



**Raj Menon, Country Manager, InterfaceFLOR India Pvt Ltd**, a subsidiary of Interface Europe Ltd. Raj has overall responsibility for the company's modular flooring operations in India and to steer the nascent market to a long term growth. After graduating with a Bachelor's Degree in Economics from Kerala, Raj began his career with Bluestar. He has served in various Sales positions in companies such as BPL and Kores India Limited. A through and through sales professional, he has had an experience in sales spanning a period of 25 years. Prior to joining InterfaceFLOR, Raj was heading the flooring business in the Unilever Group Company in Dubai, which was predominantly associated with the Flooring Business and were also the agents for Interface Flooring system. It was then that he joined InterfaceFLOR to head the company's operations in India.

**InterfaceFLOR India Pvt. Ltd.** is the 100% subsidiary of InterfaceFLOR Europe in India with headquarters in Bangalore and offices in Mumbai, Delhi, Chennai and Hyderabad. InterfaceFLOR commenced business in India in 2001 and initially marketed their products through a channel partnership model. In the last nine years, it has sold more than 3.1 million square metres of carpet tiles to over 300 major customers. InterfaceFLOR India offers its full range of modular products and services to customers and business partners. InterfaceFLOR is the modular flooring division of Interface Inc., based in Atlanta, USA. The Company is a worldwide leader in the production of environmentally responsible modular floor coverings. It is widely recognized as a pioneer in sustainable manufacturing and business practices, and has won many prestigious accolades for its environmental initiatives.

Speaking with **Jasmine Kohli** of *India Infoline*, Raj Menon says: "We are setting up a manufacturing unit in China and would be up in another three months time."

#### **To what extent are your carpet tiles eco-friendly?**

Ray Anderson, the founder Chairman, experienced his "epiphany" after reading 'The Ecology of Commerce' by Paul Hochen, where Paul talks about what industrial revolution has done. So it was then when Ray delivered his first environmental speech; the beginning of Interface's journey to sustainability. We began designing products utilizing a 'Less is More' philosophy, and reduced average consumption of fiber by 10% per square yard in just 12 months. We also introduced the concept of 'letting tile be tile' with modular carpet products designed to be installed quarter-turn or parquet method. We also introduced Vertical Circles Collection comprised of our hybrid yarn system, a blend of nylon 6,6 and bio-based fibers made from PolyLactic Acid (PLA), a derivative of corn.

We also replaced Aluminosilicate Glass (ASG) by virgin calcium carbonate (limestone), increasing the recycled content of our GlasBac backing. We became the first carpet company to receive EPP (Environmentally Preferable Product) certification for its products.

Over the years, we've created innovative manufacturing processes to reduce our waste and eliminate toxins from our products and facilities. Our innovative solutions allow us to recycle carpet backing and carpet fiber and have put us on the path toward eliminating the use of virgin materials and closing the loop.

Through a new patent-pending technology, we are able to recycle or reinyarnate reclaimed and separated type 6 and 6,6 nylon into new 6 and 6,6 nylon, and separated GlasBac and similar competitor backings into new non-virgin PVC carpet tile backing using our Cool Blue technology. We've also identified streams of use for other reclaimed materials, and the entire process utilizes lower embodied energy than any other.

### **Brief us about your global operations and India.**

We are a US based company and are listed on NASDAQ. We have a turnover around of almost a billion dollar every year. We have three operations; we call it Interface America, Interface Europe and Interface Asia Pack.

India is the part of Europe business. The market segments which we cater to are the corporate, Education, Government, healthcare, Hospitality and Retail. We offer modular carpet options for almost any type of environment. Our diverse product offering reflects our years of experience with modular flooring and our reputation for innovation with an eye toward our Mission Zero promise to eliminate our environmental footprint by 2020.

### **Explain to us how your business Model has evolved over the years?**

We embarked upon our journey in 2001 with a furniture manufacturing company. Around three years ago, we set up our office in India; we have our head office in Bangalore, which is a LEED rated office base. In India, the business model we follow is to provide a complete solution to the customers; if a customer comes to us for a flooring requirement, we provide do the entire process from design to installation, to customer service.

We have a special designer in our Bangalore office who puts the tiles together in viewing tool software and displays to the customers how the designs could shape up. Besides installation we also do maintenance also. If a customer buys carpet tiles from us, they don't just buy a piece of carpet, they get a complete solution.

### **Any plans for IPO? How would you raise funds for the same?**

No yet.

### **Your market share?**

It is a niche market and not many players are there in this field. We command ~ 50% of market share in the carpet tile segment. We are 3-4 years ahead of the competition, in terms of setting up a liaison office in 2001, to a full fledged operation in India now, to a next level of giving a complete solution. In terms of size, the domestic carpet tile business is about only 2mn sqms.

### **Brief us about your capex?**

We are setting up a very robust marketing setup, the sales organization; and the Mumbai office will be a part of that. A manufacturing unit in India is on cards but not immediately as it is a capital intensive manufacturing process. As this is a huge inventory-based project it will take time for a plant to mature. We need a size of business from India, which will justify that investment.

We are also setting up a China plant, which would be up in another three months. We have seven manufacturing facilities across the world. The closet one is in Thailand. Our Mumbai outlet gets all the carpets imported from the Thailand unit. Tell us about your dealers. What is the usual delivery time?

Our business is done on a made-to-order basis. Typically, there is a 7-8 week delivery period. We are setting up a retail business, which is more of a channel business. We are looking at reaching more Tier II, III cities and architects as well. We are creating a vertical buy side; it is a channel-based business. We will have about 20-30 dealers, across the country.

### **What is your price range?**

We have a range of prices. Including all taxes, duty, we may start at about Rs120-Rs130 per square feet and more.

### **Brief us about your retail sales and institutional sales?**

It is mostly institutional sales. Currently, we are tapping the corporate market. We will venture into hospitality too. In Europe, we have huge business from education. We also cater to healthcare and retail. These are the growth areas, but as of now our core focus would be corporate.

### **What are the key opportunities seen in this space?**

India and China are the emerging markets. From European business point of view, India is the growth market for us. That's where we report to, India reports to Europe. We see Indian business would take us to some levels eventually. A few corporate with whom we deal include Reliance, Tata, and Airtel. For Reliance we have 40-50,000 sq/mt which is around Rs5-6 lakh sq/ft, Airtel we have done about 5 lakh plus, Kotak Banks, Indian Financial institutions, etc.

### **Brief us about your exports.**

Currently there are no exports from India. From Thailand we support the entire Asia region. A factory in Australia supports the Pacific region. In Europe, we have three factories; one is in US and another one coming up in China.

### **Tell us about your geographical presence**

We operate in 110 countries. In India we have Bangalore as our head office; we have presence in Mumbai, Delhi, Chennai, and Hyderabad. We also have our regional managers in Pune and Kolkatta.

### **Any game changer initiatives done by your company?**

We have brought TacTiles, Next Generation Installation; it reduces the environmental impact of adhesives in carpet installation. The TacTiles come in the size of 3 X 3 inch squares which join the carpet to the floor thereby creating a permanent installation without permanently attaching the carpet to the substrate. These are glue-free adhesive squares which stick tiles to one another and create a "floating" floor. There are no liquid components, so Volatile organic compounds (VOCs) are virtually eliminated and there is no odour.

[http://www.indiainfoline.com/Research/LeaderSpeak/Raj-Menon-Country-Manager-](http://www.indiainfoline.com/Research/LeaderSpeak/Raj-Menon-Country-Manager-InterfaceFLOR-India-Pvt-Ltd/9324623)

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