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MATTHEW ROUHANIAN, TAPPED FOR ICON HONORS, SHARES DYNAMIC RUGS' WINNING STRATEGIES



Matthew Rouhanian, founder of Dynamic Rugs in Frederick, Maryland, is a career achievement honoree in the gift and home furnishings industry's 2017 Icon Honors program.



Dynamic Rugs' corporate headquarters in Frederick, Maryland, established in 1994.

By Carol Tisch

ATLANTA -- The annual Icon Honors awards program, among the most prestigious in the gift and home furnishings industry, celebrates excellence in innovation, contribution, branding and achievement, and for 2017 Matthew Rouhanian of Dynamic Rugs is an honoree for career achievement.

The awards are based on the powerful stories of inspiring people in the industry and the extraordinary things they do in pursuit of their dreams, according to Jeffrey L. Portman, Sr., vice president, chairman and chief operating officer of AmericasMart Atlanta, a sponsor of the awards. "We are humbled by their courage, astonished by their inexhaustible talents and energies and awed by their achievements," he explained.



Fashion trends are a focus at Dynamic Rugs, here shown in the new for 2017 Illusion collection.

Indeed, Matthew Rouhanian has exhibited those qualities, establishing Dynamic Rugs in 1994, and growing a startup business into a full service wholesale distributor of area rugs which today serves all channels from independent retailers to big box stores and e-commerce retailers.

RugNews.com sat down with Rouhanian to uncover his strategies for success and learn how he catapulted a fledgling company into a major player in the rug industry.

What prompted you to start the company?

MR: I've been in sales for my entire working life. When I first started my career, I knew I wanted to own my own business. What finally pushed me to take the leap was realizing that I was done being content with my job. As strange as it may sound, I didn't want to be content. Instead, I wanted to create a bar that could constantly be moved higher and higher. I knew that the way to do that was to start my own business. That way, I could do what I had been doing for another company, but now I could be doing it for myself and with my own standards.

How has the company's mission evolved over the years as times have changed?

MR: Dynamic Rugs is now placing a lot more focus on being fashion-oriented. We are constantly working to trend-cast the fashion industry so we know how to appeal to the public before anyone else does -- perhaps even before people themselves realize what appeals to them. In doing so, we're expanding our market research to include fashion trends, not just the home design industry, but also in clothes and general

motifs trending through society, such as minimalism, abstract, bohemian, and other looks. We also place great importance in the level of our inventory: We are always keeping our warehouse stocked and placing orders to replenish inventory.

What has been the biggest or most notable change in Dynamic Rugs and in the industry since you founded the company?

MR: Since we are more fashion-oriented, and fashion is constantly changing, we are now constantly changing to be two-steps ahead at all times. So I think things are moving much faster in the company and we are placing more importance on anticipating changes in our customers and in the industry before they actually occur so that we are always well-prepared. This requires us to place a lot of emphasis on being forward-thinking. We've also expanded our product line to include utility items, such as doormats and scatter rugs, which have been doing really well.

What are you most proud of about Dynamic Rugs?

MR: I'm proud of the growth of the company in such a short period of time and our ability to manage the growth -- we are still keeping our customers satisfied and putting them first. We do our best to make sure our customers feel reassured and that they are in competent and confident hands. A big part of why we are able to do that is that we are always working to have our inventory ready and able to keep-up. I'm also proud of our international expansion; I truly value the business we do in Europe, Canada, South America, and Central America, and I hope to continue to grow it.

A new machine woven collection called Evolution offers luxury traditional designs at affordable price points.



The Kingston collection, introduced by Dynamic Rugs in advance of the erased-look updated traditional trend, is rich with texture shown here in detail.

How is the company structured? Have there been organizational changes since your daughter Anoosha Rouhanian joined the company?

MR: Since Anoosha came on, she's been working to restructure the company by having a more organized division of labor and tasks. It's also been nice having her as our corporate counsel because now we have someone spearheading anything that involves contractual arrangements or agreements, including licensing and exclusivity and trademarks and copyrights. In doing so, our company has been able to place greater weight and value on our intellectual property. We also now have someone in charge of e-commerce/online sales, someone specifically for marketing, a customer service team with a team leader, a photographer, and so forth.

How do retailers and e-commerce stores benefit by working with Dynamic Rugs?

MR: We offer a brand that is fashion-forward at affordable price points. We ship most orders within 48 hours and maintain high levels of inventory.

How do you find the next trend?

MR: Just a lot of market research we do on-line and sometimes in-person. We follow fashion weeks, social media accounts for all sorts of textiles, interior design blogs, etc. We also work to target our client's customer base -- whether it's Millennials, families, etc.

Can you tell us anything about consumer buying patterns or trends? What's the "sweet spot" price range in your various rug constructions/weaves?

MR: The "sweet spot" price range is \$299 for a 5x8 size. We've noticed the market changing as far as design goes. It seems to be getting away from the traditional designs and going more towards minimalistic contemporary designs. As far as color goes, neutrals are always strong, but recently, we've seen an increase in bold color accents.

What has been Dynamic's biggest innovation?

MR: Styling has definitely been our biggest innovation. We are gearing towards becoming more and more fashion-oriented so we are constantly evolving and adapting so that we can stay up to date with fashion trends. Our second biggest innovation has been the growth of international business, with Dynamic doing more business in Canada, Europe, South America and Central America. Another innovation includes increasing our internet sales and overall online presence. Additionally, with the hire of Anoosha, who has her law degree, we have expanded into working more with licensing agreements. We've also hired a professional photographer because we understand the value of having high quality images that accurately reflect our products

What design or collection has been the biggest sales success of all the rugs you've ever carried?

MR: The Ancient Garden collection has been the flagship of our company from the beginning until now; it has continuously evolved and has always been the best seller. It has a wide range of sizes and patterns and colors. But obviously, throughout the year we are always trying to stay ahead of the game in terms of updating our other collections as well and adding new collections, each with varying motifs, construction fibers, and designs, such as Quartz, Artisan, Silky Shag, and more.

What can the industry expect from Dynamic Rugs in the next 5 years?

MR: As before, our goals will always be to continuously improve and develop our customer service as well as always keep our inventory up. The industry can look to Dynamic Rugs becoming more and more technologically advanced with the use of e-commerce and other digitalization. And of course, we are taking great strides and initiative to try and stay ahead of styling changes.



Above: The Ancient Garden collection is a Dynamic Rugs classic, and is constantly edited to keep up with buyer demands. Below: Since its introduction last year, the Quartz collection has become a best-seller, shown here in designs introduced at the summer 2017 Atlanta International Rug Market.



Do you have an all-time favorite rug design?

MR: I don't personally, but my wife and daughter love our Quartz collection. Perhaps I'm partial to some of the Persian designs.

How do you balance work and family time? What do you do to relax?

MR: It took some years of practice, but I've mastered separating work from home. As soon as I am around my family, I want to be present and leave my work for when I'm back at work. I enjoy biking and running to relax and beating my wife in Scrabble.