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China's growing flooring industry

By Jim Gould jgould@floorcoveringinstitute.com

Every kind of floor you can imagine is made in China and many of the recent floor covering product innovations originated there — the original connecting LVT, handscraped wood and laminate and high-gloss laminate are just a few. I've toured Chinese flooring factories for nearly 20 years but on my most recent trip I was struck by the changes to both the country and its flooring industry. Its \$13.3-billion flooring industry continues to grow even through the economic slowdown and innovations are still coming.

Bamboo

The image of bamboo is as linked to China as the docile Giant Panda, but bamboo flooring that is indistinguishable from Brazilian cherry was a surprise. Wellmade Bamboo, a Unilin licensee, is now making bamboo flooring in a variety of printed colors and designs that duplicate the look of exotic woods. This combines the best of both worlds; the décor the consumer desires without harvesting rare woods combined with the ecological benefits of bamboo.

Dasso (Hangzhou Dazhuang Floor Co.) has invested heavily in research and development. At Domotex 2010 it will unveil the result of a new manufacturing process for bamboo flooring that doubles the yield of the bamboo stalk. This innovative company is also supplying FSC-certified bamboo blades for wind turbines making them stronger and more flexible than steel.

Some companies like Yongyu Bamboo (Yoyu) are very large, employing more than 700 people in manufacturing facilities that cover 250 acres and a million square feet of manufacturing, warehousing and office space. The company is ISO 9001 qualified and was one of the first to meet the E0 standard of formaldehyde-free multi-layer flooring.

Wood

China is the largest manufacturer of wood flooring in the world so one expects to see a lot of capacity. What I didn't expect was that while the rest of the world slumped, China's domestic consumption of wood flooring grew 8 percent in the first half of 2009.

Domestically, wood flooring represents only about 5 percent of their market although it is becoming increasingly sought after by their more affluent consumers.

Elegant Living makes high-end, cutting-edge products for many of the world's largest wood flooring manufacturers. Although I knew Elegant's handscraped flooring was truly scraped by hand, I wasn't prepared to see hundreds of workers in one room meticulously handscraping planks, working eight to 10 hour shifts around the clock to meet production demands. These craftsmen are well paid and are now members of the burgeoning Chinese middle class.

Backed by a \$100-million investment by Morgan Stanley, a second powerhouse, Nature Flooring Industries, has expanded its footprint adding a solid wood manufacturing facility in Peru where it owns the logging rights to huge forests filled with exotic species.

PowerDekor dominates the Chinese domestic market selling through its network of 2,400 retail outlets in China and has recently partnered with Shaw Industries to promote Anderson Wood Flooring in China.

Cork

Yes, cork is actually manufactured in China from indigenous trees that are a related species to the Cork Oak of Portugal. Manufacturers like Xian Link Cork Co. (brand Jilink) and Hyrain Cork (brand Korbena) have many of the traditional European cork flooring looks. Trees are government owned and just like in Portugal, sustainable methods are used for harvesting the bark every six to eight years. Unlike European cork, which is made from the off fall from the production of cork stoppers, Chinese manufacturers use the entire piece of bark for flooring, sorting and selecting the ground bark pieces by hand.

Some manufacturers offer products that combine the benefits of cork with linoleum, rubber, laminate and vinyl. Most of the finished cork flooring is exported to other countries although the domestic market continues to grow (18 percent last year). Industry leader Amorim also produces in China and shares the market with domestic manufacturers.

Laminate

There are several hundred laminate flooring manufacturers in China but one that stands out when it comes to innovation is Chinafloors. It was the first company in the world to offer pressed-bevel edges rather than sharp-milled bevels. Its synchronized embossing and piano-finished laminates are among the best in the world. One of the first to offer high-gloss laminate, it understands that this product requires multiple press changes to produce consistent high-fidelity looks. Chinafloors is working on something really big, and according to Perry Coker, executive vice president of Chinafloors' brand Lamett North America, it hopes to bring a revolutionary new product to market in 2010.

Carpets and area rugs

Although I've toured Chinese flooring factories for nearly 20 years I have not seen a carpet factory for a very long while. Things have changed. At the Shanhua Carpet Group in Weihai, carpet is its only business. It is the largest in China and by far the largest I have ever seen anywhere. Axminster, Wilton, velvet, tufted and even carpet tiles are made on its 600-acre complex where 2,500 workers operate in three shifts around the clock using state-of-the-art equipment.

More than 30,000 people are employed in the Chinese rug industry. Tibet has hundreds of years of history using Tibetan sheep wool that is hand and machine woven into rugs. Many of these rugs are carved by hand, washed and checked for quality in large centralized factories before they are exported around the world.

Despite the current world economy, China's flooring industry continues to grow at roughly 8 percent a year. This growth has been driven by the country's construction boom, government investments and increased consumer spending. Private enterprise is relatively new in China with most companies less than 10 years old and in that short time an enormous industry has evolved. Initially impacting the world as a low-cost provider, it is quickly becoming recognized as a source for quality and innovation.