

Pier 1

BREATHING NEW LIFE INTO OLD BRICK AND MORTAR

*Retail Ecommerce Ventures gives legacy
brands a second chance online*

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BY THOMAS LESTER

While Retail Ecommerce Ventures has only been on the scene since 2019, it hasn't taken it long to get the home furnishings industry's attention.

The Miami-based company specializes in reviving distressed legacy retail brands by reinventing them as e-commerce operations. In the home furnishings universe, it counts Pier 1 Imports, Linens 'n Things and Stein Mart among its stable of brands. All three were in varying states of trouble (bankruptcies in the case of Pier 1 and Stein Mart, while Linens had essentially shut down in 2018) when they were acquired by REV.

REV purchased Pier 1's trademark name, intellectual property and other assets for \$31 million last July. It kept about 15 of Pier 1's buying, marketing and customer-support staff, moved its headquarters from Fort Worth, Texas, to Dallas, and relaunched its website in October. It acquired Stein Mart in November for \$6.02 million, which included the brand nameplate as well as its private label brands, domain names, social media assets and customer data from Hilco Streambank, an IP advisory firm that was marketing the assets.

REV CEO Alex Mehr said while following the economic principle of buying low played a role in REV's acquisitions, it's only a piece of the puzzle. Brand awareness and brand affinity also factor into buying decisions.

"These are iconic brands. Pier 1 imports has been around for a very long time and is very loved. You can't ask for higher awareness of a brand. It's something that's very difficult to replicate," Mehr told Home Accents Today. "You can think about what it takes to recreate a brand like Pier 1, Linens 'n Things, you're talking about decades of a brand providing amazing service to its customers to build brand trust."

To assess brand awareness, Mehr said his business partner, Tai Lopez, applies what he calls the "Amish Test" to any potential purchase, which asks if an average Amish person would know the brand. If the answer is yes, the company proceeds. If it acquires the brand, it combines what that brand was known for with high-level e-commerce operations. The new websites are crafted with the modern consumer in mind while maintaining legacy SEO and searchability.

Once a brand is acquired, it installs its own team of leaders as interim CEOs to help spearhead the rebuilding process. For Pier 1, Rudy Mawer serves in this role while Kimberly Curtis is in the position for Linens 'n Things.

"As a young, fast-growing company, REV has taken the approach of assigning the interim CEO title to leaders we recruit to head our individual brands," said Maya Burkenroad, REV president. "There is no set timeline for assigning a permanent title."

At the time of Pier 1's acquisition, REV hired Pier 1 executive Brian Thompson, the brand's former



To create Pier 1's product mix, REV relies on private labeling, self-sourcing and buying from vendors.

director of global sourcing, to serve as chief merchandising and supply chain officer. He remains part of the leadership team and was key in helping the transition. In October, Thompson met with hundreds of Pier 1 shoppers via Zoom to discuss availability of popular products like its Li Bien Christmas ornaments and its signature fragrances.

"A lot of these are iconic brands that have been around a long time, so they have strong SEO and Google rankings," Mehr said. "When you are handed something like that, you don't want to re-platform it overnight and lose all of those rankings. In that scenario, we carefully do it and model the new site after the previous site."

The relaunch can happen in a matter of two weeks to three months, so consumers don't have a chance to forget about the brand.

"To us, we pick a brand and we understand what the brand used to stand for and then we provide the same services and improve on it for a more modern, digital world," Mehr said. "The high-level strategy is straightforward. Take the brand that everybody knows and likes and build on it in the new, more e-commerce-centric way."

Part of keeping the brand in the conversation is maintaining ties with longtime consumers while reaching out to potential customers. REV told Forbes that it plans to sell products under the Pier 1 and other brand names on Amazon and Walmart's marketplaces as a way to expand its base.

"We want to keep the legacy customers from each of our companies. They're the ones who made the brands so iconic but we always want to

WHEN DID REV ACQUIRE ITS PORTFOLIO OF BRANDS?

2019

OCTOBER

dressbarn

2020

JUNE

FRANKLIN MINT

JULY

Pier 1

SUMMER

THE BOOK PEOPLE

LINENS 'N THINGS

AUGUST

MODELL'S

NOVEMBER

RADIO SHACK

Stein Mart