



Bassett Outlines Outdoor Strategy

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BASSETT, Va., July 17, 2020 (GLOBE NEWSWIRE) -- Over the past 30 months, Bassett Furniture Industries, Inc. (NASDAQ-BSET) has made a significant commitment to the vibrant outdoor furniture category. With annual growth rates expected to be 4% to 5% compounded annually through 2023, the outdoor furniture market is estimated to be \$5 billion in the United States. "Beginning with the acquisition of Lane Venture in December 2017, we have invested in manufacturing infrastructure and industry talent to generate sales growth through this growing channel that is designed to capitalize on the migration of the U.S. population to the Sunbelt and the increasing casualization of today's residential lifestyles and architecture," said Rob Spilman, Chairman and CEO. "Our platform of efficient domestic manufacturing and adjacent warehousing enables us to provide fast service on our extensive inventory of synthetic wicker, teak, and aluminum outdoor furniture collections."

The Company has chosen to maximize its investment in the category by approaching the marketplace through three distinct marketing efforts:

Lane Venture Brand

The Lane Venture (LV) brand has a rich history in the outdoor segment dating back to its inception in 1972. Acquired by Bassett in December 2017, Lane Venture has been operationally re-invented through a return to domestic upholstery production that has dramatically improved lead times. Long known for its superb assortment of correlating fabrics and outstanding seating comfort, LV now dependably delivers its products at a level that is commensurate with the quality of its furniture. LV was the first Bassett division to begin rebounding from the COVID pandemic, in part because of its ability to service dealers during the crucial spring selling season. Supporting the manufacturing model is a 175,000 square foot warehouse in Newton, NC providing ample storage for frame stock and multiple dock doors for shipping and receiving.

In 2019, LV expanded its offerings by adding fully upholstered outdoor product and has enjoyed strong consumer sell through, particularly from the interior design trade. To market this new capability and to support the brand re-invention strategy, LV launched a new website in July 2019 which has doubled the incoming consumer traffic to the site as compared to last year.

"Our vision is for LV to be an industry leader that improves the lives of our customers through tasteful design, excellent service, and generational quality," added Spilman. "Through intentional investment in business processes, manufacturing, and product development, LV is poised for growth in the years to come using American labor and materials. We will continue to hold the Lane Venture brand in high regard that is respectful of the past and focused on the future."

Domestic Metal Outdoor Furniture

Dating back to the initial acquisition in 2017, the Company believed that domestic production of metal outdoor furniture would enhance the LV brand. Accordingly, Bassett completed the acquisition of a 95,000 square foot manufacturing operation in Haleyville, Alabama in October 2019. This allowed LV to begin marketing a tariff free aluminum product. Marketed under Lane Venture Custom Casual, the new assortment offers custom metal finishes that coordinate with the existing array of fabrics. In addition to a full complement of metal fabrication capabilities, the Haleyville operation boasts an electrostatic powder coat finishing line that features a proprietary pretreatment process that provides superior paint adhesion once the product is cured in ovens exceeding 400 degrees. These products are built from a combination of extruded, solid, sheet, and cast aluminum. In addition to providing product for LV, Bassett has entered the hospitality and contract business with a line of seating, sling furniture, and aluminum dining fabricated in the Haleyville location. Field specialists have been hired and the line debuted at the Country Club Show in Dallas just before the onset of the pandemic.

Bassett Outdoor Brand

"For several years, designers in the Bassett Home Furnishings network have commented on the need to add outdoor product to the existing indoor assortment to accommodate consumer preference for a single source to fulfill their design projects," continued Spilman.

After 18 months of development and preparation, the line debuted to the public in March with a direct mail catalog and extensive promotion on the Bassett website. The products are sold exclusively in Bassett Home Furnishings (BHF) corporate and licensed stores and on the Bassett website. The launch of Bassett Outdoor, however, directly coincided with the closure of all 100 BHF stores due to the COVID-19 pandemic. Sales have been steadily improving as the stores have reopened and more consumers become aware of the Company's entry into outdoor furniture under the Bassett brand. Stores that have adequate square footage will floor the product throughout the year as the Company works toward the next phase of product and further marketing of Bassett Outdoor going forward.

"In addition to the significant investment in property and equipment that we have made to compete in the outdoor field, we have assembled a terrific management team to lead the effort," commented Spilman.

The management team is as follows:

Mark Jordan – General Manager Bassett Outdoor Division

Mark has 21 years of experience with Bassett, including 15 years as SVP Bassett Upholstery Division where he led a remarkable transformation of Bassett's manufacturing methods which generated solid growth for the Company. Prior to joining Bassett in 1999, Mark had spent his entire career with Ethan Allen.

Robert Spilman – Director of Sales Lane Venture

Robert joined Bassett in 2018 to lead the sales effort at Lane Venture. Working with the LV sales force and the entire team, he helped drive a 30% increase in LV sales in 2019.

Patti Frye – Creative Director LV/Bassett Outdoor

Patti has been with LV since 1988 and has been instrumental in the successful years that the Company enjoyed through her merchandising talent and fabric selection skills.

Matt Scallions – Director of Design & Product Development Bassett Outdoor

Matt joined Bassett in October 2018 and has designed and developed the Bassett Outdoor line. Matt spent seven years in product design with Summer Classics prior to joining the Bassett team.

Jon Bennett – General Manager Bassett Outdoor Alabama

Jon was a partner and Managing Director of Crimson Casual, the outdoor firm that Bassett acquired late last year. His new responsibilities include running the operations of the Haleyville facility and the financial responsibility for Bassett Outdoor Contract.

About Bassett Furniture Industries, Inc.

Bassett Furniture Industries, Inc. (NASDAQ:BSET), is a leading manufacturer and marketer of high quality home furnishings. With 100 company- and licensee-owned stores at the time of this release, Bassett has leveraged its strong brand name in furniture into a network of corporate and licensed stores that focus on providing consumers with a friendly environment for buying furniture and accessories. Bassett's retail strategy includes stylish, custom-built furniture that features the latest on-trend furniture styles, free in-home design visits, and coordinated decorating accessories. Bassett also has a traditional wholesale business with more than 700 accounts on the open market, across the United States and internationally and a logistics business specializing in home furnishings. For more information, visit the Company's website at bassettfurniture.com. (BSET-E)

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