

Recommended Action for the Wood-flooring Industry to Secure Its Share of the Urban Rehabilitation Market

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ABSTRACT

Urban rehabilitation is a major market for wood flooring, but if wood flooring is to continue to be used to any great extent in urban rehabilitation, it must be made more acceptable to the building contractor and housing owner. Changes in distribution, supply, and pricing could make wood flooring more readily available; product modification could reduce its short-term costs; and other changes could make wood flooring more economical and compatible with present working methods.

URBAN REHABILITATION—the renovation of existing housing units or the construction of new housing units in their place—presents a large market for building products made of wood. One of the major products for this market is wood flooring.

From our investigation of the urban rehabilitation market,¹ we estimate the national market for flooring in rehabilitation projects to be about 1 billion square feet per year through 1980. Although no comprehensive data are available, we also found indications that the use of wood flooring in the rehabilitation of urban housing is decreasing even though urban rehabilitation continues to increase. This trend was especially noticeable in the Northeast, where wood flooring has always been the traditional residential floor surface.²

WHAT DOES THE INDUSTRY NEED?

To secure its share of the urban rehabilitation market, the wood-flooring industry needs better information about the factors that influence flooring selection and the problems encountered in using wood flooring. More important, the industry needs to know what factors tend to restrict the use of wood flooring in urban rehabilitation and how to overcome them.

To determine what the problems are and to suggest possible solutions, we interviewed

¹Boyer, James. Potential wood markets in urban rehabilitation (a literature review). Unpublished manuscript. USDA Forest Serv. Forest Prod. Market. Lab., Princeton, W. Va. 1966.

Nevel, Robert L., Jr. Factors affecting the use of hardwood flooring in urban rehabilitation. USDA Forest Serv. Res. Pap. NE-273. 12 p. NE Forest Exp. Sta., Upper Darby, Pa. 1973.

²Nevel, Robert L., Jr. Urban rehabilitation characteristics, methods, and requirements and their effect upon the use of hardwood flooring and other building materials (an intensive case study). Unpublished manuscript. USDA Forest Serv. Forest Prod. Market. Lab., Princeton, W. Va. 1972.

urban-rehabilitation officials, architects, housing owners, and building contractors in New Haven, Connecticut. An intensive evaluation of one city was preferred to a more extensive survey of several cities, and New Haven was judged to be representative of most cities actively involved in housing rehabilitation. The interviewees represented several profit-making and non-profit organizations involved in both public and private housing construction.

The results of the interviews were analyzed and evaluated along with other data and information collected from the literature, brief visits to other cities in the Northeast, and discussions with various other public and private wood-flooring and housing officials throughout the United States. Suggested areas of improvement were indicated largely by the interviewees and analyzed in light of the overall study results.³

FACTORS IN FLOORING SELECTION

The interviews indicated that acceptance and use of a product in urban rehabilitation does not result entirely from its inherent or assumed economic and physical properties. Rather, many factors interact to affect the choice.

We found that the most important influences in the selection of flooring are the preferences of the building contractor and the housing owner. They are the ones most responsible for specifying flooring materials. They are concerned primarily with the availability, cost, and compatibility with their working methods of the flooring materials, and their effect on the approval, financing, and acceptance of their housing units.

Other factors such as product information, product image, and product use can be important influences; but they represent additional benefits or limitations rather than criteria for selecting a type of flooring.

Although wood flooring is probably used in 40 to 60 percent of the nation's urban rehabilitation, it is less preferred now by the

builder and the owner than it was in the past. In New Haven alone, where wood floors predominate in both new and renovated units, interviewees estimated that this change in preference caused as much as a 20-percent drop in the use of wood flooring in the city's projects during the period 1965 to 1970. They consider wood flooring more expensive and more difficult to obtain, and more difficult and less expedient to install than vinyl asbestos tile, composition sheet, or carpet.

A better understanding of these factors will help the wood-flooring industry to initiate changes in manufacturing and marketing operations, which will enable it to continue supplying the market.

SUGGESTED ACTION TO INCREASE THE USE OF WOOD FLOORING

Improve Availability

Unlike normal residential construction, urban rehabilitation tends to be non-cyclical. The housing owners and building contractors prefer products that are consistently and readily available on a year-round basis, and at relatively stable prices.

Indications are that wood flooring is not always readily obtainable. Of all the flooring products used in urban rehabilitation, the interviewees rated wood flooring products the lowest in availability. Most contractors disliked trying to get wood flooring because there are too many problems in getting it when they need it, getting prices, finding reliable suppliers, and finding large enough quantities or suitable varieties in stock to satisfy their needs. The interviewees commented frequently that they would like to see changes made in the distribution and marketing of wood flooring; and that if wood flooring cannot be had when and where it is needed, then other efforts to increase its use are of little consequence.

The distribution and supply of wood flooring products could be improved to make supply and prices fairly constant from season to season, regardless of market demand, fluctuations in the economy, and the cost and supply

³More detailed information about the study may be obtained from the author.

of raw materials. More stress could be placed on the traditional methods of distribution so that regularly supplied wood flooring would be handled by more large suppliers on a more dependable basis.

The large building materials or flooring suppliers could be easily used to help eliminate wood flooring shortages that cause lost time and inconvenience for the contractor. Larger quantities and greater varieties could be distributed to these suppliers to meet local or regional demands more quickly and economically. Contracts could be negotiated with the builder or housing developer to fix prices and supply over a period of time. Greater stability in the supply and price of wood flooring could help to insure its year-round use by the urban rehabilitation market. Also, the producers that are close to the market could act as suppliers.

In addition, we found that the wood-flooring industry and those in association with it should strive to make themselves, as well as their product, more available to the contractors and others in urban rehabilitation responsible for specifying flooring. With some exceptions, the middlemen are inactive in gathering market information, and market reports on urban rehabilitation are limited in number and value to the flooring industry. Increased representation and more direct communication from suppliers and producers could help determine market demands and trends.

Reduce Costs to the Consumer

The overall competitive position of wood flooring could be improved by reducing prices and installation costs, which require expenditures of money in the short run. The interviewees felt that wood floors generally compare well with non-wood floors in long-term cost, but that short-term costs are generally higher for wood flooring. Short-term costs are especially important to the contractor and owner, who are more concerned with initial costs and satisfactory service for the first few years. In the selection of flooring, initial costs usually override other costs, such as the cost of maintenance, that can be deferred, and long-term cost factors, such as wear life and frequency of replacement.

More efficient installation holds the greatest

promise for improving the competitive position of wood flooring. The most critical need is for reducing the time and labor required to install wood floors. The interviewees felt that wood flooring—especially strip flooring—cannot compete with other materials in speed or cost of installation because of the need for skilled labor and the time required for finishing and drying.⁴

Thinner and larger sections of wood flooring—either block or strip flooring—could make wood flooring more competitive if the sections were panelized and prefinished in sizes that could be handled and installed readily by two men. Panels suggested by the interviewees frequently included some sort of laminated block, 4 by 8 feet by $\frac{3}{8}$ inch.

Experiments by industry and government researchers with various types and thicknesses of panels have proven that thinner, panelized, and prefinished flooring can sharply reduce the time and cost of installing wood floors.⁵ Researchers at the Forest Products Marketing Laboratory in Princeton, West Virginia, have estimated that 75 percent of the time required to install strip flooring can be saved by using conventional installation procedures, but working with 8-foot by 9-inch panels of standard-size strip flooring.

Produced modification in the form of thinner flooring also offers distinct possibilities for savings in material costs to the manufacturers, which could be passed on to the building contractor and housing owner. Generally, the long wear life and structural strength of conventional 25/32-inch-thick wood strip flooring are not needed in most urban rehabilitation. For years, factory-produced block flooring with a 5/16-inch wearing surface has provided

⁴It takes two to three times as long to complete the installation of most wood flooring products as to install carpeting or resilient flooring.

⁵U.S. Forest Products Laboratory. Wood floors for dwellings. U.S. Dep. Agr. Handb. 204, 44 p., 1961. Micklewright, James T. A problem analysis of hardwood flooring markets. Unpublished manuscript. USDA Forest Serv. Forest Prod. Market. Lab., Princeton, W. Va. 1964.

Smith, Walton R., Frank Longwood, and L. O. Anderson. Urban rehabilitation—a challenge to wood products. (Unpublished report of the Forest Service Task Force on Urban Rehabilitation). USDA Forest Serv. SE. Forest Exp. Sta., Asheville, N.C., 156 p. 1966.

satisfactory wear life and serviceability for floor surfaces in all types of housing.

Furthermore, the industry could manufacture and market more lower grade wood flooring to help reduce wood flooring costs to the contractor and housing owner. For all practical purposes, the lower grades of wood flooring differ from the higher grades only in appearance and price.

Wood flooring could also be made more economically attractive through the elimination of difficulties and inconveniences that the builders and the owner frequently encounter with the use of conventional wood flooring. The interviewees indicated that protection from moisture is often a problem; and that better methods of keeping wood flooring dry and dimensionally stable in storage, enroute to the site, and on the job would reduce costs and difficulty.

They also mentioned frequently that the finishes and the ease and cost of finishing need attention, as do problems associated with repair, replacement, and maintenance of wood flooring. Wood flooring and its finishes are considered more susceptible to noticeable damage than competitive materials; and damaged wood flooring is more difficult and expensive to repair. The industry could economically alleviate some of these problems and associated expenses by producing and marketing prefinished flooring, in the relatively inexpensive distressed finish.

Improve Product Compatibility

The contractors felt that wood flooring could be made more attractive by making it usable with less interruption of work flow. We found that, particularly in renovation, wood flooring is generally installed over a sub-floor before interior partitions are erected or finish wall materials applied. Unless prefinished flooring is used, the need for finishing and drying makes carpeting and resilient flooring preferable because workers need not return later to complete operations. In addition, carpeting and the resilients can be installed closer to the end of the construction job and with less-skilled labor.

With known technology, wood flooring products could be manufactured to meet preferred

construction practices as well as market demands. Several types have been recommended, manufactured, and tested; some have been put to satisfactory use and others represent good possibilities.⁵

Improve Promotion and Advertising and Present Additional Benefits

Although not considered nearly as important as product availability, costs, and compatibility, some other factors were mentioned in the interviews that affect the acceptance and selection of flooring products.

Wood flooring could be made more appealing by emphasizing the additional benefits it provides. The interviews indicated that the techniques employed in promotion and advertising create the users' image of a product; that wood flooring is not well promoted; and that its characteristics and properties need to be presented more frequently and in a way that informs the user of its inherent beauty, variability, adaptability, and freedom of maintenance.

Then there is aesthetic appeal: the feeling of luxury, prestige, and modernity. Wood flooring was seldom thought of in these terms.

The wood-flooring industry could improve the image and acceptance of wood flooring by employing more appeals to the senses, more competitive sales arguments, more glamorous advertising, and more point-of-purchase advertising; and by providing more technical information and assistance. Much of this could be accomplished at the source of supply and through trade associations.

Other changes that could help promote the use of wood flooring products are improvements in color and design, versatility, the ability to blend with decor and furnishings, shock and sound absorbency, and resistance to grease, solvents, toys, and children.

DISCUSSION

Wood flooring has traditionally been used to a greater extent in the rehabilitation of urban housing than any other type of flooring. This trend cannot be expected to continue unless certain measures are taken by the wood-flooring industry to make wood floor-

ing more acceptable to the building contractor and housing owner.

A well-rounded marketing program is essential to make wood flooring more desirable and more readily obtainable. The industry should attempt to integrate in a forward direction to optimize functional performance and to control the marketing and distribution of its manufactured products to the ultimate consumer.

Although marketing endeavors, particularly those affecting product availability, need priority attention, improvement in these areas probably will not help sell wood flooring to the urban rehabilitation market unless the

industry also provides better, more compatible products to the market. Product modification for more efficient installation is the best opportunity for the industry to have a major share of the market.

All the recommended improvements could be accomplished with known methods and technology. However, most of the changes will not be easy, and traditional methods and products may have to be eliminated. Our data indicate that, in addition to insuring itself of a good market in urban rehabilitation, the wood-flooring industry could benefit from these efforts in other residential markets.



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