Through the worst of the recession and its lingering aftermath, furniture salesman Ben Haverty hit on a business model that defied much of his competition, including his former employer --- his family's Havertys Furniture Stores.

His chain of discount furniture stores, Ben's Brands for Less (formerly called Furniture Xpress), grew from seven stores to 20 over the past three years.

And during those same three years, Havertys, where he worked for 25 years, has closed stores and laid off 1,000 workers, which was a quarter of its staff, said Clarence Smith, Havertys CEO and Ben Haverty's cousin.

Five years ago, Ben Haverty, 50, left the company founded by his great-grandfather James Joseph Haverty in 1885 and struck out on his own.

"I have a really smart older brother and a lot of cousins running things there," Ben Haverty said. "I wanted to see what I could do."

He took on a low-rent, no-frills model, opening "pop-up" stores in vacant shopping mall spaces, operating them only on shopping-heavy Friday through Monday and skipping the expensive lighting and props.

"We're doing things in a different way, really going after a segment of the market that doesn't need to walk into a store that looks like a museum to find a chair or sofa that fits their needs," he said.

Ben Haverty knows his own company won't ever threaten the established family brand. His company pulls in $10 million in sales per year compared to his family's juggernaut, which brings in more than $625 million in annual sales from its 118 stores in 17 states.

His brother, Rawson Haverty Jr., a Havertys senior vice president, was complimentary of his brother's success but otherwise didn't want to comment.

Smith wishes his cousin well but makes it clear that "anyone who sells furniture is our competitor."

At Havertys, Smith said cutbacks had to be made to remain healthy and competitive.

"We're still profitable, and I think we'll be doing some expansions soon," Smith said.
Wallace W. "Jerry" Epperson, a furniture industry analyst based in Richmond, Va., said he doesn't see this as a family competition, even though both companies remain based in Atlanta.

"I've known Rawson and Ben and Clarence for years, and they're all good people and good businessmen," Epperson said. "I think that Ben just saw an opportunity to go after another slice of the market. Havertys is the most respected name in the business, and they're held to a high standard."

While Havertys offers a set line of designer furniture, Ben's buys furniture from a variety of manufacturers and carries brands and lines that might be discontinued.

"It's exciting because every time you go into a store you might find something different," Ben Haverty said.

Epperson said what Ben's gives up in consistency, the stores make up by offering lower costs.

Ben Haverty also finds cost savings in having his stores open 10 hours per day, running just one shift of workers and offering no delivery services.

"We have a list of private contractor delivery services that are available, or you can carry out the furniture yourself," he said.

Ken Bernhardt, a Georgia State University marketing professor, said the furniture industry likely will take longer to recover from the recession than other industries.

"Furniture is a purchase that the consumer can put off for another day," Bernhardt said. "It's not like a washer or a car engine. If those are broken, the consumer needs to get them repaired or replaced right away."

Bernhardt said that the pop-up model offers a cut-rate rent while occupying otherwise vacant space. Yet the terms are temporary. Sometimes a store will be in one location for just a few months before needing to move when the landlord either sells the space or enters into a long-term lease.

"That's always a downside if your customers don't know where to find you," he said.

Ben Haverty said he frequently attends large family gatherings with his brother and cousins, and they're not competitive.

"I love my family and Havertys is a great brand," he said. "I'm just shooting for a different star, and I'm happy."