

Do it Best Corp.

# Building for GROWTH

2021 REPORT



# President's LETTER

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When we closed the books on another year of substantial growth, we were grateful for everything we were able to accomplish together. None of it would have been possible without the commitment and collaboration of every stakeholder — member-owners, vendors, and the Do it Best team. I want to thank everyone for their incredible efforts and resilience during one of the most challenging and rewarding years in our industry.

To our member-owners, thank you for your tremendous drive to serve your customers and your communities. You continually demonstrated why — throughout this pandemic — you were designated an essential business. Thanks, too, to the Do it Best team. Every day, they've served as a powerful, dependable partner committed to help you succeed. We also want to acknowledge our vendors. Through a period of unprecedented demand, your cooperation helped us navigate the severe supply challenges our country faced. These combined efforts from members, staff, and vendors not only strengthened our business, but deepened our relationships with each other.

With all that said, even in the most challenging of years, our success shouldn't come as a surprise. After all, Do it Best is *built* to help members grow their businesses and achieve their dreams.

Through our First Choice. Best Choice. commitment, Do it Best continues to refine and strengthen the core areas of performance we know

are essential to drive your growth. We recognize that this is a new era for our business. Our services must evolve and must be agile enough to respond to market dynamics and forecast future needs.

**Our direct member growth investments amounted to more than \$15 million in the last year alone. We believe that by providing these resources and opportunities, every member benefits from the increased volume these growth efforts generate.**

We also recognize that our service level over this past year fell well short of where you needed it to be. Supply chain challenges that reach far beyond our industry and our vendors do not change the fact that you rely on us to have what you need in stock. Despite our best effort and intense focus, these challenges exposed a definite need for continued improvement.

We are investing in our supply chain, logistics, and delivery capabilities. We are developing new integrated marketing and customer service programs. We are building new and stronger vendor relationships to achieve competitive



pricing and offer market exclusives. We are providing operational support, business growth, and succession planning to help every member run their business with confidence.

Our direct member growth investments amounted to more than \$15 million in the last year alone. We believe that by providing these resources and opportunities, every member benefits from the increased volume these growth efforts generate.

The new year holds an incredible opportunity for Do it Best members to build on the stunning growth we collectively achieved last year. This opportunity is fueled by expansion and acquisition. Through our *Gear Up 4 Growth* initiative, we're providing every member, regardless of size, the opportunity to add another location. Imagine the impact of one hundred members expanding into a second or third store. When that happens, we will all reap the benefits of a stronger, even more profitable co-op.

As a Do it Best member, you never have to do it alone. We stand ready with the financial incentives, loans, and support to help you build, strengthen, and expand your business. In addition, a consistently strong return on member investment provides you the financial strength to reinvest in your business. The best part is, the more you focus your purchases through Do it Best, the stronger our co-op becomes, making your return on investment even greater.

The proof of this winning formula is demonstrated throughout this report. You are about to read the success stories of your fellow members who experienced how deeply Do it Best is invested in the growth of their businesses. I hope these stories inspire you to grow this year — and give you the confidence to know that when you're ready, Do it Best is committed to help you succeed.



**DAN STARR, PRESIDENT & CEO**



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# Chairman's LETTER



Grit. That's the word I'd pick to describe our performance this year. The hard work and dedication of Do it Best member-owners and staff turned uncertainty into another record-breaking year. Now, we're entering a new year from a position of strength, powered by the momentum of another record rebate.

At the same time, our industry is experiencing a revitalized passion for local, independent businesses. Customers are searching for the personal attention and community support that only locally owned businesses can deliver. For those with the boldness to expand and invest, there are many opportunities for growth through acquisition and building new locations.

The financial strength of our co-op and favorable market conditions have created a perfect opportunity to expand through acquisition. In 2020, we used this opportunity to add Legendary Millwork to our business. That move allowed us to expand our custom millwork capacity and complement the customer-first, family-oriented philosophy of Mans Lumber and Millwork.

In my view, the foundation of a successful acquisition strategy is communication. Build relationships with prospective businesses that you believe fit your business model. Take your banker out to lunch — it's amazing what you can accomplish when your bank

already trusts you and has bought into your business plan. Network with other Do it Best members. Chances are they have already faced the same challenges. The solutions, advice, and insights they can provide are invaluable.

Most importantly, embrace what Do it Best can do for you. Whether you're a single location hardware store or a pro dealer LBM network, you have access to solutions for every step of the process, from selecting a location for acquisition, to store design, merchandising, marketing — even financing.

As you read these stories of members who have experienced success through expansion, think about adding a new location to your own business. With a little grit and the right opportunity, you can take one step closer to achieving *your* dream. If you're ready, Do it Best is ready to help, because when you grow, we all grow.

A handwritten signature of Doug Mans in black ink.

**DOUG MANS, CHAIRMAN OF THE BOARD**  
MANS LUMBER & MILLWORK, MICHIGAN



The background is a blurred industrial setting, possibly a warehouse or factory floor, with yellow safety railings and various equipment. Overlaid on this are white, hand-drawn architectural sketches and blueprints, including floor plans, structural columns, and curved lines, giving the image a technical and design-oriented feel.

# **BUILDING FOR GROWTH**



At first glance, it's a straightforward goal: Do it Best will help you grow your business and achieve your dreams. But a closer look reveals a comprehensive system of products, services, operations, and analysis, all working together to help you and your co-op perform steadily through almost any market condition, including recessions, natural disasters, and now, even a global pandemic. Every year, that system grows broader and more powerful.

Do it Best entered the year with an extensive roster of advanced data-driven solutions and tools designed to strengthen our service excellence and prime your business for growth. From merchandising and demand forecasting, to lumber and building materials purchasing strategies, as well as logistics and ecommerce, these solutions guided you through challenges and uncertainty, and affirmed that Do it Best is committed to be your first and best choice for independent home improvement.





# HHC Supply HERE WE GROW AGAIN

By the time brothers Robert, Felix, and Leroy Sanchez joined Do it Best in 1995, their six-location business, Hacienda Home Centers (HHC), was already a staple for hardware and building supplies in New Mexico. But by 2014, they were finding it harder to keep up with the daily demands of business ownership.

At the same time, the economy was changing — the big box stores had arrived and were putting additional pressure on their business. HHC lost momentum, downsizing to just two locations in Española and Las Vegas, New Mexico. For a time, it looked like HHC might fade into history.

Then, in 2015, Felix and Leroy's sons, Gary and Joe Sanchez, were tagged in to be President and Vice President of HHC, respectively. After years of overseeing HHC's Española location, Joe was keenly aware of the potential the business had. During his time there, Joe took advantage of their location to land a coveted commercial contract with the Los Alamos National Laboratory.

"Los Alamos has been a very important customer for quite a few years now," said Joe. "They count on us for industrial supplies, hardware, and building materials — there are always opportunities to expand to more commodities as well."



While the Española location was achieving commercial success, the Las Vegas store was dominating the local hardware market. Under the experienced guidance of Store Manager Mike Wilson, HHC Las Vegas assembled a loyal following of DIYers.



"Mike did an excellent job of focusing on customer service," said Joe. "There are other competitors in Las Vegas, but due to the relationships we've built with customers and the community, the store does very well."

Gary and Joe set out to build on the specific strengths of their two locations. They started by working with their Territory Sales Manager Mike Haynes. Mike took a hands-on approach to help the two owners build a solid foundation for their renewal efforts.

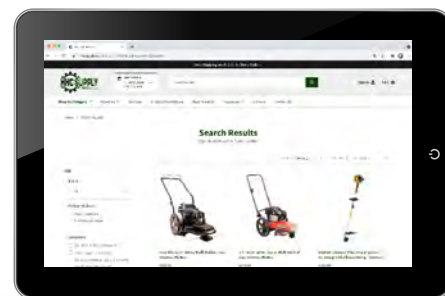
"Before we started going after more customers, we had to make sure our own infrastructure was up-to-date," said Gary. "Mike was an extraordinary help — he attended a lot of our manager meetings and shared what the rest of the industry was currently doing."

With revamped accounting and computer systems, as well as a solid HR department, HHC was ready to address the next issue — merchandising. Gary and Joe attended Do it Best markets, deepening existing inventory, and expanding product offerings. As their purchases with Do it Best increased, their rebates boosted their preference shares.

With help from the Do it Best ecommerce team, Gary and Joe replaced their outdated, underutilized website with brand new sites for both locations.

"In today's environment, if you don't have a good website, you don't exist," said Gary. "Do it Best helped us build one that is better than what most of our competition can provide."

The new websites give HHC expanded customer tracking tools, and the new MOCE platform supports the increased demand for online orders and in-store pickup. They also use the Digital Dashboard to track online customer activity.



"The Digital Dashboard analytics let us know what kind of response we're getting in real time," said Joe. "We get actual feedback — we can be sure our promotions are getting to people who are looking for what we have to offer."

Once customers visit the store, HHC makes it a priority to enroll them in the Best Rewards<sup>SM</sup> loyalty program to build a detailed contact list. The list turns circular and broadsheet promotions into powerful, targeted messages.

“Best Rewards helps us understand who our customers are and what they are spending their money on,” said Joe. “We know from a demographic standpoint where our business is coming from and which ZIP codes our print promotions need to prioritize.”

The retooled HHC gained momentum. As sales at both locations increased, Gary and Joe continued to reinvest in their business, expanding inventory and accumulating even more preference shares.

In 2020, their hard work and discipline paid off in a big way. Sandia National Laboratories, another federal research lab headquartered in Albuquerque, approached HHC about being their hardware and building materials supplier. While it was a major opportunity, it also required a major commitment. In order to duplicate the level of service HHC was providing to the Los Alamos lab, the new location would need to be close to Sandia National Laboratories.

“Working with Los Alamos National Laboratory gave us a lot of experience and understanding of how to do business with the federal government,” said Joe. “We knew we could utilize the same platforms to add customers in the federal sector.”

Do it Best helped Gary and Joe find an ideal location for the newest store, to be named HHC Supply. They also found an added bonus. The location was close to a military airbase and a major airport, giving HHC access to an underserved market — and potentially dramatic growth. Redeeming their preference shares to supplement funding for the project, Gary and Joe purchased an existing building close to the research lab and began renovation.

“We always knew those preference shares would be for future growth and the opportunity to open more locations,” said Gary. “Having those funds available was one of the reasons we were willing and able to go forward with the new store.”



“Before we started going after more customers, we had to make sure our own infrastructure was up-to-date,” said Gary. “Mike was an extraordinary help — he attended a lot of our manager meetings and shared what the rest of the industry was currently doing.”



Do it Best Store Designer Andy Garcia and Retail Performance Manager Greg Grattan traveled to the new site to work directly with Gary and Joe, developing custom plans to transform the vacant building into a new industrial/commercial-focused home center.

**The finished store offers a clean, modern, industrial feel that combines an intentionally no-nonsense commercial layout with enough retail-friendly touches to please walk-in shoppers.**

Joe emphasized the importance of designing the new location to fit the large number of pros in the Albuquerque market. The finished store offers a clean, modern, industrial feel that combines an intentionally no-nonsense commercial layout with enough retail-friendly touches to please walk-in shoppers.

Product selection also reflects Joe's customer-focused philosophy. Most of the products, including everything from paint to personal protective equipment, are professional grade. HHC Supply also offers services geared toward the pros, including will-call and a 24-hour order pickup locker system.

"We want to be sure to accommodate our pro customers, since they will be the ones using this location the most," said Joe. "Our new store lets us provide products and services that set us apart from the other stores in our market."

The new location has been well received by the community and is generating even more opportunities. HHC Supply has begun to bid for contracts with the city of Albuquerque, and the city is helping to further promote the business.

"Getting positive information about our company out into the community is very important," said Joe. "It reaches the surrounding neighborhoods, and the people who visit our store are already happy with us before they walk in." ●



**HHC Supply is a perfect example of what it means to be a part of a co-op that is fully invested in helping every member grow — or regrow — their business.**





For more than 90 years, three generations of the Scherer family have provided a full range of products and services to professional builders. With five yards and more than 300 employees, Scherer Bros. Lumber Co. is a major supplier of lumber, building materials, and custom millwork to Minnesota's Twin Cities, as well as other parts of the state and western Wisconsin.

# Scherer Bros. Lumber Co.

# BUILDING RELATIONSHIPS

Brothers Kris, Mark, and Peter Scherer have built a strong reputation with local high-end custom builders by engaging in pre-project planning to help address the complexities of designing and building multimillion-dollar homes.

**“Do it Best has earned every bit of business we have given them.”**

In the early 70s, their family began their search for a hardware partner that shared their level of expertise and attention to detail. They quickly found it when they joined Hardware Wholesalers Inc., the co-op we all know today as Do it Best. Consistently strong hardware performance encouraged them to turn to their co-op more often for dependable, competitively priced commodities, including lumber and panels.



Scherer Bros. Lumber Co. has earned the trust and respect of their professional customers by getting involved early in the design and planning process to help ensure that the project is completed efficiently and to the highest degree of quality.



"Do it Best has earned every bit of business we have given them," said Kris.

Today, the relationship between Scherer Bros. Lumber Co. and Do it Best continues to grow. The Do it Best team is in constant contact, proactively helping them meet their contractors' needs. Their co-op's buying power and strong mill relationships helped them continue to serve their customers despite a volatile supply market and historic global pandemic. As a result, they increased their lumber and panel purchases through Do it Best by 267 percent.

"By the end of our 2020 fiscal year, Do it Best was a major part of our business," said Mark. "They have been there for us through some extremely challenging times and are a critical part of our success."

Throughout the relationship, the brothers have been impressed by how invested Do it Best is in the success of every member's business. They particularly admire the company's flexibility and willingness to make adjustments in order to maintain service through the rapid market changes.

"With everything that has gone on with the consolidation of mills, builders, wholesalers, and dealers, Do it Best has done a spectacular job of making their supply chain work with the changes," said Kris. "They're focused on what members need and tailor their operations to help all of us out."

During the most recent supply and distribution disruptions, Do it Best continued to win them over. The Scherer brothers were impressed by their co-op's bargaining power at a time when even the most basic commodities were in high demand.

"They run contracts very well and are very efficient at doing it," said Kris. "They have established themselves as preferred buyers by committing to remaining active in the market regardless of market conditions — and the mills like it."

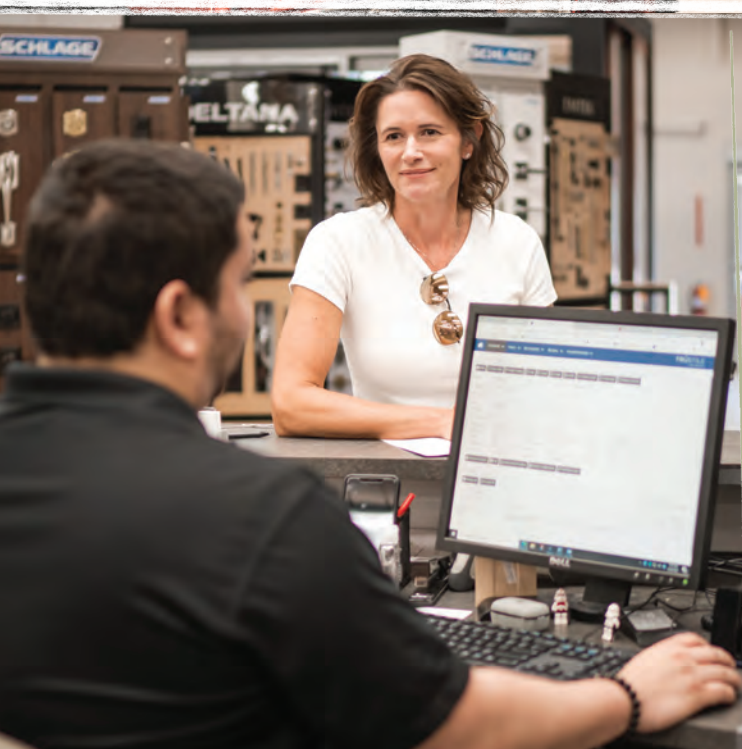
"Do it Best has helped us keep products in stock on a consistent basis," added Mark. "They serve us extremely well and do what they say they're going to do. They have been critical to our success, even through the supply chain stresses that exist today."

Moving into a new year full of opportunities, the Scherers will continue to build on their winning formula of a well-defined customer base, outstanding service, and strong relationships — relationships that include Do it Best.

"We got where we are by valuing the right relationships," said Peter. "The relationships we have with our customers, banks, vendors, and employees are equally important to us — and Do it Best is a major part of that equation." ●







## Meet the Team

Panel Specialist Julie Teig and SPF Specialist Kathy Larson have worked diligently to build strong relationships based on reliability, trust, and a willingness to listen. Their efforts have contributed to the ongoing success of Scherer Bros. Lumber Co.



**“I believe that this is a relationship business. When our members succeed, we succeed — it’s definitely a two-way relationship”**

Julie Teig, panel specialist

**“The key is to understand what the member’s needs are and do all I can to make sure those needs are met.”**

Kathy Larson, SPF specialist








# Woodford Lumber & Home ADDRESS FOR SUCCESS







For more than 150 years, Woodford Lumber & Home has served the charming vacation community of Clear Lake, Iowa. Most recently, member-owners Jan Lovell and her sister Sarah Ohlrogge have proudly continued the family business. In that time, word has spread about the beauty of Clear Lake, attracting additional residents and businesses. New residents mean new homes, which is driving demand for building materials — and creating new opportunities for Woodford Lumber & Home.

But if Jan and Sarah were going to take advantage of this growth opportunity, they needed to do something about their location. Woodford hadn't moved since its founding in 1869, and the original building wasn't designed to accommodate the logistics of operating a modern lumberyard. Also, their warehouses were at a different location. Delivery was functional, but not at all efficient.

**“Do it Best has incredible product selection and brand recognition. We could see that they would help us raise the bar faster than we could on our own.”**

“Looking at our situation, we knew consolidation was the logical next step,” said Jan. “We needed to find a more efficient location without creating inconvenience for our customers.”

The solution came through a friendly competitor with similar consolidation plans. Superior Lumber had their main yard 30 miles away and was looking to sell their Clear Lake location to streamline their operations. It was a perfect spot for the new Woodford Lumber & Home.





"The property was only a few minutes from our original store and it was right on a busy highway — it was definitely a real plus for us," said Jan.

As Jan and Sarah worked through the purchase process with the owner of Superior Lumber, a Do it Best member, they were introduced to the many advantages that come with Do it Best membership. The sisters were on board almost immediately.

"Do it Best has incredible product selection and brand recognition," said Jan. "We could see that they would help us raise the bar faster than we could on our own."



Through the Signature™ Store Design program, the sisters and their architect worked with the Do it Best team to bring their vision of the new Woodford Lumber & Home to life. Outside, a new facade was designed to reflect the familiar look of their original location, along with a spacious vestibule. The interior was gutted and a 60' x 60' addition was incorporated into the layout, doubling the available retail floorspace. New lighting and displays were added to create a bright, open, customer-friendly environment.

"Do it Best provided essential assistance with the planograms and the entire look of the new retail space," said Jan. "They were always encouraging us to build it bigger, knowing that we would fill it up — and they were right."

Jan and Sarah worked with the Do it Best team to take full advantage of their new space. Using data collected through a market survey and their



knowledge of the local market, they assembled the ideal product mix for their customer base.

"Do it Best is really great to work with," said Jan. "They provided help with everything from the big picture down to the minute details."

The final product mix includes an extensive range of tools for do-it-yourselfers, along with a wider selection of contractor-grade Milwaukee tools. The plumbing and electrical departments were enlarged to hold a comprehensive selection of products. The paint department was renovated to create an interactive customer experience. The new plan also



Woodford Home & Lumber used the opportunities presented by a booming housing market to relocate — creating an expanded, highly interactive shopping experience for pros and DIYers alike.

introduced an outdoor living department, featuring Traeger grills and a large lawn and garden section.

**Through the Signature™ Store Design program, the sisters and their architect worked with the Do it Best team to bring their vision of the new Woodford Lumber & Home to life.**

“Clear Lake is a resort community — the whole outdoor living space just makes sense,” said Jan. “People just love the outdoors here, and this is a great way to reach out to segments we haven’t been able to in the past.”

With the new location up and running, Woodford Lumber & Home is not only one of the community’s oldest businesses, but one of the community’s newest destinations for pros and do-it-yourselfers alike. ●





# Hemly Hardware **SWITCHING UP**

Hemly Hardware may be new to Do it Best, but they are not new to the home improvement industry. Member-owner Chris Hyatt's business has been around since 1980, starting out as a mobile tool distributor. Hemly's fully stocked trucks traveled throughout Ohio and Pennsylvania selling carbide inserts, drills, taps, and other cutting tools directly to manufacturers.



“We signed with Do it Best because we realized they were willing to be more than just a warehouse. Do it Best offered everything we needed to expand, from the design of the store to shelving and merchandise selection. They did everything right for us.”



Over the years, the business evolved and expanded, adding a trucking division and an 18,000-square-foot hardware store. In 2019, Chris initiated plans to consolidate his thriving business into a single location. He acquired the perfect property close to his current location and turned to his long-time co-op to help him develop plans for a new 25,000-square-foot store. Unfortunately, that co-op was not Do it Best.

“We paid our co-op at the time to help with the new store design, and it was a total failure,” said Chris. “Their plan didn’t fill half of the new space, and they didn’t consider the details.”

But things would soon turn around for Chris. Do it Best Territory Sales Manager Tom Bird was prospecting in the area and paid a visit to Hemly

Hardware. Chris was impressed. Just days later, he traveled to his first Do it Best market — and signed almost immediately after.

“It all happened within days,” said Chris. “We signed with Do it Best because we realized they were willing to be more than just a warehouse. Do it Best offered everything we needed to expand, from the design of the store to shelving and merchandise selection. They did everything right for us.”

Construction of the new store had been scheduled before Chris signed with Do it Best, leaving little time for planning. To make things even more challenging, the Do it Best store design team had to connect with Chris remotely due to the restrictions caused by COVID-19. Working entirely virtually,



“Do it Best has a person for everything, no matter what my question is. Whether it’s a promo order, checking an order status, a marketing strategy — anything — I feel like there’s a 24/7 hotline waiting with an answer.”

Chris sent the original blueprint developed by his former co-op, along with photos and measurements, to the design team.

Do it Best quickly had a revised store plan ready. One small change to the original plan made a big impact — the main entrance was moved from the corner to the center of the building, welcoming customers to an impressive power aisle. The exterior was finished off with a sleek grey and red color scheme and a front porch that spans the entire length of the building.

“Relocating the main entrance made perfect sense,” said Chris. “It was a minor change, but it made a big difference and truly transformed the way the store operates.”

“Our business has definitely increased since we’ve been with Do it Best, without a doubt,” added Chris. “It’s like our dreams are coming true, and Do it Best is helping us do that.”

Inside, the sales floor was thoughtfully redesigned to take full advantage of the new space, fitting a full range of departments and improving sightlines. The paint department was upgraded





with The Color Bar™, featuring inspiring displays of paint and decorating ideas in addition to cutting-edge paint mixing technology.

As the building took shape, Chris and his store manager Robyn Gillett worked with Do it Best Retail Performance Manager John Branigan and the team to assemble the perfect product mix for the new store.

“John asked to see our sales history and inquired about the products that we knew customers were asking for,” said Robyn. “He brought some amazing new brands and categories into our store, as well as really effective placement and adjacency strategies.”

With the new store completed, Chris and his team continue to discover additional advantages of Do it Best membership. They overhauled their website, expanding into online ordering and in-store pickup with the MOCE platform. They are also working with the marketing team to reach existing and new customers with offers and promotions.

“Do it Best has a person for everything, no matter what my question is,” said Robyn. “Whether it’s a promo order, checking an order status, a marketing strategy — anything — I feel like there’s a 24/7 hotline waiting with an answer.”

“Our business has definitely increased since we’ve been with Do it Best, without a doubt,” added Chris. “It’s like our dreams are coming true, and Do it Best is helping us do that.” ●





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# Vassar Building Center TOMORROW TODAY



Nine years after buying Vassar Building Center, Mike and Brenda MacKay had built the business into a thriving pro lumberyard and hardware store. Strong, consistent sales allowed them to regularly expand. However, while the location was performing well, their existing building couldn't support their vision for growth. If they wanted to move forward, they would have to find a new, larger location.

"We had a 10,000-square-foot store, but half of that was kitchen and bath," said Mike. "There were so many good trends we wanted to get into — but we simply didn't have the space to do it."

**Vassar Building Center  
showcases a dramatic  
new option in  
Do it Best store design.**

At the same time, intensive research, exploration, and planning had paid off for the Do it Best store design team. They had just finalized comprehensive plans for the next generation of Do it Best stores. They needed an owner who was willing to be the first prototype store. Mike and Brenda eagerly stepped forward to be those partners.



"It was really humbling, a real honor," said Mike. "They said it was a great opportunity for the co-op, and I knew it was a great opportunity for us."

The new store plans are ambitious and innovative, providing a fresh new look for store design while improving the in-store shopping experience and store performance.

"We want to help members differentiate themselves in their marketplace," said Cherié Jacobs, Do it Best store development manager. "The new design is flexible, scalable, and affordable, giving members the freedom to create a unique store experience that appeals to their customers."

The exterior of Vassar Building Center showcases a dramatic new direction for Do it Best store design. Exterior design elements give the store a contemporary look and feel. The color palette incorporates warm neutral greys, accented by touches of bold red. Clean, easy-to-read store signage is positioned off center, making the store name a major focal point. Customers are welcomed by a large red awning that draws them to the entrance.

The new store plans are ambitious and innovative, providing a fresh new look for store design while improving the in-store shopping experience and store performance.







A spacious modular counter system accommodates the store's footprint, and yellow overhead lights help shoppers identify key service areas. Separate fixtures are also added to the front of the service center, creating an accessible area for impulse purchases.

That entrance opens into a spacious, brightly lit store and a welcoming atmosphere. Charcoal grey store fixtures with neutral pegboard reflect the clean aesthetic of the exterior and make the merchandise the star attraction. Overhead, large "ceiling clouds" are suspended over departments to help guide customers through the space.

Perimeter signage incorporates oversized wall graphics featuring historic photos from Vassar Building Center's past, inspirational messages about supporting local business, and promotional product photography. The imagery works together to create an engaging, locally relevant shopping experience that is unique to Vassar Building Center.

"The new design gives us the opportunity to tell our story and share our values and beliefs," said Mike.

To enhance the customer experience, Do it Best reimagined the endcaps to tell a product story. Each endcap focuses on related products. For example, workwear is displayed with boots, gloves, and safety





glasses; power drills are paired with drill bits, batteries, and bit sets; an assembled grill is accompanied by grilling tools, coolers, and a lawn chair. Some endcaps feature digital signage that can easily be changed to tell a new story to customers with every visit.

**“The endcap stories are extremely flexible. The member has total control over which departments stand out. This opens tremendous opportunities to adjust the customer experience seasonally.”**



Cherié Jacobs,  
Do it Best store development manager

“It’s a different merchandising and marketing approach for us,” said Mike. “But we have gotten a lot of compliments from our customers — they say it’s easy to shop here.”

The MacKays took full advantage of the new floor space, stocking their new store the way they always wished they could. They expanded their selection of best-selling categories, including power tools, workwear, and boots. They upgraded their paint department, adding The Color Bar™ to create more opportunities to interact with their customers. Best of all, they were finally able to take advantage of their customers’ latest buying trends, including grills, hunting gear, and outdoor furniture.

“We were amazed at the products and categories we could get into and sell,” said Mike. “We started with the traditional products people want to see in a home center, and then we





pushed the boundaries to add things our customers were surprised and excited to find.”

Inside and out, the new Vassar Building Center is a testimony to what is possible when business owners who are fully committed to growth share their vision with a co-op that is fully committed to helping them achieve that success.

“Do it Best really put 100% of their efforts into our business,” said Mike. “They pushed us out of our comfort zone, but we’re really glad they did. We know that we can dominate our market with a store like this.” ●

**This story doesn’t end with the MacKays and Vassar Building Center. Do it Best is actively engaging with more members ready to lead the way into the future — members like you.**



# YODER'S

## Shipshewana Hardware



20'

(VERIFY)



# Yoder's Hardware

## TWO GENERATIONS & TWO NEW LOCATIONS



Flexibility, guidance, industry insight — Do it Best has always offered these advantages to member-owners, which is what first motivated Winford Jones to join the co-op in 1979. Nearly forty years later, those three traits were exactly what Winford and his son, Nate, needed when the opportunity arose to acquire not just one, but two more stores in their region.

Nate spent his childhood helping his father around Yoder's, his original Shipshewana, Indiana hardware store. After college, Nate realized his own passion for the family business. In 2004, he became a co-owner, and he and his father have collaborated to grow the business ever since. That growth started with a successful remodel of their original store.

As Winford and Nate continued to drive the momentum at the original store, a new outlet for growth came in 2015. Over the years, the father-son duo had cultivated a friendly relationship

with the team at nearby Bremen Hardware, and when the owners were ready to sell, the Jones family was their first choice.

While planning their financing strategy for the new location, Winford and Nate's Do it Best membership played a key role, and ultimately made acquisition an easy decision.

"We were able to leverage our preference shares — our ownership equity in the co-op — which greatly helped in keeping our debt load down," Nate said.

Their acquisition experience went so well that they were eager to add a third location when the opportunity arose in 2019 to buy Cottin's Hardware in Sturgis, Michigan.

In addition to the financial guidance and support they received, Winford and Nate also engaged retail expertise and resources from Do it Best to customize their new locations. The Do it Best team helped to completely gut their Bremen store and redesign it with all-new fixtures and planograms, optimized for their inventory and customer mix.

While their original store in Shipshewana has always focused on regional tourism, their other locations

mainly serve commercial customers — a market they weren't as familiar with. Winford and Nate again relied on resources from Do it Best to guide their decisions for the two new acquisitions.



To better appeal to their customers from a data-driven perspective, the Joneses implemented the Best Rewards<sup>SM</sup> customer loyalty program at all three locations to provide access to customer purchase data and insights into buying behaviors.







"The merchandising team was a great help in selecting a product mix specific to pro customers and the local market," Nate said.

To better appeal to their customers from a data-driven perspective, the Joneses implemented the Best Rewards<sup>SM</sup>

customer loyalty program at all three locations to provide access to customer purchase data and insights into buying behaviors.

Their increasing knowledge of the different markets among their three locations played an important role in creating their website as well. Winford and Nate selected the MOCE ecommerce platform from Do it Best and JH Specialty. With an eye toward maximizing online sales, one of Nate's goals for the upcoming year is to continue enhancing their web presence with additional new features and a more robust product selection.

In the future, they plan to continue driving growth by bringing in the Do it Best team to revamp their Sturgis location. ●



Their story is a testament to the Do it Best commitment to every member: **to provide the resources you need to fuel your growth and serve your community.**

# Nation's Best THE MORE THE MIGHTIER



In less than two years, Chris Miller of Nation's Best has created a network of hardware stores, home centers, and lumberyards. Now with 22 locations across seven states, Nation's Best offers operational strength for their local brands to become even more successful.

Chris built Nation's Best through the first-hand industry experience and knowledge he gained during his eleven years as the president of Parker's Building Supply, a large, multi-location Do it Best member-owned chain serving Texas and California. When Chris began strategizing his

plan for Nation's Best in 2019, he said his decision to continue his partnership with Do it Best was an easy one.

"In my experience, Do it Best is the leading and most supportive co-op in our industry," Chris said.

Beginning with Lambert Lumber in 2019, Nation's Best has sought out well-run businesses with strong management teams in place in communities across the country.





## Matt Lambert Lambert Lumber

My family started our business in 1989. Over the years, several companies offered to buy us out, but we weren't interested in selling the store without a plan for the future and for our employees. When other groups approached us, their perspective was always that their teams would come in and ours would get out of the way.

Chris has a different way of doing things. With Nation's Best, Chris is much more focused on families and employees. Our discussions with him were personal and one-on-one, and we are still involved in nearly every decision. That alone sets Nation's Best apart.

**Our employees also have so many more opportunities now than they would have otherwise. And the buying power that came with Nation's Best has not only driven pricing down for our customers, but has also decreased delivery time.**

It's not leaving one family to join another company, it's simply joining a larger family. I'm thrilled with what Nation's Best has done with our business and I'm excited to be a part of it.





## Ronnie Hess Hometown Building Centers

Back in March of 1990 when I first started our business, I only had one other employee. I came from another family lumberyard, then ran Hometown Building Centers for 30 years and grew it into five locations with about 80 employees. Several brokers and other interested people asked me to sell during those 30 years, but no one ever interested me until I met Chris.

Because of his knowledge and his different approach, I had confidence in him. Chris and Nation's Best have plenty of industry experience buying and growing businesses, and that was important to me. I didn't want to sell to someone with only money and no knowledge of how to run this type of business.

Our employees and customers appreciate all the work that Nation's Best has put into our stores, including remodeling all five of them. This transition to Do it Best has been really smooth. I'm thankful for Chris and Nation's Best and the fact that I can still have my job and run the day-to-day operations. Nation's Best is a very aggressive young company that'll be here a long time and will really grow.



**"Our employees and customers appreciate all the work that Nation's Best has put into our stores, including remodeling all five of them. This transition to Do it Best has been really smooth."**







## Danny Groom Groom & Sons'

When I first heard about the opportunity with Nation's Best, I'll admit that I had some skepticism. That quickly went away after meeting with Chris and his team. Those early meetings before we even flipped the switch made me realize what a great opportunity this was for our company. I still feel as good about it today as I did back then.

We've been in the business since 1948 under the leadership of my grandfather and my dad, and now I'm going on 50 years here. We have three stores and felt limited in terms of how much we could continue to grow. Honestly, it was hard for us to imagine opening new locations and expanding our market reach. But with Nation's Best, we get the opportunity to be part of something very big.

When you've been doing the same thing for so long, it seems like the world is changing every day — including the path of business, with the internet and online marketing. Every now and then, you just need some new blood with new ideas. ●



**Leveraging best practices and multi-location efficiencies, Nation's Best is set to continue on its trajectory of growth with more acquisitions planned in 2021 and the years ahead.**



# Waters Hardware ADDITION BY ADDITION

Growing up on the family farm in Kansas, the Gerken brothers — Bo, Rusty, and Wes — learned a thing or two about making things grow. But these born entrepreneurs had growth of a different kind in mind when, in 2002, they left the family farm to purchase an existing rental business. Soon, Gerken Rent-All was serving a steady stream of contractors and homeowners alike, and their business gradually grew, adding seven locations. During that time, they also added another brother, when Mike Valent married the Gerkens' sister.



Multiple locations deliver a wide range of customers giving Waters Hardware more flexibility to adjust to market ups and downs and more opportunities to expand into new product categories.





In 2016, the four brothers were given the opportunity to expand into the hardware business. The owner of nearby Paola Hardware was ready to retire. Since Gerken Rent-All had been Paola Hardware's largest customer for years, he offered to sell the business to Gerken Rent-All.

"Paola Hardware was a good fit for us," said Rusty. "We were already dealing with the same customers. Both contractors and do-it-yourselfers were coming to us for rentals and going to Paola for hardware."

The previous owner of Paola Hardware was a Do it Best member, and it was through the acquisition that the brothers were introduced to then Territory Sales Manager Tom Hartman. Tom immediately set to work, bringing ideas and advice to help them grow the Paola location, including a major remodel to update the store. Tom and the Do it Best team recommended a new store layout, new flooring, new lighting, and

an overall rebranding to freshen up the exterior and interior.

"The first time he shared his projections for how the remodel would increase gross sales, we just didn't see it," recalled Rusty. "But sure enough, when we remodeled, the numbers jumped right away — and we're still seeing growth today. That was when we knew we could trust Do it Best to help us make the right decisions."

Encouraged by the success of Paola Hardware, the brothers worked with Do it Best to find opportunities to acquire additional hardware locations, adding another store in 2017. Two years later, their regular networking generated their largest opportunity yet.

Jim Waters, the owner of Waters Hardware, was preparing for retirement and looking for someone to buy his seven-location business. His first call was to the brothers.

**"When we remodeled, the numbers jumped right away — and we're still seeing growth today. That was when I knew I could trust Do it Best to help us make the right decisions."**

"Jim and I spoke together often about running our rental businesses, and we built a relationship from there," said Rusty. "I had mentioned once that if he ever wanted to sell, we would be interested in buying. Six months later he called me."

The typical challenges presented by a seven-location acquisition were amplified by the fact that for decades, Waters Hardware had been the loyal member of another co-op. The brothers turned to Do it Best to help with the transition.



Now working with Territory Sales Manager Matt Furge, they started by bringing inventory levels up to Do it Best recommended standards. Taking advantage of the Merchandising Essentials program, they were able to increase inventory, expand product offerings, and transition to Do it Best-stocked national brands.

“Through Merchandising Essentials, members receive a 42 percent incentive credit for a new location or expansion when they order a qualified program,” explained Matt. “They don’t have to shoulder the whole expense for all the inventory they need to reset the store.”

They also discovered that multiple locations gave them incredible merchandising flexibility.

“It’s easier to explore new product offerings,” Rusty noted. “If a new product doesn’t perform well at one location, we can move it to another store to see if sales improve there.”

Their aggressive acquisition strategy presented another challenge: how to unite the growing business under a single brand without losing the name equity each location enjoyed. To loyal rental customers, Gerken Rent-All was a trusted name. At the same time, each of the nine hardware locations enjoyed a loyal customer base of its own, under its existing names.

**“Through Merchandising Essentials, members receive a 42 percent incentive credit for a new location or expansion when they order a qualified program. They don’t have to shoulder the whole expense for all the inventory they need to reset the store.”**

Taking full advantage of the flexible branding options Do it Best offers to members, they chose to co-brand each location, keeping the original name and incorporating Do it Best signage and design elements. Each hardware location features a separate Gerken Rent-All inside the store.



"Their solution brought two long-term Kansas entities together," said Matt. "It also provides a template for them to follow with future acquisitions."

While they remain aggressively growth-minded, the brothers carefully vet every opportunity using three prerequisites: strategic location, strong market potential, and price. They also like to meet the team at the prospective purchase.

While they remain aggressively growth-minded, the brothers carefully vet every opportunity using three prerequisites:

1 STRATEGIC LOCATION

2 STRONG MARKET POTENTIAL

3 PRICE

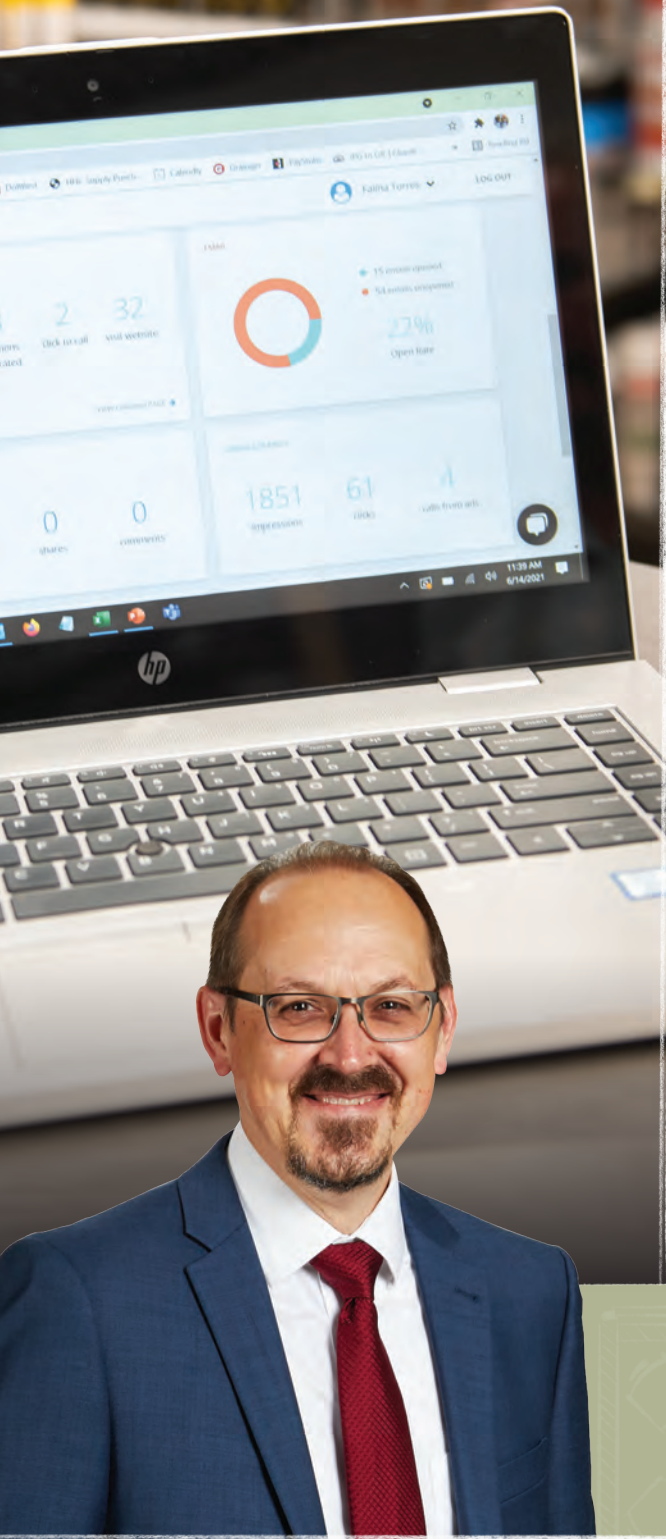
"It can be hard for employees to change the way they have operated day-to-day for so long," said Rusty. "We like to reassure them that while things will be a little different, they'll be different in a good way — we are going to be a Do it Best store now."

Moving forward, the brothers and Matt continue to keep their eyes open for the next opportunity. They recognize that the extraordinary events of 2020 have created a favorable environment for growth.

"This is an exciting time for growth-minded individuals like these guys," said Matt. "I'm excited by what they've been able to achieve with the Waters Hardware locations, and I know we're not finished." ●



# ENGINE FOR GROWTH



## Seize the data

From managing warehouse inventory and coordinating international distribution, to stocking store shelves and tracking customers' buying habits, data touches every facet of our business and impacts every decision made. Do it Best continues to focus on driving even better decision making by continuing to implement tools that use the power of data to remove the guesswork and provide you with actionable insights.

"In the last fiscal year, we have continued to prioritize and enhance our approach to data analysis and management across the organization. Ultimately, this helps both the co-op and its members make informed, strategic decisions and implement tactics that build efficiency and drive growth," said John Mergy, vice president of information technology. "We've invested heavily in advancing our software and technologies to ensure we're optimizing all aspects of the business."

Our teams have enhanced capabilities in three major areas: demand forecasting, category management, and promotional analysis. Better data support ensures that you can confidently choose the right product mix and promotions at the right time for your business. Smarter forecasting also helps our distribution centers achieve higher fill rates and mitigate supply chain disruptions.

**"Our goal is to consistently delight our members, our staff, and our vendors."**

John Mergy, vice president of information technology





“Our investments in new technology and analytics have been critical to delivering results for our members as we navigate through all of the challenges posed by record demand and unprecedented supply chain turbulence.”

Dent Johnson, vice president of merchandising

## Predict abilities

Over the past three years, Do it Best has invested significant time and resources to upgrade many of our systems to be more data-driven and responsive to rapid changes in our business.

We have developed powerful tools to optimize product assortments through increased analysis of POS data. The insight we gain strengthens our ability to help you custom-build the most profitable mix of merchandise for your particular business.

Another facet of these data-driven assortments involves Category Solutions, an existing program that our category management team has fine tuned and enhanced in the past year. Its objective is to increase our ability to equip you with the customized or regional solutions you need to drive sales — and growth overall.

## Street smarter

When consumers' everyday shopping habits were disrupted by the pandemic, they turned to online shopping. Do it Best customers and members drove a surge in online orders, doubling small parcel volume out of our warehouses month-over-month since the pandemic began.

Leveraging our solid foundation of technology integration, our logistics team quickly and effectively prioritized and implemented a Small Parcel Management System (SPMS) and accelerated planned updates to maximize the Transportation Management System (TMS).

The new SPMS made it possible for the warehouse teams to pick, pack, and ship twice as many packages as the previous system — in the same amount of time.

Every million miles we save in delivery routes equates to roughly \$2.2 million per year. The TMS began several years ago as a major upgrade to help our logistics team design routes and manage delivery processes to maximize efficiency and reduce outbound delivery miles. TMS is a comprehensive system, affecting every step of the delivery process, from the first mile all the way to unloading the truck.

The addition of SPMS and improvements to TMS help Do it Best apply data to operations, expand ongoing distribution efficiencies, and drive the growth of your business.

**“We’ve saved over a million miles each of the last three years, reducing expenses without jeopardizing our industry-leading on-time delivery performance.”**

Tim Miller, vice president of logistics







“Now we have key metrics that help us create better programs and improve placement of our members’ marketing.”

Christanne Bauer-Deitering, data analytics and projects manager

## Precision decisions

Consumer behavior can vary from state to state, town to town, and even neighborhood to neighborhood. Through a new initiative, the Do it Best digital marketing team is using enhanced promotional analysis to help you build product mixes and promotional strategies that reach your customers with the right products at the right time and at the right price.

“One of our commitments this year was to provide analysis and reporting tools that allow us to make decisions based on the data,” said Christanne Bauer-Deitering, data analytics and projects manager. “There are insights in that data that we can use to make more intelligent pricing and product availability decisions, and most importantly, create smarter, more effective promotions.”

The data-driven approach gives the consumer marketing team a more accurate view of what is driving trends nationally and regionally, allowing them to consult with you on the products that your customers are actually looking for. The information can also show performance levels based on store classification. Promotion strategies can be refined to fit the unique needs of a hardware store, a home center, or a lumberyard.



# Building stronger

Technology continues to move forward at a blistering pace, changing the way people live, work — and shop. The pandemic presented challenges to shoppers and retailers alike. Same day in-store pickup and curbside delivery became a necessity. Fortunately, our ecommerce team was developing curbside integration long before the need became clear.

Together with our strategic ecommerce partner, we transitioned to the MOCE platform, streamlining day-to-day operations and giving Do it Best the ability to help hundreds of members manage their websites. The established platform enabled us to integrate curbside delivery options into members' websites, while simultaneously informing customers that it was available.

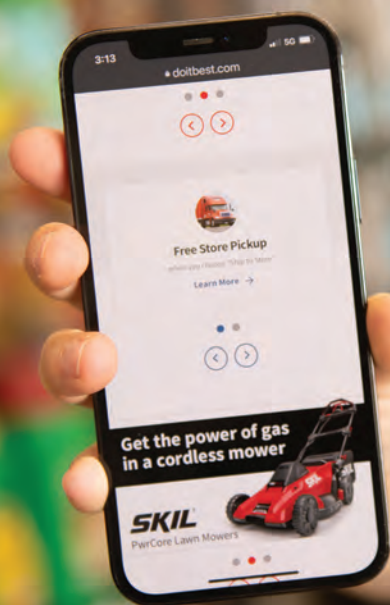
"For members who were doing same day in-store pickup, their online sales increased substantially," said Corbin Prows, ecommerce development manager. "If we hadn't transitioned to our new platform when

we did, we simply would not have been able to handle the volume. Now we can provide customers with an efficient, enjoyable curbside experience."

MOCE can also track in-store inventory and pricing updates. And it supports the all-new Pick N Pack app, giving your team the ability to manage online order notification, retrieval, and fulfillment right from a mobile phone.

While recent ecommerce enhancements have moved us into a better position to support your success in selling online and in-store, we recognize that they are just the first steps in a much longer journey. There is more meaningful progress to be made to strengthen your competitiveness and relevance in today's ever-changing sales environment.

"Moving forward, Do it Best is committed to refining and expanding ecommerce performance and customer engagement strategies," said Corbin.



"We continue to lay the groundwork to support long-term sustained growth in ecommerce."

Corbin Prows,  
ecommerce development manager







“Through Best Together, we can proactively put more opportunities in front of our members than ever before.”

Gary Nackers, past vice president of lumber and building materials

## The dealing's mutual

Looking to the future, we expect the strong growth trend to continue. We're adding even more everyday benefits for you, including a more robust use of data in purchasing lumber and building materials.

Gary Nackers, recently retired vice president of lumber and building materials, and his team launched the Best Together initiative in November 2020. Since then, they have constantly worked to improve and expand the program.

When Gary retired in June 2020, Russ Kathrein stepped up to lead the initiative forward, maintaining momentum and exploring new opportunities.

Best Together encourages you, along with other LBM members, to commit to future purchases. Bundling those committed purchases for our vendors and mills has already allowed us to expand our contracts and lumber categories dramatically. As a result, Do it Best has even stronger buying power, providing additional access to product and securing better pricing that goes straight to the bottom line of your business. ●

Confident decision making, efficient distribution, smart promotions, expanded ecommerce, and increased buying power — the data-driven approach is more evidence that Do it Best is committed to giving you a complete range of programs and services to help you succeed. And that commitment continues to make our company your first and best choice partner in the home improvement industry.



# Do it Best Member INDUSTRY AWARDS

Do it Best member-owners are among the top performers in the home improvement industry and are regularly recognized by trade associations and publications for their business excellence.

## THE HARDWARE CONNECTION BEACON AWARDS



### SHARONA & CECIL EISERER

*Best New Store*  
Wood Shed Lumber &  
Hardware Supply  
Carrollton, MO



### FRANK STRANO

*Retailer of the Year*  
Ambridge Do it Best®  
Home Center  
Ambridge, PA

## LBM JOURNAL DEALERS OF THE YEAR



### BRADY ALBRIGHT

Krepp Lumber Company  
Jasper, IN



### PETER GANAHL

Ganahl Lumber  
Anaheim, CA



### JIM SMUCKER

Keim  
Charm, OH

## NHPA YOUNG RETAILER OF THE YEAR



### ROBIN SMITH

Petersburg  
Do it Best® Hardware  
Petersburg, IN

## PROSALES FOUR UNDER 40



### STEVEN BROADBENT

*Division Manager*  
Sunpro  
Utah



**HARDWARE + BUILDING SUPPLY DEALER**  
**TOP WOMEN IN HARDWARE & BUILDING SUPPLY**

**RIISING STARS**



**MINETTE AGNEW**

PC Home Center  
New Albany, IN



**DAKOTA  
DOCHEFF-CORDLE**

Northwest Ranch Supply  
Kremmling, CO



**ROBIN SMITH**

Petersburg Do it Best® Hardware  
Petersburg, IN

**BUSINESS EXCELLENCE**



**DEBBIE ARMBRUST**

Millard Lumber  
Omaha, NE



**MARGIE SELIGMAN**

National Lumber  
Mansfield, MA

**HARDWARE + BUILDING SUPPLY DEALER**  
**HARDWARE STORE ALL STARS**

- **ARAB LUMBER & SUPPLY**  
Arab, AL
- **CHET'S HARDWARE**  
Avalon, CA
- **MAYCREST HARDWARE**  
Savannah, GA
- **SCHAUER'S HARDWARE**  
Forest Park, IL
- **PC HOME CENTER**  
New Albany, IN
- **ARROWHEAD HARDWARE**  
Baldwin City, KS
- **WENNER DO IT BEST® HARDWARE & RENTAL**  
Cold Spring, MN
- **WOOD SHED LUMBER & HARDWARE SUPPLY**  
Carrollton, MO
- **BILLINGS HARDWARE**  
Billings, MT
- **BEAVER HARDWARE**  
Beaver Crossing, NE
- **FERNLEY BIG R**  
Fernley, NV
- **TANIS HARDWARE**  
Haledon, NJ
- **VILLAGE HARDWARE**  
Hatch, NM
- **MOUNTAIN VIEW HOME & HARDWARE**  
King, NC
- **CAVALIER DO IT BEST® HOME & LUMBER**  
Cavalier, ND
- **HEMLY HARDWARE**  
Thompson, OH
- **MT. PLEASANT HARDWARE**  
Providence, RI
- **LANDRUM HARDWARE**  
Landrum, SC
- **CIRCLE B IRRIGATION**  
Hyde Park, UT
- **THOMAS HARDWARE DO IT CENTER®**  
Point Pleasant, WV

# Do it Best BOARD OF DIRECTORS



## **DOUG MANS, CHAIRMAN**

*Mans Lumber & Millwork*

Through four generations, the Mans family has served the greater Detroit area with customer-centric values and community at the forefront. Continuing the family business that began in 1900, Doug and his four cousins operate four pro lumberyard locations.



## **JOE TAYLOR, VICE CHAIRMAN**

*Taylor's Do it Center® and Pleasants Hardware*

Since 1927, four generations of the Taylor family have served communities around Virginia. Today, Joe oversees 11 Taylor's Do it Centers in Virginia Beach and eight Pleasants Hardware stores in Richmond with his brother Russ.



## **MICHAEL COHEN, SECRETARY**

*Panama Do it Center®*

The Cohen family opened their first Panama Do it Center in 1990, becoming the first international Do it Best member. Michael has helped design a shopping experience that reflects Panama's uniquely close-knit culture by providing customers with complete solutions for their home projects.



## **DAVID STURDIVANT, TREASURER**

*Russell Do it Center® and Russell Building Supply*

As the COO and CFO for Russell Lands, David oversees the Russell Do it Center and Russell Building Supply stores. He enjoys encouraging and supporting his teams by providing insights on the personalized services they offer to pro contractors and DIYers alike.



## **ELI BLIFFERT**

*Bliffert Lumber and Hardware*

With Eli at the helm of the business that's been in the Bliffert family for more than 100 years, Bliffert Lumber and Hardware operates seven locations around Milwaukee, Wisconsin. Because of the city's vast industrial scene, Bliffert has the opportunity to supply manufacturers with the specialized products they need, while also serving weekend DIYers and pro contractors.



## **ROB GARDINER**

*Damariscotta Hardware and Randolph Hardware*

A second-generation business owner, Rob learned the ropes from his father, who bought a bankrupt hardware store in 1955. Rob strives to ensure that every core product and department is as complete as possible at the two locations he co-owns with his sister, Susan Geyer.



**BRAD MCDANIEL**

*McDaniel's Do it Center®*

Anyone who walks through the door of McDaniel's Do it Center will notice how clean, convenient, and inviting it is — just the way Brad ensures it to be. The business began with Brad's father, Bob, who began working at a small store in 1955 and eventually bought them out. Now, Brad is just as committed as his father was to providing a great shopping experience for his community.

**DIANA NEWTON**

*Bay Hardware, Lunada Bay Hardware, and South Bay Hardware*

Diana's three thriving stores reflect a family-friendly California vibe consistent with their seaside communities — something her customers truly appreciate. As a business owner, Diana most enjoys the freedom to make her own decisions and the independence that comes from her partnership with Do it Best.

**JEFF PARDINI**

*Hills Flat Lumber*

Along with his extended family, Jeff runs two home centers an hour outside of Sacramento, both specializing in core categories including pressure-treated lumber, sheets, and framing material. The opportunity to act quickly and make his own decisions is just part of what Jeff loves about being a business owner and Do it Best member.

**SCOTT PESAVENTO**

*Hemlock Hardware*

Serving the commuter town of Fairfield, Connecticut, Scott emphasizes convenience in his store to accommodate the busy lifestyles of his customers. As a second-generation business owner, Scott continues to run Hemlock Hardware on the core values of respect, effort, and kindness.

**TIM POST**

*T & M Hardware & Rental Center*

Tim and his wife Mary started their business 30 years ago with a passion for solving problems. Together, they grew from one to six stores, now serving rural, suburban, and urban markets in Ohio and Pennsylvania.

**BOB VAUGHAN**

*Alamo Lumber*

Bob has always enjoyed helping families establish and grow their roots through home building and construction, which is why he loves owning his 15 locations across Texas. In addition to lumber and building materials, Alamo Lumber maintains a core assortment of products so customers don't need to leave town to get the supplies they need.

# Do it Best EXECUTIVE TEAM



(From left to right)

**RICH LYNCH**

Vice President of Marketing

**GARY FURST**

Vice President of Human Resources  
and General Counsel

**JOHN MERGY**

Vice President of  
Information Technology

**DOUG ROTH**

Vice President of Finance  
and CFO

**DAN STARR**

President and CEO

**NICK TALARICO**

Vice President of Sales  
and Business Development

**RUSS KATHREIN**

Vice President of Lumber  
and Building Materials

**DENT JOHNSON**

Vice President of Merchandising

**STEVE MARKLEY**

Executive Vice President  
of Operations

**TIM MILLER**

Vice President of Logistics



**GARY NACKERS**

Vice President of Lumber and Building Materials  
Retired 2021



# Fiscal Year IN REVIEW

Success is measured in many ways. However, it's ultimately the data that tells the story. Our 2021 fiscal year has been unlike any other and is something to celebrate.

Here are a few highlights:

GROSS  
SALES  
OF

\$5.19

BILLION

The highest fiscal year sales in our history.

121%

INCREASE IN  
LUMBER SALES

The Do it Best lumber team has worked closely with members throughout the year to navigate a challenging market, working to drive profit and growth.

TOTAL GROSS  
SALES UP

45%

Growth of nearly \$1.6 billion in gross sales.

DIRECTS UP

27%

Strong vendor programs combined with even stronger member support grew drop ship purchases to a record level.

WAREHOUSE UP

20%

The continued goal of serving members with in-demand, profitable products is reflected in warehouse sales growth.

52%

RETURN ON  
INVESTED  
CAPITAL

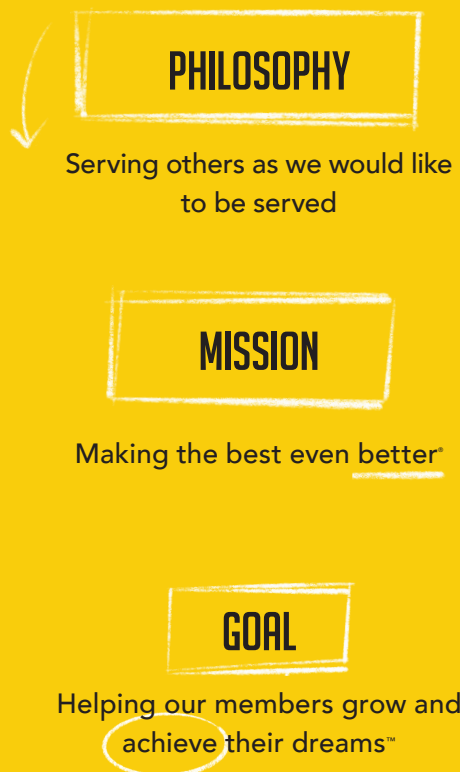
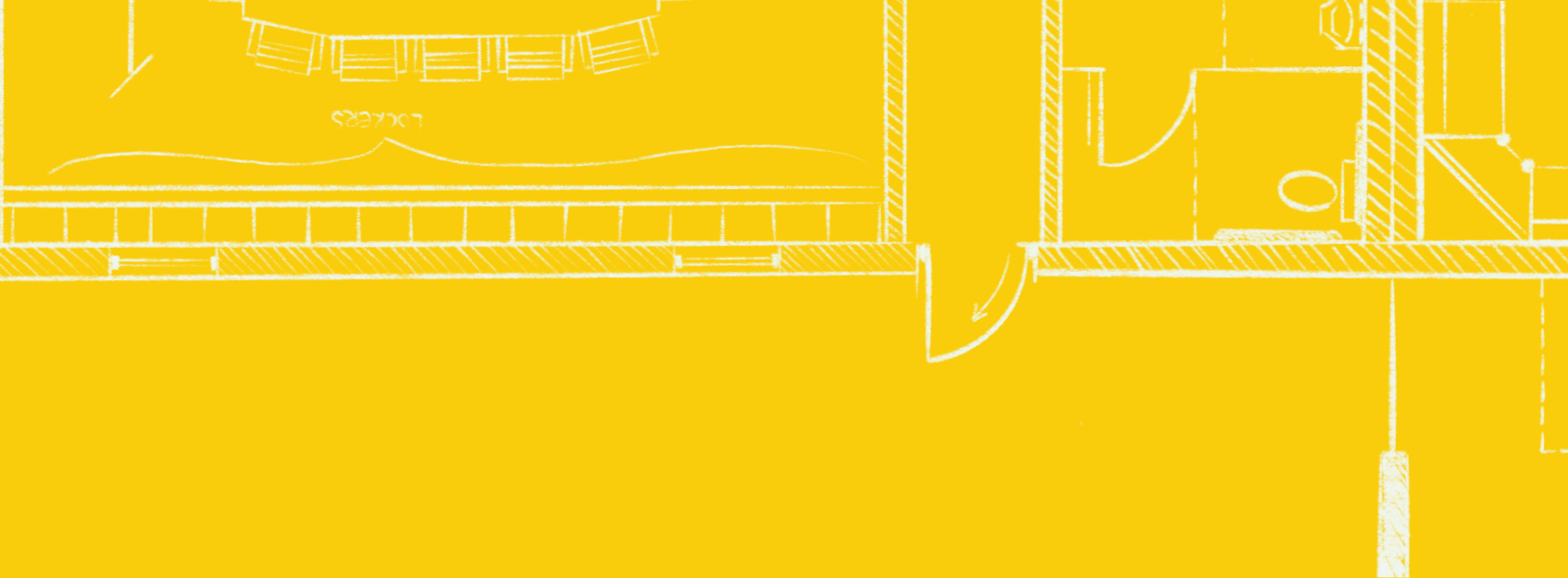
Shareholder investment in the co-op yielded a 52% rate of return.

REBATE OF

\$170

MILLION

The largest rebate in the history of the co-op.



First CHOICE.  Best CHOICE.  
**Do it Best Corp.**

[doitbestonline.com](http://doitbestonline.com)