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# RETAIL INNOVATOR of the YEAR nominee

For many retailers, a tough economy is a waiting game. But for companies like Power Townsend, a lumber and hardware store that has been a fixture in Helena, Montana since 1867, staying ahead of the competition across the street (and Lowe’s is literally across the street!) means staying the course – even if that means moving ahead with a planned renovation, in spite of the economy.

Rather than waiting for the competition to beat them to the next new thing, Power Townsend has a corporate philosophy of remerchandising its sales floor every five to seven years – rather than the industry norm of every 20 years – in order to stay fresh and relevant for its customers. In May 2010, the most recent renovation of its 70,000-square-foot store was completed.

“My grandfather and my father always had the perspective that we had to keep the store fresh to stay current,” says company president Mike Wall, the third Wall to run the family business (Mike’s son Kevin is in line to run the business, as well). “Every time we remodel, it perks things up. We usually see a five to 20 percent increase in sales every time we remodel. The way we look at it, we have to remodel in order to compete with the competition.”



Store Operations Nominee | Power Townsend Company

So in spite of the poor economy, Wall stuck with the corporate philosophy and, in March 2009, began planning a store renovation that would reconfigure some major departments. He worked with Do it Best Corp.® Retail Plus representatives to expand the stores’ home décor section and made major changes in the store layout, like moving the paint department, adding flooring, increasing appliance offerings, and expanding the kitchen & bath design areas. All in anticipation of the economy’s turn-around.



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“It’s only been 30 days, but response has been extremely good,” says Wall. “Contractors make up about 50 percent of our business, so we really responded to what they were telling us they need. That’s why we expanded our major appliances. It’s added a whole new dimension for us. Contractors like it a lot. They can get everything at one place – plumbing, fixtures, flooring, lumber, paint, appliances. Our kitchen cabinet business is up too.”

Wall notes that contractors have recently been asking for heavy equipment, like earth movers and backhoes, so Power Townsend is bringing those in as well.

Aggressive merchandising works when it’s packaged with a seasoned and knowledgeable sales team, and that’s the key to competing with Lowe’s and the Home Depot that’s less than a mile away. According to Wall, customers appreciate the one-on-one attention they get at Power Townsend from staff that has an abundance of experience and wise counsel.

He concedes that some of the success of a renovation is psychological, because people consider it an indicator that the economy is improving. “People think we’re expanding for a reason. They want to go to a place that’s updating and changing,” he says.

