

Ace Hardware Names New International Business Manager, Posts Q1 Financial Report

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Standing left to right: John Venhuizen (vice president of retail and business development), Maurice Ademe (regional director - Asia/Pacific and Mexico), Rob Collins (director, global supply chain), Eric Knox (regional manager - Asia) Sitting left to right: Ray Griffith (president and CEO), Prabowo Widyakrisnadi (president director – PT Ace Hardware Indonesia) Ace Hardware of Oak Brook, Ill., appointed Bob Moschorak as president and general manager of Ace International to oversee worldwide growth initiatives. In his new role, Moschorak will oversee Ace Global Distribution, the retail distribution arm for Ace International. Moschorak also is responsible for overseeing the Ace brand globally via retail development initiatives and various wholesale strategies.

Reporting to Moschorak will be Pete Ting, promoted to vice president of international finance; Angel Garcia, promoted to vice president of international sales and merchandising; and Rob Collins, director of global supply chain. Moschorak held senior leadership positions at several global companies, such as Midas International, Aurgi and Bally Total Fitness.

In financial news, Ace reported net income of \$11.8 million on revenue of \$830 million for the third quarter ended April 3, compared to net income of \$14.4 million on revenue of about \$850 million in the year-ago period.

“While our overall sales and profit are down slightly from last year, I’m pleased with our first quarter performance,” said Ray Griffith, Ace president and CEO. “Sales and profit are ahead of plan and, although our operating expenses are slightly above plan, we continue to significantly invest in our business and improve core business processes. During the quarter, we successfully completed the second phase of the business transformation project and replaced many of our legacy systems with new supply chain technology.”

Merchandise sales to comparable domestic stores for the first quarter of 2010 decreased \$36 million, primarily due to consumer spending in a soft economy, according to the company. On a category basis, domestic sales were most negatively impacted by declines in the paint, hardware and plumbing categories. These declines partially were offset by a sales increase in the lawn and garden category.

Merchandise sales from Ace’s international business increased \$12.8 million, or 36.4 percent, in the first quarter of 2010, compared to the prior-year quarter, primarily due to strong sales to retailers in the Middle East. Ace reported that it added 20 new stores and cancelled 47 stores in the first quarter, ending the period with a total store count of 4,464.