

ACE HARDWARE RANKS #5 ON FRANCHISE TIMES' TOP 400 LIST

Ace Retains Its #5 Position Based On Continued Store Growth And Strong Sales Numbers

OAK BROOK, Ill. , Oct. 11, 2023 /PRNewswire/ -- Ace Hardware, the largest retailer-owned hardware cooperative in the world, retained its #5 position in the annual Franchise Times Top 400 List*, with no changes in the top 5 positions in 2023. The Franchise Times' Top 400 List is an annual ranking of the 400 largest franchise systems in the United States by global systemwide sales, based on the previous year's performance. Ace Hardware shares its ranking in the top 5 with global fast food giants Burger King, KFC, and McDonald's, along with convenience store chain 7-Eleven.

Ace Hardware showed consistent growth, a trend that has helped it maintain its long-standing position in the top 5 on the prestigious list. Ace Hardware posted \$23.1 billion in retail sales, equaling a +3.4% increase from the prior year. The record sales results were driven by an increase in market share and continued new store growth. Ace Hardware opened 168 new domestic locations and 232 total new locations worldwide in 2022, equaling +2.9% unit growth, with 4,645 total units in the US.

Ace Hardware is a retailer-owned cooperative where independent owners operate most locations. Although Ace is sometimes considered a franchise system, Ace "franchisees," or retailers, not only own their individual stores, but are shareholders in the organization. At Ace, year-end profits are distributed back to the local owners as a patronage dividend. The patronage dividend in 2022 was a record \$345 million. In addition, unlike a traditional franchise operation, Ace Hardware store owners pay no royalty fees or ongoing franchise fees.

Ace Hardware attributes its continued growth to a number of successful initiatives designed to deliver industry best support for its retailers. Ace continually strengthens the service and expertise of its employees through comprehensive, ongoing training programs. Ace Hardware retailers hit a milestone in December 2022 that included over 1 million employee training hours completed in 12 months. In 2023, all Ace associates will take a minimum of an additional 15 hours of customer service-oriented training to ensure best in class and personal customer help in the aisles.

Unmatched customer service is a cornerstone of the Ace Hardware brand. The nearly 100-year-old retailer supports its owners with programs and marketing support that leverages their local expertise, giving them a distinct advantage over their big box competitors and has resulted in Ace retailers being named by JD Powers #1 in Customer Satisfaction with Home Improvement Retailers, 16 out of 17 years.

For Ace Hardware, its steady sales growth is, in part, a result of continued efforts to bolster its online shopping experience. Consumers can shop online at [acehardware.com](https://www.acehardware.com) and then choose to either pick up their orders at their neighborhood Ace or have their local Ace's red vested associates deliver it personally to their front door, which is a distinct advantage over other retail giants like Amazon. Beginning November 1st, in time for the holiday shopping season, Ace Hardware is promoting its "Ready in 15" pledge, which promises customers that their online orders on in-stock merchandise will be ready for pickup from their local Ace in only 15 minutes**.

"Ace is honored to be recognized by Franchise Times as one of the top franchises in 2023, in the top 5 and the highest ranked retailer on this impressive list," said John Kittell, Vice President, Retail Operations and New Business at Ace Hardware Corporation. "We remain focused on continuously improving the economics of our store model to help entrepreneurs open stores, serve their neighbors and invest in their communities, which we have successfully accomplished with over 900 stores opened in the past five years alone."

Not only was 2022 a record sales year for Ace Hardware, but there were also record contributions of \$22.7 million to the Ace Foundation. Local Ace Hardware owners give back to the communities they serve, driven by two of Ace's core values; gratitude and love. The Ace Foundation provides support and opportunities for the Ace community to give back locally, primarily through efforts for Children's Miracle Network Hospitals and American Red Cross Disaster Relief.

For information about investment opportunities with Ace Hardware, visit www.myace.com.

*Source: www.franchisetimes.com

** Available at participating Ace locations. Item(s) must be in-stock and order placed at least 30 minutes before store closing at the participating Ace store selected. Excludes orders with assembly.

About Ace Hardware

Ace Hardware is the largest retailer-owned hardware cooperative in the world with over 5,800 locally owned and operated hardware stores in approximately 60 countries. Headquartered in Oak Brook, Ill., Ace, and its subsidiaries operate an expansive network of distribution centers in the U.S. and have distribution capabilities in Ningbo, China; Cuautitlán Izcalli, Mexico. Ace also owns Ace Hardware Home Services, a collection of local service companies with experienced professionals dedicated to helping homeowners complete home maintenance tasks. Since 1924, Ace has become a part of local communities around the world and known as the place with the Helpful Hardware Folks. For more information, visit acehardware.com or newsroom.acehardware.com.

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