

Corner Office

All in the Family

How the family-owned Edmunds.com and its CEO grew together

▶ IT'S NEVER AN EASY ROAD to follow in your father's footsteps and take charge of the family business. But when your father transitioned that business from a traditional niche publisher to a booming Internet company, it can be a downright thorny challenge for any successor.

Founded in 1966, Edmunds published paperback quarterly pricing guides for new and used cars. Peter Steinlauf purchased the company in 1988 and launched its first website in 1995. Since then Edmunds.com has grown to a website-only car shopping resource with 18 million visitors a month and approximately 550 employees.

His son, Avi Steinlauf, has been part of Edmunds.com since 1998 and was named CEO in 2011—an unsurprising appointment, as the younger Steinlauf worked his way up and became a respected figure in the company. Here, the 44-year-old CEO offers his lessons on fostering a great company culture and growing a family-run business.

some time on the operational side of the business, ultimately becoming the chief operating officer. Then I assumed the title of president, and four years ago I became the CEO. I think, to a certain extent, I've earned my stripes in many different things, but I'm most fortunate to have been able to grow along with the business.

Q: Edmunds.com is consistently named one of the best places to work in the Los Angeles area. How do you cultivate a great company culture?

A: We want to give people a great reason to be at the company. We try to be progressive in terms of some of our new technologies so that people feel like they're advancing their careers—so that it's not just a great place to be, but a great place to grow. We understand that some people will make it a place they want to spend many years at, but some people won't. So we want their time with us to be mutually beneficial.

We also adopted something called a Results-Oriented Work Environment (ROWE), where we got rid of the concept of vacation time. You can take an unlimited amount of vacation or sick days. You no longer have to count the days you take—we're all about the results. As long as you, in whatever your role is at the company, can get your work done, it doesn't matter where or when you get it done. Your team will define what those results are, so if that means you have to be present at a certain meeting every week, then that's part of the result.

But if you need to be home because your kid's sick or you want to take a three-week trip, as long as you organize it and are able to contribute accordingly, we're OK with that. It's a reflection of who we are, and most folks find it very liberating. One of the things people love most about working at Edmunds is that they're treated like adults.



Learn how TV anchor Chris Wallace followed in his father's footsteps @ SUCCESS.com/chris-wallace.

Q: What is it like to work in a family business but also have to “earn” your position? Did you ever feel held to a higher standard?

A: I joined the company right after I graduated from business school, and I've been here ever since. Back then, it was just a handful of employees; we all worked remotely and didn't have any office space. I was working out of New York, moved to Southern California in 1999, and things really started to grow exponentially since then. It's a fun story to tell after the fact, but there were a lot of difficult times along the way.

I initially started in the capacity of doing some business development and marketing; after that I spent

Jennifer Chang is the associate editor at *SUCCESS* and drives a Toyota Camry.

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Edmunds.com CEO Avi Steinlauf at the company's headquarters in Santa Monica, Calif.

Q: You presented a fascinating premise at the South by Southwest V2V conference—the merits of staying private when so many want to file an initial public offering. Why does Edmunds.com want to remain family-owned?

A: When I tell folks that we're looking to remain private, if the marketplace is frothy—like it is today where there have been probably more IPOs in the last 18 months than we've seen in the last 10 years—people will say, "Well, why not? Is there something wrong with you? Are you idiots?" But there will be other times, like during the recession in 2008, when people will say, "Oh, you guys are geniuses!" I don't think we're geniuses or idiots; I think we just have a long-term orientation. We see great growth potential in this vertical that ought to keep us busy for a long time, potentially generations to come. Folks who are looking for quicker hits and don't want to be rooted in one thing for too long have a different orientation. Going public is not about a right or wrong decision, and it's not the be-all, end-all for us.

But at the same time, we do things that mature public companies are doing. So we've got a Big Four auditor. We've got a board of directors with a number of outside

directors. From our vantage point, we think that we've got the best of both worlds, and we're not spending any time managing Wall Street's expectations. We're taking all of the resources that would otherwise be focused on what public companies would focus on, and we've got those focused internally, like continually innovating or improving our company culture.

Q: Is there anything you do on a regular basis that inspires or recharges you?

A: I try to visit our clients and customers multiple times a month, and I find it hugely recharging. Oftentimes you can find yourself overwhelmed with things you need to get done at your desk or with meetings in the office. Those things are important, but sometimes what's even more important is to get out, hear directly from clients or customers, and see the process for yourself.

I try to get myself out there into different markets around the country and see how different people are shopping, how dealers are selling and what's going on. We have an initiative at work called Get Your Boots On, and it encourages everybody to get out there, myself included. Getting out and seeing, touching, feeling and bringing back those insights is hugely beneficial. **S**