards are more than 7 feet in length and our G2 locking system provides virtually seamless joints that make



Marc Pacacha (left) and Ron Stern

our floors look like they are sanded and finished. A standard product offering doesn't come that way, but ours does."

The company is currently soliciting distribution, as well as signing its previous distributors on to the new 5-inch program. "We have a new line out and it really changed the whole perception of our company and what we offer," Stern said.

The strategy for growth was simple, Stern explained. The company had to make product at a competitive price point without sacrificing quality. "That was my goal; to get us at a better price point, but not forgo any of our quality. We chose to make a quality product. It's something you cannot lose on. When people know that you have a quality product, it is very special. There is always going to be someone cheaper on price," he said.

Baltic also provides customized product portfolios for distributors, Pacacha said. "We do not have economies of scale to satisfy in the market-ing area that others might. If a distributor wants a product or program, we will make it for them. We recently signed up four distributors. Every one of their programs is totally different because they have different regional nuances. We feel that cookie cutting is not good for today's economic climate, so we encourage our distributors to customize to meet their market needs," he said.

Another challenge that the company is attempting to conquer is its presence in the market — an issue Baltic Wood's new and expanded line of goods will help it overcome. "People are not familiar with us and our products because we are still the new kid on the block, but we are a growing player," Stern said.

Pacacha added that with quality on its side, the company's products will ensure repeat business and confidence for distributors and retailers in its products. "Our sustaining mission is to be a legitimate supplier to our industry. We can do this by helping our partners make money and also by being an important part of their business. Quality is what we wake up doing, and we give our distributors the confidence they are selling the finest quality product in the industry," he said. **FCW**



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## F L O R M A L L . C O M now offering simpleFLOORS products

Online retailer FloorMall.com has entered into a partnership with flooring vendor simpleFLOORS and will be selling its privately labeled flooring products. Floor Mall said it's excited to team with simpleFLOORS because of the company's dedication to providing customers with wood flooring options that are affordable and high fashion. Like FloorMall, simpleFLOORS is a privately held, self-funded organization which allows them to focus on the quality of their products and their customers. This alliance will help both companies continue their mission of quality flooring at low prices.

At the heart of this partnership is what FloorMall CEO and founder Marc Henderson calls "The evolution of the consumer." He describes a growing number of customers who don't want to spend a month comparing prices and products in various storefront

locations. Instead, they seek out reliable online retailers like FloorMall to quickly find products, compare prices and speak to knowledgeable customer service representatives. Henderson sees this alliance between FloorMall and simpleFLOORS as a way to provide additional quality to their growing consumer base.

Henderson also said he is regularly contacted by companies to create similar relationships but turns most of these offers down due to the strict criteria he has for FloorMall's partners. But for him, the choice to partner with simpleFLOORS was an easy one. "While we're always very careful as to what companies we decide to work with, we jumped at the chance to partner with simpleFLOORS. They have a great reputation in the community and are well known for their quality flooring," he said. "This partnership

isn't about cornering the market or making more money; it's about illustrating how easy it is for online companies to do business with each other."

FloorMall has entered into partnerships with BuildDirect and Blackriverfloors.com and is dedicated to building relationships with the online flooring industry. **FCW**

### news bites

- ▶ Cali Bamboo announced its first flooring line created from cork. CaliCork is a ready-to-lay product manufactured from cork used in wineries, and has a proprietary ceramic wear-resistant technology that nearly eliminates the appearance of scratches, scuff marks, scoring and rough spots, according to the company.
- ▶ Gerry Schappell, vice president and general manager of Cikel America, has announced his decision not to renew his contract with the company. Schappell's resignation was a mutual decision with Cikel's board, and is effective as of June 30.
- ▶ The National Wood Flooring Association Certified Professionals has developed a new website to help consumers, manufacturers, distributors, dealer/contractors, and other interested parties find professional wood flooring inspectors in their area. The new site, woodflooringinspectors.com, allows individuals to search for professional inspectors using a variety of options.