

# MULTICHANNEL MERCHANT®

# JUL/AUG '10

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*The*  
**LIST IS IN!**

**Our 18th annual  
ranking of the  
TOP-100  
print and online  
catalogers  
by sales P.36**



# THE LIST IS IN

WELCOME TO  
the **18th annual**  
ranking of the  
**TOP-100**  
print and online  
catalogers, as  
ranked by sales

**THE LARGEST MULTICHANNEL MERCHANT** companies got a little smaller in 2009. No real surprise, given that it was one of the worst retail years on record, but still a bit disconcerting to see so many numbers go down.

For the purposes of ranking 100 companies, it wasn't a matter of who grew revenue the most, but rather who grew at all. Or who didn't shrink quite as much.

Companies just trying to survive the economic meltdown that started in late 2008 were learning

to do more with less—fewer staff, lower circulation and reduced marketing budgets. And most did do a good job reining in expenses.

But if a significant portion of your business is driven by print catalogs and you cut circulation, you will see reduced revenue. Growth in online sales—though perhaps not as robust as in previous years—for many kept a bad year from being worse.

Sure, some did see growth. Office supplies merchant Staples (#3) managed to add \$740 million to its 2009 direct revenue, an increase of about 9%. Patterson Cos. (#13), which sells medical, dental and veterinary supplies,

Rank	Company	2009 direct sales (in millions)	2008 direct sales (in millions)	Market segment	Notes
1	Dell Round Rock, TX • 512-338-4400	\$44,966.7*	\$51,936.0*	computers	did \$3 million in sales via Twitter
2	Thermo Fisher Scientific Waltham, MA • 781-622-1000	\$10,110.0	\$10,500.0	laboratory and research supplies	7% revenue growth in the fourth quarter
3	Staples Framingham, MA • 508-253-5000	\$9,640.3	\$8,900.0	office supplies	unveiled StaplesAdvantage.com, a site for businesses, in March 2010
4	IBM Armonk, NY • 914-499-1900	\$9,500.0*	\$9,076.0*	computer hardware, software services	agreed to buy Sterling Commerce for \$1.4 billion in May 2010
5	CDW Corp. Vernon Hills, IL • 847-465-6000	\$8,070.0*	\$8,100.0	computers	appointed former Qwest executive Thomas Edwards as president
6	Henry Schein Melville, NY • 631-843-5500	\$6,538.3	\$6,400.0	dental, medical and veterinary supplies	dental sales down 2.2%, international sales rose 8%
7	United Stationers Deerfield, IL • 847-627-7000	\$4,710.3	\$4,986.9	office and facility supplies	acquired software provider MBS Dev in March 2010
8	Wesco International Pittsburgh • 412-454-2200	\$4,624.0	\$6,110.8	electrical and industrial maintenance supplies	net income decreased 48.5%
9	OfficeMax Naperville, IL • 630-773-5000	\$3,656.7	\$4,310.0	office supplies	retail sales saw a 10.2% drop
10	VWR International West Chester, PA • 610-431-1700	\$3,561.2	\$3,759.2	laboratory and science education supplies	acquired gadgets merchant X-treme Geek in October

\* estimated

was up about 7%, to \$3.2 billion.

On the consumer side, multi-title mailers Amerimark Holdings (#43), which targets seniors, and Urban Outfitters (#61), which sells clothing, gifts and decor, were both up about 20%.

Other multititle merchants, including Swiss Colony (#38) and Redcats USA (#25), reported flat sales; many other marketers were close to flat as well.

On the downside, industrial maintenance mailer Wesco International's (#8) sales slid 24%—or by \$1.39 billion. Even Dell's (#1) direct revenue was down about 13%, or \$6.97 billion.

1-800-Flowers.com's (#45) direct sales plummeted sharply, from

\$926.7 million in 2008 to about \$500 million. But that's largely due to the marketer shedding its gifts and children's catalog titles, which it officially divested in August.

### Goodbye, hello

Some long-time companies no longer appear on the ranking. Macy's, for instance, is off the list, since the department store retailer phased out its Bloomingdale's By Mail catalog in early 2009. Electronics merchant J&R also dropped its print catalog in 2009. Other slid off because their sales slid.

Then there are a few merchants making their debut on the MCM 100. Several of these have grown fairly rapidly through acquisitions,

such as Gardens Alive! (#92). The merchant expanded beyond horticultural products with several acquisitions in the past two years.

Boston Apparel Group (#67) is another newcomer: It was created by private equity firm Monomoy Partners two years ago after it bought the Missy division of Redcats USA.

Not that every merchant new to the list grew via acquisition. Vitacost.com (#86), a catalog/Web marketer of vitamins, supplements and the like, managed to increase sales from \$143.6 million in 2008 to \$191.8 million. That's up 34%—robust, healthy growth, especially in a tough year.

—Melissa Dowling

Rank	Company	2009 direct sales (in millions)	2008 direct sales (in millions)	Market segment	Notes
11	<b>Hewlett-Packard Co.</b> Palo Alto, CA • 650-857-1501	\$3,528.0*	\$3,920.0*	computers	acquired network security firm 3Com Corp. in November
12	<b>Office Depot</b> Delray Beach, FL • 800-937-3600	\$3,483.7	\$4,145.7	office supplies	North American Business unit was \$28.7% of all sales
13	<b>Patterson Cos.</b> St. Paul, MN • 651-686-1600	\$3,204.5	\$2,998.7	medical, dental, rehab and veterinary supplies	Patterson Medical sales were 15.5% higher vs. previous year
14	<b>Systemax</b> Port Washington, NY • 516-625-4300	\$3,100.0*	\$3,000.0*	computers, industrial supplies	bought European business IT products supplier WStore Europe
15	<b>Sears Holdings Corp.</b> Hoffman Estates, IL • 847-286-2500	\$2,875.0*	\$2,790.0*	general merchandise	includes Lands' End and Sears' Web sales
16	<b>Sigma-Aldrich Corp.</b> St. Louis, MO • 314-771-5765	\$2,146.7	\$2,200.7	biochemicals and lab supplies	fourth-quarter net sales were up 12.3%
17	<b>PC Connection</b> Merrimack, NH • 603-683-2000	\$1,569.7	\$1,753.7	computers	distributed 1.19 million fewer catalogs in 2009
18	<b>J.C. Penney Co.</b> Plano, TX • 972-431-1000	\$1,501.0*	\$1,457.0	general merchandise	Mailed its last big book catalog in November
19	<b>W.W. Grainger</b> Lake Forest, IL • 847-535-1000	\$1,500.0	\$1,500.0	industrial supplies	total sales dropped 9.2% to \$6.22 billion
20	<b>MSC Industrial Direct Co.</b> Melville, NY • 516-812-2000	\$1,441.3	\$1,780.0	industrial supplies	average order fell from \$311 in fiscal 2008 to \$306 in 2009



## METHODOLOGY

**The MULTICHANNEL MERCHANT 100** was compiled by the MULTICHANNEL MERCHANT editorial staff 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 approxi-

mate sales, an asterisk indicates that the figure is an estimate.

Sales are for calendar years 2009 and 2008. 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 2009 differ from those reported last year, reflecting updated information.

For parent companies and cata-

loger/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	2009 direct sales (in millions)	2008 direct sales (in millions)	Market segment	Notes
21	<b>L.L. Bean</b> Freeport, ME • 207-865-4761	\$1,400.0	\$1,150.0*	apparel, outdoor gear, home furnishings	launched Signature spin-off catalog in spring 2010
22	<b>Limited Brands</b> Columbus, OH • 614-415-7000	\$1,388.0	\$1,500.0	apparel, beauty products	Victoria's Secret Direct to launch Pink apparel catalog
23	<b>HSNi</b> St. Petersburg, FL • 727-872-7069	\$1,310.0*	\$1,400.0*	general merchandise	Saved \$54.9 million by cutting Cornerstone catalog circ
24	<b>Williams-Sonoma</b> San Francisco • 415-421-7900	\$1,224.7	\$1,399.0	home decor, kitchenware	cut catalog circ by 16.4% and pages by 21.1%
25	<b>Redcats USA</b> New York • 212-513-9500	\$1,200.0	\$1,200.0	apparel, home goods, sporting gear	Began a joint-marketing program with eBags in November
26	<b>Orchard Brands</b> Beverly, MA • 978-922-2040	\$1,170.0*	\$1,150.0*	apparel, home goods	bought Eddie Bauer Holdings in August
27	<b>Cabela's</b> Sidney, NE • 307-254-5505	\$1,058.0	\$1,095.2	outdoor gear	sold Wild Wings and Van Dyke's Taxidermy units
28	<b>Deluxe Corp.</b> Shoreview, MN • 651-483-7111	\$948.0	\$1,038.7	business stationery and supplies	bought two online marketing services providers in July
29	<b>Cintas Corp.</b> Cincinnati, OH • 513-459-1200	\$942.0*	\$1,124.1*	uniforms, sanitation supplies	expanded Sustainable Solutions workplace apparel line
30	<b>School Specialty</b> Greenville, WI • 920-734-5712	\$936.0	\$1,025.8	non-textbook school supplies	reported lower sales of furniture and equipment
31	<b>Digi-Key Corp.</b> Thief River Falls, MN • 218-681-6674	\$926.0	\$984.0*	electronics components	launched Summer Social Twitter campaign in 2010
32	<b>Guest Supply</b> Houston, TX • 609-514-9696	\$787.0	\$780.0*	hospitality supplies	operates 16 full-service distribution centers
33	<b>Taylor Corp.</b> North Mankato, MN • 507-625-2828	\$750.0*	\$730.0*	stationery, HR supplies, promotional products	includes Colorful Images, Current, G. Neil, Lillian Vernon, Paper Direct

\* estimated



# Who owns what

## MANY OF THE MCM 100 ARE MULTITITLE MAILERS. HERE'S A GUIDE TO WHO OWNS WHAT:

► **1-800-FLOWERS.COM** includes 1-800-Flowers.com, Ambrosia, Cheryl & Co., Fannie May, Geerlings & Wade, The Popcorn Factory

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

► **CASUAL MALE** includes Casual Male XL, Rochester Big & Tall Clothing

► **CHARMING SHOPPES** includes Figi's, Catherines, Shoetrader.com

► **GARDENS ALIVE!** includes Bits and Pieces, Breck's, Gurney Seeds, Henry Field's, Michigan Bulb, The Paragon and Spring Hill Nurseries, Thompson & Morgan Seedsmen, TouchStone

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

► **HSNI** includes Ballard Designs, Frontgate, Garnet Hill, Improvements, 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, Bedford Fair Lifestyles, Blair Corp., Brownstone Studio, Coward Shoes, Draper's & Damon's, Eddie Bauer, Gold Violin, Haband, Intimate Appeal, Lew Magram, Linen Source, Monterey Bay Clothing Co., Norm Thompson Outfitters, Old Pueblo Traders, Sahalie, Solutions, The Tog Shop, Willow Ridge, 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

► **PROVIDE COMMERCE** owns Cherry Moon Farms,

RedEnvelope, ProFlowers, Secret Spoon and Shari's Berries  
► **SCHOOL SPECIALTY** includes ABC School Supply, Abilitations, Brodhead Garrett, Childcraft, Delta Education, Frey Scientific, Hammond & Stephens, Sax Arts and Crafts, Sportime

► **SIGNATURE STYLES** includes Spiegel, Newport News, Shape FX

► **STAPLES** includes Corporate Express, Quill Corp., Smilemakers, Medical Arts Press

► **SYSTEMAX** owns Circuit City, CompUSA and TigerDirect

► **THE SWISS COLONY** includes Ashro, Ginny's, Home Visions, Midnight Velvet, Monroe and Main, Montgomery Ward, EaceTeamGear.com, Room for Color, Seventh Avenue, The Swiss Colony, The Tender Fillet, Through the Country Door

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

► **URBAN OUTFITTERS** includes Urban Outfitters, Anthropologie, Free People, Terrain

► **W.W. GRAINGER** includes AW Direct, Ben Meadows, Gempler's, Highsmith, Lab Safety Supply, Professional Equipment, Rand Materials Handling ●

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