The Business of Furniture | February 26, 2020



Special-T is the fastest-growing table manufacturer in the US, with a mission and a successful program to employ and help rebuild the lives of recovering alcoholics and addicts.





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HIGHLIGHTS

10 Registration Now Open for NeoCon and Four Keynote Speakers Announced

Registration is open for NeoCon 2020 . The show will celebrate its 52nd edition June 8-10 with the latest ideas, products and experiences in the furniture industry.

12Knoll Posts Record Year-end Results that Fall Short of Wall Street Expectations Full year growth was driven by both Office and Lifestyle segments.

14 HNI Corporation Reports Strong Profitability for 2019 Office furniture net sales

Office furniture net sales decreased \$8.9 million or 0.5% from the prior year to \$1.697 billion.

<Special-T factory p30





It's About More Than Furniture: Special-T, the Fastest Growing Table Manufacturer in the US, Rebuilds the Lives of Recovering Alcoholics and Addicts

IT IS THE SUCCESS AND GROWTH OF THE BUSINESS THAT VALIDATES THE STORY OF HOPE AND RESTORED DIGNITY. NOT ONLY CAN A COMPANY FOUNDED ON THESE PRINCIPLES SURVIVE, IT CAN ACTUALLY THRIVE AND PROSPER.

by Rob Kirkbride

Many have a stereotypical image of the alcoholic or addict who is homeless, lives under a bridge, begs for change at busy intersections and lacks the self control to stop abusing substances. Yet a closer look at addiction shows those suffering from the disease (and it is a disease) come from all walks of life. They are doctors and lawyers, construction and factory workers, and yes, the homeless. They are also furniture makers.

And for those trying to get clean and sober, past addiction to drugs or alcohol can prevent them from finding steady, meaningful work. Many employers take an uncharitable view of those trying to beat addiction, especially since many have past criminal records. It is hard for them to get a job; to convince an employer to take a chance on them.

That is what makes what is happening at Special-T so astonishing. It is a company with a mission and a successful program to employ and help rebuild the lives of recovering alcoholics and addicts.

Though some in the industry already know, it is a story first broadly told here. Alcoholism and addiction still carry the above stereotypes and stigmas, and the company's executives closely follow the traditions of the programs and support that promote sobriety and personal growth. It is better to witness how recovery has changed lives than to shout it from the hilltops.

It is the success and growth of the business that validates the story of hope and restored dignity. Not only can a company founded on these principles survive, it can actually thrive and prosper, said CEO Steve Rozeboom.

The company based near Atlanta has seen huge sales increases year after year. At the same time, 40% of its employees are in recovery. That, says Rozeboom, is one of the secrets of its success. By giving those in the recovery community a chance to work, Special-T has built a culture of hard work and loyalty and discovered that alcoholics and former addicts, given support and the chance to succeed, create a phenomenal workforce.





Steve Rozeboom

"These guys have above average intelligence, they're hard workers, they're so grateful for the opportunity," he said. "I don't hire them at the minimum wage, I bring it in here at as much as I can pay them in advance and as quick as possible to put their lives back together. These guys really appreciate the environment that they're in. It helps them stay sober being around other sober people, but they're very productive and intelligent guys. I can't give you exact statistics, but if I had just regular day laborers, I'd have to have 30% more people."

Far from being slackers, the company's workforce is loyal because they were given a chance. Rozeboom said they will "run through a wall for the company." And because of the culture of sobriety at the company, any worker that does stumble is sniffed out quickly and removed.

"The next guy comes in, we don't even have to do anything hardly, and they (other workers) have him trained up in record time because they want him to succeed just like they've had the opportunities to succeed," Rozeboom said.

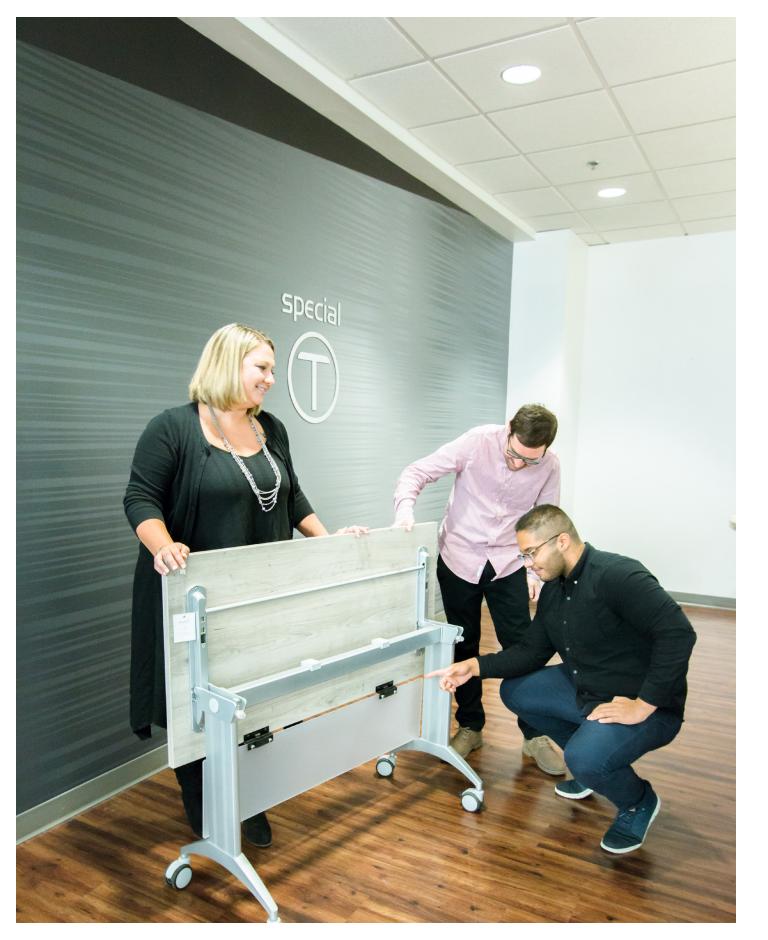


Founded on recovery

Special-T was literally built to help people recover. The company was founded by Rozeboom's father, Loren, who was already in the industry on the dealer side.

It's the late '80s, the height of the Reagan recession, and Loren Rozeboom They came together with the sole purpose of going to former Soviet coun-

was trying to sell new Haworth furniture. It was a tough sell. At that same time, he was involved with a ministry organization called Fellowship of Companies for Christ International. Along with other organizations like Walk Through the Bible and Campus Crusade for Christ, these groups came together when the Soviet Union broke up to create the CoMission. tries and educating business owners on how to get their products out of these countries. A bit of history: When the Soviet Union broke up, it was a pure economic issue, not so much freedom and democracy. Russia let the former Soviet countries go because they believed they would fail and return to the fold, their economies in tatters. CoMission was designed to help



the newly free countries prevent that. The CoMission teams went to places like Ukraine, Belarus, Kazakhstan and Georgia and helped connect entrepreneurs there to opportunities in the U.S.

Loren Rozeboom met someone in the Ukraine who made tubular steel products. He worked with the company owner (and eventually bought the factory) to make T-legs, H-legs, post legs and a number of other simple, tubular steel table bases. The business became such a success, the dealership was sold and Special-T was founded.

Special-T was at the right place at the right time. The company had a solid source for table bases just as China was coming on the scene as a furniture supplier. It became the China alternative with high quality products at a price point similar to what was being made in Asia. A T-leg from China might have sold for \$20 at the time. Special-T was coming in at about \$30, but the quality was much better. Domestic manufacturers were at about \$50.

That middle-of-the-road pricing with good quality became the bedrock of the business. Special-T was in the table business, selling Ukrainian products out of Atlanta.

"All along Dad had a heart for helping people in Ukraine and the biggest problem in Ukraine is alcoholism," Rozeboom said. "Dad ended up working with a local church there and started two rehabs, one for men and one for women. He started hiring people over there and when they presented with alcohol problems, he'd send them to rehab and hold their job, and let them come back and get back to work."

Alcoholism was a national crisis in Ukraine at the time. The average lifes-"That was the way that he gave back," Rozeboom said. "He ended up do-

pan for a man was around 48 to 50 because of alcohol and cigarettes. ing it here as well. There was a local rehab just down the street from where his distribution center was at the time, and he just hired a guy from there, hired a couple more guys from there. He just started trying to help guys who were coming out of long-term treatment to get back on their feet, get a good job."

A problem that hit close to home

About 2008, Rozeboom was finishing a 10-year career in investment banking where he'd been selling companies. It was the beginning of the recession and investment banking was slow. "Dad was concerned about his business, and he asked me to come back and work with him and figure out what he was going to do," he said.

Sales were a fraction of what they are today. So he built a rep network and sourced tops for the bases. That gave Special-T a grade-A quality product at



a C-grade price. Special-T customers buy bases factory direct (and the base is 70% of the cost of the table). That means they are often 25% to 30% less than some competitors.

Rozeboom brought something else to the company as well — an understanding of the recovery process and need for dignity through work.

"I got sober about two years before my dad asked me to come back," he said. "When I came back here, and he had all these guys in recovery working here, I realized the opportunity that we had to really help a lot of people. Being surrounded by people that were in recovery, honestly kept me sober."

He understood sobriety because he was sober himself. So he formalized the program his father started with an attorney and began to expand it.

Here's how the program works:

Special-T works with local recovery programs and hires workers with

nine to 12 months of sobriety, giving them an opportunity to put their lives back together and restore dignity.

The workers have sponsors, and there are recovery meetings at Special-T once a week. It is a formal program the workers have to adhere to, just as Rozeboom did when he started working with his father.

"When I first came back here, I was like, 'Dad, you and I had a rough run of it when I was drinking and running around out there.' He said, 'Look, just three things: Don't lie to me, don't steal my stuff and don't use. And if you do, come in here and resign.' Everybody that we bring in here from recovery programs gets the same speech, and the contract even says it. If they screw up, then they have to come in here and resign. But we've only really lost, in the 10 years we've been doing this, we've only lost maybe three or four guys."

On the other hand, success stories are plentiful, including many in the company's management.

Leading by example

Alexander Keen is chief dealer advocate at Special-T, a position at the company that puts him in front of some of its most important customers. It is a position Keen could never have imagined prior to May 22, 2005, the date he got sober.

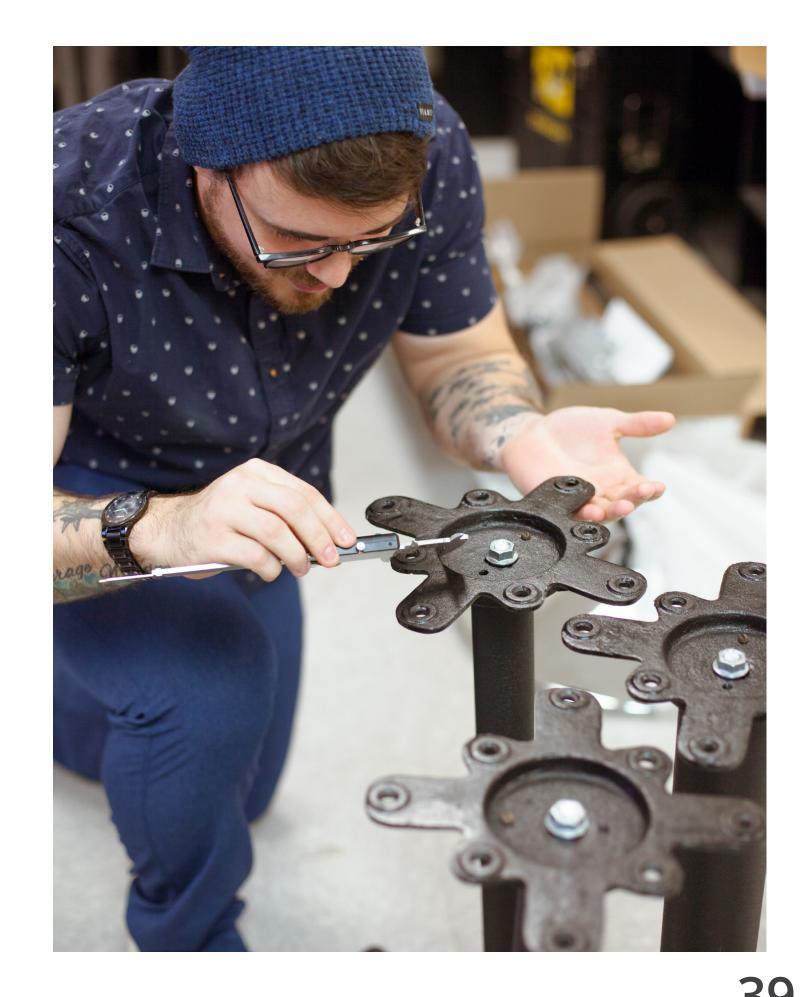
"I'm so excited to work for Special-T, because when I got sober there really wasn't a company like Special-T, there really wasn't an understanding of this disease, because the two biggest holes coming out of treatment facility are always going to be housing and employment," he said. "It's like, 'Congratulations, you're sober, but due to your criminal record, we can't hire you, and, oh, by the way, you can't live anywhere.' Well, that just sets up recidivism, right? I mean, how are you going to stay sober if you can't find a place to live or a job? But at Special-T, we've answered the bell to both those by connecting with sober living facilities and offering these guys and gals an economic opportunity to advance their resume."

Keen wears several hats at Special-T. In addition to his sales role, he also manages Special-T's employment program for those in recovery. He has a bachelor's degree in psychology, has gone through certified addiction counselor training and is working on his counseling hours to get licensed. All this so he can better understand the disease. Addiction and recovery is very complex and not everyone recovers in the same way, he said.

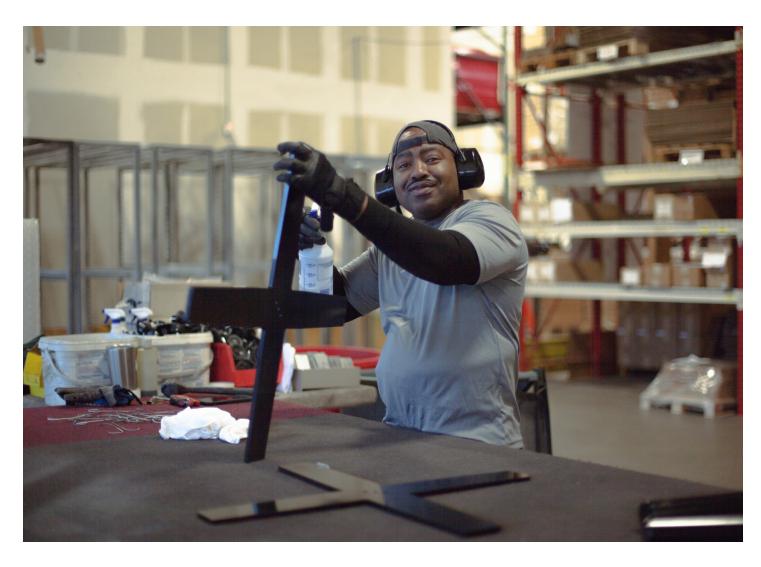
He had about eight years of sobriety when he stepped in the door at Special-T. Rozeboom and Keen are good friends. They go back about 14 years ago and have similar stories.

The bonds formed by their shared recovery go beyond a typical employee-employer relationship. "There's just a real love between he and I," Keen said. "I saw what he was trying to do at his company, and he asked me to come out. I was actually in real estate at the time, and I saw an opportunity there not only to help him sell tables, but to help people. I really believed in his vision, and I really believed with the right amount of effort we could make this work."

And it has worked. It is one of the most successful recovery-to-work programs in Georgia. What makes it successful is not Special-T people getting sober, Keen said, even though everybody wants to look at that metric. "It's successful because we can have people succeed or fail, including myself, and the program stays stable," he said. "A lot of workplace recovery programs that I know of have imploded because they weren't able to handle success or failure. But we're able to handle the people that can come into our company, get a job and fail, and then replace them with somebody else who succeeds, or vice versa."



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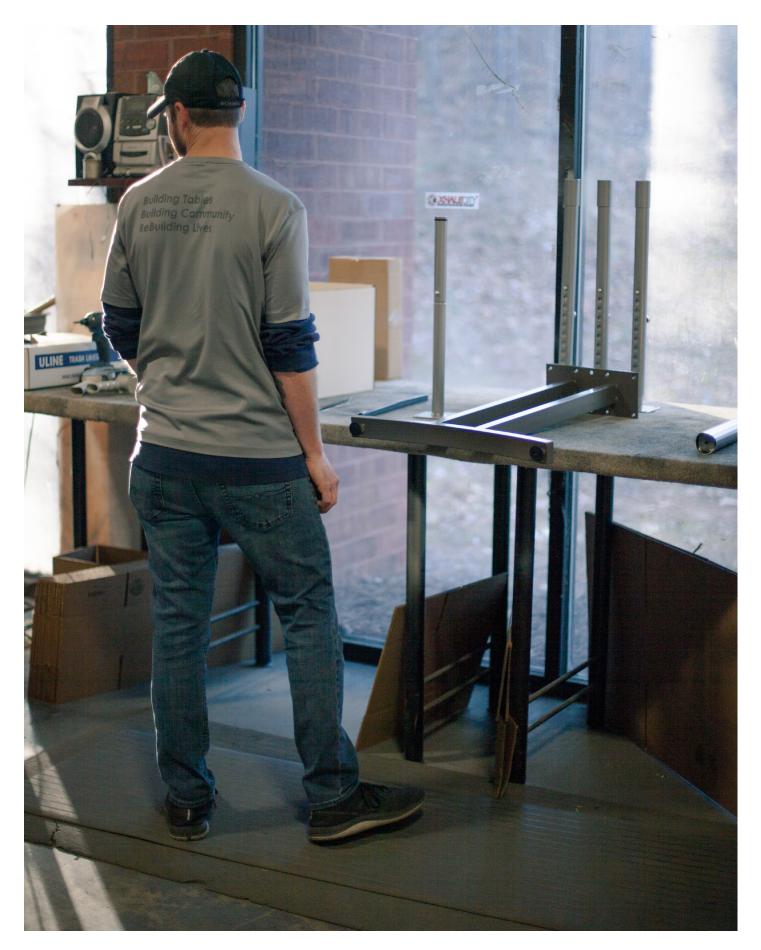


The metric of success for Keen isn't sobriety, because Special-T requires an incoming worker in the program have about a year of sobriety when they start.

Keen said: "The metric for me is, 'Is it stable?' and 'Is it enabling people to live a life that they wouldn't have been able to before?' That's really what the secret sauce of our recovery program is. Now, did Special-T help me get sober? No. But are they helping me personally live a life beyond my wildest dreams? Absolutely."

Though many have stayed sober through Special-T's program, the lifechanging effects can be seen most dramatically through the story of Brandon Rayburn, the company's vice president of operations. He literally started in the warehouse of the company nine years ago putting table bases in a box. He worked his way up to warranty manager and now he's running the company's operations.

A decade ago, he was in an intensive 10-month recovery program for drugs and alcohol.





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"I was at wits end," he said. "I had burned through most of the good things that life had given me. And I had three small children and a wife, and they were also at their wits end. My wife finally did the best thing that she could possibly do. She asked me to leave because my drug and alcohol use had gotten so bad.

Many who leave faith-based recovery programs feel they don't need additional support. Rayburn has found it is not true.

"At that point, I had a choice that if I wanted to come home for my daughter's birthday party, I had to promise to get clean. Along the way, I started seeing large improvement in my thinking and clarity, and as I moved further away from my using, I started to gain a sense of purpose again in my life and wanted to do well for myself and for my family."

When he got out of the program, he didn't know what to do. He was unemployed and had left his wife with a huge burden to care for and support the family. As he was about to leave the facility, he was approached by a man who asked him if he needed a job. Rayburn said he did, and the man sent him to an address in Atlanta that turned out to be Special-T. Instead of just being dumped in a job, he found a workplace that understood and supported him.

Rayburn said they were giving him opportunities to grow even when he didn't feel like he was worthy of the opportunities. They believed in him when he didn't believe in himself, he said.

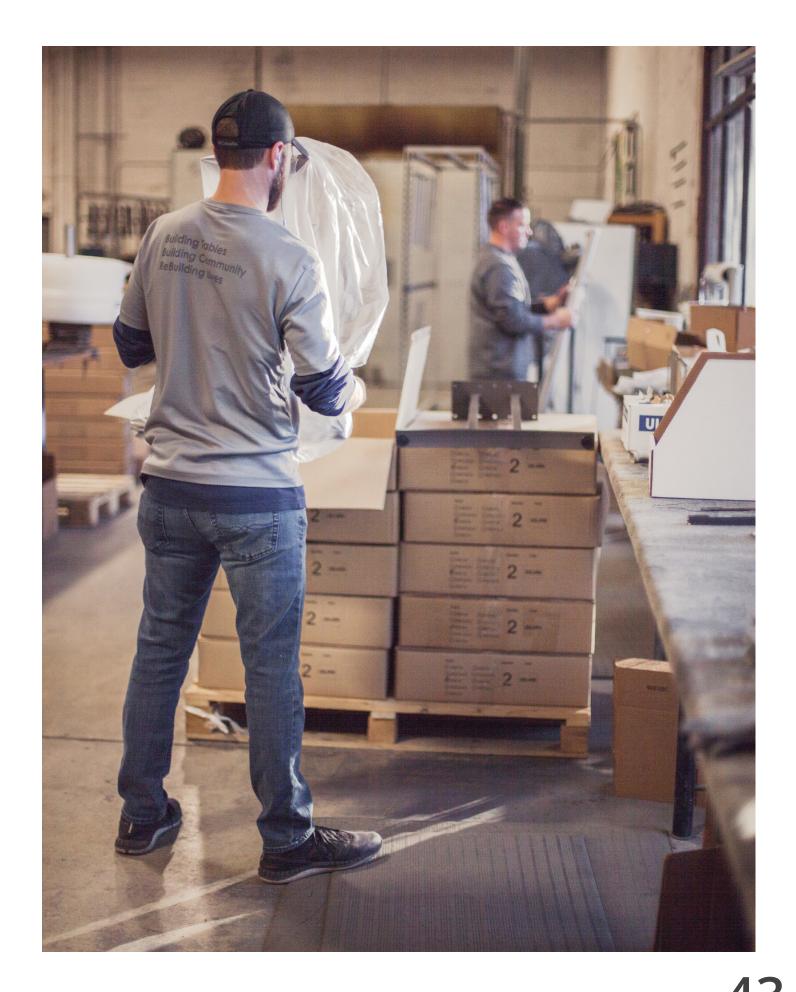
"I've worked a lot of jobs in my past and there hasn't been anywhere I have really just jumped out of bed to get to work and move the ball forward just for the good of the company, but the internal mission is so strong here that it's palpable in the air," he said. "People really have a level of commitment here that is unmatched. I haven't seen anything like it."

Rayburn has helped form the recovery program at Special-T. He said many who leave faith-based recovery programs feel they don't need additional support. Rayburn has found it is not true. Special-T's program provides the ongoing support system "to kind of hedge us from any kind of issue."

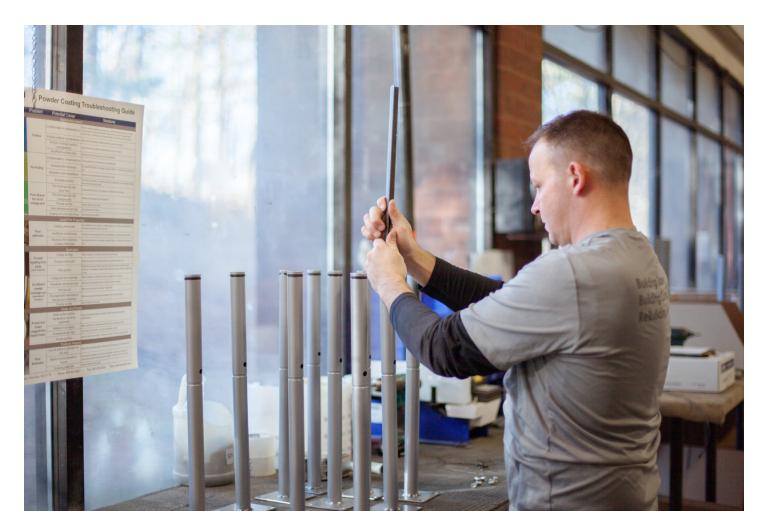
Overcoming the stigma by opening up

By telling its story, Special-T could be stigmatized. It is a risk it is willing to take if it helps others who might be suffering from the disease of addiction.

"If we tell these people that we employ people in recovery, they're go-



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ing to think we're a bunch of nuts, and they're not going to order from us," Keen said. "But the counter to that is also true, that if we don't stand up, and we don't say something, then are we really fulfilling our purpose in the world? Is our purpose going to be selling tables or is our purpose going to be helping people through selling tables? If we want to help people, then we need to come out with this and come out with us in the right way."

Rayburn said Special-T provides a safe landing pad to help people get back on their feet. The company works with several sober living facilities in the Atlanta area to recruit workers. It works well for everyone involved. The newly sober have a chance to get a meaningful job and rebuild their lives. Special-T gets a truly special workforce that is fiercely loyal and hard working. Dealers get great service from a company that is committed to them and their needs. Customers get great products.

"You know, I didn't see myself in a leadership position," Rayburn said. "I really was just trying to do right by my family. I didn't know what was next for me. I definitely didn't see office furniture as my path, but it really has been a vehicle for which we're able to grow this recovery network that we



have here. And there's a level of commitment and drive here with the employees that have come through this program that you can really see. They care about this place and they protect it. They are very, very protective of it."

Special-T is not trying to make a sale based on the story of its workforce or use what it is doing to try to sway customers in a sale. But it is transforming its community. Lives are literally changed when purchasing products from Special-T.

Rozeboom wants to succeed because the better the company does, the more it can help those in recovery. Right now, there are only so many jobs Special-T can provide. He wants to do even more for those who are so loval to the company.

"My long-term vision for the company is to get it to the point where I can put in an employee stock ownership plan, and sell the company to the employees, and give these guys a retirement that they would never have anywhere else," Rozeboom said. "Long term, the vision went from product and value more to building this recovery program to help people." BoF