

City Furniture expanding to Central Florida



A view of the City Furniture new and expanded eco-friendly store in Pinecrest.... (Cristobal Herrera, Sun...)

September 28, 2013|By Doreen Hemlock, Sun Sentinel

South Florida's City Furniture chain is opening its first stores in central Florida. The chain plans to debut [two](#) showrooms in November in The Villages to serve that senior community and consumers from Orlando to Ocala and Gainesville. The stores will hire 52 workers, boosting the company's payroll to nearly 1,100, chief executive officer Keith Koenig said. It's also completing a five-store expansion and renovation in South Florida that soon will add 35 jobs. How has the Tamarac-based chain pulled off a major expansion while many furniture retailers collapsed in the aftermath of Florida's recession and housing crunch?

Koenig said the company kept debt low, adjusted products as demand shifted, and constantly works to improve efficiency. Stoked by the current housing recovery, the company forecasts sales around \$270 million this year, up from about \$231 million last year. Other retailers have folded — including Dream House Furniture and Modernage — because of weak finances, harder-to-sell inventories and other woes, analysts said. Coconut Creek-based Carl's Furniture, for one, reorganized in bankruptcy and emerged smaller. Even City Furniture has yet to reach its pre-recession annual sales peak topping \$300 million. "I think we'll be back where we were in 2015 ... assuming the government doesn't get in the way" by failing to raise the U.S. debt ceiling or making other moves that could roil markets, Koenig said.

City Furniture is entering The Villages now because the community's developer is getting out of the retail business, closing two furniture stores it ran there, and invited the chain in.

"This fits in our long-term strategic plan to expand to Tampa and Orlando," said Koenig. The chain delivers to Tampa- and Orlando-area customers who shop in its South Florida stores or buy online.

The trade publication Furniture Today in 2012 ranked City Furniture No. 31 on its Top 100 list of U.S. retailers, up from No. 32 a year earlier.

Started as a water-bed store in 1971, the chain now has 24 stores: 14 City Furniture locations and 10 Ashley Furniture HomeStore showrooms in southeast Florida, Naples and Fort Myers.

It plans to open a store in Cutler Bay south of Miami in October and remodel an existing shop there as an Ashley by May.