

Profiting from Pets

If you're looking for a lucrative new product line that goes well with gardening, pet supplies might just be the market for you.

By Bridget White

You already know that any time you can bring people into your store it means more money, but have you thought about using more than plants and fertilizer as bait? Many garden centers now carry home décor and gift items as a regular part of their offering. What about other items? What about products that are not usually considered garden products...things like pet supplies and gourmet food? These kinds of ancillary categories are proving profitable for garden centers around the country.

"Developing Markets," a monthly series that will appear in each issue of Lawn & Garden Retailer, will profile eight of these potential new markets, giving insight into the health of the market, relating how other garden centers have mastered the category and profiling some of the best new products in the category.

- January: Pet Supplies**
- February: Gourmet Food**
- March: Table Top**
- April: Linens**
- June: Stationary**
- July: Personal Care**
- August: Jewelry**
- November: Collectables**

Take a minute to absorb the following statistics.

- Sixty-two percent, approximately 64.2 million, U.S. households own a pet.
- There are approximately 377.8 million pets in the United States.
- An estimated \$34.3 billion was spent on pet food, care and supplies last year.
- The amount of money spent on pet supplies has nearly doubled in the past 10 years.
- The average customer transaction at a pet store is \$88.38.

The numbers look pretty appealing, don't they? You can debate whether or not dogs truly are a man's best friend. But there's little doubt that dogs, cats and pets of all kinds are a specialty retailer's best friend.

Still, pet supplies at a garden center? It is a little out-of-the-box but not totally crazy. People who own pets, especially dogs, tend to be somewhat active and outside often; they are typically home owners; and they love a challenge, especially cat owners. Those are many of the same characteristics of avid gardeners. So if garden center customers really are pet owners then why forfeit more than \$500 per customer per year to someone else?

There are those doubtful of garden supplies and pet supplies co-existing. They argue that the products are too dis-similar, the mega-stores are too entrenched and the customers would not respond. While pet supplies may not be everyone's holy grail, numerous garden centers around the country have found tremen-



Succeeding in pet supplies often means stocking high-end products for pets as well as pet-related gifts for owners, such as these breed-specific mugs at Lexington Gardens, Newtown, Conn.

dous success thorough our furred and feathered friends.

The key is giving customers a service they need. Is there a need for another "pet store" in your town? Can you find unique products to carry, to differentiate from the mass merchandisers and competitors? Most importantly, do your customers own pets? Despite how profitable some stores are with pet products, it will not work at every garden center. If you are located near a specialty pet store or your staff would not welcome pets in the store, think twice about investing heavily in this category.

A day's worth of investigation to check out the competition (field trip!) and an informal

checkout survey should give you enough information to decide if pets will work at your store. Who knows, you might just find that your best customer doesn't even have a bank account.

BEHIND THE NUMBERS

So American's own more pets than ever before and are spending more money on them. That alone would be a big enticement to start stocking pet products, but it would only be half the story. The really interesting thing about this category is the why — why do so many people own pets, and why are people so willing to shell out cash to cater to those pets. Because the answers to these

questions tell whether the pet explosion is a passing fancy or here to stay.

According to a study conducted by the American Pet Products Manufacturer's Association (APPPMA), companionship, love, company and affection are cited most often as the primary benefits of having a pet. Additionally, a number of high-profile academic studies have recently linked pet ownership to everything from lowering blood pressure and preventing heart disease to reducing stress and fighting depression.

What these studies indicate is that there has been a marked shift in attitude about pet ownership. For an increasing number of Americans, Lucky is no longer just a four-legged animal that digs holes in the backyard or keeps away mice. She is a valued part of the family. She has her own bed, bowls and food; she goes to the doctor when she gets sick; and she gets treats and presents just like the other kids. In other words, at least for now, Lucky is a gold mine.

INDUSTRY TRENDS

As people become increasingly attached to their pets they demand more and more from pet products. No longer is it acceptable for pet retailers to offer only rawhide bones and catnip-filled mice; pet owners want the same variety, quality and, yes, fashion from their pet products as they expect from products bought for themselves. Below are a few of the hottest trends in pet products, according to the APPMA.

Going to the dogs. Companies traditionally known for human products are going to the dogs...and cats...and reptiles. Big name companies such as Paul Mitchell, Omaha Steaks, Origins, Harley Davidson and Old Navy are now offering lines of pet products ranging from dog shampoo, pet attire and name-brand toys to gourmet treats and food. You can even get the latest styles right from the catwalk (sorry for the pun) with designer plaid raincoats, lumberjack vests and jeweled collars.

The lap of luxury. High-end items to spoil companion animals are must-haves for many pet owners who will spare no expense for their furry, feathered and finned best friends. Items include faux mink coats for cold weather outings, feathered French day beds for afternoon naps, designer birdcages, botanical fragrances and even rhinestone collars and tiaras! And don't think this kind of pampering is just for the rich and famous; there are many more middle-income customers in this category than you think.

Help yourself. If people are busy enough to replace landscaping with container gardens, imagine how much time they want to devote to such things as cleaning cat litter boxes and washing the dog's dish. Our frenzied lifestyles have given rise to a whole category of pet products with convenience in mind. You can now purchase everything from programmable feeding and drinking systems to automatic and battery-operated toys to self-cleaning litter boxes. With the help of these products pets can practically care for themselves.

Dinner is served. Today's pet foods include complete and balanced diets that tantalize a pet's taste buds and cater to every need. No more one-size-fits-all formulas or substandard ingredients. There are special foods for puppies and kittens, seniors, overweight pets and those with health problems such as kidney failure. The biggest trend in food is toward organic components that are nutritionally balanced and prepared at human food cleanliness standards. ◆

Pasquesi Home and Gardens, with two locations in metro-Chicago, has used unique products and personal service to develop a thriving business in pet products and supplies. Co-owner Cindy Pasquesi and head buyer for pet supplies Mary Ann Catella share some of their secrets for success.

How long have you been stocking pet products?

Cindy: At least 15 years. And there weren't PETSMARTs around then. If you wanted to find pet supplies you would go to a small pet store, and they really didn't have a lot to choose from. We got into it when premium dog foods started coming into vogue...a really long time ago, when Science Diet was the only premium dog food around.

What made you decide to add pets?

Cindy: A sales rep was telling us about this new dog food that was the best thing you could feed your dog, and only the vets were selling it. So we started carrying Science Diet. I don't think it was a conscious decision to open up a pet shop. It was more of an evolution. People were coming in for dog food, and we thought what else can we add? The great thing about dog food, too, is that it is repeat business. They need food every 2-3 weeks so they're in very frequently. Inevitably they're going to stop to see the new toys or treats.

How much space do you devote to the category?

Mary Ann: Approximately 400 sq.ft. Our Barrington store is a little larger.

What kinds of products do you sell?

Mary Ann: Anything from rawhide bones, leashes, collars, beds, toys, shampoos...we carry a pretty good selection to meet the customer's needs for dogs and cats.

What is your philosophy in choosing products?

Mary Ann: Different than what you're going to get at the super stores. We look for durability and something that will work with the customers that shop at our stores. But mostly uniqueness. We



One of Pasquesi's secrets is treating pets like part of the family with free treats and a picture board.

want items that you can't find anywhere else; we want people to come here first.

What products sell best?

Mary Ann: Would you believe dog biscuits and treats? We have a combination of gourmet and (commercial) products that the dog lines put out. I try to stick to gourmet but at a reasonable price. We carry a line of dog beds that does well too.

What kind of margin do you get on pet products?

Mary Ann: An average of 50 percent.

Who is responsible for product selection? Helping customers?

Cindy: Mary Ann makes all the decisions about what lines we are going to carry. She goes to the pet shows and seeks out new products. She manages the department at one store, and another person manages the department at our other store. They check in their own product, price it and put it out on the floor. They're out there changing out displays and helping customers, so they're very much in tune with what's selling and what's not.

Does this category bring people into the store more often or when they wouldn't otherwise be there?

Cindy: Certainly. When people get used to buying their food at one place, they tend to keep going there. And when they come in to buy food, they will go outside to buy other things.



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Hello, my name is... From monogrammed sweaters to personalized food bowls, customized pet products are all the rage. A selection of products branded with a single letter will be an easy way to address this trend, but someone who will stitch Spot's name on a sweater or paint it on a water dish will really attract attention.

Keep on Truckin'. Whether it's a quick trip to the supermarket or a long ride to the beach, companion animals are now traveling animals. Buckled up in a harness, secured in a seat belt or locked safely in a portable carrier, pets need special products when they hit the road. An array of stylish carriers is now available — no more hard plastic boxes — and if the trip is long, travel water and food bowls will be very convenient.

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1. Car seat

The Back Seat Saver is ideal for traveling with pets or for transporting anything that might soil seats. Constructed of water-resistant, all-weather fabric, The Back Seat Saver holds in spills or accidents and protects seat coverings. It is easy to install and remove and rolls up for trunk storage. Comes with full color POP. Hobo Traveler. (800) 334-1078. **Write in 1618**

2. Cat toy

This giant cat toy would be a formidable opponent for any pet. Measuring 5 inches, excluding the tale, and weighing more than ¾ of a pound, the Monster Mouse is constructed of carpet, felt and sisal, meeting toy safety standards for eye and nose fixings. It contains granite chips for weight and catnip for a little extra excitement. Cleo Pet Ltd. 01636636080. **Write in 1619**



3. Dog crate

Sof Pet Krate is an indoor/outdoor portable folding pet crate. Sof Krate is lightweight, washable and durable. It has front entry doors and multiple vents, making it a great summer doghouse. Sof Krate opens and closes in one step and works for travel. Available in many sizes. Doolittles Pet Products. (503) 753-7850. **Write in 1624**



DEVELOPING MARKETS

5. Pet food

Karma, a new line of certified organic food for dogs, is made of more than 95 percent organic ingredients. The recipe includes 18 certified organic ingredients, plus select nutraceuticals that improve and protect health. Karma also supports an environmentally healthy philosophy with packaging made from 100-percent recyclable material, and transport and processing procedures that are environmentally sound. Natura Pet Products. (800) 532-7261. **Write in 1620**

6. Pet bed

Your pup will think he is the king of the hill with this sleigh bed. Loaded with wrought iron curves, the Rex bed is designed to be both an attractive complement to the owner's home décor and a comfortable place for pets to sleep. Rex comes with machine-washable covers, a waterproof liner and brass personalization plate. Howlin, Pet. (480) 452-3028. **Write in 1621**

7. Travel set

More people are traveling with pets, and the Snoozzeee Travel Set contains everything needed for time on the road. The sturdy travel bag is made of 100-percent nylon with webbing straps, two zipped pockets at each end and a pocket at the front. The set also includes two waterproof travel bowls, two sun visors, a water bottle, a scooper and a towel. Snoozzeee Dog. 4401606590590. **Write in 1623**

8. Pet carrier

With its upscale, briefcase look, people will not even know this is a pet carrier. The Montreal Pet Tote is perfect for going to the vet, taking trips or just running errands. It has mesh panels for ventilation, a padded bottom for stability, two exterior full-length pockets and an inside leash ring. Comes in five colors. Sherpa's Pet Trading Company. (800) 743-7723. **Write in 1622**



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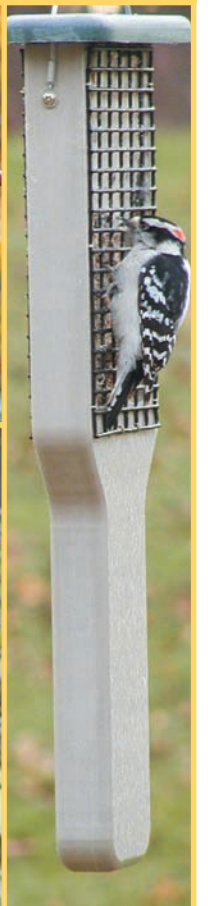


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