

CASTELLE

YEAR IN REVIEW
by Jennifer Bringle

2017: A LOOK BACK

Change. That certainly was the biggest theme for 2017 in the casual industry. Throughout the year, changes in leadership, ownership, names and even a change in law made headlines in the casual world. But with all these new developments came great opportunities, and the industry embraced change to generate a successful year. Here, we take a look at some of the biggest moments from 2017 in the casual category.

JANUARY

Derek Ritzel Named CEO of Pride Family Brands

Veteran furniture industry executive Derek Ritzel joined Pride Family Brands as chief executive officer, succeeding Steve Lowsky. The change in leadership was the culmination of a long-term transition plan put in place when private equity firm New Water Capital acquired family-owned Pride Family Brands in July 2015.

"I am greatly honored at the opportunity to be part of this highly regarded and industry-leading company," Ritzel said. "The company's heritage is one of innovation and expansion, and I look forward to continuing and building upon its success."

I am greatly honored at the opportunity to be part of this highly regarded and industry-leading company. The company's heritage is one of innovation and expansion, and I look forward to continuing and building upon its success.

—Derek Ritzel, Pride Family Brands

FEBRUARY

Klaussner Purchased by Private Equity Firm

Private investment firm Monmouth Capital Partners acquired Klaussner Home Furnishings. Klaussner's current management team, led by president and CEO Bill Wittenberg, who joined the company in 2010, will remain in place and maintain a minority stake in the business.



Bill Wittenberg

MARCH

N.C. Governor Signs Repeal of HB2 Law

North Carolina Governor Roy Cooper signed House Bill 151, a compromise bill that repealed the controversial HB2 legislation, after it passed voting in the North Carolina General Assembly. Known as the "bathroom bill," HB2 was passed in March 2016 and stirred up controversy for many businesses. Entities such as the NCAA and NBA pulled out of the state. The bill sparked misery in the furniture industry, with some companies boycotting the April 2016 High Point Market.

30

December 2017

CASUALLIVING.COM

CASUAL INSIGHTS
by Derek Ritzel

UNLIMITED COLLABORATION

HOW TO CHOOSE THE RIGHT PARTNER



DEREK RITZEL
President/CEO, Castelle
castelleliving.com
email: dritzel@pridefamilybrands.com

A CONTEMPORARY WRITER ONCE SAID: "If you don't collaborate, your ideas will be limited to your own abilities."

With all the challenges and complexities associated with maintaining profitable concerns today, one is constantly motivated to remove any factors that limit. Collaborations for the right reasons, along with engaging a great partner, will serve to stretch your thinking and expand your paradigm.

THE WHY BEHIND

THE WHAT
Prior to selecting a partner, you must first determine the "why" you would choose that person or company. If you've decided to collaborate, challenge yourself on the why behind that decision. Why are you entering into this partnership?

The "what" of lean thinking in manufacturing requires that until you get to the underlying "why," you will never get to the true reason behind the choice. If you're merely looking to add somebody's name to your product to sell more, the result of that partnership likely won't be successful. Your goal should be a collaboration that challenges your thinking versus just adding a well-known name to your goods.

This desire to challenge yourself and your company is a compelling reason for a licensing arrangement. For example, Castelle's collaboration with Barclay Butera is changing the way we look at things. A worthy partnership makes you rethink how you do things, and consider how you will be changed as a result.

Establish the "why" by asking how newly acquired ideas will expand the company's direction and priorities. Will the collaboration lead to different thinking? Will it force you to examine your voice? Will it encourage you to speak with new audiences? Will it lead to exploring new categories or associations? Examining "why" to engage in a collaboration is

more about these factors than the "who" or any associated celebrity status. Celebrity should be of little concern if the basis and fundamentals for the partnership is sound.

THE WHO
Popular artist and composer Pharrell said, "Collaborate with those you can learn from." After removing limitations and seeking the opportunity to learn follows, especially when selecting the right partner.

With designers and creative thinkers anxious to enter the outdoor category, each professional brings assets to the table. Examining what those are and how they expand the existing brand is an important step. In the case of Castelle's partnership with Barclay, we realized that he is a designer first. And because he's so well-known in the trade, his draw within the design profession was valuable on multiple levels. Barclay or any designer should be able to bring a unique design aesthetic, but if that's where it stops, that's not enough.

For us, the collaboration was not only about the new product we asked him to produce. Examining the strengths of each entity within the collaboration and how they challenge, as well as complement, each other can serve to create a partnership that works.

As the American consumer wakes up to decorating the outdoor space, collaborations within the casual category are going to occur in greater numbers.

As the American consumer wakes up to decorating the outdoor space, collaborations within the casual category are going to occur in greater numbers.

As the American consumer wakes up to decorating the outdoor space, collaborations within the casual category are going to occur in greater numbers. Realize that the ultimate success of any partnership is on you. If you do not allow the exercise to change how you do things, you will not succeed.

ing. Through the partnership, our company was able to be understood by the design community through a new and clear voice.

The collaboration is about more than just product. When the product is an extension of the new language, the company is viewed differently. This evolution is important; we should not be the same entity offering the same products we were before.

Additionally, with Barclay, we found him to be very business-oriented. His skills in that area allowed him to not only focus on his branding, but also the viability of the product we asked him to produce. Examining the strengths of each entity within the collaboration and how they challenge, as well as complement, each other can serve to create a partnership that works.

As the American consumer wakes up to decorating the outdoor space, collaborations within the casual category are going to occur in greater numbers. Realize that the ultimate success of any partnership is on you. If you do not allow the exercise to change how you do things, you will not succeed.

Derek Ritzel is the president/CEO of Castelle, designer and manufacturer of handcrafted luxury outdoor furniture. For over 25 years, Derek has been a part of the home furnishings category, with key positions in sales, marketing and operations.

CASUALLIVING.COM

December 2017

31

TREASURE GARDEN

YEAR IN REVIEW
Continued

JUNE

Sunvilla Launches Portica Brand

In the interest of helping specialty retailers differentiate product, Sunvilla announced the launch of its new brand name, Portica, under the Sunvilla Corporation umbrella. The Portica brand encompasses all existing and new specialty-only products.

"Our goal is to help our specialty retailers separate themselves and the Sunvilla products from what's sold in markets outside of specialty," said Christy Peterson, national sales manager, Sunvilla. "We continue to value and build those specialty retail relationships. We want to do whatever we can to help our specialty retailers and consumers better understand the difference in what products they will find in the specialty market."

The line made its official debut at the ICFA Preview Show in Chicago.

JULY

ICFA Announces Richard Frinier Design Scholarship

The ICFA announced endowment of the Richard Frinier Design Scholarship by the renowned designer and his wife and business partner, Catherine. The grant was established to inspire students to create innovative outdoor living spaces.

"We have been fortunate to be successful in our work in this industry, and we believe it is important to give back to our community, specifically, the trade organization that supports us," Frinier said. "We wish to encourage the work of young designers and help them to discover the vast opportunities to bring the quality of indoor living outside and the casual spirit of the outdoors inside."

The winner of the ICFA/Richard Frinier Design Scholarship will be awarded a \$2,000 stipend plus airfare and lodging for a one-night stay during Casual Market Chicago. They will also spend time with Frinier, top ICFA officials and industry mentors.

We have been fortunate to be successful in our work in this industry, and we believe it is important to give back to our community, specifically, the trade organization that supports us.

—Richard Frinier, Designer

JULY

Glen Raven Acquires Sunbury Textiles

Last summer, Glen Raven, parent company of Sunbrella, signed a deal to acquire Sunbury Textile Mills, a producer of decorative jacquard fabrics.

"Sunbury has been a close strategic business partner for more than 20 years," said Allen E. Gant, Jr., former chairman and CEO of Glen Raven, Inc. "Sunbury's leadership in the design, decorative jobber and furniture manufacturers with premium jacquard fabrics is unparalleled. Every Sunbury customer is important to us and represents an opportunity to combine resources and be better suppliers and business partners."

Sunbury specializes in decorative jacquard upholstery fabrics targeting the design community and luxury furniture manufacturers, for both residential and contract applications.

SEPTEMBER

ICFA Honors Award Winners

The International Casual Furnishings Association (ICFA) honored members of the casual industry during its gala awards celebration at Casual Market Chicago.

Sunnyland Furniture of Dallas and Outside in Style of Austin and San Antonio won this year's Apollo Awards in the single- and multi-store categories, respectively.

The Lillian B. Winchester "Best of Show" award went to Tuxett's Ocean Master Max with Integrated Lighting System, which also received the Lilly Award in the Outdoor Accents category. Jensen Leisure's Cordial Lounge Chair received the Lilly Award in the Outdoor Furniture category.

The prestigious Lifetime Achievement Award was presented to Petey Fleischat, founder of Casual Marketplace in Hockessin, Delaware, and Oliver Ma, founder of Treasure Garden.

For the sixth year in a row, OW Lee was named "Manufacturer of the Year." And Scott Ellis, an independent sales rep with Brown Jordan, Tropitone and American Leather, was selected as Sales Representative of the Year.

At the roundtable event, the ICFA announced the creation of the Mary Fruehauf Retail Genius Award to recognize those retailers whose creativity invokes the spirit of the late industry leader's unique ability to ignite excitement and emphasize fun in outdoor living.

32

December 2017

CASUALLIVING.COM