

# 'What a great company it was'



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When Paul Broyhill goes out to lunch, or grocery shopping, he can't go without being recognized.

Over 33 years since he ran Broyhill Furniture, old employees still stop the 94 year old to tell him they worked for him and loved it, or their father worked for him and was so proud to call Broyhill home.

When Paul Broyhill ran the furniture powerhouse, the name Broyhill carried the weight of decades of dominance in the furniture industry and heavy influence on Lenoir's economy and the lives of hundreds of Caldwell County families.

< over the years, the brand, once powerful and prestigious, saw turmoil. Over the years, many families and employees watched the name dwindle to what it is about to become -- just a name to be licensed, not a manufacturer or employer. >

Loyal employees worried as Interco, which bought Broyhill Furniture in 1980, entered bankruptcy protection in the early 1990s to fend off a takeover and emerged as Furniture Brands International. They watched as plant after plant closed in the early 2000s as furniture operations moved overseas, and later as the Great Recession hammered not only Broyhill but furniture manufacturing all through Caldwell County and Lenoir.

When Furniture Brands International declared bankruptcy in 2013 and its assets were bought by a private-equity firm, which organized them as Heritage Home Group, there was some hope that the elegant furniture brand's outlook would turn around, but in July HHG declared bankruptcy. Last week, employees like Melissa Bolick — who started making Broyhill furniture when the Thomasville plant she'd worked at for 30 years merged with Broyhill under HHG — found out

that the HHG Lenoir Casegoods plant on Elizabeth Street where she works would close Nov. 2 because no company bought the plant during bankruptcy auction.

"I had hope (it wouldn't close)," Bolick said. "But they didn't do anything for us."

The Broyhill name, along with Thomasville, Drexel and Henredon, was bought by Authentic Brands Group. ABG executives have said they will license the right for a manufacturer to make furniture bearing those brands, but so far no agreements have been announced.

Lenoir Mayor Joe Gibbons still has hope that the Broyhill name will stick around in local manufacturing. He hopes the new owner of the Lenoir Upholstery plant, Samson Furniture, will license the Broyhill brand and continue producing Broyhill in Lenoir.

Even if that doesn't happen, Broyhill has a lasting impact beyond jobs. There are parks named for the Broyhills, the Broyhill Family Foundation contributes to charities, events and scholarships and, most of all, families still recall Broyhill's roll in their lives, Gibbons said.

"You mention Broyhill Furniture and everyone in the world knows what you're talking about," he said. "I don't feel like it's gone."



ts peak atop the furniture industry in the late 1970s, near the end of Paul Broyhill's tenure leading the company, Broyhill Furniture had 20 factories and employed about 7,500 people -- about 4,500 of whom were in Caldwell County. Not only were those families kept afloat by Broyhill wages, so were many industries that worked with Broyhill, like electrical companies, construction companies, diners frequented by the workers, and more.



Paul Broyhill, whose father, J.E. Broyhill, and uncle T.H. Broyhill started the company, said that is the legacy he wants Broyhill to be remembered for.

"We had good people and were good to people -- that combination made the company stand out," he said.

Now 94, Paul Broyhill still exudes the confidence of a leader of a powerful company. Sitting in a tall, brown leather chair in a large study lined with bookshelves, he can easily recount the story of Broyhill, a company he put his heart into.

In 1905, with just \$1,000, T.H. Broyhill bought a furniture company in Lenoir and began running it. In 1927, J.E. Broyhill bought his own factory. Over the years, the pair worked together to buy other furniture companies and defunct factories, continuing to grow even during the Great Depression, when other companies were closing their doors.

After serving in World War II, Paul Broyhill attended the University of North Carolina at Chapel Hill. In 1947, he joined his father's company and rose through the ranks, eventually becoming chairman of the company. When he first started, Broyhill had 1,000 employees in the factories and 25 salespeople. By 1979 those numbers had grown markedly, and Broyhill employed about 300 salespeople. The point was to build relationships with buyers, Paul Broyhill said. He would hire people and train them extensively to grow relationships.

"Furniture is about people," he said. "My dad and I both believed in hiring and training -- that was big for us, training people."

In 1980 Paul Broyhill sold the company to Interco, which acted as a holding company, leaving Paul Broyhill free to continue running to business. For five years, business went uninterrupted, but when Interco started making cuts Paul Broyhill didn't agree with, he stepped down as CEO

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"They looked at it and figured out how to make more of a profit by cutting costs, ... including cutting management," Paul Broyhill said.

But management was what made the company work, he said. In its heyday, good management of people and good management practices made everything run smoothly. That, plus hard work is what made the company great, he said.

"We got to our peak the old-fashioned way -- hard work and good people," Paul Broyhill said.

As he watched the company devolve, he tried to advise the new leaders that management was key, and cuts wouldn't always work, but no one listened, he said.

Still, Broyhill constantly hears stories of the influence the company had on hundreds of families' homes.

Broyhill was a cornerstone of the local economy, said Jerry Church, former chief financial officer and longtime employee.

"They put a lot of food on a lot tables," Church said.

Church, now the town manager of Granite Falls, started working at Broyhill when he was in high school in 1973, with a second-shift job unloading trucks and preparing fabric to be cut. He loved the company, so when he came back from college in 1989 and found an accounting position with Broyhill, he jumped at the opportunity. Over the years he worked his way up through the ranks, and even though the company had been sold, it still had a tight-knit feel among co-workers and management.

"It was a great place to work," Church said. "The people, from the management down to the staff, were great -- it was a family-type atmosphere."

But changes in company values and management styles in the early 2000s left that atmosphere behind. Church said.

The parent company, then Furniture Brands International, got more involved in operations. As production moved overseas in pursuit of lower costs, factory after factory closed, and Church and other employees had to watch as friends who were more like family lost their jobs.

"We started closing factories down," Church said. "That wasn't a lot of fun for anybody. Even for people who kept their jobs, because for us, in Lenoir, we were seeing co-workers and friends and family lose their jobs. The folks who were making the decisions (at company headquarters in St. Louis), they didn't know the guy shipping inventory who lost his job. It was difficult."

In 2008, Church was cut from his position, but those times aren't what he wants people to remember Broyhill for.

"What's disturbing is the legacy," Church said. "The legacy should come from people like me who remember what a great company it was, what a great company it was to work for, but instead it's all focused on the company leaving. It was a great place to work -- the people set it apart .... At its prime -- that should be what people remember about the company."

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