

Putting Out the Red Carpet

The Claremont Rug Company has woven a close relationship with its customers thanks to a wise use of the Web.

By Scott S. Smith

A Rocky Mountain couple was searching for Oriental rugs. The best kind of these rugs, as Oriental rug aficionados know, were produced 80 to 200 years ago before the advent of commercial production, and are made either by skilled artisans in workshops or by nomadic tribes using natural dyes primarily from Persia, Turkey, the Caucasus, or Central Asia. A single person or a group of weavers may have spent two to 10 years creating each unique rug, making them rare and valuable commodities. It shows, too, in the elaborateness of the design and the softness in the colors. They are more like works of art for the floor than they are room furnishings to be stepped on.

During the couple's search, they came across an ad for Claremont Rug Company of Oakland and checked out its website.

Using the "Find a Rug" feature, they pulled up images in a range of styles and sizes to fit their needs. They were able to examine digital photos in PDF files more productively than if they had looked at the actual carpets in person - pictures can be enlarged 300% without loss of clarity. After an hour of browsing, they called to discuss their specifications and preferences with a senior sales associate, who has worked with Claremont for over 20 years. He guided the couple to some other choices, which they looked at together online.

"We're almost always able to satisfy even those who tell us they've been shopping for months without finding what they wanted," says Claremont President, Jan David Winitz.

After consulting Winitz, the sales associate sent their recommendations three hours later in an email with a signature that included the *Financial Times*' assessment of Claremont as "one of the world's best sources of antique carpets." The next day, the couple ordered five rugs, shipped overnight to their home. After deciding which rugs worked best where, the couple bought three of the five rugs for \$225,000 without ever leaving their home.

"Our clients are incredibly busy and appreciate immediate gratification," says Winitz...

These days, that's a common online transaction between Claremont Rug and its more than 200 ongoing long-distance customers.

Founded in 1980, Claremont is the combined effort of Winitz, his wife, Christine Hunt Winitz, and a partner who oversees international buying, but prefers no publicity.

Winitz became fascinated with antique rugs after he inherited 350 from his grandmother, who he describes as "an impassioned connoisseur and world traveler who taught me things about carpets I could not have learned elsewhere." The onetime high school teacher who sold rugs on the side is now the impassioned connoisseur. He has a two-building gallery complex and warehouse in Oakland, another shop in Berkeley, a warehouse in New York City, and a staff of 20 buyers worldwide to pull together an international collection.

The rugs come from all over. Sometimes, they're picked up from estates. A couple of years ago, a Swiss woman left behind more than 250 rugs that she amassed over 50 years and which Claremont acquired and now sells as part of its collection.



The Net result

Until 1999, all business at Claremont was conducted by phone, mail, at their two stores, or by flying anywhere in the world to show samples. Then John Warnock, CEO of Adobe Systems and a longtime Claremont client, suggested they consider how the Internet could help their sales. Claremont started out carefully online, but quickly realized what a huge role the Web presence could play.

The company developed a state-of-the-art, in-house imaging department and

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photo lab where they created all the photos and files for online display. The look and ease of the website has hit a chord with clients from Palm Beach to Hong Kong...But rather than eliminating travel and phone calls, the Internet has generate more of both. Winitz spends about 20% of his time traveling, as opposed to making just a few trips a year before the online expansion. No sales are transacted entirely over the website, however, because consultation is always necessary, explains Winitz, to make sure the pieces work well with the decor and to make arrangements for installation, no matter where the client lives.

Superb service

And for those who want real-world experience, customers get the red carpet treatment when they come into Claremont's two-building main store. Winitz often attends to customers personally, three men open carpets for viewing, an assistant helps with the sales process, and staff members bring drinks, call the client's architect,

supply photos, or e-mail images to a designer during the discussion.

Winitz emphasizes the importance of excellent long-term customer service. In fact, the company offers a Lifetime Full Exchange Policy. So a customer can trade in a rug if their house, or tastes, change.

The main store holds room size (6'x9' to 10'x14') and oversize pieces (11'x15' to 17'x32') that are typically priced between \$25,000 and \$275,000. Some of the extremely rare rugs run as high as \$500,000 apiece. Of course, because these kinds of carpets have not been created this way for at least 70 years, there is great investment potential. A 9'x12' 19th-century Serapi carpet purchased in 1980 for \$7,500 might be worth \$60,000 to \$70,000 today, with prices going up because of the growing lack of availability coupled with an increase in the number of avid collectors.

The company doesn't cut corners to showcase its wares. Claremont's current offerings are published in a lavish catalog printed on the finest paper three times a year and mailed to 150,000 people. It's a major expense, which pays for itself both in return business and in introducing Claremont to prospective clients, who shell out hundreds of thousands of dollars for the rugs.

Even the global economic downturn of the past two years has not caused the firm to skip a beat in its growth. Their list of clients includes a great many CEOs and chairpersons of Fortune 500 companies, along with many on the Forbes World's Billionaires list.

"Our desire has always been to provide our clients with carpets that will have a magical effect on their home environments and will bring deep satisfaction on a daily basis," Winitz says. "These are solid art investments that often become cherished family treasures."

Scott S. Smith is a business writer from the Los Angeles area. He interviews leading business and social figures for the in-flight magazines of American Airlines and United Airlines.



A Shagadellic Glance

Claremont Rug Company

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Second location:

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1813 4th St.
Berkeley, CA 94708
510-883-1300
e-mail: claremont2@claremontrug.com

Executives

Jan David Winitz, founder and president
Christine Hunt Winitz, VP in charge of promotion and project research
Marian Clark, general manager
Robin Somerville, VP and sales manager, Claremont II
Janet Chann, general manager, Claremont II

Employees

16 in-store, plus 20 buyers in the field and 75 rug restorers.

The satellite store

If spending from \$25,000 into 6 figures on an antique art carpet isn't your thing, consider Claremont II, the company's store in Berkeley, that specializes in older oriental rugs to accessorize the home or to keep as personal treasures. The location serves as an introduction to the newcomer seeking fine, one-of-a-kind vintage rugs in a more moderate price range. Here, Claremont features a choice selection of decorative Persian tribal and village rugs, mostly 60 to 100 years old, in area size and room size formats.

At Claremont II, you will find area rugs mostly between \$3500 and \$9500 and roomsize carpets from \$9000-\$22,000.