



Photo Release -- Bassett Announces Opening of New Prototype Store and Shares Retail Growth Plans

BASSETT, Va., Sep 27, 2007 (PrimeNewswire via COMTEX News Network) -- Bassett Furniture Industries (Nasdaq:BSET), has announced the opening of two new prototype stores and other key elements of the framework for its retail growth strategy. In addition to unveiling a new Bassett store prototype in two locations today, the company will begin selling certain products from its website and expand on its growing catalog commerce over the next eight to 12 months. The three platforms will be synergized and integrated with a new seamless styling point of view and fresh branding and merchandising perspectives. The announcement was made by Robert H. Spilman Jr., president and CEO, Bassett Furniture Industries.

Photos accompanying this press release are available at

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"Our industry has undergone dramatic change over the past decade in both manufacturing and retail," said Mr. Spilman. "At Bassett, we are continually transforming and reinventing our company in order to compete successfully in this fluid environment."

Leading Bassett's new retail and brand strategies is Jason Camp, senior vice president of retail. Prior to joining Bassett in August 2006, he was senior vice president and general manager of the retail division at Restoration Hardware.

Last October, Bassett engaged with product design and styling consultant Barbara Kurgan, formerly vice president and design director of Martha Stewart Signature furniture, to drive product development. Her influence will first appear with new products debuting January 2008.

Mr. Camp said, "I'm excited to work along with our great team here at Bassett in transitioning a 105-year iconic manufacturing brand into a leading national specialty furniture retailer."

Architecting a New Prototype

The new store prototype will debut with the redesigned Charlotte (Pineville), North Carolina, and newly constructed Atlanta (Perimeter) stores. These debuts are being supported by local-market television advertising, direct mail and grand opening/reopening celebrations.

Bassett has built a retail capital investment plan to bring many existing store locations up to the new standard. Five new stores, three licensed and two corporate owned, are planned over the next 12 months.

The prototype was created to allow a more stylish, residential feel while highlighting Bassett's unmatched custom manufacturing capabilities. The exclusive design was done in collaboration with architectural firm Bergmeyer Associates, Inc. and retail design consultancy Big Red Rooster.

"The minute you enter the store you are going to say 'I want my house to look just like a Bassett store,'" said Mr. Spilman. "We've repositioned the Bassett store to perform as a style guide. You can transfer the exact look to your own home, or you can personalize the pieces to reflect you and your family by choosing from Bassett's new menu of customized color and design options, normally delivered in 30 days."

New Product Development Focus

"With Ms. Kurgan's creative leadership, we have developed a product development strategy defining our styling point of view," said Mr. Camp. "Now, our products fall within four inspired lifestyles, leveraging our custom capabilities while strengthening our

reputation of offering a great value."

Last week, Bassett introduced new products reflecting this styling point of view to its store dealers during its fall retail conference. The company will also display these goods to its independent account base during the furniture market next week in High Point, N.C.

The new store drives Bassett's commitment to offer customers complimentary decorating and design consultation. Bassett will leverage its customization capabilities by dedicating space in the stores for design solutions for dining, upholstery, home entertainment and storage solutions. Domestic custom manufacturing capabilities make it possible for Bassett to offer a 30-day delivery on custom products.

To further solidify itself as a complete home furnishings retailer, Bassett has expanded accessory product lines including lighting and lighting customization choices, rug and mirror choices as well as fully coordinating accent pillows that coordinate with each lifestyle presentation throughout the store.

Building Catalog/Web Commerce

"In order to capture a larger share of the home furnishings market, the Bassett brand will add accessibility to our products by selling online and in our catalog," said Mr. Spilman. "Soon, consumers will be able to conveniently access the Bassett lifestyle wherever they are most comfortable -- in the store, online, with a take-along catalog or by arranging for a house call."

The company launched its first catalog in August 2006 as a vehicle to drive store traffic nationally. Since then, Bassett has added a toll-free commerce number to catalogs circulated in markets with corporate-owned stores. This year, the company redesigned its website, bassettfurniture.com, to prepare for selling online in 2008. Bassett will leverage the corporate-owned and licensed store network to handle delivery and customer service for orders placed online and over the phone.

Leveraging Pioneering Consumer Research

Bassett's new retail model was founded on analysis of comprehensive consumer data, captured and researched over the course of more than three years by Lieberman Research Group, one of the top consumer research firms in the country. Investing in research of this caliber is unusual in the furniture industry. The firm assessed the Bassett shopping experience and product image using methodology that included van focus groups, exit interviews, market segmentation and mystery shopping. The findings served to then identify tactics for adjusting Bassett's course to be the category leader within its competitive set.

About Bassett Furniture

Bassett Furniture Industries, Inc. is a leading manufacturer, marketer and importer of high quality, mid-priced home furnishings. With more than 130 Bassett stores, Bassett has leveraged its strong brand name in furniture into a growing network of corporate and licensed stores that focus on providing consumers with a friendly environment for buying furniture and accessories. The most significant growth vehicle for Bassett continues to be the Company's dedicated retail store program. Bassett's retail strategy includes affordable custom-built furniture that is ready for delivery in the home within 30 days. The stores also feature the latest on-trend furniture styles, more than 800 upholstery fabrics, free in-home design visits, and coordinated decorating accessories. For more information, visit the Company's website at bassettfurniture.com.

Press kits are available upon request.

Certain of the statements in this release, particularly those preceded by, followed by or including the words "believes," "expects," "anticipates," "intends," "should," "estimates," or similar expressions, or those relating to or anticipating financial results for periods beyond the end of the third quarter of fiscal 2007, constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended. For those statements, Bassett claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. In many cases, Bassett cannot predict what factors would cause actual results to differ materially from those indicated in the forward-looking statements. Expectations included in the forward-looking statements are based on preliminary information as well as certain assumptions which management believes to be reasonable at this time. The following important factors affect Bassett and could cause actual results to differ materially from those indicated in the forward-looking statements: economic, competitive, governmental and other factors identified in Bassett's filings with the Securities and Exchange Commission, and the effects of national and global economic or other conditions and future events on the retail demand for home furnishings.

The photos are also available via AP PhotoExpress.

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