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IN DEPTH: SOUTH JERSEY BUSINESS

WFI capitalizes on interest in exotic woods

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DELRAN, N.J. -- The wood flooring industry is undergoing a sea change and a company called Wood Flooring International is at the crest of a wave.

Founded in 1998 with \$50,000 in startup capital, WFI imports and distributes exotic hardwood flooring. Since 2000, the company's revenues have more than doubled (from \$5.82 million in 2000 to \$11.82 million in 2002), while the number of employees has nearly tripled (from 10 to 29). This growth was enough to rank WFI 10th earlier this year in the Business Journal's list of 25 fastest-growing private companies in South Jersey and 136th among Inc. Magazine's 500 fastest-growing companies in America.

WFI specializes in wood species exotic to North America, such as Africa's wenge and Asia's teak, as well as common domestic species like maple and walnut in special sizes. Founding president William Jopling credits the "natural beauty" of exotic woods with a fresh interest from the design community.

"Ten years ago, the market was red oak, stained 50 different colors," Jopling said. "Exotic woods come in these colors. ... Rather than paint or stain it a different color, you can get natural beauty and variation in the graining."

Of the \$2 billion U.S. flooring industry, exotic woods are a small -- but growing -- \$100 million segment, said Jopling, because the cost of exotic woods is increasingly within reach of the average consumer.

WFI imports and finishes floors in mills in 15 countries for 50 distributors around the United States and Canada. The company works with manufacturers to develop product lines attractive to U.S. customers.

"Sometimes we will work at a mill for a year before we buy the first stick of wood," Jopling said.

As a small business in an international market, Jopling said WFI faces special challenges. Among them are fluctuating currencies, political matters and cultural issues. Jopling spends about a fourth of his time overseas; those trips have taught him important lessons about cultural distinctions.

"It's more on the nuances," he said. "In some cultures, they'll say 'yes' because they won't say 'no.' Eventually you really have to figure out that they won't say 'no' because it's a loss of face."

Back at home, profitability and strong relationships are the keys to success, said Jopling, who started WFI with no financial backing and "a balancing act" of loans, pre-selling and building good relationships with suppliers and customers. As WFI has grown, Jopling has worked to make teamwork the priority of his cross-trained staff.

The WFI team produces and markets pre-finished and unfinished solid wood flooring; engineered wood flooring made from a combination of woods and topped with hardwood; and moldings and stair parts.

Jopling sees interest in pre-finished flooring gaining on unfinished flooring, which can take up to four days to install and requires skills that are becoming rare.

"Now there is a shortage of good sanding and finishing people," he said. "We can install a [pre-finished] floor in one day, and the next day you're on it."

The shift to pre-finished flooring is one way Jopling aims to "develop product lines that we think make sense. ... With the right product, it does pretty well selling itself."

Good marketing helps.

WFI relies heavily on the Web. The site (www.wflooring.com), featured in the November issue of Inc., "is kind of our complete knowledge base," said Jopling. Originally built for WFI's internal use, the site remains a learning tool for the company's customer service and sales staff. Under the direction of Chief Information Officer Joel Scholtz, the site now includes "sub-Webs" with price lists for WFI's marketing partners and distributors; for international suppliers there are online quality control forms, pallet labels and specifications -- in native languages. Designers have their own section and a new sub-Web for dealers is under construction.

Much of the site material started with Jopling, who has been working with wood since 1972, first as a logger in Vermont, then running a sawmill and a millworks shop. He began working with exotic woods in 1982, setting up a factory in West Africa for Connecticut-based Fairfield Associates and creating a product line to suit American tastes and standards.

After a partnership in Philadelphia-based International Hardwood Flooring, Jopling set out on his own in 1998. His reputation in exotic flooring preceded him.

"He's probably the best as far as knowing product lines, knowing species of wood," said Joe Hughes, a long-time buyer for Derr Flooring Co. in Willow Grove. "They have some exotic woods that come from different parts of the world that others do not have."

That also was a draw for New Jersey-based Hoboken Floors, the nation's largest distributor of hard flooring products.

"WFI is a true 'wood' company in that they know the business better than most that we deal with," said Bill Schollmeyer, that company's wood product manager. "Most manufacturers focus on developing the marketing tools that make a routine product look attractive. WFI goes beyond that in focusing heavily on the product and then the marketing tools."

Among the product considerations important to Jopling is the ecological impact.

"To purchase something and to make use of it, beyond the choice of product, has intended or unintended ecological impact," said Jopling.

He is working to have an increasing percentage of the wood he uses come from forests independently certified by the Forest Stewardship Council (FSC). That council is supported by environmental organizations that aim to promote responsible forest management practices globally.

"You have to look at the circle of life, if you will," Jopling said, noting that WFI introduced an FSC-approved line of flooring this year and hopes to add more in 2004.

Jopling expects WFI to double its sales within the next 12 months and add four new product lines to its current seven. He plans to aim for four new lines annually.

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