



**THE MARKET**

The Australian attitude toward hardware has undergone a remarkable change since the mid-nineties. The word hardware no longer simply evokes images of DIY fix-it jobs and “must get to” projects around the home. Consumer perception has now expanded to one which sees the hardware store as holding the key to living standard and lifestyle improvement.

The hardware market in Australia is estimated at \$20 billion a year and is experiencing rapid growth annually, due in part, to the explosion of interest in do-it-yourself home projects by both male and female consumers.

**ACHIEVEMENTS**

Mitre 10’s success in both Australia and New Zealand has been enviable, with its members fostering and enjoying a close-knit sense of unity and membership - the “spirit of Mitre 10”. However, there is more to Mitre 10 than simply belonging to a successful legacy. The company has also made a significant contribution to Australia’s state-based economies and communities by becoming one of the country’s largest small business employers.

The Mitre 10 Group is one of Australia’s largest enterprises supporting privately owned retailers and is regularly included in various “Top 100 Company” listings, compiled by state and national business media.

**HISTORY**

The move to set up a co-operative group of hardware stores, originated from a meeting held in Victoria in June 1959 with five men who would become Mitre 10’s founding fathers - Tom Molomby, Tom Danaher, Reg Buchanan, Jack Womersley and Ian Nisbet. This move occurred specifically to maximise funds and energy with regards to advertising and promotions and to demonstrate that independent operators offered service, advice and competitive prices. The group quickly grew in membership to the point where it required a full time management team.

After its electrifying start, the innovative new company expanded operations, with fifteen New South Wales members joining the group by February 1961. Queensland soon followed with seven retailers, under the chairmanship of Arthur Scurr, joining the co-operative in January 1962, followed by a further sixteen members from Newcastle in October the same year. With the company successfully operational in the three Eastern states by the end of 1962 and South Australia and Western Australia soon running their own state based co-operatives, attentions turned to crossing the Tasman. After initial early discussions in Auckland, Mitre 10 New Zealand was established on June 20, 1974.

Today, the Mitre 10 Hardware Group has more than 900 stores throughout Australia and New Zealand.



In 2000, the business announced a complete overhaul of its store format and branding, designed to keep the business at the forefront of Australia’s hardware industry and to attract a new generation of customers.

Under the title Generation 21, Mitre 10 has rebranded its stores, introducing a handy store and a large format store designed to lead the hardware industry into the future. Mitre 10’s logo and corporate colours also changed as part of the business’ new strategy.

Through Generation 21, all previous Mitre 10 and True Value Hardware stores were relaunched as one of the four new Mitre 10 store brands to spearhead the co-operative’s move forward.

Divided according to store size, customer demographic and geographic location, each store type offers a distinct market proposition:

*Mitre 10 Handy* – conveniently located hardware stores providing a quick and easy shopping trip for products required for the repair, maintenance and everyday functioning of urban homes.

*Mitre 10 Solutions* – a new style hardware store offering products, ideas and advice to assist consumers expressing their individual styles.

*Mitre 10 Home and Trade* – comprehensive products and services for the building trade and serious DIYer who need successful building, renovation and project outcomes.

*Mitre 10 Mega* - a one-stop-shop for all tradespeople, DIYers and consumers, for big jobs at great prices.

Existing Mitre 10 and True Value stores have been re-branded Handy, Solutions, or Home and Trade, with Mega stores built mainly on a select number of greenfield sites across Australia.

**THE PRODUCT**

The name Mitre 10 is synonymous with hardware, building products, expert advice, knowledge and service and has become more to consumers than simply an outlet for “nuts and bolts”. Mitre 10 has maintained its leadership of the hardware retail





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market for more than forty years, with a strong emotional attachment from consumers

### RECENT DEVELOPMENTS

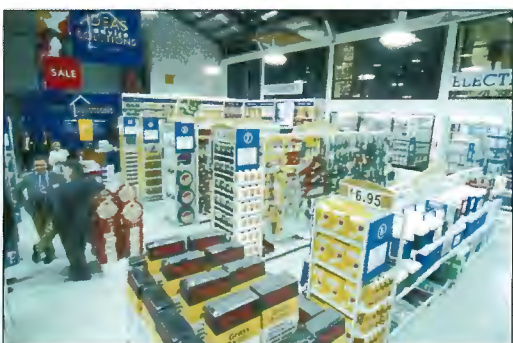
Competition in the marketplace is proving more and more fierce, with the introduction to the industry of barn-style hardware super stores. Why? Industry research indicates home owners, rather than “selling up”, are choosing to remain in their homes longer, opting instead for “improving” their lifestyle by “do-it-yourself” renovation and taking on increasingly impressive home projects. Serious renovators want everything required to finish their job under the one roof. However, these consumers are unwilling to sacrifice their need for personalised service and expert knowledge simply for a large product range.

As most stores are still owned and operated by “hardware families” - business people who have worked within the industry for generations - Mitre 10 store management and staff have accumulated a depth of knowledge unsurpassed by their competitors.

Moving forward, Mitre 10 recognises the emergence and viability of large store formats and has launched its Mega flagships, coupled with its complementary new smaller store formats, to ensure its number one position in the hardware market.

Mitre 10’s Generation 21 vision of segmented store offerings operating under a powerful umbrella brand was meticulously researched – with extensive consumer and trade studies linked with market mapping technology.

Mitre 10 offers a complete hardware and home improvement range through its four store brands – from products, service and advice required for the small DIY projects through Mitre 10 Handy, to the total project support and range available through Mitre 10 Mega stores.



### PROMOTION

The original Mitre 10 logo featured two pieces of timber joined by a Mitre joint, a much-used join in carpentry, and the number referring to the original members. This logo later evolved to show the Mitre joint within a “television screen” shaped frame and in 1986, the livery and logo were completely redesigned to strengthen the brand’s affinity with the hardware industry and to provide a more contemporary look and feel.

Mitre 10’s brand was fine-tuned again in 2001, rounding the sharp lines in the logo to provide a younger, friendlier and more modern appeal to a wider audience. The colouring has also been modified from a dark to a light blue that is bolder, cleaner and more modern.

Additionally, Mitre 10’s four store formats are individually branded with their own colour palettes to match their specific target audiences and product offerings.

Mitre 10’s first national campaign was launched in 1990, with the theme “Ask Mitre 10, they’ve got the lot”. Today’s national slogan revolves around the campaign theme “Look what we’ve done to our place”, which reflects Mitre 10’s ability to service today’s consumers’ desire for hardware self-fulfillment – from fixing a tap washer to building a house - with the three fundamental elements required for customer satisfaction - service, advice and the right price. Supporting this campaign is the traditional “Mitre 10, 10/10” tagline, which refers to the company’s ability to answer hardware questions and provide customers with support to achieve a perfect 10/10 result – and which encapsulates Mitre 10’s commitment to excellence in everything the organisation does.

How does Mitre 10 maintain such a high consumer recall percentage? While both the print and television media have been utilised extensively to promote the group since its inception, ties between Mitre 10 stores and local communities have always proved invaluable.

Mitre 10 often lends its support to various state-based and national community sponsorships, most notably The Young Australian of the Year Awards, as a means of contributing back to the community. Importantly, many Mitre 10 stores are active participants in their local communities through sponsorship of local sport, charities and community support programs. More recently, the business has partnered with Landcare Australia under the banner of “Australia’s biggest home improvement” to improve the environmental health of the country’s waterways.

The company logo can also be found emblazoned around various sporting grounds throughout the country. Mitre 10 has a strong history of involvement with the Australian Football League – sponsoring various clubs and supporting an elite list of champion players for marketing and branding opportunities.. The basis of Mitre 10’s marketing strategy consists of direct marketing campaigns, printed flyers and catalogues, communications and public relations strategies, television and radio campaigns. With the growing popularity of the

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**MITRE 10**

INSIDE AND OUT SALE

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Internet, any computer user is now free to browse Mitre 10’s home page.

### BRAND VALUES

Mitre 10 is the most recognised hardware chain in the country. The company has provided literally millions of homeowners with solutions to their home project aspirations. The values enshrined in the Mitre 10 brand involve a commitment to customers that they will pay no more for unsurpassed service by knowledgeable staff, along with advice and a comprehensive range of products and related services. This will ensure their satisfaction, as well as providing a deep sense of community.

The Mitre 10 brand will continue to evolve with time, supported by a thorough understanding of the fast-changing face of the home improvement industry. Mitre 10 has development plans in place to sustain its dominant and respected position in the Australian retail landscape.

### THINGS YOU DIDN'T KNOW ABOUT MITRE 10

- Mitre 10 is the largest independently owned hardware chain in Australasia, with a local store within reach throughout the country.
- All stores are privately owned and operated businesses.
- Originally there were only eight members of the fledgling company, although the group was confident the number would be increased to ten before long. “Mitre 10” simply sounded more lyrical than “Mitre 8” or “Mitre 11”!
- Ruth Guy created Mitre 10 history when she became the first woman to be elected to a Mitre 10 board in 1988.

www.mitre10.com.au