



# FAMILY OWNED BUSINESS AWARDS

## Crown Ace Remains Place for Old-School Business Values

**RETAIL:** Fights big chains with customer service

By CHRIS CASACCHIA

**Crown Ace Hardware** is one of the few bastions of Orange County's early days, a throwback to the community hardware store where fathers picked out tools for their sons.

The business in many ways hasn't changed since it opened its doors in Corona del Mar in 1949, despite the advent of inventory software, electronic scanners and Facebook promotions.

"It's how we run the business today," Mark Schulein, president of Crown Ace, said last week during an award reception honoring local family-run businesses.

Crown Ace received the Large Companies award at the annual Family Owned Business Awards lunch hosted by the Business Journal and California State University, Fullerton's Family Business Council on Nov. 30 at the Hyatt Regency Irvine.

The company has touted convenience and top-notch customer service as key tenets since it was a small "mom-and-pop" operation. It even took the name of its hometown, Corona del Mar, which translates to "crown of the sea."

In 1974, Mark's father Jeff Schulein purchased the store and laid out a detailed expansion plan to serve communities needing local hardware stores.

### 15 Stores

The company today operates 15 stores in Southern California and two in Arizona.

Orange County locations also include Huntington Beach, where it maintains its headquarters, as well as Newport Beach, Costa Mesa, Irvine, Lake Forest, Laguna Niguel, Mission Viejo and Anaheim Hills.

Crown Ace partnered with Oakbrook, Ill.-based **Ace Hardware Corp.** in the mid-1980s to gain buying power and a well-known brand. In 2007, Crown Ace expanded into Riverside, Yucaipa in San Bernardino County and Lake Havasu City in Arizona.

The first San Diego location came in 2008 in Point Loma.

Crown Ace had eight stores when Mark Schulein joined the company.



Schulein: "opportunistic" growth strategy

"We're kind of opportunistic in our growth strategy," he said. "It has to be the right location at the right time. We don't have that rapid growth focus."

The last store opening was in Encinitas in 2009, during a difficult stretch. Executives had a goal during the recession to keep every store opened and employment up.

"We're very proud we accomplished those goals," Schulein said.

Crown Ace took its lumps but survived its worst downturn and is back on a growth curve with more than 300 employees. "We just had to get a lot smarter, sharper and look at efficiencies," Schulein said.

Crown Ace's business approach is significantly different from that of huge Atlanta-based **The Home Depot USA Inc.**

"Our model is about service, convenience and a helpful staff," Schulein said. "Their model is, get you the product and you can do the rest on your own. That's what allows us to continue to grow, be profitable and successful in their shadow."

### Niche

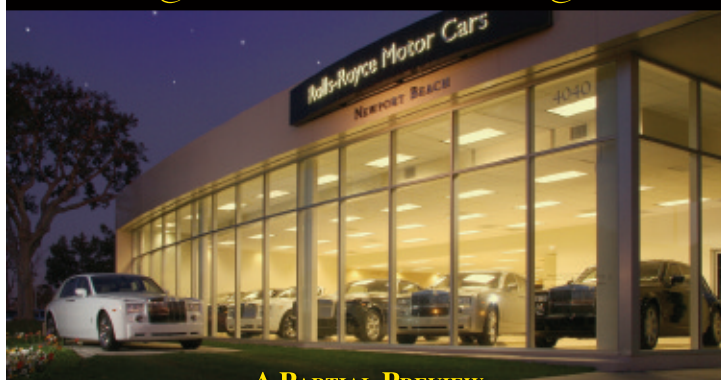
As a result, Crown Ace has carved out a niche in the communities it serves.

"We know our business, we know our customers and we know our communities," Schulein said. "We've made a good reputation in those communities."

And that's created a symbiotic relationship. "They need us and we need them," he said. ■

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