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New York's Top Entrepreneurs

THE WINNERS OF CRAIN'S NINTH ANNUAL SMALL BUSINESS Awards have all survived hard times and fierce competitors, and are now gearing up to reap the benefits of the city's economic upswing.

This year's honorees include a pair of Rhodes scholars who created a high-tech educational tool that some teachers have hailed as revolutionary, and a Harlem shoemaker with an advanced degree from Columbia and a growing reputation as a style leader.

They also include a pair of survivors in Queens: the current heads of an 85-year-old manufacturing company that has out-lived intense competition by investing in technology and focusing on high-end work, as well as the owner of an office supply store that beat a big-box rival by adopting some of its tactics.

The remaining winners have made their marks by going against the grain. One did it by launching a comedy club and being willing to take uncommon chances on rising talent; a married couple found huge success with what is now a chain of stores retailing commercial dinnerware that no one thought saleable.

The recipients of the awards were chosen by a panel of Crain's editors from a thick stack of nominations submitted by readers and the paper's own staff.



REASONABLE FACSIMILE: Peck's Office Plus, a Queens family business since the 1930's, is thriving because Robert Peck decided to beat Staples at its own game.

Stationer removes Staples threat

SINCE ITS FOUNDING IN THE 1930's, Peck's Office Supply has survived the Depression, a world war and assorted recessions. But it was not until 1991 that Peck's faced its biggest threat ever: the arrival of a supersized competitor.

"A guy was literally handing out Staples circulars in front of my store," says Robert Peck, president of what is today called Peck's Office Plus, a retail business in downtown Flushing, Queens. "Customers were leaving in droves."

Rather than succumb to the threat, Mr. Peck quickly mounted a counterattack. To ensure the survival of the firm that his grandfather had founded and that he had taken over from his father in 1984, at the age of 25 he decided to beat Staples at its own game. He did that by adopting many of his giant rival's own marketing, advertising and pricing strategies, and by throwing in a few ideas of his own.

His counteroffensive worked. Today, Peck's with a staff of 38, is thriving. Sales last year rose by 10% to about \$5 million, paced by a 25% jump in its business of providing 1,200 commercial customers with everything from paper supplies to space-planning services.

"Robert has flourished by developing a nice mixture of commercial

and retail customers," says Robert Gilbert, a man who knows just how unusual that is. As president of Harvard Sales, a New Jersey-based office supply wholesaler, he has seen 60% of the independent stores that he once serviced go out of business in the last 10 years.

To compete more effectively Mr. Peck has made a couple of key acquisitions. In 1992, he snapped up the commercial accounts of one store in the borough that was going out of business, and three years later, purchased another largely for its wealth of commercial customers.

Early on, Mr. Peck joined a nationwide buying cooperative, which has high-volume purchasing power that enables him to compete on price with Staples.

In addition, he followed the retail behemoth's lead and expanded the Peck's workweek to seven days from six. He also added a parking lot at the Flushing store, and even changed the store's name to give the enterprise a more Staples-like corporate feel.

His support for his store's community runs the gamut from cash contributions and gift certificates to product donations. Among the two-dozen recipients of his generosity are the AIDS Center of Queens and the Ridgewood-Bushwick Senior Citizens Council.

-CARA S. TRAGER