

2010 Buying Group Profiles

Associated Volume Buyers/ BrandSource

100 S. Anaheim Blvd., Suite 250
Anaheim, Calif. 92805
Phone: (714) 502-9620
Fax: (714) 502-9627
Web site: www.brandsource.com

Bob Lawrence, President and CEO
Skip Ignaczak, Chairman
Andy Kersey, Vice President
Jeff Zeglin, Treasurer
Mark Pardini, Secretary
Kathy Maloney, Comptroller
Mike Allen, Executive Vice President, Furniture
Jim Ristow, Executive Vice President, Electronics
John White, Executive Vice President, Appliances
Bob Donaldson, General Manager, Digital Marketing

Total Members: 4,500
Annual Sales Volume: \$14 Billion
Storefronts: 7,500

Regions: 15
Divisions: 9

- BrandSource
- Home Entertainment Source
- Gourmet Source
- BrandSource Flooring Gallery
- TRIB
- BrandSource/Mega Canada
- Sleep Source
- BrandSource Service
- Furniture Advantage

Key Suppliers

Electronics: Samsung, LG, Mitsubishi, Monster Cable, Panasonic, Pioneer, Sharp, Sony, Toshiba,

Hitachi, JVC, Klipsch, Yamaha.

Appliances: Amana, DCS, Fisher & Paykel, Frigidaire, GE, LG, Maytag, Whirlpool, Bosch. **Furniture:** Ashley, Broyhill, Best Chair, Bush Furniture, Coaster, Encore!, Lane, Sealy, Serta, Shaw Living, Simmons, Tempur-Pedic, and U.S. Furniture

Description: BrandSource is a member-owned, member-managed merchandising group organized by regions and divisions with representation on a national board. It provides buying and merchandising services for major appliances, consumer electronics and furniture retailers. BrandSource is a coast-to-coast organization with 4,500 members and 7,500 storefronts. BrandSource provides a multitude of services, including wholesale and retail financing, four-color tabloids, customized television spots, a monthly newsletter, merchandising programs and an Internet program, as well as special pricing, merchandising allowances and product rebates. In 1999, AVB developed a common identity program, named BrandSource, to establish top-of-mind recognition among consumers searching for appliances, electronics and furniture, and to leverage BrandSource's 7,500 storefronts into a national chain of stores, making products available to consumers anywhere in the United States. Today, BrandSource is the fourth most-recognized appliance retailer and the fifth most-recognized consumer electronics dealer in the United States. BrandSource also has developed four additional divisions:

Sleep Source for mattress retailers; Home Entertainment Source for high-end audio/video specialists; and TRIB to serve the RTO market. Each division specializes in its own category; however, each retains the key tagline of "source," indicating to consumers that BrandSource, or one of its divisions, is the "source" for any consumer need, whether it is electronics, furniture or appliances.

Outlook: The goal of BrandSource is the success and growth of the independent BrandSource dealer. The No. 1 challenge for today's independent dealer is to generate traffic in the store. The creation of BrandSource and the other divisions, plus a specialized national advertising approach, generates more traffic into the member stores capitalizing on BrandSource members' high close rates.

Upcoming Events:

March 27-31, 2010
Summit/Buy Fair
Hilton Anatole Hotel, Dallas, TX
www.brandsourceconvention.com

August 29 - September 1, 2010
BrandSource National Convention
Paris Hotel, Las Vegas, NV
www.brandsourceconvention.com

Home Entertainment Source (HES)

100 South Anaheim Blvd.
Suite #250
Anaheim, Calif. 92805
Phone: (714) 502-9620
Fax: (714) 502-9627
Web site: www.brandsource.com
Jim Ristow, Executive Vice President,

(715) 487-5338
Jon Krueger, District Manager: Minneapolis, (612) 396-4843
Andy Orozco, Director of Communications, (954) 923-7947
Rich Price, District Manager: Phoenix, (480) 229-9624
Sherry Dantonio, District Manager: Seattle, (206) 729-1682
Jeremy Adams, District Manager: Portland, (503) 380-4619
Tom Brochard, District Manager: Boston, (860) 663-1173
Shannon Zemlicka, District Manager: Dallas, (469) 442-5781
Tim Bashford, District Manager: Columbus, (513) 677-5167
Jeff Thomas, District Manager: Pittsburgh, (724) 698-4524
Mike Lopes, District Manager: Miami, (561) 640-6983
Joe Javins, District Manager: Indianapolis, (260) 443-2757
James Brumagen, District Manager: Tucson, (520) 300-6644
Chad Evans, District Manager: Salt Lake City, (435) 674-1591

Members: 530+

Storefronts: 700+

Annual Sales Volume: \$1.8 billion

Key Suppliers

Anthem, Artison, Bell'O, Chief, Control4, Definitive Technology, Energy, Hitachi, Integra, JVC, Klipsch, LG, McIntosh, Media Décor, Mirage, Mitsubishi, Monster Cable, Panamax/Furman, Panasonic, Pioneer, Richard Gray's Power Company, Sanus, Samsung, Sharp, Sony, SpeakerCraft, Stewart Filmscreen, SunBrite TV, THIEL, Toshiba, Tributaries, Universal Remote Control, Yamaha

Description: Home Entertainment Source is the Specialty Consumer Electronics division of Associated Volume Buyers (AVB). The AVB group represents a staggering \$14 billion in annual sales, of which HES dealer members generate nearly \$1.8 billion. HES's roster of 530+ dealer members includes Starpower in Dallas, Texas; Talk of the Town, Allendale, N.J.; Pflanz Electronics, Sioux City, Iowa; and Mission Audio Video in Santa Barbara, Calif. Annual sales of individual HES members range from \$1 to \$50 million. HES provides specialized pricing, merchandising allowances and rebate programs to the CE independent specialist, while using the size and power of AVB to provide general business services, including wholesale and retail financing, competitively priced group health insurance, extended service agreements and merchandising/marketing programs.

The group's Expert Warehouse Program offers a just-in-time inventory solution that allows members to select from authorized brands. The lines available are LG, Sony, Samsung,

Panasonic, Pioneer, Sharp, JVC, Mitsubishi, Hitachi, Toshiba, Definitive Technology, Chief, Bell'O and many more. The state-of-the-art customer service portal even allows members to manage Instant Rebates, RAs and Price Protections online maximizing their return on investment.

HES members also have access to the innovative Expert Custom Warehouse. This one-stop shop for all CI needs includes a \$250 free freight minimum, with 95 percent of the country serviced via next-day shipments. This warehouse features better-than-distributor pricing and includes the following product brands: APC, B.E.S., Cable Pro, CE Labs, Channel Vision, DVDO, Dymo, Electrolux, HAI, Honeywell Cable, Ideal, Key Digital Systems, Leviton, M&S, Monster Cable, Panasonic phones, Proficient, Speco Technologies, Spectrum Electronics, Testum, Universal Remote and Xantech.

Outlook: The goal of HES is to ensure the continued success and growth of its independent HES

members. HES has over a dozen District Managers in the field assisting members with general business and merchandising solutions. Along with Jim Ristow, the HES management team is poised to bring innovative and profitable business solutions to the independent specialty dealer.

Upcoming Events:

March 27-30, 2010
HES Summit/Buy Fair
Hilton Anatole Hotel, Dallas, TX
www.hessummit.com

CEDIA EXPO Cocktail Party
Date and Location TBA

Home Technology Specialists of America (HTSA)

501 E. Uwchlan Ave.
Chester Springs, Pa. 19425
Phone: (610) 363-9055
Fax: (610) 363-9065
Web site: www.htsa.com & www.myhtsa.com

Richard Glikes, Executive Director
Leon Shaw, President

Members: 59
Storefronts: 97
Annual Sales: \$400 million

Key suppliers

LG, Sharp, Savant, Control4, Mitsubishi, Samsung, Runco, Lutron, Audio Quest, Speakercraft, Integra, Arcam, Lexicon, Harmon Specialty, Velodyne, ERA, Chief, Sanus, BDI, Salamander, Universal Remote Control, Stewart Filmscreen

Description: HTSA is the buying group for mid-sized audio/video dealers. Its members sell upscale products to affluent customers, with a focus on custom installation.

Upcoming Events

April 12 - 15, 2010
The Sumptuous Social in Sunny Isles
The Trump international
Sunny Isles, Fla.

In Car Experts (ICE)

Swedesboro, N.J. 08085
Phone: (877) 777-4423
Web site: www.incarexperts.com

Rob Elliott, Executive Director
David Schwartz, Director of Vendor Relations

Annual Sales Volume: \$300+ million
Storefronts: Over 200 in 43 states

Key Suppliers

Pioneer, Kenwood, Rockford Fosgate, Boston Acoustics, Auto Page, AAMP of America, ibiquity (HD Radio), Zoombak, Stinger, Sound Quest, Peripheral Electronics

Group makeup: The average ICE retail member has been in business for 23 years and is considered the area's best mobile electronics retailer.

Description: In Car Experts is a select group of mobile electronics retailers supported by vendor partners that are committed to the success of the independent specialist. ICE provides retailers with the benefits of working as a large cohesive group. ICE focuses on the areas of a retailer's business that are generally not impacted by vendors. This includes marketing, merchandising, personnel, store policies, idea sharing, peer communications and store services. The high value of this focus creates a desire for membership in ICE and underlines the importance of supporting the vendors.

Goal: To build a network of the nation's best retailers to increase member's profitability by reducing costs, increasing customer traffic, increasing the average sale ticket, and elevating the consumer's in-store experience. Additionally, ICE helps consumers and vendors identify the best retailer in the area.

There's Something Wrong!!
IT WORKS!!!



AC Power Adapters



Notebook Batteries



Barcode Scanner Batteries

ENERGY+

We Fully charge and test every notebook battery so they are guaranteed to work out of the box

www.fedcoelectronics.com

New Dealer Log in Check Price and Availability On Line

FEDCO[®]
FEDCO ELECTRONICS, INC.

P.O. Box 1403 • Fond du Lac, WI 54936-1403
Toll free: 1-800-542-9761 • Fax: 1-920-922-6750
E-mail: sales@fedcoelectronics.com

WYNIT®

We Distribute

WE MAKE IT OUR BUSINESS TO KNOW YOUR BUSINESS

WWW.WYNIT.COM • 800.GO.WYNIT

MARTA Cooperative of America

10165 N. 92nd St.
Scottsdale, Ariz. 85258
Phone: (480) 443-0211
Fax: (480) 443-3354
E-mail: marta@martacoop.com

Bob Thompson, Executive Director
Tom Balistreri, President, Board of Directors
Brent Crabtree, Treasurer
Sandra Quick, Secretary

Members: 50
Storefronts: 250+
Sales Volume: \$1.0 billion

Key Suppliers

Electronics: LG, Samsung, Sharp, Sony, Toshiba. **Appliances:** Amana, BSH, Electrolux, Fisher & Paykel, General Electric, Maytag, Whirlpool

Description: MARTA is a 45-year-old group of retailers sharing like goals and solutions. Average dealer size exceeds \$20 million in annual retail sales. MARTA recently formed an alliance with BrandSource and now operates as its own division within the BrandSource family of groups, with access to BrandSource's member services.

MARTA maintains ties to key suppliers through two annual buying meetings, committee travel and group-coordinated activities at CES, NAHB, KBIS and CEDIA. Daily Internet bulletins keep dealers aware of industry programs, events, price shifts and merchandise opportunities.

MEGA Group USA

7511 Capital Dr.
Germantown, Tenn. 38138
Phone: (901) 753-8243
Fax: (901) 755-3076
E-mail: RickB@megagroupusa.com

Web site: www.megagroupusa.com

Rick Bellows, President & Appliance Merchandise Manager
Jim Sendrak, Electronics Merchandise Manager
Arlin Walters, Lawn & Garden/Home Specialty
Jerry Honea, Furniture Merchandise Manager
Mallory Parker, Business Services Manager

Members: 1,400
Storefronts: 2,500
Annual Sales Volume: January 1, 2008 - \$2.8 billion; January 1, 2009 - \$3.0 billion

Key Suppliers

Electronics: Samsung, LG, Hitachi, Toshiba, Philips, Mitsubishi, Yamaha, Sharp, Panasonic, RCA, (JVC remove) & Crosley. **Appliances:** Amana, Bosch, Fisher & Paykel, Electrolux, GE Appliances, Maytag, Haier and Whirlpool, Kitchenaid, Sharp Appliances, JennAir, Crosley, Air King, Waste King, D.C.S Key. **Furniture:** BenchCraft, Berkline, CBK, Chromcraft, Cochrane, Coaster, Craftmaster, England, Fashion Bed Group, Fraenkel, Powell, Pulaski, Riverside, Sealy, Serta, Shaw Rugs, Simmons, Tempurpedic, King Koil, Klaussner, Symbol Key. **Lawn & Garden:** Poulan Pro, Husqvarna, Orgill, Swisher, Briggs & Stratton, Country Clipper, Cougar, Agri-Fab. **Home Specialty:** Dreammaker Spa, Dimplex, Holland Grill, Traeger Grill, Oreck.

Description: MEGA Group USA is a national buying group operating in 37 states with a dedicated field management staff to service its retailers throughout the country. It is committed to developing territories and providing sales training, delivering MEGA support services and communicating

with members on programs and industry trends.

MEGA Group USA was created to allow members to identify with a national organization. It provides support services that encourage dealer-level development and implementation of different systems and programs. These include an ad circular program, insurance, product protection plans, credit insurance programs, as well as training, seminars and retail and wholesale finance support. MEGA Group USA conducts buying shows and offers market studies. Its focus is on non-traditional ways of retailing through service and marketing programs.

MEGA believes the independent retailer armed with proper merchandising strategies, an informed sales staff and the ability to adjust quickly can thrive in this challenging economic climate. The slowing economy makes this a year for smart retailers to promote/advertise effectively and manage expenses to endure and prosper.

MEGA Group USA is providing services, benefits and buying power to achieve these goals for its members. For more information about membership, call (888) 332-3344, x106, or go to www.megagroupusa.com.

MEGA Group USA Annual Meetings

March 10-14, 2010
Shingle Creek Resort
Orlando, Fla.

August 22 - 25, 2010
Marriot Downtown
Louisville, Ky.

Nationwide Marketing Group, LLC

110 Oakwood Drive, Suite 200
Winston-Salem, N.C. 27103
Phone: (336) 722-4681

WYnit®

We Distribute

WWW.WYINIT.COM • 800.GO.WYINIT

WE MAKE IT OUR BUSINESS TO KNOW YOUR BUSINESS

Fax: (336) 722-8658
Web site: www.nationwidemarketinggroup.org

Ed Kelly, President
Robert Weisner, Executive Vice President
Les Kirk, Executive Vice President
Adam Thomas, Senior Vice President of Marketing for Appliances
Rick Weinberg, Vice President of Merchandising for Appliances
Mike Decker, Senior Vice President of Marketing for Electronics
Doug Schatz, Vice President of Merchandising for Electronics

Members: 3,000 in the United States
Storefronts: 10,000
Annual Sales Volume: \$12 billion

Key Suppliers: Brand-name suppliers in major appliances, consumer electronics and furniture

Description: Nationwide Marketing Group (NMG) is a buying and marketing organization providing services to appliance, electronics and furniture independent dealers. NMG offers group-negotiated pricing and a host of specialized programs that help their member dealers cut costs and thrive in today's marketplace. NMG is also heavily involved in training and marketing efforts. Members benefit from advertising and rebate programs, special promotions, business courses and seminars throughout the year.

In addition, NMG hosts Prime-Time!, a bi-annual buying show and conference that puts members face to face with top executives from name-brand suppliers and gives them access to leading experts who teach, train and present on the latest trends in the industry.

NATM Buying Corp.
50 Karl Ave., Suite 303
Smithtown, N.Y. 11787
Phone: (631) 382-8640
Fax: (631) 382-8645

William Trawick, President/Executive Director
Michael Maund, Director of Operations and Marketing
Scott Hymas, Vice President
Martin Hartunian, Treasurer
Michael Perlman, Secretary

Members: 11
Storefronts: 251
Annual Sales Volume: More than \$4 billion

Key Suppliers
Electronics: Hitachi, HP, JVC, Mitsubishi, Panasonic, Samsung, Sharp, Sony and Toshiba and LG Electronics. **Appliances:** Frigidaire, GE, Maytag and Whirlpool

Description: Founded in 1970, the NATM Buying Corp. is a national buying co-op representing 11 regional retailers in the appliance/electronics industry. NATM coordinates the buying and merchandising strategies for its members and provides a forum for the exchange of ideas. NATM explores new opportunities in the marketplace and strives to deliver a quality product to its customer base, while optimizing profits for its members.

Outlook: NATM continues to focus on its strengths in higher-end technology products and appliances. NATM informs and updates members about product and market trends and encourages the exchange of ideas. NATM will continue to leverage the technologies available in managing its business efficiently, while remaining profitable and dominant in the markets NATM retailers do

business.
NATM 2010 Meeting
Sept. 27- Oct 1, 2010
Ritz Carlton, Dallas, Texas

PRO GROUP
Progressive Retailers
Organization, Inc.

2720 South River Rd., Suite 101
Des Plaines, Ill. 60018
Phone: (224) 612-5570
Fax: (224) 612-5575
E-mail: davew@progroup.net

Dave Workman, Executive Director
George Manlove, Chairman
Walt Stinson, Vice President/Secretary

Members: 19
Storefronts: 137
Annual Sales Volume: \$1.9 billion

Key Suppliers: Samsung, Mitsubishi, Denon, Yamaha, Toshiba, Sharp, Panasonic, Canon, LG, Sony, Klipsch, Alpine, Definitive Technology and Polk

Description: In addition to coordinating purchasing, PRO Group facilitates idea exchange of best advertising, merchandising and training practices between its members. PRO Group's membership includes Abt Electronics, Bill Smith Electronics and Appliances, Bjorn's Audio/Video, Car Toys, Crutchfield, Electronics Expo, Flanner's Home Entertainment, Huppins/OneCall, Jetson TV & Appliance Centers, Inc., Ken Crane's, ListenUp, MODIA, MyerEmco, Ovation Audio/Video, Paul's TV, 6th Avenue Electronics, Stereo Advantage, Vann's and World Wide Stereo.

Upcoming Events
PRO Group Spring Meeting
May 4-6, 2010
Hyatt Regency at Gainey Ranch
Scottsdale, Ariz.