

Dealerscope Names 2010 Hall Of Fame Class

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"Business is business. If you're a businessman, you can do anything," said the chairman of 6th Avenue Electronics, who, along with his brother Mike, is one of Dealerscope's 2010 Hall of Fame Inductees. "We are all quick learners."

This year's six inductees are all students of the retail channel, men who have spent much of their lives studying the intricacies of their businesses and landing at the top of their class. They all come from different backgrounds—the spacious West, the dense suburbs of New York, the Mid-Atlantic, and as far away as Turkey—and they have all learned in different ways. Vann's George Manlove went back to school last year to earn his MBA. 6 Avenue Electronics' Mike Temiz left school at 14 but continues to learn from his older brother Billy, who learned the foundations of good business from his father, a blacksmith.

Audiovox's Pat Lavelle knows too well that most lessons culled from the product development and marketing sides of the channel can't be taught in school. Adam Carroll of New Age learned from the hundreds of vendors he has worked with as a distributor, while Gene Chaiken of Almo, another distributor, pares his most important teachers down to two mentors.

Despite their disparate backgrounds and styles, each man makes a point of passing down what he's learned and continue to learn to those in their companies and in the greater industry. We congratulate the members of this year's Dealerscope Hall of Fame. May we continue to learn from them and those they influence.

2010 Hall of Fame: Gene Chaiken, Chairman and CEO, Almo

A consensus-builder who makes the right decisions

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Succession planning in any family business, if it's done right, ensures the seamless passing of the reins from one generation to the next. Most members of multi-generational businesses assume they will have the luxury of time for a measured transition where skills can be practiced and experience accumulated.



Gene Chaiken, chairman and CEO of Almo, knows different. His proudest achievement at Almo's helm has been to think well ahead, putting in place a transition plan with the appointment of his son, Warren, to

the post of president and COO six years ago. It's a textbook example of sterling management - a strategy suited to the style of its architect. But Chaiken's strategy was really born of experience.

When his father-in-law, mentor and the head of Almo, Morris Green, died suddenly in 1973, Chaiken was left in a different situation, one that didn't include a clear succession plan. "It hadn't been laid out properly, and I vowed that something like that would never happen again," he said. "If you don't learn from mistakes in the past, then you're going to repeat them."

Chaiken became chairman, president and CEO following Green's death and has run the business since then. The company timeline over that period has seen the purchase of 17 companies, two major divestitures, expansion into new markets and revenue growth from \$8 million at the time he took office to \$500 million today.

Chaiken joined Almo in April 1963, back when corner stores still had TV tube testers. He came to the company with schooling and work experience in accounting, having spent six months in the Army. With the help of Green, who shared with him his sales and marketing secrets, and general manager Arthur Seltzer, who taught him the nuts and bolts, he learned the ropes in distribution. "Between the two of them, I got a very broad education," Chaiken said. He also took life cues from two other personal heroes: his father, who taught him never to settle for being second best, and his brother, Sheldon, who went on a sabbatical from investment banking for six and a half years after Chaiken's father-in-law passed to join Almo and help Chaiken move the business to the next level. "He's an older brother who has always made sure his younger brother was always taken care of first," he said. "It's a wonderful relationship."

When Chaiken started at Almo, there were two parts to the company: a private firm with 13 small branches in Pennsylvania, New Jersey, Delaware and Maryland that sold replacement parts, and an industrial electronics business, which was public. In 1968, both were sold to a third party and operated as a freestanding subsidiary, but two years later, the family bought the company back. "I was 29 years old, and figured out how to do it as a leveraged buyout for \$65,000 in cash and a lot of notes - and it was about a \$6 million company," he recalled. Ever since, Almo has been all family, all the way. The company now includes an extended family of generations of loyal employees and their children and grandchildren.

"From a business standpoint, the first thing I'd mention is Gene's integrity. His word is his bond. If he said he'd do something, it got done," said Ed Sachs, managing director of Associate Marketing Partners, a friend and business colleague of more than 20 years going back to when Sachs dealt with Almo as an executive at Pioneer's Mobile Electronics Division. "He's a very family-oriented guy - family comes first. He has compassion, and a passion for living and for life."

Sachs also commented on Chaiken's ability to successfully bring together family and work. "It was fun for me to stand back and watch, because I've seen in so many family-run operations difficulties between the family members and the employees of the company," Sachs said. "I don't think I've ever seen a company where those who work there who are not family members feel as much about their participation in the company as I've seen there. It's an incredible molding and blending of family, entrepreneurial spirit and employee relations."

Chaiken enjoys managing by walking around. He constantly tries to build consensus, solicit ideas and draw opinions from his employees and others. "If I can't build a consensus, I certainly make a decision," he said. "But if I can build it, that's normally the way I go."

Some of his most recent decisions have included the addition of a Pro A/V division to serve the commercial display market and the complete overhaul of Almo's enterprise system with the newest hardware and software technologies, a change he expects to be finished in March.

"We would have liked to have made at least one or more acquisitions during this economic downturn, and we are still looking to do that," he said. "The only constant at Almo is change. We're constantly reinventing ourselves, and that's our goal."