

# Multichannel Merchant



Welcome to the  
**16th annual ranking**  
of the top-100 print  
and online catalogers,  
as ranked by sales

[continued from cover]

For instance, IT equipment merchant CDW Corp. (#4) turned in a record-setting performance in 2007. The company increased sales 20% to \$8.14 billion, compared with \$6.78 billion in 2006.

Guitar Center (#52), through its Musician's Friend catalog and Website, also reported a 20% increase in direct sales, from \$391.70 million to \$470.40 million in 2007.

Not as much of a shock is that some marketers have struggled. Some slipped off the list altogether—see ya, Sharper Image, so long Lillian Vernon. Both merchants suffered falling sales, both filed for Chapter 11 in February, and both were sold a few months later.

Lillian Vernon, which saw its sales decrease from \$171 million in 2006 to \$157 million last year, won't be on the list for 2008, either. But that's because the personalized gift merchant was acquired in April by Current USA, so it will appear under Current's parent company Taylor Corp. (#43).

Sharper Image Corp. was acquired in April by a joint venture led by units of private investment firms Hilco Consumer Capital Corp. and Gordon Brothers Group.

The gifts and gadgets merchant's direct sales had slipped from \$160.7 million in 2006 to \$109 million last year. It's hard to say if Sharper Image will rejoin the ranks of

the MCM 100 next year, but the new owners are closing all of the stores and plan to focus exclusively on direct marketing.

**The big get bigger**

Multititle mailer Orchard Brands (#30) made a huge leap, passing the \$1 billion mark. That's largely due to its acquisition of venerable apparel and home goods cataloger Blair Corp. in April 2007.

Formerly known as Appleseed's Topco, Orchard Brands is owned by private equity firm Golden Gate Capital, which had a seemingly insatiable appetite for catalog acquisitions during the past few years.

But Golden Gate has slowed down in its buying spree considerably. In fact, one of its last deals was with itself—when Orchard Brands purchased long underwear cataloger WinterSilks from swimwear merchant Venus, which is part of its Spiegel Brands apparel catalog umbrella.

On the same day in September it bought WinterSilks, Orchard Brands also purchased senior gifts and accessories catalog Gold Violin. Orchard Brands CEO Neale Attenborough told MULTICHANNEL MERCHANT last fall that hard-goods acquisitions are "probably where we'll focus for now." But the holding company

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**METHODOLOGY**

The MULTICHANNEL MERCHANT 100 was compiled by the MULTICHANNEL MERCHANT editorial staff and freelancer Bernard Schriehl through public records, data card analysis, and input from financial analysts and sources within the industry. To ensure the accuracy of all statistics, MULTICHANNEL MERCHANT tried to contact executives at each company. Some companies declined to confirm sales totals; others did not return messages.

In those cases, or when companies would provide only approximate sales, an asterisk indicates that the figure is an estimate.

Sales are for calendar years 2007 and 2006. When a company's fiscal year varied from the calendar year by more than one month, MULTICHANNEL MERCHANT backed out the data to obtain calendar-year sales.

Whenever possible, sales figures are net of sales taxes and shipping and handling revenue. In some cases, the figures for 2006 differ from those reported last year, reflecting updated information.

For parent companies and cataloger/retailers such as Patterson Cos. and J.C. Penney Co., sales figures are for their direct divisions only, unless otherwise indicated. When companies broke out their telemarketing or field sales revenue from their print and Web catalog sales, we did as well.

To be considered for the MULTICHANNEL MERCHANT 100, a company's print catalog had to account for a significant portion of the business's direct sales, which is why major direct marketers such as eBay and Insight are not on the list.

Rank	Company	2007 direct sales (in millions)	2006 direct sales (in millions)	Market segment	Notes
1	Dell Round Rock, TX • 512-338-4400	\$56,900.0	\$57,420.0	computers	lost its top spot in the PC market last year to rival HP
2	IBM Armonk, NY • 914-499-1900	\$10,677.0	\$9,886.5	computer hardware, software and services	sold PC business to Lenovo in 2006
3	Thermo Fisher Scientific Waltham, MA • 781-622-1000	\$9,746.4	\$8,870.4	laboratory and research supplies	includes Fisher Scientific International and Cole-Parmer Instrument Co.
4	CDW Corp. Vernon Hills, IL • 847-465-6000	\$8,145.0	\$6,785.0	computers	average daily sales for 2007: \$32.1 million, compared with \$26.7 million in 2006
5	Staples Framingham, MA • 508-253-5000	\$6,614.2	\$5,908.9	office supplies	June acquisition of Corporate Express makes it top office supplies distributor
6	Wesco International Pittsburgh • 412-454-2200	\$6,003.4	\$3,192.4	electrical and industrial maintenance supplies	cites e-procurement prowess as a competitive advantage
7	Henry Schein Melville, NY • 631-843-5500	\$5,920.0	\$5,048.0	dental, medical, and veterinary supplies	net income for 2007 shot up 31%, to \$215.1 million
8	OfficeMax Naperville, IL • 630-773-5000	\$4,816.1	\$4,714.5	office supplies	added more environmentally-preferable paper choices to its product line
9	United Stationers Deerfield, IL • 847-627-7000	\$4,646.4	\$4,546.9	office and facility supplies	acquired ORS Nasco Holding in December 2007
10	Office Depot Delray Beach, FL • 800-937-3600	\$4,518.3	\$4,576.8	office supplies	installed energy efficient technology in stores, warehouses and offices

Rank	Company	2007 direct sales (in millions)	2006 direct sales (in millions)	Market segment	Notes
11	Corporate Express Broomfield, CO • 303-664-2000	\$4,066.30	\$5,106.90	office and facility supplies	finally agreed to be sold to Staples for \$2.6 billion in June 2008
12	Hewlett-Packard Co. Palo Alto, CA • 650-857-1501	\$3,534.0*	\$3,100.0*	computers	agreed to buy EDS for \$13.9 billion in May 2008
13	VWR International West Chester, PA • 610-431-1700	\$3,522.0	\$3,257.6	laboratory and science education supplies	significant component of net sales from e-business and marketing channels
14	IAC/InterActiveCorp. New York, NY • 212-314-7000	\$3,000.0	\$3,290.0	general merchandise	HSN retail unit spinning off into separate publicly traded company
14	Sears Holding Corp. Hoffman Estates, IL • 847-286-2500	\$3,000.0*	\$2,900.0*	general merchandise	made unsuccessful bid for Restoration Hardware
16	Patterson Cos. St. Paul, MN • 651-686-1600	\$2,959.5	\$2,602.3	medical, dental, rehab, and veterinary supplies	experiencing weakness in digital x-ray and software sales
17	Systemax Port Washington, NY • 516-625-4300	\$2,779.9	\$2,345.2	computers, industrial supplies	gets into retail market with CompUSA acquisition in January
18	Sigma-Aldrich Corp. St. Louis, MO • 314-771-5765	\$2,038.7	\$1,797.5	biochemicals and lab supplies	acquired \$60 million Epichem Group in February 2007
19	PC Connection Merrimack, NH • 603-683-2000	\$1,785.4	\$1,635.7	computers	migrated customer base to new IBM WebSphere Commerce platform
20	MSC Industrial Direct Co. Melville, NY • 516-812-2000	\$1,688.2	\$1,317.6	industrial supplies	increased field sales force from 715 to 814 in fiscal 2007

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## A family affair

Many of the MCM 100 are multititle mailers. Here's a guide to who owns what:

**1-800-FLOWERS.COM** includes Cheryl & Co., DesignPac Gifts, Fannie May, HearthSong, Magic Cabin, Plow & Hearth, The Popcorn Factory, Wind & Weather

**ARISTOTLE CORP.** includes American Educational Products, Nasco, Summit Learning, Triarco

**CABELA'S** includes Antique Hardware and Home, Ducks Unlimited, Van Dyke's Restorers, Van Dyke's Taxidermy, Wild Wings

**CHARMING SHOPPES** includes Bedford Fair Lifestyles, Brownstone Studio, Coward Shoes, Figi's, Intimate Appeal, Lane Bryant, Lew Magram, Monterey Bay Clothing Co., Old Pueblo Traders, Willow Ridge

**DIRECT MARKETING SERVICES INC.** includes Charles Keath, Home Visions, Montgomery Ward, Popular Club Plan, Room for Kids

**HANOVER DIRECT** includes Company Kids, The Company Store, Domestications, International Male, Silhouettes, Undergear

**IAC/INTERACTIVECORP.** includes Alsto's, Ballard Designs, Frontgate, Garnet Hill, Grandin Road, Home Focus, Improvements, IOS, Isabella Bird, Smith + Noble, The Territory Ahead, TravelSmith

**INTERLINE BRANDS** includes Barnett, Copperfield Chimney Supply, Hardware Express, Leran, Maintenance USA, Sexauer, SunStar Lighting, U.S. Lock, Wilmar

**ORCHARD BRANDS** includes Appleseed's, Blair Corp., Draper's & Damon's, Gold Violin, Haband, Norm Thompson Outfitters, Sahalie, Solutions, The Tog Shop, WinterSilks

**PATTERSON COS.** includes Masune First Aid & Safety, Medco, Sammons Preston, Webster Veterinary

**POTPOURRI GROUP** includes Back in the Saddle, Catalog Favorites, Expressions, In the Company of Dogs, Nature's Jewelry, NorthStyle, Pyramid Collection, the Stitchery, Serengeti, Whatever Works

**SCHOOL SPECIALTY** includes ABC School Supply, Abilitations, Brodhead Garrett, Childcraft, Delta Education, Frey Scientific, Hammond & Stephens, Sax Arts and Crafts, Sportime

**SPIEGEL BRANDS** includes Spiegel, Newport News, A.B. Lambdin, Carabella, Venus

**STAPLES** includes Quill Corp., Smilemakers, and Medical Arts Press

**TAYLOR CORP.** includes Colorful Images, Current, G. Neil, Paper Direct, Sa-So

**W.W. GRAINGER** includes AW Direct, Ben Meadows, Gempler's, Lab Safety Supply, Rand Materials Handling ■

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has been quiet this year, and several gifts and hard goods catalogers were on the selling block at bargain prices.

For instance, it was another multititle mailer, Provide Commerce (#70), that stepped up to buy troubled gifts mailer Red Envelope, which had filed for Chapter 11 bankruptcy

protection on April 17. At nearly \$100 million in sales, Red Envelope never made it onto the MCM 100 on its own.

Provide Commerce, the parent company of ProFlowers, Secret Spoon, Cherry Moon Farms, and Shari's Berries, bought Red Envelope in May. (See "Provide Commerce adds Red Envelope to stable" on page 7.)

Provide Commerce itself was acquired in 2005 by Liberty Media, the parent company of the QVC home shopping network.

### Computer merchants cranking

The computer products segment continues to show serious strength. Computer reseller

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Rank	Company	2007 direct sales (in millions)	2006 direct sales (in millions)	Market segment	Notes
21	<b>Williams-Sonoma</b> San Francisco • 415-421-7900	\$1,663.7	\$1,573.5	furniture, home decor, kitchenware	includes the Pottery Barn titles
22	<b>Deluxe Corp.</b> Shoreview, MN • 651-483-7111	\$1,606.4	\$1,639.7	business stationery and supplies	closing NEBS call center in Flagstaff, AZ, next month
23	<b>Redcats USA</b> New York • 212-513-9500	\$1,600.0	\$1,600.0	apparel, home goods, sporting gear	buys into retail with September acquisition of United Retail Group
24	<b>J.C. Penney Co.</b> Plano, TX • 972-431-1000	\$1,500.0	\$1,300.0	general merchandise	Partnering with Polo Ralph Lauren on American Living line
25	<b>Limited Brands</b> Columbus, OH • 614-415-7000	\$1,399.0	\$1,416.0	apparel, beauty products	Problems with Victoria's Secret Direct's new distribution center hit sales
26	<b>W.W. Grainger</b> Lake Forest, IL • 847-535-1000	\$1,320.0*	\$1,220.0*	industrial supplies	Lab Safety Supply unit acquired McFeely's Square Drive Screws, June '07
27	<b>PC Mall</b> Torrance, CA • 310-354-5600	\$1,215.4	\$1,005.8	computers	Acquired IT technology systems provider SARCOM in September
28	<b>L.L. Bean</b> Freeport, ME • 207-865-4761	\$1,215.0	\$1,155.0	apparel, outdoor gear, home furnishings	Opening store in Chicago this fall
29	<b>Cabela's</b> Sidney, NE • 307-254-5505	\$1,130.6	\$1,088.5	outdoor gear	Lost lawsuit to Gander Mountain over rights to Gander name
30	<b>Orchard Brands</b> Beverly, MA • 978-922-2040	\$1,100.0*	\$700.0*	apparel, home goods, gifts	mature apparel and home goods unit of Golden Gate Capital
31	<b>School Specialty</b> Greenville, WI • 920-734-5712	\$1,080.3	\$1,077.0	nontextbook school supplies	stronger-than-expected sales of its science curriculum products
32	<b>Cintas Corp.</b> Cincinnati, OH • 513-459-1200	\$1,045.9	\$910.1	uniforms, sanitation supplies	planning to launch service in international markets
33	<b>Broder Bros.</b> Trevose, PA • 215-291-6140	\$929.1	\$959.3	imprintable apparel	standardized its IT operations on the Progress OpenEdge platform
34	<b>1-800-Flowers.com</b> Westbury, NY • 516-237-6000	\$925.6	\$726.3	flowers, food gifts, toys, home products	added mobile commerce channel last summer
35	<b>Black Box Corp.</b> Lawrence, PA • 724-746-5500	\$921.3	\$941.4	networking products and services	terminated a distribution agreement with Avaya in September
36	<b>Airgas</b> Radnor, PA • 610-687-5253	\$842.0*	\$702.0*	specialty gases, welding and safety supplies	acquired Oilind Safety and Refron in June 2008
37	<b>Guest Supply</b> Houston, TX • 609-514-9696	\$823.0*	\$740.6*	hospitality supplies	acquired Austin Tatum, a personal care amenity company in Hong Kong
38	<b>Macy's</b> Cincinnati, OH • 513-579-7000	\$800.0*	\$620.0*	general merchandise	former Federated Department Stores; dropping Bloomingdale's by Mail book
39	<b>Digi-Key Corp.</b> Thief River Falls, MN • 218-681-6674	\$775.6*	\$829.0*	electronics components	grew sales in China 60% in 2007
40	<b>Premier Farnell</b> Independence, OH • 216-525-4300	\$774.0*	\$777.8*	electronics components, industrial supplies	Newark unit added 90,000 new products to its line

## Wheeling and Dealing

Some of the most notable mergers, acquisitions, and divestitures involving MULTICHANNEL MERCHANT 100 companies during the past 18 months.

### JANUARY 2007

Electronics components distributor **TTI**, parent company of cataloger Mouser Electronics, is acquired by holding company Berkshire Hathaway

### FEBRUARY 2007

**Brady Corp.** acquires **Clement Communications**, a direct marketer of safety-related posters and newsletters

**Guitar Center**, the parent company of cataloger **Musician's Friend**, acquires multititle cataloger the **Woodwind & the Brasswind** out of bankruptcy for \$29.5 million

### APRIL 2007

Apparel and home goods mailer **Blair Corp.** is acquired by Orchard Brands (formerly **Appleseed's Topco**), a unit of Golden Gate Capital

Pet supplies mailer **Doctors Foster and Smith** agrees to buy Web merchant Neeps

Food gifts merchant **Harry & David Holdings** sells its horticultural brand, **Jackson & Perkins**

### MAY 2007

**CDW Corp.**, a technology products and services provider, agrees to be bought by equity firm Madison Dearborn Partners for \$7.3 billion

**VWR International**, which sells laboratory supplies, also agrees to be bought by Madison Dearborn Partners

**Staples** acquires **American Identity**, a distributor of corporate branded merchandise

### JUNE 2007

**Lab Safety Supply** buys **McFeely's Square Drive Screws**

**Ingram Micro** acquires wholesale consumer electronics distributor **DBL Distributing** for \$96 million

Private equity giant Bain Capital pays about \$2.1 billion to acquire **Guitar Center**

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PC Mall (#27) increased sales 21% in 2007, from 1.0 billion to \$1.2 billion. In the fourth quarter alone, PC Mall logged \$408 million in sales.

Why is PC Mall doing so well? The company's 21% hike in consumer sales was based in large part on the increased demand for Apple

products in the marketplace. And several large contracts won in 2007 helped increase the company's public sector sales by 37%.

Fellow computer reseller **Zones** (#44) also had a stellar year. Net sales increased 18% to \$679.5 million, up from \$577.0 million in 2006. And computers and industrial supplies marketer **Systemax** (#17) grew its sales 19%,

from \$2.35 billion to \$2.78 billion. Computers merchant **PC Connection** (#19) boosted sales 9%, to \$1.79 billion in 2007.

Not that all the catalogers selling computer-related wares posted growth. Programming software mailer **Wayside Technology** (#99) saw its total sales slip from \$182.3 million in 2006 to \$179.9 million in 2007.

Sales in the company's **Programmer's Paradise** division decreased by \$8.9 million, which **Wayside** blamed on declining **VMware** sales, as well as increased competition in the "direct-to-end user" segment of its business.

But **Wayside Technology's Lifeboat** division grew by 5% in 2007 compared to 2006,

thanks to the addition of new lines and increased account penetration.

### Apparel mailers faltering

The women's apparel category is having a tough time. Sales at **Limited Brands** (#25) fell slightly from \$1.42 billion in 2006 to \$1.40 billion, although much of that was

due to problems with a new distribution center for **Victoria's Secret Direct** that the company opened in August.

**Charming Shoppes** (#57), which includes the **Crosstown Traders** titles such as **Brownstone Studios** and **Lew Magram**, also took a tumble. Sales went from \$428 million in 2006 to \$408 million last year.

The company folded its **Regalia** title last fall, and also mailed its first 112-page **Lane Bryant** catalog in late October. That's when **Charming Shoppes**, which has owned and operated the **Lane Bryant** stores since 2001, got back the trademark to that catalog title from **Redcats USA**.

Embroidered in a messy shareholder dispute, **Charming Shoppes** said in April that it's considering selling off its noncore catalogs to focus on its **Lane Bryant**, **Catherines**, and **Fashion Bug** brands.

Direct sales at **Coldwater Creek** (#64) slipped from \$390 million to \$376 million last year. Its grim holiday prompted the merchant to eliminate 65 positions companywide in January.

While **Talbots** (#55) did show growth in direct sales over 2006, from \$385.4 million in 2006 to \$427.90 in 2007, the company,

Rank	Company	2007 direct sales (in millions)	2006 direct sales (in millions)	Market segment	Notes
41	<b>Interline Brands</b> Jacksonville, FL • 904-421-1400	\$750.0	\$640.6	MRO and HVAC supplies	includes Barnett, Hardware Express, Sexauer, Maintenance USA, U.S. Lock, and Wilmar
42	<b>Neiman Marcus Group</b> Dallas • 214-743-7600	\$738.5	\$688.5	apparel, home decor	Internet sales nearly 70% of direct marketing revenue
43	<b>Taylor Corp.</b> North Mankato, MN • 507-625-2828	\$720.0*	\$700.0*	stationery, HR supplies, promotional products	Current USA unit bought Lillian Vernon in April 2008
44	<b>Zones</b> Auburn, WA • 253-205-3000	\$679.5	\$577.0	computers	invested in developing a national field sales force
45	<b>LTD Commodities</b> Columbus, OH • 847-295-5532	\$615.0*	\$600.0*	general merchandise	invested in enterprise scheduling system to manage SAP jobs
46	<b>HD Supply</b> Atlanta • 770-852-9000	\$610.0*	N/A	building supplies	sold to three investment groups in August 2007
47	<b>Spiegel Brands</b> New York • 212-916-8331	\$603.0*	\$693.5*	apparel, general merchandise	opened Spiegel Signature boutique in King of Prussia, PA
48	<b>Swiss Colony</b> Monroe, WI • 603-328-8400	\$600.0	\$530.0*	gifts, home decor, food, apparel	opened Shanghai sourcing office in October
49	<b>American Hotel Register</b> Vernon Hills, IL • 847-564-4000	\$550.0*	\$500.0*	hospitality supplies	Started in 1865 by Thomas Leahy
50	<b>Oriental Trading Co.</b> Omaha, NE • 402-331-5511	\$530.0	\$500.0*	novelties, gifts	Hired industry veteran Sam Taylor as CEO in May 2008
51	<b>K+K America</b> Milwaukee, WI • 414-443-1700	\$513.0	\$528.8	industrial supplies, office furniture	sold Conney Safety Products to private equity firm for \$48 million in November
52	<b>Guitar Center</b> Westlake Village, CA • 818-735-8800	\$470.4	\$391.7	musical instruments	Musician's Friend direct division only
53	<b>Northern Tool &amp; Equipment</b> West Burnsville, MN • 952-894-9510	\$453.1	\$437.3	tools	assigned patent for ornamental design for a log stripper earlier this year
54	<b>Mattel</b> El Segundo, CA • 310-252-2000	\$431.5	\$440.0	toys	American Girl brand only, including three stores
55	<b>The Talbots</b> Hingham, MA • 781-749-7600	\$427.9	\$385.4	apparel	includes J. Jill Group, which it acquired in May 2006
56	<b>Hanover Direct</b> Weehawken, NJ • 201-863-7300	\$410.0*	\$415.7	apparel, home decor	acquired by Chelsey Direct in April 2007 and taken private
57	<b>Charming Shoppes</b> Bensalem, PA • 215-245-9100	\$408.1	\$427.8	apparel, food gifts	considering sale of Crosstown Traders apparel titles and food mailer Figi's
58	<b>DBL Distributing</b> Scottsdale, AZ • 480-596-8636	\$400.0*	\$320.0*	wholesale consumer electronics	subsidiary of Ingram Micro
59	<b>Aramark Corp.</b> Philadelphia • 215-923-2853	\$400.0	\$409.0	uniforms, public-safety equipment	direct marketing unit includes WearGuard-Crest and Galls
60	<b>The Home Depot</b> Atlanta • 770-433-8211	\$390.0*	\$1,000.0*	building supplies, home decor products	Home Decorators Collection catalog and Web sales

Rank	Company	2007 direct sales (in millions)	2006 direct sales (in millions)	Market segment	Notes
61	<b>McMaster-Carr Supply Co.</b> Elmhurst, IL • 630-600-3600	\$389.0*	\$388.0*	MRO supplies	sold facility in South Brunswick, NJ, in early 2008
62	<b>Harry &amp; David Holdings</b> Medford, OR • 541-776-2121	\$385.0	\$456.2	food gifts, plants	sold Jackson & Perkins in April 2007; bought Wolferman's in January 2008
63	<b>J. Crew Group</b> New York • 212-209-2500	\$377.4	\$308.6	apparel	Database includes about 24.3 customers
64	<b>Coldwater Creek</b> Sandwater, ID • 208-263-2266	\$376.4	\$390.4	women's apparel	CEO Dennis Pence retired in October; Daniel Griesemer took top spot
65	<b>Foot Locker</b> New York • 715-845-5538	\$364.0	\$380.0	athletic shoes	includes Eastbay/Footlocker.com division only
66	<b>Restoration Hardware</b> Corte Madera, CA • 415-924-1005	\$350.2	\$243.6	home decor	agreed to be bought by Catterton Partners in January 2008
67	<b>Allied Electronics</b> Fort Worth, TX • 817-595-3500	\$325.0	\$285.0	electronics components	significantly expanded line of pneumatics products
68	<b>Crate &amp; Barrel</b> Northbrook, IL • 847-272-2888	\$321.0	\$268.0	home decor	tripling size of North Carolina distribution center
69	<b>Fingerhut Direct Marketing</b> Eden Prairie, MN • 952-656-3700	\$315.0	\$300.0*	general merchandise	moved to larger headquarters
70	<b>Provide Commerce</b> San Diego, CA • 858-638-4900	\$300.0	\$215.0*	flowers and food gifts	bought Red Envelope out of bankruptcy in May 2008
71	<b>J&amp;R Electronics</b> New York • 212-238-9000	\$290.0*	\$260.0*	consumer electronics	30% of sales from Website
72	<b>Omaha Steaks</b> Omaha, NE • 402-957-3000	\$288.3*	\$262.*	food	total annual sales \$439 million; no longer using A la Zing brand
73	<b>Eddie Bauer Holdings</b> Bellevue, WA • 425-755-6100	\$277.9	\$256.5	apparel	reduced its corporate staff by 16% in January 2008
74	<b>Collections Etc.</b> Elk Grove Village, IL • 847-350-5800	\$274.3*	\$270.0*	collectibles	all products priced at \$20 or less
75	<b>Brady Corp.</b> Milwaukee • 414-358-6600	\$264.7	\$234.8	identification and industrial safety supplies	acquired cleanup and safety supplies merchant DAWG in March 2008
76	<b>Production Tool Supply</b> Warren, MI • 586-755-5258	\$261.0	\$256.8	MRO supplies	enhanced Website; Internet now 20% of business
77	<b>Crutchfield Corp.</b> Charlottesville, VA • 434-817-1000	\$257.0	\$252.0	consumer electronics	mailed first Crutchfield Canada catalog in June 2007
78	<b>Bass Pro Shops</b> Springfield, MO • 417-873-5000	\$250.0*	\$200.0*	outdoor gear	debuted 80-page women's catalog in March 2007
79	<b>Doctors Foster and Smith</b> Rhineland, WI • 715-369-3305	\$250.0	\$242.0	pet supplies	built studio in its headquarters to produce videos for its Website
80	<b>Army &amp; Air Force Exchange</b> Dallas • 214-312-2011	\$245.3	\$223.0	general merchandise	launched 24-page Still Serving title targeting military retirees



Many companies in the apparel segment are struggling, but the **J. Crew Group** (#63) bucked the trend with a 22% increase in direct sales over 2006

which includes **J. Jill**, has been struggling this year. It's getting out of the men's and children's apparel segments to focus on women's clothing, and **Talbots** is trying to cut costs by closing stores and layoffs. (For more see "Talbots cuts staff 9%, gets credit" on page 8.)

There were, of course, exceptions. **J. Crew Group** (#63), which sells men's and kid's apparel in addition to women's, man-

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## Wheeling and Dealing

### AUGUST 2007

Home improvement products retailer Home Depot sold its **HD Supply** business to Bain Capital Partners, Carlyle Group, and Clayton, Dubilier & Rice for \$8.5 billion—18% less than the price the group had initially agreed to pay two months earlier

Outdoor sporting gear cataloger/retailer **Cabela's** buys **S.I.R. Warehouse Sports Store**, a Canadian retailer of hunting, fishing, camping, and related outdoor merchandise

### SEPTEMBER 2007

Multititle cataloger **Redcats USA** acquires **United Retail Group**, a specialty retailer of plus-size women's fashion apparel, for \$198.9 million

### OCTOBER 2007

**K+K America** sells **Conney Safety Products** to private equity firm Caxton-Isaman Capital for \$48 million

### DECEMBER 2007

**AmeriMark Direct** buys fellow multititle cataloger **Dr. Leonard's Healthcare Corp.**

### JANUARY 2008

Computers and industrial suppliers marketer **Systemax** buys the **CompUSA** brand, trademarks, and e-commerce business for approximately \$30 million

Fruit gifts mailer **Harry & David Holdings** acquires breakfast foods cataloger **Wolferman's** from Williams Foods; sources say the deal was worth about \$22.5 million

### APRIL 2008

**Current USA**, a subsidiary of Taylor Corp., agrees to buy personalized gifts merchant **Lillian Vernon Corp.** for \$15.8 million

### MAY 2008

**1-800-Flowers.com** buys **DesignPac Gifts** for \$36 million

Gadgets and gifts cataloger/retailer **Sharper Image Corp.**, which filed for Chapter 11 bankruptcy protection in February, agrees to be acquired by a joint venture led by units of private investment firms Hilco Consumer Capital Corp. and Gordon Brothers Group

Provide Commerce agrees to acquire substantially all of the assets of gifts mailer **Red Envelope**, which had filed for Chapter 11 bankruptcy protection in April ■

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aged to increase direct sales 22%, from \$309 million in 2006 to \$377 million last year. The company credits "unique product quality and design and innovation on our Website and in our catalog."

Urban Outfitters (#92) grew its direct sales to \$192 million in 2007 from \$153.70

million in 2006. In addition to its flagship Urban Outfitters, the company includes the Anthropologie and Free People Brands.

In addition to apparel, Urban Outfitters also sells home goods, a category that has seen a big lift in recent years thanks to the real estate boom. But now that the housing boom has gone bust, merchants that sell

home decor and furniture are likely to feel the pinch this year.

It's already happening. Multititle mailer Williams-Sonoma (#21), which includes the numerous Pottery Barn catalogs, posted a 6% gain in direct sales in 2007. But the company's catalog/Internet sales for the first quarter of this year slipped 4.0%. ■

Rank	Company	2007 direct sales (in millions)	2006 direct sales (in millions)	Market segment	Notes
81	<b>Sport Supply Group</b> Farmers Branch, TX • 972-484-9484	\$243.8	\$230.1	athletic equipment	changed name from Collegiate Pacific in July 2007
82	<b>Sierra Trading Post</b> Cheyenne, WY • 800-713-4534	\$236.7	\$227.7	discounted apparel, home goods, and outdoor gear	launched Sierra Home & Gift book in September
83	<b>Orvis</b> Sunderland, VT • 802-362-8525	\$234.0	\$211.0	apparel, gifts, outdoor gear and home goods	refined online lifetime value and customer acquisition tactics
84	<b>Potpourri Group</b> Chelmsford, MA • 978-256-4100	\$230.0	\$220.0*	gifts, crafts, decor, toys	founded in 1963; today includes 12 catalog titles
85	<b>Direct Marketing Services Inc.</b> Chicago • 312-328-7400	\$220.0*	\$190.0*	home decor, gifts	enhanced search capabilities on Montgomery Ward Website
85	<b>Dr. Leonard's Healthcare Corp.</b> Edison, NJ • 732-225-0100	\$220.0*	\$151.0*	housewares, healthcare items, gifts	bought by AmeriMark Holdings in December
87	<b>Aristotle Corp.</b> Stamford, CT • 203-358-8000	\$211.6	\$203.0	educational and agricultural supplies	achieved balanced organic growth in education and commercial segments
88	<b>TTI</b> Fort Worth, TX • 817-740-9000	\$209.0*	\$184.0*	electronics components	Mouser Electronics only
89	<b>Blyth</b> Greenwich, CT • 203-661-1926	\$206.8	\$199.4	housewares, photo supplies, gifts	includes Miles Kimball and Walter Drake
90	<b>AmeriMark Holdings</b> Cleveland, OH • 440-325-2038	\$205.0*	N/A	apparel, accessories, health-related items	with Dr. Leonard's acquisition will become a \$420 million company
91	<b>Thompson Group</b> Tampa, FL • 813-884-6344	\$200.0*	\$210.0*	home decor, gifts, cigars, coffee	includes Thompson Cigar, Casual Living, Linen Source, and Café Belmondo
92	<b>Urban Outfitters</b> Philadelphia • 215-454-5500	\$192.2	\$153.7	apparel, home decor	included the Urban Outfitters, Anthropologie, and Free People brands
93	<b>Recreational Equipment Inc.</b> Kent, WA • 253-395-3780	\$190.0	\$155.0*	outdoor equipment and apparel	total 2007 sales increased 13.5% to \$1.3 billion
94	<b>LifeWay Christian Resources</b> Nashville, TN • 615-251-2000	\$189.0	\$150.0*	church and Christian living products	operates 140 stores in two dozen states
95	<b>Hanesbrands</b> Winston-Salem, NC • 336-519-3386	\$186.0*	\$180.0*	innerwear, casualwear	acquired textile plant in El Salvador in September
96	<b>PetMed Express</b> Pompano Beach, FL • 949-979-5995	\$184.3	\$155.3	pet medications and supplies	Web sales now 65% of total revenue
97	<b>Tiffany &amp; Co.</b> New York • 212-755-8000	\$182.1	\$174.1	jewelry, tabletop items, gifts	direct sales were flat for holiday at \$69.9 million
98	<b>McNichols Co.</b> Tampa, FL • 813-282-3828	\$181.0	\$153.0	metal industrial components	started walking program that now includes about 25% of its 110 employees
99	<b>Wayside Technology</b> Shrewsbury, NJ • 732-389-0932	\$179.9	\$182.3	programming software	sales for Lifeboat technical software segment were up 5%
100	<b>NBTY</b> Bohemia, NY • 631-567-9500	\$179.5	\$214.5	nutritional supplements	includes Puritan's Pride catalog

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