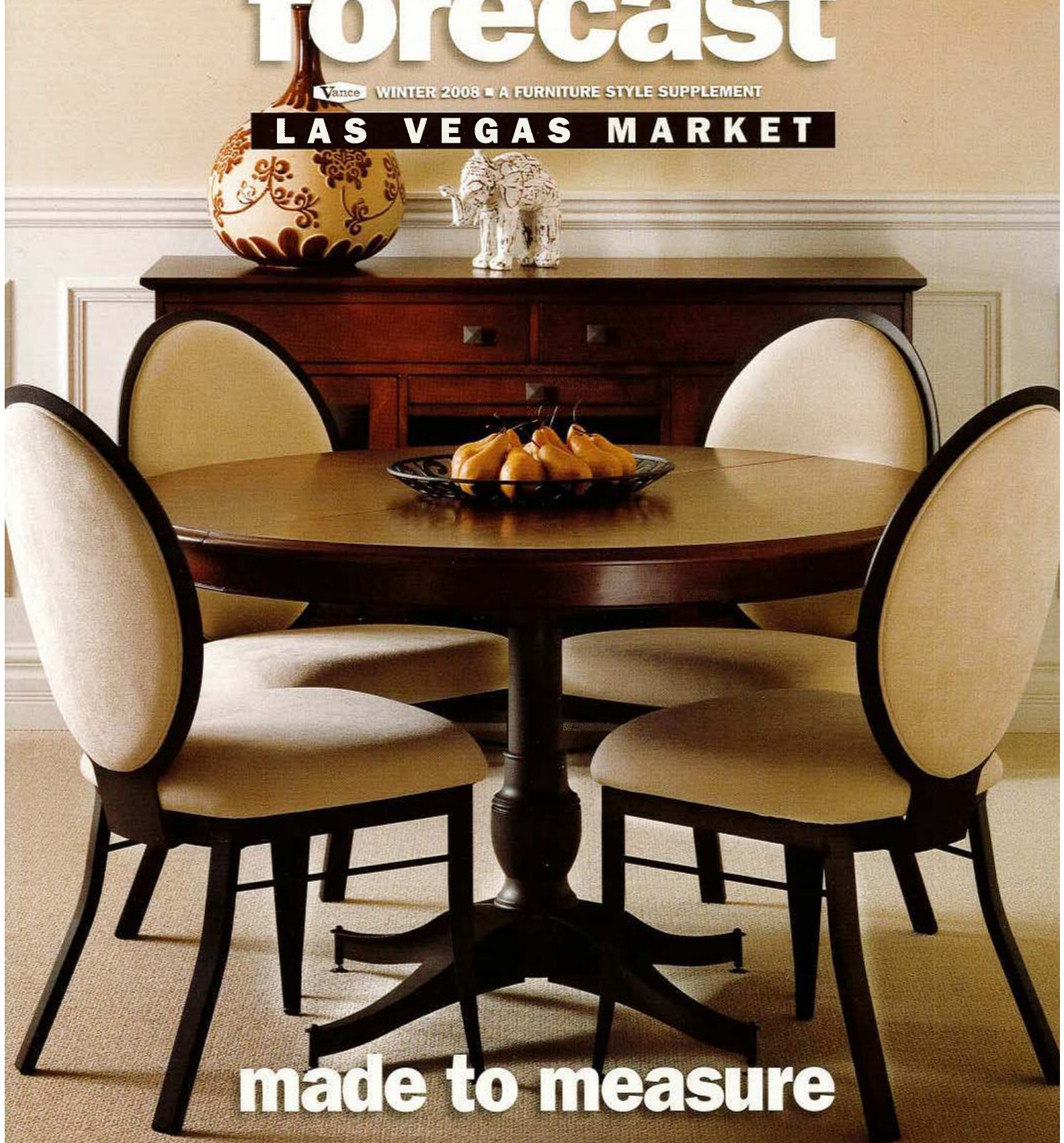


# HOME fashion forecast

Vance WINTER 2008 ■ A FURNITURE STYLE SUPPLEMENT

**LAS VEGAS MARKET**



**made to measure**

retail lessons:

# art underfoot

With its gallery-like atmosphere, the new CH Designs retail store makes the process of shopping for rugs an artistic experience.



CH Designs' area rugs are a collaborative effort between Charles Hobgood and Circe A. Lucas, principal of Netherlands-based Circe Design. The rugs retail for \$90 per square foot, and the price of finished rugs ranges from \$4,800 to \$15,000.

The luxury market isn't immune to economic ups and downs, but it certainly has proven it can endure, and sometimes thrive, despite the most adverse conditions.

This observation is a comfort for retail businesses such as CH Designs Inc., a new upscale rug store that made its debut October 2007 in Cummings, GA, a wealthy, fast-growing community about 30 miles northeast of Atlanta. With opening price points of about \$4,800 for a 6-foot-by-9-foot hand-tufted area rug and \$10,500 for an oil painting, CH Designs is targeting a small, affluent customer base that's willing to pay top dollar for unique products for the home.

Of course, when President and CEO Charles Hobgood formulated his business plan in February 2006, no one could have predicted the current economic climate for home goods. But even if business conditions could have been anticipated, Hobgood likely

would have moved ahead, secure in the belief that occupying a niche at the upper end of the market would provide some insulation.

"There are people who always buy quality, regardless of the price," Hobgood explained. "I knew if we could develop a quality product, in this case 100 percent New Zealand wool rugs, it wouldn't matter what the economy was like. As to the present economy, I still believe it was the right time to launch my business plan, which was straightforward: quality, quality, quality."

Hobgood's merchandising strategy conveys luxury and exclusivity. Each rug is an original, copyrighted work of art that comes with a serial number and a certificate of authenticity signed by Hobgood and Circe A. Lucas of the Netherlands. Lucas and Hobgood collaborated to create the 35 contemporary designs included in Collection 1.

Expanding on the concept of original

artwork, Hobgood staged the small, 1,400-square-foot store much like an art gallery, showcasing the rugs' brilliant colors and large scale designs. Each rug is fully displayed and spotlighted without the use of racks or stacks and surrounded by oil paintings by Alexandra Renoir (great granddaughter of Auguste Renoir), Henrietta Milan, Cynthia Bryant and Phil Epps, and sculptures by Jason Bood, Ed Shaw and George Ernest Vonderlinden.

What's the connection between area rugs and paintings?

"My intent is to provide a forum for creativity and an incredible experience for the consumer," explained Hobgood, who views his job as a curator of art for the home. "Whether we're talking about rugs, art or sculpture, it really is true that people don't mind paying the price for quality products and great service, both of which are getting harder to come by these days."