

MSI OPEN HOUSE 2004

Family-Owned MS Int'l Largest Supplier of Granite in US



The MS International family in their showroom gallery (from left to right) Raj, Manu, Rika and Rup Shah. (Michel Potts photo)

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ORANGE, Calif. – Through their MS International here, Manu and Rika Shah have become the largest supplier of granite in this country, so large that chances are the granite counter tops in your kitchen or your bathroom, and even the granite tiling on your floors, may well have come from their company.

The company imports its granite from 25 countries, with India and Brazil being the largest suppliers, accounting for 30 percent of their inventory, and the remainder coming from countries like Turkey, Mexico, China, Italy and Spain.

MS International specializes in marketing tiles, slabs and slates, 75 percent of which are used in home construction. Nearly 70 percent of the granite counter tops fashioned from slabs coming from India and Brazil are now being found in 80 percent of new homes.

"The largest increase besides the counter tops is the flooring," Manu Shah informed **India-West**. As a result, MS International is one of the largest suppliers to Home Depot and Export Design Center, their largest customers.

The remaining 25 percent of their business is in commercial buildings. All the vanity tops in the hotel rooms and other granite accessories in the Mandalay Bay hotel and casino in Las Vegas, for example, were supplied by the company, as was the granite used in Bhindi's Jewelers new showroom in Artesia.

"Our company is one of the pioneers that has brought granite from Third World and Second

World countries and started putting it into American homes at affordable prices," Shah declared. "The expense of importing material is driving costs down as we find more and more material coming from countries like China and Egypt."

Today, MS International is a family business, a mom and pop operation that has grown over the years to include sons Raj and Rup; last month the company celebrated the opening of its new corporate headquarters here in Orange.

In late October, the company held an open house to show off its new distribution center that encompasses a 13-acre site with approximately 170,000 sq. ft. of warehouse space and an additional 200,000 sq. ft. for outdoor storage.

Additionally, the company built a 10,000 sq. ft. wholesale natural stone showroom where customers can view over 300 colors of granite, marble, slate, travertine, limestone, sandstones and quartzites, many of them framed and hanging on the wall like artwork found in a gallery.

"From one single location, a customer can make purchasing decisions for over 1,000 items of natural stone imported from 25 countries and receive the material right away from our inventory," Shah was keen to point out.

Shah may be the company's spokesman, but, ironically, it was his wife Rika, a former schoolteacher in India, who actually founded the business in 1975. In their first year of operation, working out of their home, the Shahs made \$4,500. Today the company has earnings in the range of \$100 million.

Originally from Kutch in Gujarat, Manu Shah graduated from the University of Bombay's Victory in Jubilee Technical Institute with a mechanical engineering degree in 1967 and a year later earned his master's degree from Purdue University.

For the next four years, he designed cherry pickers for the Ohio Brass Company. After marrying Rika, Shah settled in Fort Wayne, Ind., where he worked as a project engineer for the International Harvester company while Rika began importing electronic components from a company run by Shah's brother in Mumbai.

Three years later, Shah's brother acquired a quarry in India through a government grant. At the time, black granite was the stone of choice for headstones. South Africa was a major producer of black granite, but because of apartheid, their exports were banned in the United States.

Consequently, India took the lead as the major exporter and in no time at all MS International became the major supplier in the United States. In 1982, the company reaped a major coup when it was contracted to supply the black granite for the Vietnam War Memorial in Washington, D.C. "That brought us a lot of prestige," Shah recounted to **India-West**. "Between 1982 and 1992, we did a lot of public memorials."

As success fueled the company's growth, bringing in \$2 million by 1986, the Shah family business, with its six employees, was still being operated out of their home. In order to be closer to port facilities, the Shahs decided to move to Los Angeles and in 1987 bought their first

warehouse in Santa Fe Springs.

Four years later, MS International moved to Anaheim. "That was a big jump for us," Shah said. "We quadrupled our size as far as space is concerned." Today, tombstones account for only one percent of their sales.

In its new location, the company was constantly growing, constantly having to lease more and more storage area in the surrounding area to warehouse its granite slabs. Although the company still maintains a couple of warehouses in Anaheim, the new Orange location now houses a majority of the inventory.

Meanwhile, MS International also has branches located in New Jersey, Atlanta and Chicago. "We're not an Indian company, in the sense that we are selling only Indian products," Shah maintained, although 40 percent of their granite slabs today come from India.

The company has grown to the extent that two years ago the largest American shipping line informed the Shahs that they were second only to Wal-Mart in container shipping from the Asia Pacific region, and this year they climbed to being number one.

As for the future, "I think America is getting back to the stone age," Shah laughed.

"When I came to this country, everything was wall-to-wall carpeting. The only stone was maybe a fireplace. It's changed now. It used to be no more than two percent of home value was going for those with hard floors."

Today, "it's more like six or seven percent for those using granite," he noted. "It's still lagging behind Europe, where it's 12 percent of the value, so we have a long way to go."