


# Family Business

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## The Power family's second chapter

*After the sale of J.D. Power and Associates to McGraw-Hill in 2005, family members continue to work together on investment and philanthropic ventures.*

From left: Jonathan Power, Mary Power, J. David Power III, Susan (Power) Curtin, Jamey Power

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• A global survey finds family firms are highly trusted  
• Tips for enhancing family communication

BY PATRICIA OLSEN

# A sixth-generation consignment store

**L**aura Fluhr, president of Michael's, The Consignment Shop for Women, never planned to join the family business, located on New York City's Upper East Side. The same goes for her co-owner and daughter, Tammy Fluhr-Gates, the store's director of business development and marketing. Mother and daughter have, respectively, master's degrees in education and social work, and each followed different paths after school. But with a family history as notable as theirs, it makes perfect sense that they're carrying on the family business.

Their story starts in the 18th century, when Fluhr's great-great-grandfather made his living selling castoffs and other items from a pushcart in the Ukraine. Simon Kosofsky, his son, immigrated to the U.S., opened a store on New York's Lower East Side and sold castoffs, as his father did, as well as furs. Simon's son Aaron took off for the gold rush in Alaska. An entrepreneur like his forebears, Aaron shipped animal pelts back to

his parents' store.

Aaron returned to New York in the early 1900s. He opened Ritz Furs, a thrift shop on 57th Street, and sold furs on consignment. (The family sold the business about a decade ago.) In 1954, one of Aaron's sons, Michael Kosof—who had shortened the family name—opened a separate consignment business on Madison Avenue, in the “silk stocking district,” as it was called then. That was Fluhr's father. Fluhr, who had been raising her children, joined her father in 1986 after he became ill. He passed away seven years later.

Over the years Fluhr has put her imprint on the business, consigning luxury name brands, doubling the space and tripling the sales staff.

Fluhr-Gates was moving among careers in social work, the dot-com industry and public relations in California and then Boston when her husband's business took the couple to New York in 2006. She found the consignment business model appealed to her, as did the link between the

sustainability movement and the recycling of clothing and accessories. “I have an undergraduate business degree, and the family business spoke to my heart,” Fluhr-Gates explains. “It sounded like fun coming back to New York and working with Mom, although it's not without its challenges.”

When she joined her mother at the store in 2006, Fluhr-Gates redesigned the website, added an online store and jumped onto YouTube and into social media. Convincing her mother that this was necessary took a bit of work, she recalls, although Fluhr had a personal Facebook account before her daughter did. Their digital marketing “opened up a broader market and a younger market,” Fluhr-Gates says. “I think the online marketing is critical,” Fluhr concurs.

Celebrities and celebrity stylists often bring items to Michael's. The store's fastest-selling item is luxury handbags, sold at 30% to 50% of retail prices.

This mother and daughter, neither of whom originally had an interest in the family business, have made the luxury consignment a great success. “Revenue is well into seven figures, and we continue to grow,” says Fluhr.

Both women love fashion, but in the end, they were inexorably drawn to their heritage. Early on, Fluhr realized that she loves carrying on the family legacy, and Fluhr-Gates, a member of the generation, echoes that sentiment. “The spirit of entrepreneurship was in my blood,” she says. “I ended up in the business for the love of the business.” **FB**

*Patricia Olsen is a freelance business writer whose work has appeared in the New York Times, Continental, Harvard Business Review online and other publications.*



**Laura Fluhr (left) and daughter Tammy Fluhr-Gates, owners of a consignment store in New York City, carry on a family legacy that began in the 18th century.**