

Ferretdepot.com

A division of J and J Dog Supplies

Inspiration for a new venture can come from many places, but in the case of J and J Dog Supplies, inspiration came from the company's bottom line. At year end in 2001 Mark Godsil, President of J and J Dog Supplies was reviewing the financial performance for his company, a 40 year old privately held dog training equipment supplier based in Galesburg Illinois. The company is headquartered in a 42,000 square foot facility where they manufacture and warehouse their products. In addition they operate a 5,000 square foot retail store on site where they sell a full line of dog and cat food and pet related products. The store has branched out in recent years, selling pet supplies and small animals, reptiles, aquatics, and birds.

In reviewing the financial statements for the store, Mr. Godsil noticed "we had sold as many \$110 ferrets in the last quarter of the year as \$7 hamsters." Ferrets are fur-bearing mammals in the mustelid family (mustela furo). They are not rodents and have been domesticated for centuries. Ferrets are considered very social animals, that walk on leashes, use a littler box and some tolerate being dressed up in costume. First time ferret owners will also buy all the accoutrements for the animal: food, cage, litter, leash, treats, and wearable items. Ferret sales were extremely profitable for the store and their volume was increasing. Store manager Steve Yarborough also noticed this trend, and eagerly encouraged Mr. Godsil to look at this prospect fully. Ferretdepot.com (www.ferretdepot.com) is the latest expansion by J and J Dog Supplies outside their core business of manufacturing and selling dog obedience products.

To learn more about the ferret market, Mr. Godsil turned to the Bradley University Small Business Development Center. The Bradley University Small Business Development Center is a member of the Illinois Department of Commerce and Economic Opportunity's Small Business Development Center Network. Over the years, Mr. Godsil had worked with Jim Foley, Director of the International Trade Center at the Bradley SBDC, as J and J Dog Supplies had participated in a trade mission to Canada. Seeking market research, Mr. Godsil contacted Mr. Foley again, about the idea of expanding into the ferret business. Mr. Foley knew that Bradley University's business school was looking for projects for their senior business majors to give them real world experience and made the connection on behalf of Mr. Godsil. "I don't know about other state offices, but it is really good having him at Bradley for the connections he can provide" said Mr. Godsil.

After preparing a brief proposal, which was accepted, a team of students was assigned to develop a business-marketing plan. The team, soon to be referred to as "Team Ferret" was made up of all women business students who developed demographic information, and useful background information. During their final presentation, "Team Ferret" enthusiastically agreed that the market was ready for an e-commerce venture dedicated to quality customer service in the ferret market. "It was a terrific partnership for us" said Mr. Godsil, "since they were able to provide something really useful to us and actually learn real world business ideas in the process."

J and J Dog Supplies began to build Ferretdepot.com slowly by using their cash flow and in-house personnel. During the course of starting up the division, they developed a web site, sourced products, and created a superior customer service team.

Ferretdepot.com has been a self financed venture and virtually everyone in the company has been involved in its launch. Steve Yarborough, the store manager and John Oakley, Corporate Vice President of Marketing and Operations were involved in all phases of the division start-up. Ferretdepot.com went live in May 2003 with an e-commerce web site that includes links to other ferret pet sites, and a Ferret Forum, a live chat area where members can post questions to fellow community members. The site sells food, treats, leashes, collars, and wearable items including hats, ties and costumes. Santa suits and elf costumes were big sellers this past holiday season.

Initially, Ferretdepot.com was planned "solely as an e-commerce venture with no plans for a print catalogue" said Mr. Godsil. However as orders came in from the web site, "we realized that a 16 page color flyer could augment our sales" he said. According to Mr. Godsil, 80% of Ferretdepot.com's sales came from their web site last year.

While Ferretdepot.com started small, the division "ended the year at 198% of our projections, we couldn't help but be pleased. We are currently projecting 300% growth in 2004" said Mr. Godsil. If this growth continues, Ferretdepot.com will need to "expand our warehouse capacity and we are already hiring more people as things grow" he added.

In what he described as an unconventional move, Mr. Godsil gave several key employees including Steve Yarborough, who has become the manager of the Ferretdepot.com division and John Oakley, the responsibility for building the new division. He is justly proud of their accomplishments because he felt this effort was in effect training his successors. Mr. Godsil firmly believes that the launch of Ferretdepot.com has been a huge success. "I can't give enough praise and credit to the folks who are really responsible. Everyone involved has worked hard and done a tremendous job. I just happened to be lucky enough to have them [the employees], and be able to sit back and let them go," said Mr. Godsil.

The Bradley University International Trade Center is part of the Bradley University Small Business Development Center is a member of the Illinois Small Business Development Center Network. The Network works in partnership with the Illinois Department of Commerce and Economic Opportunity's Small Business Development Center and the U.S. Small Business Administration.