PUGET SOUND BUSINESS JOURNAL

FAMILY BUSINESS

FAMILY BUSINESS OF THE YEAR



THIS FAMILY-RUN BUSINESS HAS LOTS OF SOLE

Seattle family business bridges four generations of shoemakers

R.D. SMITH | Contributing writer



arl Moehring never planned on working in his family's business, much less running it as CEO. He wanted to work at Microsoft. ¶ Today.

Moehring is the fourth-generation leader of Washington Shoe Co., a business founded in 1891. The maker of Western Chief, Staheekum and Chooka brand rain boots two years ago posted a record year, with \$50 million in revenue. The 62-employee company, which recently relocated to a state-of-the-art, 80,000-square-foot facility in Renton, is now aggressively ramping up its sales team as it seeks to build on momentum created at the beginning of the pandemic. ¶ For Moehring personally and the company in particular, the journey

has been unpredictable, at times volatile, and is constantly evolving. It has survived several external challenges, including two pandemics, numerous wars and shifting political tide winds.

"We stand the test of time," said Moehring, who took over as CEO in 2015. "Our employees are basically an extension of the family, and it's through our people that we get there."

The company – Seattle's first shoe store – began by making boots and shoes for outdoor workers under the Western Chief Brand. It really took off during the Alaska Gold Rush in 1898. Moehring's greatgrandfather, Henry, purchased the company in 1911.

The modern-day company was actually

born in 1990 when Moehring's father, Rob, became CEO. It was a tense time.

Moehring's grandfather, Robert, was more focused on real estate than shoes, and Rob had to rebuild the struggling company. So, even though Moehring is technically fourth generation, he has what he calls a "second-generation" mindset. He watched as his father and mother, Val, "got their hands dirty," working from 7 in the morning until 10 at night.

"My father bought a name, and that was about it," Moehring recalled. "He refounded the company. So, it's basically the next generation that we call the third generation."

Moehring, who was in middle school at the time, worked at the company while growing up, doing everything from mopping floors to invoicing to making collection calls. Moehring's older brother, Mark – who now runs the Wear a Big Smile Foundation, a charity launched by the company in 2016 – joined his father in the business back in 1991, but Moehring went on to study computer science at Washington State University, with a plan to launch a career in technology.

Instead, Rob asked his youngest son to help out for six months after graduation. Moehring never left.

"And, 20-plus years later, here I am," he said. "It wasn't the plan, but I guess I've always been around the business."

That business has changed dramatically over the years. A company that once made work boots is now a fashion-forward manufacturer of stylish family footwear, a change that's created "greater opportunity, because if you get a fashion item that hits, the sky's the limit," Moehring said. The company in 1996 created 3D character boots for kids, and half of sales are now rubber boots for children. Women's boots make up 35%.

His transition to CEO nine years ago also had its bumps. Rob is creative. Karl Moehring's mindset revolves around finance and organizational structure. Their opinions collided like two trains on a single track, leaving no room for compromise. Things got so bad that Rob even considered selling the business to a non-family member.

A business consultant suggested the family visit an industrial psychologist, or what Moehring refers to as a "corporate therapist."

Rob reflected on the tension in a 2016 article detailing the transition in trade magazine Footwear Plus.

"There are a lot of challenges in a family business. You go through stretches where personal and business lives intersect, and sometimes it can be really complicated and become your worst nightmare," Rob said. "There were some real epiphanies for me, and I'm grateful for having gone through the process."

Moehring recalls traveling to Suncadia for that first therapy meeting. Things were so icy that every family member drove separately. That first night, over wine, the family had a breakthrough and literally cried at dinner.

"The blinders had been lifted," said Moehring, adding that the family met with the therapist quarterly for five years. "We understood each other. It didn't solve everything just like that, but it really set us up to find a better connection and to work well together."

Upon taking the reins, Moehring set out to reshape the company culture into what he calls "truly a family business." He measures the success of the management team via quarterly engagement surveys. Everyone must touch base with their direct supervisor at least once a week. There is a "Smiles Committee," which has a budget to fund monthly events such as kart racing, bowling, food events or softball games. Even the new headquarters building supports collaboration because employees from different departments are mixed together.

The company thrived during the pandemic, thanks partially to new e-commerce channels and the creation of three virtual showrooms, where footwear models modeled boots for retail customers via video. Moehring admitted that the showrooms were a risk.

"We knew we weren't going to be able to see customers for a significant amount of time, and that's how we usually get our orders for business," he said. "We launched that with a couple customer calls, and they were just blown away by it. We are still using that today. We learned that you don't always have to be in person to get deals done."

As the company has grown, so has its Wear a Big Smile Foundation. It has donated more than 50,000 pairs of new boots to more than 40 nonprofit organizations since it was founded eight years ago.

For Erika Thompson, who co-founded Tacoma-based Wishing Well Foundation with her husband, Brent, 13 years ago to supply foster children with clothes and supplies, Wear a Big Smile has been nothing short of a godsend. The foundation supplies boots to the nonprofit twice a year.

"I can call Mark (Moehring) any time and he will answer," she says. "It's not just a one and done. He checks in. Even though they're big and definitely a presence in the market, they still haven't forgotten their roots."

Meanwhile, Karl Moehring is now contemplating ways to move some manufacturing to the United States from China because of trade tensions and rising costs. He's also starting to focus on the next generation of family leadership. Of the four fifth-generation potential leaders, the oldest is only 18.

"We don't know the interest level yet," he said. "I feel the pressure of continuing, and feel like I'm just a holder in time until they can take a chance at it "

TIMELINE



1001

Seattle's first shoe company is established, making boots and shoes for outdoor workers under the Western Chief name.

1898

The Alaska Gold Rush spurs demand for weather-proof shoes.

1911

Henry Moehring joins the company, eventually buying out the remaining partners.

out th

The factory closes and Washington Shoe moves into the wholesale business.



1057

Brothers Norm and Robert H. Moehring take over the company from their father Henry.

1974

Rob Moehring joins the family business. In 1990 he acquires the business from his father and uncle, focusing on rubber boots by Western Chief.

1991 Rob's son Mark Moehring

joins the family business.

1996
The innovative 3D character rubber boots are introduced with the now-

iconic Fritz Frog and Lucy Ladybug.

2001

Due to new technology in rubber rain boots, vibrant novelty prints

are introduced for women and kids.

Chooka sheepskin boots are launched, evolving women's rain boots. Rob's son Karl Moehring ioins the family business.





PHOTOS COURTESY OF WASHINGTON SHOE CO. AND BY ANTHONY BOLANTE | PSBJ



2015

Karl Moehring takes over the company from his father Rob and is appointed CEO. Rob assumes the role of chairman

2016

Washington Shoe Co. and the Moehring family celebrate the 125th anniversary. The nonprofit, Wear A Big Smile Foundation, launches, with Mark Moehring as president.

2020

The company pivots to e-commerce channels during the Covid-19 pandemic and launches a "virtual showroom" to stay connected with customers, netting record sales.

2023

Washington Shoe moves to a new expanded facility in Renton to scale and accommodate growth.