



## **Kraus Revamps Corporate Marketing at Surfaces 2007**

**New Slogan Touts Wider Product Line, Differentiation Strategy:  
"Kraus | Floors with More."**

**LAS VEGAS, NV | 6 February 2007:** Kraus is introducing a new corporate identity and branding program at Surfaces 2007. Customer-facing divisions and private label collections will all be branded as simply *Kraus*; replacing a variety of geographic-division and product-collection names. A new corporate tag line, "Kraus | Floors with More," relates that Kraus markets a not only carpet but also other kinds of flooring, and that all Kraus products have unique features which distinguish them from commodity products.

Kraus was known as a manufacturer of carpet and fiber, but in recent years we've expanded our distribution centres for carpet and flooring to such an extent that today just over half our thousand employees work in manufacturing," commented Kraus' President and CEO, Gary Witt. "We doubled our space at Surfaces 2007 to showcase more of the hard-surface and soft-surface collections that we now stock in more than twenty cities across North America."

"Though we at Kraus made our name in contract carpet, today we sell nearly as much residential as commercial carpet, and nearly as much hard-surface as soft-surface flooring," commented Brad Vollrath, head of Kraus' Distribution Group. "With this new identity program, we've harmonized a confusing array of brand names. Until recently, commercial carpet was branded *Kraus*, while residential carpet and flooring were branded *Lifestyles*. Customers in the US Northwest knew us as *Kraus Sound*, Northeast customers as *Kraus Sorce* and Canadians as *Kraus McMahon*. Now it's all Kraus. Simple."

"We chose our new tag line to better communicate our product scope and our differentiation strategy," commented Kraus' Senior VP Walter Eckhardt. "'Kraus | Floors with More.' expresses that we market not only carpet but also other flooring types. And in every category, we differentiate our offerings from regular commodity products with unique features like our famous ZipperLock® backing, with more warranty coverage, with more local stock, and so on. Kraus doesn't aim at the lowest price - we aim to offer the unique product features across a broad spectrum of price points."

"When we design a product, we always ask, 'How can we make this product more profitable for our customers?'" explained Mike Wagner, the Senior VP who leads Kraus' product development team. "We may charge a small premium if it equips our customers to earn wider margins. For example, we charge a bit extra for a feature like our *No Exceptions™ Lifetime Commercial Stain Warranty*, but the dealer who does a little stain demonstration for his client comparing our product with rival products, he'll shift the conversation from just initial price to life-cycle cost and customer satisfaction. His client will value our products far higher than commodity alternatives. So our new tag line also means, 'Floors with more profit for our customers.'"

**About Kraus:** Kraus is an integrated global manufacturer of carpet and fiber, and a leading North American distributor of flooring products. Kraus' 1000 employees serve global markets from manufacturing facilities at Waterloo, Ontario; Dalton, Georgia; and Queensland, Australia and from more than twenty distribution centers across North America. Kraus carpet products are best known for their premium performance features such as the proprietary ZipperLock® backing system.

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