



Tessellated™
TILE FACTORY

Proud Past,
Bright Future

There is a core tension and paradox to the tile industry in Australia. On the one hand, tiles are themselves a vibrant and exciting medium, capable of transforming relatively basic rooms into enlivening and engaging spaces. On the other, tiling is most often used in a fairly bland way, as a kind of “fill in the blank” for kitchens and bathrooms.

It is very clear which side of that equation the Tessellated Tile Factory (TTF) located in Annandale, NSW stands on. The product of over 20 years of hard work by husband and wife team Carmelo and Laura Bagnato, TTF is the kind of tile business that constantly pushes itself both in terms of tile design and customer relationships – two elements of the business which, as any interior designer will tell you, go closely hand-in-hand.

Today, TTF’s main product is a fully vitrified porcelain tile range that provides a catalogue of tessellated designs. Every design is manufactured to order. TTF also offers bespoke decorative tile designs produced in the factory through a screen printing process.

That Bagnato family drive has brought up the other tension in the tile industry: how do you sustain growth, when the background industry (construction and renovation) tends to go through peaks and valleys, over which a business has little control? While many tile businesses opt for the safety of limited expansion, TTF has instead invested sensibly in the present to prepare for the future.

As for the current state of the building and construction market, Laura does not see growth but stability instead. TTF has been stable for the last few years mainly because it has had a continuous pipeline of work. As she puts it:

I can sleep at night fairly confident things will continue at this rate. But we want more [growth]. Across the board, those renovating and building are very cautious and have a lot more access

Vacheron Constantin engaged the Tessellated Tile Factory to undertake the production of a bespoke tessellated design for the interior of their Collins St. boutique in Melbourne. TTF were tasked with matching the existing tessellated design found at the entry porch. This rich, classic tessellated tile pattern reflects the culture, history and tradition that defines the brand.



to free information and advice. This wasn't the case even five to 10 years ago.

The tile industry has become very saturated, there's a lot that customers have to filter through, a lot for them to look at. It's also become very competitive.

Being able to deliver the latest trends is a key ingredient in the recipe for growth. As Laura explains:

We cannot remain the same with no growth. We need to evolve as a business and develop, because customers aren't going to come back to us if we remain the same.

In this design space, showcasing the latest trends is key. We need to show that we're evolving in the way the market is evolving.

Retail style

Combining vertical integration with a strong sense of what customers want in terms of vibrant design has been core to TTF's growth. For higher end customers, the process of selecting tiles can be crucial to their participation in and enjoyment of the build or renovation process.

Getting into that retail mindset has been a major part of TTF's development as a business, after its early beginnings with Carmelo working as a tiler around 20 years ago. Early on, he made a smart decision to focus on tessellated tiles, inspired by the large number of houses in their business area that had been built in the Federation or Victorian style – an ideal architectural background for tessellated tiles. As Carmelo says:

I started by installing these tiles, and selling the product as a tiler. I was also custom-cutting them myself. Through word of mouth, it started to grow, and I needed to think on a larger scale.

For Laura, the decision to engage fully with TTF came about from personal, life decisions, as well as her sense for the potential of the business.

I graduated in 2009 from Sydney University [as an architect], and practiced up until 2016. [When] we had a second child, I just decided that I was going to focus on family, which meant I had to step back from full-time architecture.

I decided to join forces with Carmelo and give it our best to do what we could to make it work, with the intention of still being able to design and construct our own projects, separate to the business.

It's amazing how life unfolds. I had no plans to ever leave architecture, yet here we are. For any female professional who starts a family, you reach a fork in the road. We always need to make that decision at some point.

And I'm very happy! It was not intentional in any way. I was at a crossroads. Architecture is very full-on. I knew my limitations. I knew what I could achieve. I'm satisfied to do design for myself. For any woman who has a family, there is a fork in the road. We always need to make that decision at some point.

The company has certainly grown with Laura's involvement. In addition to supply and installation, TTF manufactures and creates all the encaustic tiles in-house, including printing the designs. That has delivered a competitive advantage. According to Carmelo:

We do custom work behind the scenes here on-site, and competitors probably have to go elsewhere.

As general manager, Laura is involved in operations, supply management, marketing and sales, and is very involved in staff recruitment.

At the moment we have a full time marketing manager, Jessica [Almeida], but only since October last year.

We've got strategies to reach out to the B2B market. We're also trying to really get the right salesperson for the growth we are trying to achieve.

Super showroom

Their business insights have taken Laura and Carmelo – and TTF – on a long journey, from a business dedicated to making and installing tessellated tiles, to a reseller clearly targeting the higher end of the architecture and design market.

The pinnacle of what TTF has achieved so far in retail is represented by the company's amazing showroom. Laura explains the process the team went through to set it up:

We engaged interior design studio Tom Mark Henry. We worked with them to establish a concept and design for the showroom.

They were also involved in material and finishes selection, furniture selection and lighting specification.

The current showroom is brand new to the business and as Laura describes it:



Detail of a front verandah of a house in Sydney's affluent suburb of Mosman. TTF's tessellated octagon and dot pattern in black and white, with border trimmings that include TTF's 'Bordeaux Neative' tessellated encaustic.



Interior of Vacheron Constantin boutique in Melbourne's Collins St. Interior tile continues the heritage of the existing exterior tile.

We had never taken on something like this before – we threw ourselves into the deep end

After Tom Mark Henry had the basics in place, TTF took over the final fitout.

Carmelo and I took over the remaining part of the process that involved the fit and the build...I've got an architecture background, and Carmelo is very capable in terms of understanding construction, so we were able to take that on – which helped us a lot. Because we're not a massive business [with big budgets]! It gave the opportunity for Carmelo to have some fun and not have to undertake traditional kind of builds in that situation.

According to the Tom Mark Henry website, the interior design of the showroom focused on highlighting the tiles and invoking a sense of natural serenity:

An expansive use of fresh mossy green hues seen through rendered walls, joinery and natural stone breathes life into the showroom and evokes a sense of calm, whilst giving a nod to the garden and porch spaces that tessellated tiles inhabit. Traditional detailing such as ornate skirtings, corbels and arch-ways are re-imagined and executed in unexpected ways throughout the showroom creating intrigue and a serene backdrop for the product to be showcased.

The bones and surfaces of the showroom itself act as a display for the client's own products, from the shopfront and bullnose treads to the tiled display plinths...

Framed and curated views into the showroom capitalise on the corner location, whilst the design of the shopfront display strategically restricts views of the bustling main road, affording minimal interference and distraction. Similarly, staff areas have been integrated within the showroom whilst carefully considered in their design, ensuring cohesion and no disruption to the atmosphere of the space.

The end result is a polished and sophisticated space set to deliver a strong return on investment for TTF in the coming years. As Laura explains:

We just wanted to do it well and do it properly...We wanted something to really lift the brand and elevate what the products

Top, interior view of The Tessellated Tile Factory showroom. The display provides a range of different focal contexts, from individual tiles, to single unit patterns and more complete patterns, in a well-lit, contemporary setting. Bottom left, one of TTF's tiles on display. Bottom right, the overall layout of the showroom.



had to offer. We made a decision, and in some respects, we probably jumped a few hurdles too far ahead of ourselves. But in terms of what it achieves, and wanted it to allow us to do, it has been great.

“Jumping” a little ahead of itself, as Laura puts it, has potentially positioned the business to be better prepared for future growth. She explains:

The part we’ve realised, and the reason for the [drive for] expansion and growth, is the size of the showroom. We’ve come to understand that, in terms of trading, we have been generating income from about 30sqm. The showroom is 150sqm...That’s why we are in this zone of transition. Because we know we need to work harder, the space needs to ‘work harder’. That’s been a massive learning curve.

It is undoubtedly a calculated near-term risk that will pay off for TTF in the longer run. For Laura, the advantages of the investment are already evident:

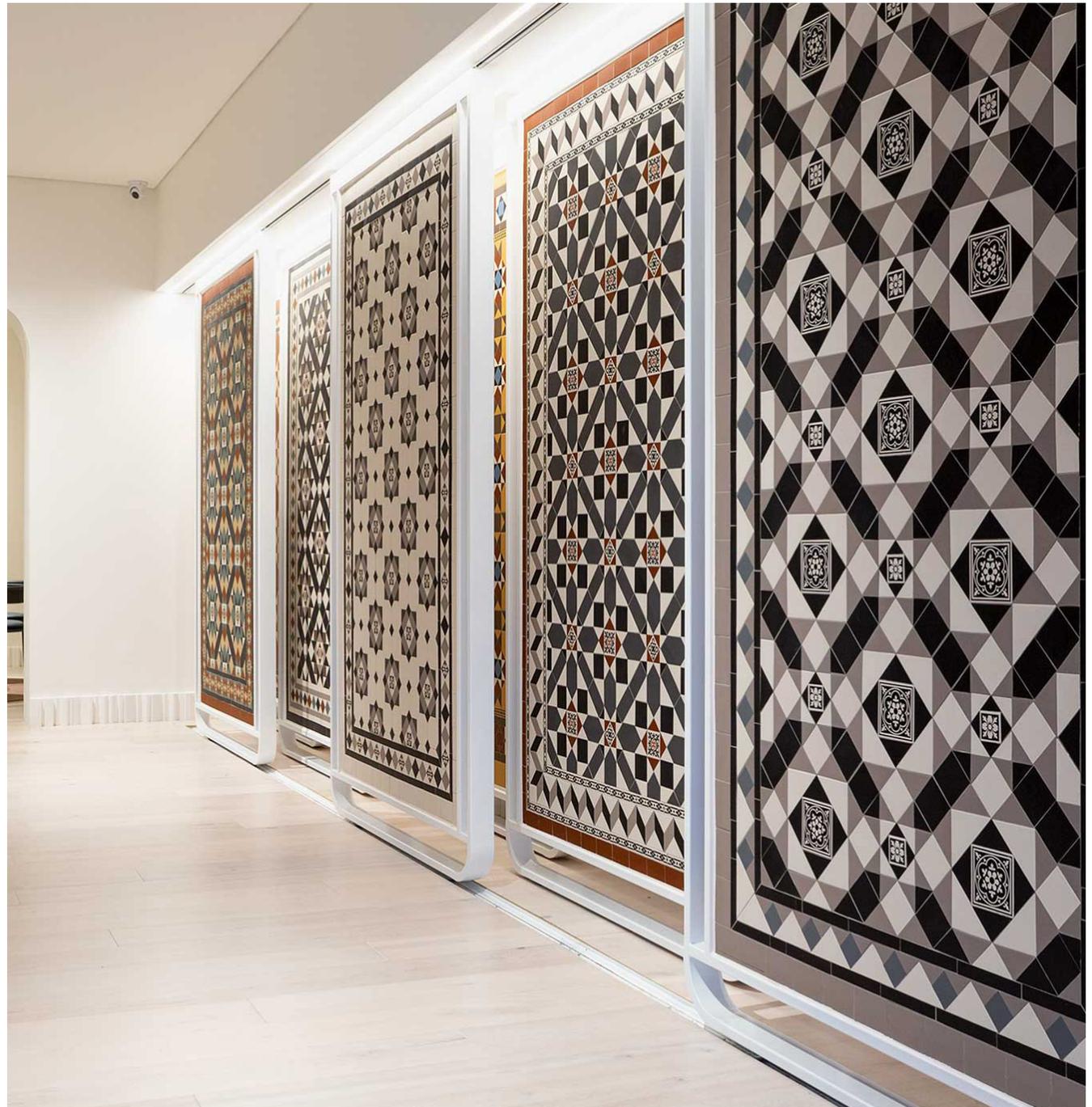
The showroom also allows the conception of scale of projects. In order to reach the commercial sector, it’s all about speed and delivering volume. If you can present yourself in a way that showcases that, it gives the market confidence. It can give you that bit of an edge. We still have a massive amount of work to get to where we want to be, but the foundation is there. So we are really excited.

While the concept of tessellated tiles is clearly rooted in an extensive history, they are also a gateway to a very modern approach to tiling and interior design. Linking the ultra-modern with the traditional is another role the showroom can support, as Laura explains:

The perception of tessellated comes from tiling for terrace houses in colours that exude traditional design and aesthetics. What we’re trying to do and really push is to say, ‘Okay, there’s a couple of ways to break away from that, through design and colour’. And you need a way to represent that and communicate that.

A more contemporary setting puts the consumer in that mind frame because it’s not a [typical] Victorian fit out. It’s far from

Interior of Tessellated Tile Factory showroom. This display enables clients to view the tiles “at scale”, and to compare effects. Note the sliding rail at the base of the displays, which effectively nearly doubles the number of patterns being shown, enabling customers and salespeople to easily shift between different patterns.



traditional. We're trying to introduce a modern version of this tiling – not negating the traditionalists, but just switching the mindset. We've also got some designs online that are quite contemporary in terms of the geometry.

As long as people know what can be achieved, it opens up their minds, and their creative juices get going. They can start to see the potential of something. But the critical part is that you need to show them. You can't expect them to come up with the idea because that's not their job...

We've got a lot of knowledge that we can pass on that builds confidence with our consumers. It allows for an easier process for them because they're dealing with one person essentially, one point of communication.

Customers

At the moment, TTF's customer base is split across approximately 85% consumers (homeowners), and 15% professional clients. It is aiming to increase the percentage of business-to-business customers, because this offers a viable and profitable market, one which represents a stream of continuing work. According to Laura:

We'd like to definitely build on [the professional business], and we've started to really work that sector. But it's literally been a few months. Obviously, there's a lot of work that needs to be undertaken to grow that, but that's our target.

To achieve that goal, Laura realises TTF has to undergo a shift in strategy and approach.

It's a bit of a process. We've been in the tessellated space for decades, and what we've realised is there's only so much growth available in that space...so we are really trying to branch out and open up the market, not just for tessellated, but introducing modern tiles as well. And you know there's a lot of things involved in changing perspectives and attitudes.

Hotel Indigo project

While intent is one thing, results is another. It's plain from the recent work TTF undertook for the Hotel Indigo Adelaide Markets in the CBD of Adelaide, SA, that the company is likely onto a winning formula. Laura describes how this new approach to tessellated and modern tiling worked out:



Tessellated Tile Factory's classic black and white checkerboard tessellated design complements this American Tudor home located in the Toorak Gardens suburb east of Adelaide, SA. Glazed bricks, stone cladding and a formal front garden are

the backdrop to this beautiful tessellated verandah. The entry is the focal point within the floor, highlighted through the use of red in the chequered design.



We recently completed a project involving two hotels in Adelaide that had a contemporary use of tessellated tiles. It's still tessellated in its true meaning but the colour selection and the geometry and design, and its installation [methods] were different because the tiles were used in hotels.

The special installation challenge with tessellated tiles is, of course, getting the patterns right. TTF made this easier by "sheeting" the tiles on a mesh backing, according to Laura.

Because it was a custom pattern and it had to be sheeted. Usually you get boxes with thousands of pieces in them and good luck! But for this project, which was located interstate, we had to sheet the design, make the pattern with a mesh backing, and that allowed for us to see the installation process. Instead of installing tile that is around 5cm thick, they were installing sheets of the pattern already, 300mm x 300mm sheets of tile. They just had to arrange it in the correct layout.

It's all credit to Carmelo and the boys because they have that knowledge. They just knew what to do, production-wise. So we basically created a template, and we inserted the tiles in that template. That allows for precision in the spacing between the tiles etc. And then we sheeted, it was patterned and boxed and sent to Adelaide. It was a massive production because there were 145 hotel rooms, a couple of lifts as well as the swimming pool.

The Adelaide Markets hotels in Adelaide required a rigorous design and production process from the Tessellated Tile Factory. Each design was influenced by Adelaide's artistic, political and cultural landscape, a design intent that is executed in every detail of the hotel. Top, TTF supplied the tiles for the pool. Bottom, entranceway shows TTF's blend of contemporary and heritage elements.

Conclusion

In many ways, TTF represents one vision of what the future of the tile industry in Australia could look like. The future really rests on the combination of two very different – and essential sets of talents.

First of all, there is the kind of depth and breadth of understanding that Carmelo has brought to the business. It takes a really serious tile person to get involved in tile design and manufacturing. Along with, of course, a real understanding of the market, the technical difficulties, and how "real world" challenges influence and form the business.



Secondly, there just aren't that many tile businesses that can attract and retain a talent like Laura's – not only an experienced architect, but one that understands the comprehensive needs of the business, including client development, marketing and customer service, while retaining that sense of pure delight so necessary to tile.

It is a challenge not really so specific to tiles, either – in fact, it's the general challenge facing the entire construction sector: how to combine people with world-class craft and trade skills with managers who really understand the underlying business.

In depth psychology it is often said that when paradoxes (so many paradoxes in tiles!) are somewhat resolved, what results is a symbol. Let's hope that the Tessellated Tile Factory, with its attention to craft, its vibrant approach to design, combined with both enthusiasm and sound business sense, is genuinely a symbol of what the Australian tile industry could become over the course of the current decade.



Seven Hills - Toongabbie RSL Club's \$30M revamp includes mosaic style 'MO6' black on white flooring from Tessellate Tile Factory surrounding the bar area.



Along with its own products, Tessellated Tile Factory also provides tiles from the Italian supplier Ceramica Sant'Agostino, as shown above.



In addition to its specialised tessellated tiles, the Tessellated Tile Factory carries designs such as these deep blue subway-style tiles shown above.



Tessellated tiles are ideally suited to fireplaces in Federation homes, and the Tessellated Tile Factory offers specialised help in designing these installations.



TessellatedTM

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