CASTELLE

Castelle

The juxtaposition of smooth curves with sharp angles gives the Hermosa collection a modern look. The multi-finish arm and tailored seat and back cushions complement the slender seat style. *castelleluxury.com*

Fire House Casual

IGNITING GROWTH

Fire House Casual Living has a plan for the future

By Laurie Rudd

In today's ever-changing retail climate, the specialty retail channel has seen its fair share of challenges.

But for Fire House Casual Living—which has four locations in North and South Carolina—this is a time for revamping and growth.

The fuel behind the company's current positive trajectory can be attributed to the 2015 acquisition by entrepreneur Grant Henegan, who implemented a strategic plan to build upon the business' 35-year history. With a 25-year track record of business start-ups, ownership and international trade, Henegan crafted a business plan with three key components: empowered customer service, omni-channel marketing, and fresh and defined showroom presentations. Each stage of the plan would be implemented with an eye on future acquisitions and replication of the successful model.

But the journey to retail success proved to be an unlikely one for Henegan.

> WE SPEND AN ENORMOUS AMOUNT OF TIME AND ENERGY ON TRAINING OUR PEOPLE. EVERY PERSON WHO WORKS FOR US GETS 80 HOURS OF PRODUCT AND SALES TRAINING EACH YEAR.
>
> *—Grant Henegan, Fire House Casual Living*

CASUAL INTENTION

Although anxious to test his business acumen in a middle-market company, Henegan did not initially have his eye on entering the retail category, especially not the outdoor niche.

"I've always had an interest in design and an interest in furniture, and I am an art collector," says Henegan. "So I thought, well, you know what, I'll swallow my prejudice and I'll give it a go. It was more of a financial decision on paper, as it was a reasonably successful business, and the numbers drove my decision rather than the nature of the business. And it was growing."

The company's location also offered a recognizable benefit with its close proximity to furniture industry hubs such as High Point and Hickory, N.C., as well as manufacturers of patio furniture and fireplace fixtures. But while recognizing the many benefits of his newly acquired company, Henegan became aware of challenges as well.

"At the time of the purchase, the one thing in my due diligence that I was not aware of—which I am now very aware of—is how competitive the retail market was becoming, especially with the national brands," Henegan says. "Even when I was interviewing the previous ownership, they saw other patio stores as their competition."

The greater competition, in the new owner's estimation, came from a place he felt many manufacturers and casual retailers were overlooking—big national retail brands such as RH, Pottery Barn and similar online outlets.

"I still don't think the manufacturers and the industry recognize how strong the big brands are and how effective they have been in outmaneuvering or out-marketing the manufacturing and retail segments in the outdoor category," Henegan says.

To better compete, Henegan revamped the store's branding to give it a more modern look and feel.

"We worked and continue to work to differentiate our brand and to professionalize it," he explains. "We believe we really have made the business more professional over the last couple years."

EMPOWERED CUSTOMER SERVICE

To Henegan, this new approach to branding also extends to the level of customer service his stores provide. Henegan and his team make a major investment in each salesperson, making sure they have the training and tools they need.

"We spend an enormous amount of time and energy on training our people," he says. "Every person who works for us gets 80 hours of product and sales training each year, and that is mandatory. If you join the company, you know that you will be required to attend these training sessions. It's a big commitment for them and for the management, but we live and die by that training."

Providing the Fire House Casual Living customer with the same experience they would receive at one of the major mass retailers drove Henegan's plan—with one important exception.

"In terms of the store, we try to think where we beat them," he says. "We beat them with the professionals on our sales floor and our service. If you look at our reviews, people are really impressed with the level of service they receive from us, which they do not get at the mall stores."

And it's important to Henegan that the service extends beyond the walls of the store through all channels of distribution to the customer. "From our store to our website to our catalog to whatever we do, it is an omni-channel idea," he says. "We have designed all elements of our customer's experience to be symbiotic in that they all feed off each other.

When you walk into our stores, it should have the same feel as it does with the website."

A FRESH APPROACH

The layout and vibe of each store is a central component of the customer experience at Fire House Casual Living. With that in mind, Henegan recently revamped the Raleigh, N.C., location—which had been open since 2001—moving to a new, updated space in line with the company's other locations. The refresh was designed to appeal to the store's typical retail consumers—high-income families looking to enhance stylishly appointed outdoor spaces.

"Our typical customer includes a lot of Boomers, although more young people are coming in as well," Henegan says. "We are putting an emphasis on more contemporary furniture to appeal to a younger audience, as well as high-income consumers living in homes with a swimming pool and a good outdoor entertaining area."

The new 18,000-square-foot store matches the previous store's footprint, but categories from accessories to fire features were realigned to maximize the space and better highlight products.

"Our customers like what they see when they come in—a clean and dust-free presentation, as well as a planned flow," says Henegan. "People do comment that the showroom is beautiful, but more than the physical appearance of the store, the connection with the customer service is much more important."

Each of the stores in the Fire House Casual Living family—locations in Raleigh and Charlotte, N.C., and Greenville, S.C.—have either completed or are going to receive a similar update to keep the retail experience and branding uniform. And Henegan sees the model as one he can replicate.

"As far as expansion, we are more interested in acquiring additional casual retail operations," he says. "If an owner is aging out of a business, and they are located in the Carolinas or Virginia, we would be very interested in speaking with them. We believe that rather than open new stores and move into new territories, we would rather take our model and utilize it in our region to help people looking to exit. We now have a model we can execute, and I have young people in the business who I feel have legs to help grow this company."

> WE ARE PUTTING AN EMPHASIS ON MORE CONTEMPORARY FURNITURE TO APPEAL TO A YOUNGER AUDIENCE, AS WELL AS HIGH-INCOME CONSUMERS LIVING IN HOMES WITH A SWIMMING POOL AND A GOOD OUTDOOR ENTERTAINING AREA.
>
> —*Grant Henegan*

Henegan's plan mirrors what is happening with retailers in other regions in the casual segment. He sees this preference for acquiring retailers rather than seeing stores shutter and people leaving as a positive, benefitting families and the industry as a whole.

"It is not ultraism," Henegan says. "It's just a practical way of dealing with this reality that exists in the casual marketplace."

Henegan and his team have built a solid foundation for expansion, and seeing the outdoor category poised to grow considerably over the coming years, they look forward to a business that will continue to flourish.

Jardinico

Jardinico
Set the mood for evening pool parties with the Antibes Windlights, which are crafted of teak and come in three sizes.
jardinico-caractere.com

Treasure Garden

Treasure Garden
With a distinctive Asian-inspired design and dramatic color combinations of gingko green (shown) or jockey red and black trim, the Pagoda umbrella makes a stylish statement.
treasuregarden.com

Watermark Living

Watermark Living
Give the poolside shower a style upgrade with the Northport shower. Constructed of all-weather wicker, the shower comes in two finishes—tortoise shell and oyster gray—and coordinates with the Northport towel rack and storage chest.
watermark-living.com

COMMUNITY SPIRIT

The Pinellas County Sheriff's Department and Johns Hopkins All Children's Hospital benefit from the charitable initiatives.

Leaders Casual Furniture and Watermark Living encourage employee engagement

As a family-owned company, the 19-store Leaders Casual Furniture chain has quietly worked to improve the lives of others for decades.

"My mom and dad taught us not to talk about the good we did, and I guess for a long time we took that to heart," says Tim Newton, managing director of Leaders Casual, and president of its wholesale division, Watermark Living. "It's only recently that we've decided to share what we do to encourage and engage our employees and customers. Our goal in sharing the secret is to amplify what we are able to do."

"Over the years, we have partnered with the Pinellas County Sherriff's Department," says Ashley Newton, executive vice president, Leaders Casual and Watermark Living. "In one case they were trying to get a domestic abuse victim out of the home, and we donated furniture to help them get on their feet.

"Additionally, we're platinum donors for the department's Children's Christmas. For that program, the officers partner with a team of volunteers to raise funds, do the shopping and personally deliver food and gifts to families lacking means to celebrate during the holiday season."

Leaders has also provided furniture for veterans in need via Liberty Manor for Veterans, a Tampa Bay-area organization.

"The freedom to work, flourish and serve is a privilege we have thanks to the dedication of our brave military, and we consider it an honor to give back to our veterans," says Tim.

In addition, team members organized donations of water and non-perishable food items bound for an airlift to Puerto Rico after Hurricane Maria.

"We've always answered the call as things were happening, but it's hard to say yes to everything, and we get a lot of requests," says Ashley. "So, we decided last year that we needed to pick a cause and really get behind it with a more coordinated and comprehensive effort."

That cause was one the Newtons had long supported: Johns Hopkins All Children's Hospital, raising funds to aid in the research and development of cures for devastating childhood diseases.

"A lot of terrible things happen to great people," Ashley explains, "So, we decided to formalize our giving with 5% of all of our delivery revenue going to All Children's. This means that every employee, from the point of sale to the final delivery, is engaged. We donate every quarter and in 2017 we donated just over $43,000. By the third quarter of 2018, we exceeded $31,000 with another quarter yet to go."

Still, the good works are advertised only by a small sign that lets customers know that a portion of delivery fees will be donated. That said, Leaders' employees are getting more vocal about the cause.

"The hospital invited us to participate on their radio telethon last year, and a lot of the office team members volunteered," Ashley says. "It has ended up being a really fun marriage and experience for everyone. We all delight in the victorious stories of hope and healing."