



# How a Love of Nature Became a Thriving Franchise

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Salute to American Success

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In this Salute to American Success, we're taking a look at Wild Birds Unlimited and founder Jim Carpenter. The company focuses on backyard bird feeding products, mainly bird food and bird feeders. Originally having plans to become a doctor, Carpenter later decided to follow his love of nature.

Born and raised in southern Indiana, Jim Carpenter attended Indiana University, where he received a Bachelor's degree in biology. During the course of his studies, he was part of the pre-med program, but ultimately decided not to become a doctor. He would go on to complete his Master's degree in horticulture at Purdue University.

Soon after, while in his 20s, Carpenter found a job managing a garden center in Indianapolis. In the summertime, the company opened a road-side stand, growing and selling fruits and vegetables-- including sweet corn, which other stands in the area were selling as well.

"I learned the meaning of differential advantage from that experience," said Carpenter. "Even if others are selling the same thing, yours has to be better. We picked our sweet corn every morning, while everybody else picked theirs the day before. Every hour off the stalk, the corn loses sugar, so we were *the* place to go for sweet corn."

In the fall of 1980, after a year and a half of working at the garden center, Carpenter quit the job. After having trouble finding a new job, Carpenter decided to open his own backyard bird store. At first, he planned to create a mail-order business, but realized he didn't have enough money to promote it. Instead, he paid \$400 a month for 700-square feet of space. In January of 1981, at 28-years-old, Carpenter opened the first Wild Birds Unlimited store.

## STARTING THE FRANCHISE

In 1983, a newlywed Carpenter, his wife and a business partner decided to start the Wild Birds Unlimited franchise. His wife, a teacher, helped create training material and artwork, while his business partner helped with the nature part of the business.

"None of us had a business background... we were all biologists," said Carpenter. "I bought a \$3 book on how to franchise a business. I did mostly what I thought was best for my franchisees and retail customers." After talking with an attorney and getting the franchise paperwork sorted out, Carpenter said the overall cost of starting the franchise was "about \$3,000."

Within the first few years of business as a franchisor, Carpenter said the business wasn't making much money. "As a franchisor, top-line revenue was approximately between \$50-100,000. My main income was coming from my own store, not the franchise company," said Carpenter.

In 1989, he bought his partner's shares in the company. At the time, Carpenter was running his own store, the mail order business and the entire Wild Birds Unlimited franchise, which had about 30 stores.

After that, Carpenter said Wild Birds Unlimited was growing at a steady pace, until a few years before the Great Recession.

"We had kind of leveled off in same-store sales about five years before the recession hit," said Carpenter. "In 2007-2008, we totally rethought our presentation to the marketplace and started talking about customer experience. ...When [the recession] hit, we were able to keep our customers involved in the hobby. We grew during the recession."

Today, the franchise has nearly 300 locations in 43 states in the U.S. and four provinces in Canada. In 2014, Carpenter said Wild Birds Unlimited opened 10 new franchises, transferred 12, had a 3.79% increase in same-store sales and saw \$144 million in total system sales for 2014. This year, the company plans to open 15 new franchises.

## **ADVICE TO OTHER ENTREPRENEURS**

Carpenter's most important advice to up-and-coming entrepreneurs is to be different.

"Have a true niche that has a lot of potential to it. Once you discover it, your product needs to stand out in a way that is obviously better than somebody else," said Carpenter.

He also recommends finding people who can help provide advice, especially during the early years of the business.

"It would have been helpful if I had at least one or two good mentors from early on," said Carpenter. "They can help you navigate the right path to the growth of your company."

To this day, Carpenter still owns and operates his own store. He says his focus has never changed.

"I didn't go into it only thinking what's in it for me. The leading concept is what's in it for my customers," said Carpenter.

Link: <http://smallbusiness.foxbusiness.com/entrepreneurs/2015/03/13/how-love-nature-became-thriving-franchise/>