

GREAT FLOORS Serving Northwest Businesses and Homeowners for Nearly Four Decades



For its newest store in Kennewick, Wash., Great Floors built a 26,500-square-foot retail space with a fresh design ready to compete for visibility in an already-crowded retail corridor.

“People are important when you’re focused on being successful,” said Doug Chadderdon, chief executive officer of Great Floors, a flooring retailer with 19 stores in the Northwestern United States.

Chadderdon grew up in the flooring industry. His parents Keith and Marge Chadderdon founded Carpet Center and Carpet Exchange in 1971. After Doug completed his undergraduate and post-graduate degrees in the 1980s, he decided to work in banking. However, when

Doug’s parents looked to expand into Boise, Idaho, in the early 90s, their ambitions serendipitously merged with Chadderdon’s desire to move his immediate family to the same area. The rest, as they say, is history.

A year later, in 1993, his father passed away unexpectedly and his partner with his cousin Ken Chadderdon and longtime friend Jim McGee to buy the company and its five locations from his mother. With each executive supporting the others in a “three-leg stool strategy,” designed to always keep the



Ken Chadderdon, Doug Chadderdon and Jim McGee of Great Floors.

company stable, the trio grew the company to 19 locations throughout the Pacific Northwest. Sales grew approximately 20% in 2015 to just above \$150 million.

As CEO, Doug is the first leg of the stool focused on strategy and real estate; Ken, COO, is responsible for operations at all locations; and McGee is the final sup-

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The new larger stores allow the company to keep more products in stock, which speeds up installation.

port with responsibility for all financial matters as chief financial officer.

The partners use a three-fold strategy to grow the business through retail, builder/multifamily and commercial markets. While Doug notes the retail sector is strong and growing, the biggest recent growth for the business is continuing in the commercial and builder markets with about 25% and 40% increases, respectively.

The trio grew their businesses through difficult economic times when many other retailers ended up leaving the marketplace. They attribute the growth to a few core decisions and directions: minimizing debt, effective hiring and training practices, and always listening to vendors and customers.

“We have been very conscious of maintaining little

to no debt,” Doug said. “It helps to survive the lean times.”

The company keeps cash flow up by maintaining a strong client base in new home construction and the contract market. Its clients have a history of keeping Great Floors’ receivables at a minimum, which is a significant boon in a segments competitors may find fiscally challenging. Although Doug downplays this strength by saying the contract market segment manages its payables differently in the Northwest than the rest of the country, there are many in those markets who might disagree.

“Maybe it’s just the culture here in the Northwest,” he said. “Our commercial clients generally pay well during a project even though I’ve heard horror stories around the rest of the country.”



Larger 40,000-square-foot stores were designed and built in Coeur d’Alene, Idaho, Spokane Valley and LaCoe, Wash., to replace smaller units.

The truth lies more in the company’s ability to create and build upon strong relationships. Great Floors has earned a loyal client base in all segments by always keeping a step ahead.

“We treat customers as you treat your mother,” Doug said. “You have to work closely with vendors so you are aware of changes in product mix and you have

to speak with a lot of people, especially customers, to know their needs. It sounds simple; it’s really just some face time. A cup of coffee can go a long way to understanding those needs.”

Part of the approach is asking more questions of customers to understand their expectations. “We are also very candid about whether or not we can meet their expectations,

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whether it is about timing or anticipation of what the flooring will look like installed,” Doug added.

That focus on total service is integral to the company’s culture and is part of its recruiting and onboarding process.

“We look for people who are ambitious, have integrity and are very candid,” he explained. “We are very

the installers are in-house employees.

Probably one of the most important factors to his success over the years has been Doug’s willingness to always keep an open mind and listen. Even the company’s name is the result of hearing what his clients are saying.

Doug recalls an occasion sitting at a ball game with a con-

tract client who was in need of hardwood flooring. The client asked him if he could recommend a good source, and the client was surprised to learn that Great Floors carried all types of flooring.

“Because we operated [at the time] under Carpet Center and Carpet Exchange, he hadn’t considered us for the job,” he said. “That was the impetus for changing the name.” In May 2005, the team brought all the operating units under the Great Floors umbrella, pro-

viding a unified name, look, feel and philosophy to better reflect the expanded offerings of both carpet and hard surface flooring.

“We wanted to expand people’s view of our company and changed the name to Great Floors and trademarked the name nationwide,” Doug said.

On the marketing side,

the message has to be consistent in every customer interaction, training is a key initiative for the company.

In addition to having Debbie Tott, director of training, develop programs and travel to all the business’ locations to conduct seminars, Great Floors has developed a program with hundreds of modules to help its team



Interior of the Kennewick, Wash., store.

open about what we do and expect so there are no surprises. We also listen to prospective employee’s questions so there are no mismatches.”

The process seems to work well. With 453 people on the payroll, almost 25% have been with Great Floors for more than a decade. Even more telling, about half of those employees have been with the company for more than 20 years.

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Doug says the company reaches potential customers through television, social media and newspaper, but the approach is focused by market with most of the budget in television and social media. Regardless of the venue, however, he reiterates a point espoused by many retailers with successful communications initiatives: “Being really consistent with our brand and service promises are the most important marketing tools.”

Understanding also that

learn about every aspect of flooring.

What are some of the most important aspects he teaches about the business? The philosophy of treating customers as your mother needs to carry through with other employees as well.

“It sounds corny, but honesty and integrity—we don’t gouge people,” Doug said. “We stand behind our products and services. And if something does go wrong, make it right and make it right now.” **ft**

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