

A Centennial Celebration

Tepperman's cites its commitment to values, long-term vision and adaptability as reasons for company's longevity **BY CLARE TATTERSALL**



Tepperman's co-owners and brothers Noah and Andrew Tepperman.

THE NUMBER OF BUSINESSES THAT MAKE it to the 100-year mark is extremely small, estimated at just a half a per cent of all companies, and the ones that have what it takes are most often family-owned. Those that survive this amount of time generally share five core characteristics, according to Vicki Tenhaken, a consultant on corporate longevity and author of *Lessons from Century Club Companies*: strong corporate mission and culture; unique core strengths and change management; close relationships with business partners; long-term employee relationships; and active members of the community. All of these are tenets of Tepperman's, one of Canada's largest independent home furnishings retailers, which marks its centennial in 2025.

The celebrations kicked off in March, with a team appreciation breakfast for its more than 500 staff, held at each of Tepperman's seven stores in Ontario. Attended by local mayors, politicians and business partners, the company-wide function was chock-full of camaraderie and featured product and gift card prizes for employees, something that will continue until the end of 2025, as thanks for their service. Customer appreciation events are being held through the year that include giving away more than \$100,000 worth of prizes and exclusive promotions like the recent 'buy Canadian sofa' event — 25 per cent of Tepperman's inventory is 'Made in Canada' — that offer discounted prices and attractive financing terms, such as no payments, no interest for 50 months.

And in line with its long-standing tradition of supporting the communities within which it operates, local initiatives are planned, though not specifically tied to the company's centenary jubilee. They include 'Are Your Kidneys Ok' event in collaboration with Children's Health Foundation, featuring food trucks at Tepperman's London store, with a portion of proceeds supporting pediatric nephrology and urology at Children's Hospital at London Health Sci-

ences Centre; and the CP holiday train in London and Chatham, to collect non-perishable food and raise money in support of food banks, among many other fundraising efforts. These are in addition to the retailer's monthly education bursary draws, whereby two random winners from entrants receive \$1,000 toward their post-secondary education, and the awarding of two fully funded scholarships annually to Indigenous peoples enrolled in masters and doctorate programs at the University of Windsor — initiatives first launched in 1998 and 2021, respectively. To date, Tepperman's has invested \$1 million in student education.

"To survive a century, a company must be more than just a business — it must wholeheartedly embrace and prioritize the communities it serves," says executive chairman Andrew Tepperman.

But perhaps the highlight, at least for Andrew, grandson of founder Nate Tepperman, is the 100th anniversary book that was created for staff and business partners to showcase the company's legacy, telling the story of its journey from 1925 to present day. It was an eye-opener into the past even for Andrew, who began working in the family business alongside his grandmother Rose at the age of eight, cross-checking dates on invoices and stuffing envelopes with promotional marketing pieces for a penny each. While doing research for the book, he discovered his grandfather was initially planning to emigrate to Argentina from Russia, to follow his then-girlfriend, but the papers came in for Canada, and he had to make a choice. He opted for the Maple Leaf.

"I heard a lot of new stories from my dad, and we also went through a box in the warehouse that probably hadn't been opened since the 1940s. It had advertisements my grandfather had clipped out," says Andrew, whose office offers a trip down memory lane, with memorabilia prominently displayed like his grandfather's first-ever English dictionary, his grandmother's Underwood model No. 5 typewriter, a partially melted



⌘ Tepperman's executive chairman Andrew Tepperman.

brass rocking horse accessory that was the only surviving item from the fire that burned down Tepperman's Chatham store in 1992, and a 1931 telephone book that lists the 34 furniture retailers in Windsor, Ont., at the time. (Now there is only one — Tepperman's.)

"He had stapled each ad to a piece of paper with our letterhead on it and included a hand-written note that stated the number of units sold and the weather on the date the product was sold," he continues. "The following year, he used that information to compare sales and to figure out if the weather played a role. It was old school data analytics at its finest."

The history of Tepperman's is a true Canadian immigrant story that started when Nate came to this country in 1920, amid the Russian Revolution, arriving in Halifax before making his way to Southwestern Ontario. Despite being a newcomer in an unfamiliar land where he knew very little English and only had a grade five education, the 20-year-old had remarkable grit, determination and zeal to succeed. In 1925, he began selling rugs, towels and other small products door-to-door on foot in Windsor. Nate's niche was that he allowed customers to pay in instalments — he would return each week to collect a nickel or dime — thereby creating a strong connection with his customers. That was the start of in-house financing, which Tepperman's still offers to this day.

Nate's friendliness, dependability and fair dealing garnered him an esteemed reputation that led to rapid business growth. His route evolved from walking to a bicycle to a used pickup truck, and eventually to the opening of

his first brick-and-mortar store in 1929. From then until his unexpected death in late winter 1970, drowning from ocean undertow while vacationing in Palm Beach, Fla., he sold everything from furniture, appliances and electronics to toys, baby carriages, toasters, records and even live birds.

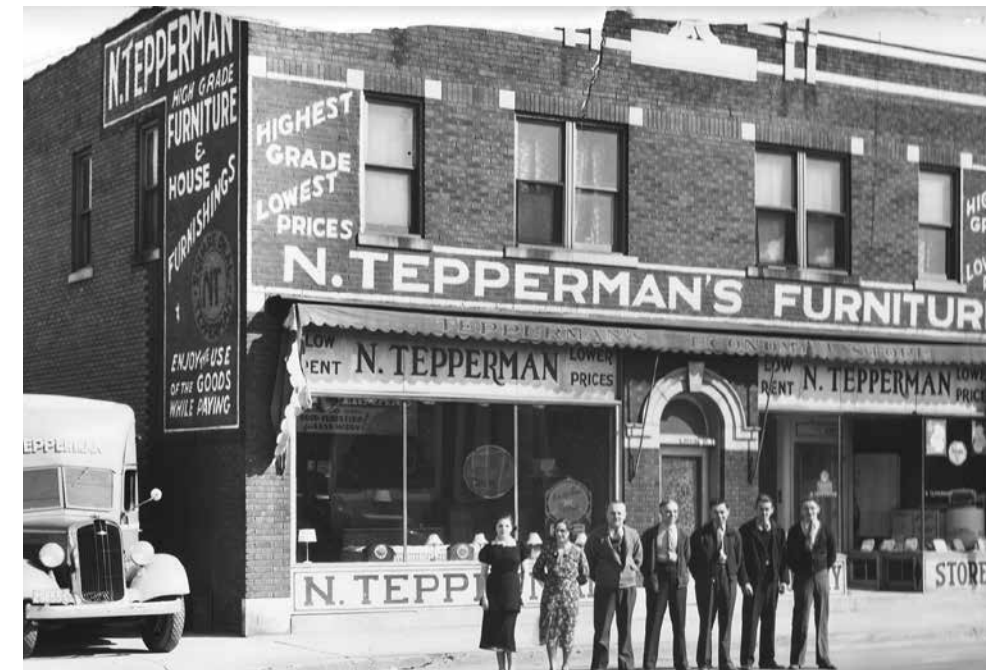
Thrust into a leadership position that he perhaps wasn't wholly ready for, Nate's son Bill took the company's helm with the desire and motivation to build on the legacy of his late father. Quickly he adapted to his dual role as president and new dad; he and wife Rochelle had welcomed their first son, Andrew, in March of that year. Andrew is the oldest of three brothers and one of two that round out the third-generation business. Noah, who now co-owns Tepperman's with Andrew, is secretary-treasurer.

Bill steered the company for more than three decades, during which he relocated Tepperman's head office and premier showroom in Windsor, in 1978, to a newly built, 50,000-square-foot facility that the company is still in today. Other key milestones include the gradual expansion in the region to Chatham (1983), Sarnia (1992) and London (1997); opening of the company's entry price point, promotional sales vehicle Bargain Annex (now Outlet at Tepperman's), in 1984; receiving the Canadian Retailer of the Year award in 2003, by the Ontario Furniture Manufacturer's Association (now the Canadian Home Furnishings Alliance); and being named Entrepreneur of the Year by Windsor-Essex Regional Chamber of Commerce the following year.

In 2000, Bill announced his retirement — six



⌘ 1950s delivery truck leaving 30,000-square-foot warehouse in Windsor, Ont.



⌘ Nate Tepperman (right) opened his first store on Ottawa Street between Parent Avenue and Lilian Avenue in Windsor, Ont., in 1929.



years away. Andrew surmises that his grandfather's sudden death without a succession strategy in place may have been part of the reason his father planned the company's transition of ownership so far in advance.

Originally, Bill did not expect any of his sons to stay in the business, nor did he pressure them. Despite working in the store when they were in high school and university, all eventually left to pursue employment elsewhere. For instance, after graduating from Vassar College in New York, with a degree in political science, Andrew took a job with a large motion upholstery manufacturer, Berkline, in Washington, D.C. Four years later, he received a phone call from his dad who told him they were about to purchase the largest family furniture retail business in London — Patton's Place.

"He said, 'If you want to come back, now is a good time,'" recalls Andrew.

So, he did, to serve as general manager of the 63,000-square-foot London store. (Tepperman's acquired an 89,000-square-foot warehouse facility in the buy-out, too.)

"I was very anxious since we were brand-new to the city," says Andrew about his 27-year-old self. "I worked around the clock — the first person in and the last one to turn the lights off at midnight. I devoted everything to that store and so did many others. It was amazing to watch how much effort and passion everyone put into it."

Three years later, Andrew returned to the Windsor location where he worked in his earliest

years on the frontlines in every department — sales, warehousing, home delivery, customer service and consumer financing. On this occasion, he took on mid-level management jobs, as a warehouse manager, Chatham store general manager and buyer for then-Bargain Annex, and led the quality and service teams.

When Bill handed over day-to-day operations on Oct. 31, 2006, Andrew was fully prepared to step into the position of president, given the broad skill sets acquired whilst working all those years within the company. He had also taken specific training courses like accounting at University of Windsor, and a leadership class through Western University's Ivey business school, on the recommendation of his father, to ready himself for that day. Meeting with a succession planner from Tepperman's accounting firm, PricewaterhouseCoopers, every three to four months over the course of six years contributed to a seamless transition, too.

Still, the ensuing years were not exactly smooth sailing. Economic downturn from 2007-2009, coined the Great Recession in Canada, couldn't have come at a worse time for Tepperman's. The regional chain was in the midst of constructing a new 85,000-square-foot store in London — the largest of its present-day locations — to replace the existing one that it had outgrown, along with a new, state-of-the-art 100,000-square-foot distribution centre.

"We were worried we had overbuilt," says Andrew. "We spent a fortune, the biggest invest-

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Tepperman's CEO Masoud Negad.

ment we had ever made, and everyone was going out of business.”

Those years served as a defining moment for Andrew. While proud that only two part-time staff were laid off, thanks, in part, to workers' willingness to reduce their hours to prevent further job eliminations, he admits he did not react fast enough to get the company out of the recession. As a result, sales and, correspondingly, growth flatlined for several years.

“It was not a good situation,” he recalls. “Maybe it was due to my lack of experience. In any case, I wasn't going to let it happen again.”

To prevent a similar occurrence in future — after all, recessions are an inevitable part of the economic cycle — Andrew and Noah travelled stateside to Ann Arbor, Mich., to meet with Ari Weinzweig, a thought leader, multi-book author, and the CEO and co-founder of Zingerman's, a single delicatessen-turned-gourmet food empire. Over two days, Weinzweig schooled the two on creating a long-term vision for their business and how, by following certain principles, it could guide their company to greatness. Upon their return, the pair put what they learned into practice, fulfilling their promise to Weinzweig to create a 10-year vision plan, which has enabled the company to achieve remarkable goals.

“The 10-year vision is supported by six guiding principles. These are non-negotiable and each department must incorporate them into their annual plans,” says Andrew. “For example, 10

years ago, we said we wanted to double our sales. We didn't tell our team how to do it; we just let them figure it out. It turned out to be a bit of both: same-store growth and new market growth.”

Since 2015, when the 10-year vision was first implemented, Tepperman's has expanded into three new Ontario communities — Kitchener (2016), Ancaster (2019) and St. Catharines (2024). The Kitchener store ushered in a new era for the retailer as, unlike its sister locations in Windsor, Chatham, London and Sarnia, it was developed by an outside commercial design firm, known for creating retail furniture stores in both Canada and the United States, to elevate the customer buying experience. The 70,000-square-foot showroom features a central welcome centre, children's play area, complimentary snack and beverage café, digital interactive kiosks and defined tiled pathways — a first for the brand — that guide customers through the four key departments: furniture, bedding, appliances and electronics.

In 2022, more than 900 solar panels were installed on the roof of the Kitchener store, adding to its existing conservation efforts like electric vehicle charging stations and energy-efficient lighting. Another company first, and in alignment with Tepperman's guiding principle of environmental leadership, the solar panels provide the capability to generate 411,000 kilowatt hours of electricity or upwards of 95 per cent of the store's electricity needs.

“The solar installation is a net-metering install,” explains Andrew, adding Tepperman's newest



A sea of 914 solar panels covers the roof of Tepperman's Kitchener store. The solar array installation, designed as a ballasted system, was carried out by VCT Group.

store in St. Catharines is equipped with rooftop solar panels, too. “They generate electricity and feed it into the local grid, and that generation is offset against our electricity consumption.”

The \$1 million Kitchener store investment, which has an anticipated return on investment of about eight years, is part of the retailer's long-term commitment to sustainability in every part of its operation. Other environmental initiatives include the donation of used and returned furniture and appliances to the Habitat for Humanity ReStore organization, giving these items a second life and also providing a revenue stream for Habitat for Humanity to fund some of their housing projects; the collection and shipment of worn-out mattresses to Recyc-Mattress, a mattress and box spring recycling depot that breaks down the sleep essentials into their fundamental components (polyurethane foams, latex, springs, textiles) to be used in the manufacture of other products, such as new foam for carpet underlay and athletic safety mats; the use of cold press polystyrene densifiers that can compress 50 cubic feet of packaging material that is commonly called Styrofoam into a brick, which is then reprocessed into other materials through its partner Second Wind Recycling, reducing waste and diverting products from landfills; and the creation of three bee-friendly pollinator gardens, including one at its London store covering some 25,000 square feet, providing these insects with a healthy environment to thrive. The retailer is also one of the few of its size with a full-time sustainability manager.

Tepperman's efforts to increase its own environmental efficiency has received numerous accolades. Its London store was the recipient of

the first-ever Don Smith Commercial Building Award in 2010, for environmental sensitivity, design and construction. More recently, the company received the Corporate Social Responsibility and Environmental Leadership awards from the London Chamber of Commerce.

With each subsequent store launch, the brand builds on the successes of existing locations to further improve the customer experience; it doesn't rest on its laurels. Take its newest showroom in St. Catharines. Opened in May of last year, it has selfie stations, an enhanced kids' area with digital games imported from Amsterdam, waterfall, and nature rest area with live plants, in addition to all the hallmarks of its other stores like free popcorn — a crowd-pleaser with the kids that may very well turn these little consumers into lifelong Tepperman's shoppers.

“That's what they know us for,” laughs Andrew, who, whilst doing some work for Windsor's Junior Achievement program, teaching a grade five class about business, asked students if they'd heard of the retailer.

“All of them put their hands up, so I asked what do you like about it. And every one of them said popcorn,” he continues. “It's amazing. Twenty years from now they're going to remember that and come back.”

Despite adding three stores in the span of nine years, one not long after the Covid pandemic, Andrew describes Tepperman's as “slow to grow.” He says the opening of any new location is the culmination of a multi-year planning effort that involves the exploration of potential new markets and their demographics, as this helps better understand the retailer's core consumer's wants and needs. While Tepperman's describes

“We spent a fortune, the biggest investment we had ever made, and everyone was going out of business.”



Tepperman's gave away \$5,000 to each of five charities in Ontario's Niagara region, for a total of \$25,000, in celebration of the opening of its newest store in St. Catharines, Ont., in May 2024.



⌘ **TOP:** Tepperman's St. Catharines location is its seventh store. **MIDDLE:** This 1928 Ford model resembles Tepperman's first delivery truck. It was purchased and refurbished in 2024, for the St. Catharines store grand opening. It is now displayed in the Windsor showroom. **BOTTOM:** The Tepperman's logo is positioned on the floor of the new St. Catharines store amid a variety of air-purifying tropical plants.

its target audience as middle to upper-middle class, its Ancaster consumer prefers higher-end custom upholstery more than the Sarnia consumer, for example. Andrew also likes to make sure the right leadership is in place to manage another store before embarking on any venture.

One person he has been able to count on time and again is Masoud Negad. Considered family, as he has been with Tepperman's for nearly four decades, Negad was approached two years ago to take on the role of CEO, an offer that initially caught him by surprise. He humbly accepted and in May 2024, he became the first non-family member to lead the company since its founding.

"It was a huge honour because this is an organization that I've been a part of for most of my life in Canada, and I have loved and enjoyed watching it grow and evolve," says Negad about the job offer. "It required a high level of trust, as most family businesses won't relinquish control to somebody who isn't part of the immediate family."

Andrew's decision to step back from day-to-day operations "just made sense," he says, as did the selection of Negad. An immigrant from Iran, he joined Tepperman's in 1987, when it was just a two-store operation, motivated to apply for a sales position after listening to the laughter and stories of Chatham Tepperman's employees at a restaurant he managed. He was promoted to management within a few years, and earned his master's and then doctorate degrees in business administration while employed full-time. Now in his 38th year with the retailer, he has touched almost every aspect of the business, from store and supply chain management to product buying and even delivery.

"If a truck driver is sick, he'll take the wheel, and he'll sweep the floor if it's dirty. Masoud will do whatever it takes," says Andrew. "You don't see that at most companies. And that's how you know you've got the right person."

As CEO, Negad leads a team of seven vice-presidents, each representing one of the markets under the Tepperman's and Outlet at Tepperman's brands — an organizational format introduced with his promotion. He is responsible for the overall direction of the company, including growth, risk mitigation, decision-making and culture. Andrew is now solely focused on the 'big picture,' including the company's next 10-year vision plan, conceptualized with his brother Noah, as well as things he never had a chance to do before like attend the National Retail Federation's annual conference, Retail's Big Show, among other trade events around the world to further strengthen the business.

Presently, one of Negad's main priorities is ensur-



⌘ **LEFT TO RIGHT:** Noah Tepperman with wife Julie, daughter Lily, and son Benjamin; Bill and Rochelle Tepperman; Andrew Tepperman with wife Tina, daughter Lia, and son Nathan.

ing the company stays ahead in the tech-driven world. The retailer is in the process of moving to Oracle's NetSuite ERP (enterprise resource planning) system to boost operational efficiency, as part of a complete technology stack upgrade. Completion of the two-year initiative is expected in the coming months. The next big thing to be finished is the renovation of the brand's older stores to Tepperman's 2.0 model, so they all have the same look and feel.

Unsurprisingly, tariffs are also top of mind, though they're not exactly a new problem given the company's age. Negad says there's no intention to pass the 25 per cent tariff on products imported from the U.S. on to consumers, especially since only about 10 per cent of Tepperman's furniture SKUs originate from south of the border. Instead, the retailer is looking at ways to become nimble in this tough economic cycle, without sacrificing the exceptional quality service and exemplary work culture customers and staff have come to expect, respectively. As well, it's seeking out even more homegrown suppliers. Sofa by Fancy and Minhas are two Canadian brands Tepperman's has recently welcomed into its fold, joining others like DecoRest, Paiano Upholstery, Leather Living, Durham Furniture, Canadel, Dynamic Furniture and the majority of all mattress lines it carries.

"We have seen a noticeable increase in the number of consumers asking for 'Made in Canada' because of the U.S.'s aggressive trade and sover-

eignty threats, so, right now, there's a great opportunity for retailers and manufacturers in this country," says Andrew.

This optimistic tone may be in contrast to news reports that paint a less rosy picture for Canadian companies; however, Andrew naturally doesn't like to dwell on the negative.

"At the end of the day, whether we like it or not, it will be what it will be," he says. "Our focus is, and always will be, on running the business to the best of our collective abilities, and not to get distracted by all the noise."

That collective includes Andrew's two children, both teenagers, who work in the Windsor store. Though it would be "nice" if either or both made Tepperman's into a fourth-generation business, he says there is no expectation for them to work at the company long-term. Should, at any point, it become a true and real aspiration, Andrew would prefer they gain outside experience just as he did before that fateful call from his father all those years ago.

"Leaving and then coming back cemented how much I wanted to be here," says Andrew, who, while he's unsure of his children's fate within the family business, does know an exciting future awaits Tepperman's.

"As we honour the past with this 100th anniversary, our story continues as there is much more in store." ❄️

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