

Thirty years on,  
America's oldest rent-to-  
own franchising success  
story is still unfolding.

# Once Upon a ColorTyme

## ❧ CHAPTER 1 ❧

Once upon a time, there was a sleepy little town. One day, a kindly red-haired giant came to the town. He brought leadership, opportunity and prosperity, based on the integrity of his word and the faith of his handshake. People began to follow the giant. The giant let them be themselves and he took good care of them. The people closest to the giant felt like they had found a family, while others reveled in the good fortune the giant had brought to the little town.



It all began in the self-dubbed Black-Eyed Pea Capital of the World—the small East Texas town of Athens, estimated population 10,000. And, fittingly, the locale—just like the favorite New Year's dish—turned out to be full of good luck for many, particularly the many who belonged to a rent-to-own start-up called ColorTyme. “It really began with [television retailer] Curtis Mathes,” recalls Wayne Atchison, who worked at ColorTyme from 1979 to 1990 and was the company’s vice president of development and franchising. “Curtis Mathes was headquartered in Athens, Texas, and Willie Talley was a sales manager for them. Well, the company had a great deal of excess black-and-white television sets they had to move, because color TV was becoming more available and affordable. Willie and his brother, Ernie Talley, had experimented with the rent-to-own concept in Kansas, so Curtis Mathes launched a rental division, named it ColorTyme Rent-to-Own and Willie embarked upon his ColorTyme career.”

**BY KRISTEN CARD**

PHOTOGRAPHS PROVIDED *by* COLORTYME *and* WAYNE ATCHISON





COLORTIME

COLORTIME





**C**olorTyme debuted in 1979 as a separate-store option available exclusively to Curtis Mathes dealers. But within a year, Curtis Mathes decided against pursuing the rental side of the business. Talley gathered five friends who all put in a percentage, and together, they bought the company.

“The other guys put up the money because Willie didn’t have any money,” chuckles Jim Thompson, who worked with ColorTyme from 1979 to 1990, and was the company’s vice president of purchasing and sales. “Willie had the *ideas*.”

Possibly Talley’s biggest business idea—building up the ColorTyme system, eventually by franchising—came in 1982. It was a huge turning point for the company and a perfect fit for Willie Talley, the quintessential people person. “ColorTyme was started by a man who cared about people,” Thompson attests. “And he was going to do whatever he could to help his franchisees.”



**“[ColorTyme back in the day] had a small-town feel about it, but it made a big impact on the industry.”**

**RHONDA DAVIS**

“All Willie cared about was the franchisees being successful,” says Mitch Fadel, who was ColorTyme’s CEO from 1992 to 2000 and today serves as the president and chief operating officer for ColorTyme’s parent company, Rent-A-Center. “He cared a little about ColorTyme making money, but he understood that if the franchisees made money, then he’d be successful as a franchisor. He just woke up every morning thinking about what he could do to make the franchisees more successful and happier.”

“Our philosophy was that we made money only if we grew the company and the only way to grow the company was to have successful franchisees,” Atchison confirms. “So I told Willie, ‘Look, if you will quadruple the training budget, then we can literally double the size of the company’—and Willie said, ‘OK.’ So we provided every type of training we could, at our expense, to help our franchisees develop their businesses, and it worked. We opened 14 locations in a single month.”

Such hands-off management style was a trademark of Talley’s—one readily remembered and greatly appreciated by his staff. “Willie was an excellent manager because he hired good, professional people and he let them do what they knew how to do,” Atchison says. “And honestly, we didn’t need any management. Everybody showed up and did their jobs like professionals. I could be as creative as

I wanted to be, do whatever I wanted to do, make whatever decision I wanted to make, as long as I was willing to take responsibility for it.”

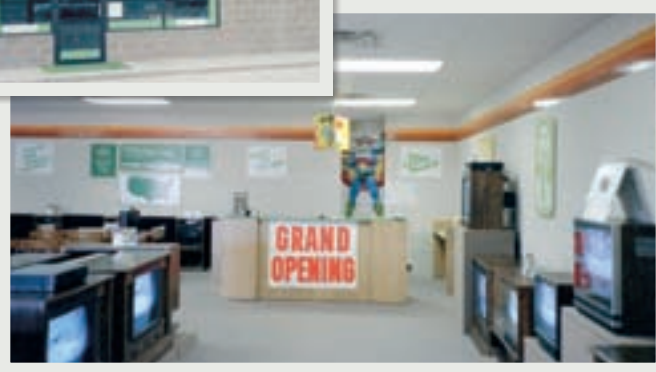
Willie Talley, by all accounts, was much more than an exceptional businessman; he was an extraordinary man. He cut a larger-than-life figure that incited a fierce loyalty in his employees—and that bubbles to the surface without hesitation, even 30 years later.

“Willie was a remarkable human being,” says Sandi Blackwell, who worked with ColorTyme from 1979 to 1997 and was the company’s franchise compliance officer for 15 years. “His word was his bond and his handshake was a deal. He was the strong, silent type—humble but well respected. He didn’t have much to say, but when he did, boy, everybody listened.”

Quietly charismatic, Talley sported a full head of wavy auburn hair and could figure numbers in his head faster than a calculator, despite a lack of much formal education. He could also be trusting to a fault.

“Willie was just a salt-of-the-earth, genuine person,” Thompson notes. “He was naïve about many things. I think that’s what was so attractive about him to other people. We had to be careful of people trying to take advantage of him. We had to watch out for him as best we could, and everyone would. Everybody loved Willie—I’ve never known anyone who didn’t like Willie Talley. I mean, no one. Without a doubt, he always had everybody’s loyalties.”

Talley loved horses almost as much as he loved people. He owned 110 race-ready quarterhorses and frequented races around the country—not necessarily winning, but loving every minute of it. “I remember walking into the office one extremely cold winter’s morning,” Blackwell says. “And my office was absolutely freezing. Several of us had space heaters we shared



*Mid-1980s grand openings in Kentucky and Alabama*



WILLIE TALLEY



and moved around, but I couldn't find one anywhere. A little later, Willie came in and, as he walked by my office, he stuck his head in and said, 'I took your heater...out to the barn.' Well, I laughed and said, 'Now I know where I stand in the pecking order—just beneath the horses.' He laughed with me, but I knew it didn't mean I was going to get my heater back."



**"It was a fabulous gig. We were building something that was worthwhile, and that has lasted; I feel very privileged to have been part of that."**

SANDI BLACKWELL

wasn't just a job; we were there working for the company. And we were totally loyal to Willie. Was he a pied piper? I don't know. We just believed in him and in the business, and he took good care of us."

The working atmosphere at the Athens office was anything but cold during ColorTyme's early years. In fact, ColorTyme veterans consistently employ the same word to describe the feel of the workplace: family. "We were a family," Atchison says. "A small family of professional people who loved to come to work. We cooked and ate in the office; we had parties. It was fun."

"We used to laugh and say if a cold front came through, then it was cause for celebration," Blackwell adds. "We'd all bring in something for a chili lunch. It was family—and families might fuss at each other, but when push came to shove, we pulled together."

"We weren't just co-workers; we were friends," says Rhonda Davis, a ColorTyme employee of 27 years and the company's current director of purchasing. "During the week, we worked together and on weekends we played together. It was very much a family environment. Everybody helped everybody and we all took care of each other. It

While the ColorTyme staff created a sort of familial coziness at the office, their colleagues afield—ColorTyme's franchisees—were living a much bigger, much bolder professional lifestyle. Many of the company's initial franchisees were Athens locals who saw what a rare and lucrative opportunity ColorTyme presented for a tiny town in the Piney Woods of East Texas.

"Working at the ColorTyme office was the best job in town. Period. And no one ever left—ever," Thompson emphasizes. "But working as a ColorTyme franchisee was a rough-and-ready kind of affair. It was a wild time, but many of the early guys turned out to be really good business people."

"They were a colorful bunch," Davis says, carefully. "They lived fast and they lived hard. Barely any competition existed at all at the time, so they were all really successful—the money was definitely there. They'd roll into town with their diamond-studded Rolexes and Rolls Royces. It made quite the impression on a town like Athens, let me tell you."

CHAPTER 2

**T**HE PEOPLE CLOSEST to the giant found new ways to spread the word about the good fortune he had delivered—and the giant's circle of friends grew bigger and faster than ever. But alas, the ways of the world began to change, the giant began to grow weary and the circle began to weaken. One sad day, the kindly red-haired giant died. New leaders stepped in to help hold the circle together and the friends found that, by being there for each other, they kept the giant's legacy alive.



Unbridled growth—not to mention unbridled franchisees—were gradually reined in as ColorTyme began to find its way. People with plans and processes helped the company

## ColorTymeline



**1959:** Mr. T's, an appliance store in Wichita, Kansas, begins advertising appliance rentals. The response is so impressive that the company, owned by Ernie and Willie Talley, specializes in rentals thereafter.

**1966:** Mr. T's, by this time a 14-store chain, is sold to Remco. Willie Talley joins Curtis Mathes.

**1979:** Curtis Mathes initiates a rental division called ColorTyme and opens its first store in Athens, Texas.

**1980:** Willie Talley purchases the ColorTyme Distributing Co. from Curtis Mathes.

**1982:** ColorTyme begins offering franchises.

**1985:** Jerry Linaweaver is named ColorTyme's first Franchisee of the Year



*Above: Gary and Jutta Hughes. Left: James Stephens, ColorTyme's 2008 New Franchisee of the Year, with Bob Bloom.*

get a grip and grow up a little from its free-for-all first years. “Wayne Atchison was really an unsung hero of the early days,” Sandi Blackwell says. “He brought the first consistency and method to what had previously been a bit of madness. He put systems into place, he targeted the company’s future growth and he introduced training and support programs for the franchisees.”

This newfound structure served to harness and channel the energy of the franchisees, producing exponentially greater growth for the company and even greater success for those who were truly dedicated to the business.

“The rent-to-own system is a system that works; it’s a profitable system,” Atchison says. “The franchisees who have had longevity with ColorTyme, they’re the ones who got a good foundation, built on it and continued to utilize it. They’ve grown as businessmen and, by staying with the system, believing in it and following it, the system—along with their hard work and perseverance—has worked for them and they’ve been successful.”

“Seeing the system work is one of my favorite things about this business,” he continues. “Seeing a person come into ColorTyme with a minimum amount of money and no experience whatsoever in rent-to-own and then one day getting the call that they’ve bought their first airplane—that’s satisfying.”

By the time ColorTyme turned ten in the late 1980s, the company had more than 500 stores nationwide and was poised to expand up to 3,000 locations. Then, things began to change. Talley—unknowingly ill and some say influenced by other sources—shifted ColorTyme’s direction from becoming a master franchisor to being more profit-driven. Franchise growth stalled, so that by the time Willie Talley died in 1995, ColorTyme was down to around 300 stores.

Within a year after Talley’s death, ColorTyme was bought by Renters Choice and, two years later, when Rent-



**“Rent-to-own is all about helping people—helping them get a refrigerator, a computer, helping them improve their quality of life. Likewise, at ColorTyme, we help our franchisees and our network of franchisees all help each other. It really is all about people helping people.”**

**BOB BLOOM**

**1987:** Mike Harwood is named ColorTyme Franchisee of the Year for the first time.



**1992:** Mitch Fadel joins ColorTyme.

**1993:** Mike Harwood introduces “Kids Across America” as ColorTyme’s corporate charity.

**1995:** Willie Talley dies.

**1996:** Renters Choice buys ColorTyme.

**2000:** ColorTyme franchisee Intranet goes online.

**2001:** ColorTyme University for Owners expands.

**2004:** ColorTyme’s computer-based franchisee, store manager and employee training introduced.

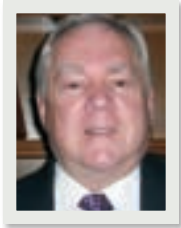
**2004:** Bob Bloom joins ColorTyme.

**2006:** ColorTyme Circle of Excellence recognition is inaugurated.



ers Choice acquired Rent-A-Center and adopted that company's name, ColorTyme became an independent, wholly owned subsidiary of the world's largest rent-to-own concern.

Meanwhile, a new breed of franchisee had emerged—more educated, more family-oriented, more community-centric and more business-savvy. Gary Hughes, who in 2008, along with his wife Jutta, was awarded the ColorTyme Circle of Excellence—the company's lifetime achievement award—is one such franchisee. Hughes opened up his first ColorTyme store in 1990, grew the franchise to 33 stores, sold 27 of them back to Rent-A-Center in 2005 and has expanded his business back up to 12 stores in Washington state, Hawaii, California and Idaho. Over the years, he has produced more than 100 television commercials (some used nationally by corporate), been a key sponsor for local Boys & Girls Clubs and helped fund the construction of a community college nursing training facility, which now bears his name. Cameras, contributions and kudos aside, Hughes says his favorite thing about his ColorTyme career has been all about the people.



**“I don't know whether I was captured by the town, the man, the company, or all of the above—but I consider myself exceedingly lucky to have worked at a place like that.”**

**JIM THOMPSON**

“I'm good at hiring, training, motivating and retaining high-quality people,” Hughes says. “So the best part for me is growing people; I've thoroughly enjoyed helping many people become owners or part-owners of their own business. And because ColorTyme franchisees can't be in direct competition with each other—because we have controlled territories—we can open up and share ideas freely without fear that it will come back to bite us in the behind.

In 1997, for example, I shared with my fellow franchisees that we had added financial services—we were the first rent-to-own company to do that—and I was perfectly happy to share information about it with all the ColorTyme franchisees.”

Recently, Mark Childers and his wife, Tracy, earned ColorTyme's top annual honor, the Eagle Award, and were ranked as the company's number-one franchise for revenue achievement. Originally, Childers went to work for the company in 1985 as a summer delivery driver; he rose through the ranks to become the district manager of four stores before being hired over to the corporate side by Talley to serve as a field trainer. Childers eventually realized he wanted to become a franchisee and, in 1993, partnered with Gary Hughes until the sell-back of 27 of their stores to Rent-A-Center in 2005. After the sell-back, Childers chose to continue with ColorTyme, opening up his first solo store the same year in Sunnyside, Washington. Today, the Childers own five franchises in Washington state and Alaska.

“Starting out where I did—in the delivery truck, going to peoples' homes—I got to see how this industry really helps people,” Childers says. “There's this misconception about our business, that we prey upon less fortunate people—and it's just not true. From my perspective, we provide people with the means to enjoy things they simply couldn't afford otherwise. So that has kept me in this industry almost 25 years. What's kept me with this company so long is, hands down, the other franchisees who make up the ColorTyme community. Being able to draw upon the many, many success stories within ColorTyme continually inspires me. There are so many people I can call any time I've got a question or concern, so much business wisdom we can all tap into. It's an invaluable resource.”

James Stephens also began his rent-to-own career on a delivery truck, employed by Rent-A-Center in Natchitoches, Louisiana, just six years ago. Stephens worked his way up to

## Eagle recipients

ColorTyme's prestigious Eagle Award is presented to the company's finest franchisees.

1985: Jerry Linaweaver  
1987: Mike Harwood  
1990: John Prothro  
1994: Gary Hughes  
1998: Steve Gopoyan  
2000: Gary Hughes  
2002: Gary Hughes  
2004: Gary Hughes

2003: Richard and Frank Pannell  
2005: Mark Martin  
2006: Ken Schimpf  
2007: Mike Harwood  
2008: Mark and Tracy Childers



store manager status, then in late 2007, opened up his first ColorTyme store, in Shreveport. Recently, he was awarded the company's New Franchisee of the Year for 2008.

"Rent-to-own was really challenging for me at first," Stephens confesses. "Growing a store is an art form—balancing sales with collections, managing my time and especially learning the back end of the business. I found ColorTyme University for Owners extremely beneficial and I also appreciate the flexibility the company gives us with our programs. Somebody in Washington, D.C., will run a store differently than someone with a rural East Texas store. ColorTyme gives us the freedom to do what's best for our business in our own town."

"ColorTyme lets franchisees be entrepreneurs," Hughes concurs. "They don't treat us like schoolchildren; they don't micromanage like some other companies do. We can buy the type of furniture that fits best with our market and not the furniture some national purchasing manager says we have to have."

Lifetime-achiever Hughes says rent-to-own in general and ColorTyme in particular have been very good to him—he owns several race horses, his favorite pastime is world travel and he's given back substantially to the communities that have supported his stores. Hughes says his best advice to newcomers such as Stephens is that the business can be just as good to anyone who comes to ColorTyme and works hard.

*Right: Rhonda Davis with Captain ColorTyme, the company's advertising icon, in the mid-1980s. Below: The Captain with Anne Prothro in 1999. Anne, along with her husband, John, have been franchisees since 1980. Bottom: Willie Talley in the 1980s.*



"Go to work," Hughes orders. "Being an owner is not a vacation. If you want to succeed, you had better be the store manager, be there 12 hours a day, six days a week. Once you get the business built up and it can support itself, then take some time off. Rent-to-own isn't rocket science. All you need are the basic abilities to run a business: understanding people, knowing how to market the merchandise and developing compensation programs to reward people for positive performance. What gets rewarded gets done."

### CHAPTER 3

**O**VER THE YEARS, the circle of friends the giant had created grew larger and then smaller. People came and went, but the circle lived on, still bringing much satisfaction and wealth to many who came into it. Eventually, a new leader appeared. He brought new people with him, with new ideas about how to expand and improve the circle. But the new leader also reminded the people that the strength of the circle came from within them and from the connections between them. And as long as they remembered that, the circle would continue to strengthen and grow.



For almost five years, ColorTyme president and chief executive officer Bob Bloom has been getting stuff done; yet the reward—simply put, more stores—remains somewhat elusive. Since receiving the ColorTyme reins in the summer of 2004, Bloom has overseen:

**FRANCHISEE GROWTH:** 45 new franchisees have signed on—some opening multiple ColorTyme stores within their first year;

**NEW REVENUE SOURCES:** RimTyme Custom Wheels and Tires has 21 stand-alone stores in eight states, as well as several operations within ColorTyme stores; more than 40 ColorTyme stores offer payday loans; and the company intends to identify another new revenue source this year for its franchisees;



**"ColorTyme absolutely offers the opportunity to take you to the next level; and I think the franchise community now is the strongest I've seen as far as franchisees wanting to succeed and wanting ColorTyme to succeed. It's a slightly smaller community, but stronger; it's tighter."**

**MARK CHILDERS**



**ROBUST FINANCING PROGRAM:** ColorTyme is an SBA-preferred lender and offers a 401K franchising program, or traditional financing through Wells Fargo or Texas Capital;

**EXTENDED TRAINING OPPORTUNITIES:** the company launched ColorTyme University for Owners, a four-day course covering people skills, situational leadership, financial management and marketing; a regional manager training program is also under development to debut later in the year;



**“Seeing the system work is one of my favorite things about this business. Seeing a person come into ColorTyme with a minimum amount of money and no experience whatsoever in rent-to-own and then one day getting the call that they’ve bought their first airplane—that’s satisfying.”**

**WAYNE ATCHISON**

is a tremendous positive when you’re recruiting new franchisees, but when you’re trying to grow the overall number of stores, it can work against you. As fast as ColorTyme grows—which has been about 10 new franchisees and 30 to 40 stores a year—it’s losing veterans and their stores because they’re utilizing our excellent—and often lucrative—exit strategy. So even though the number of stores has stayed right around the 200-to-250 range for the past five years, the turnover has been significant.”

Both Fadel and Bloom believe that this period of turnover is slowing down and readying to turn around—that

**BRANDING MAKEOVER:** ColorTyme has adopted new brands, both publicly—Your Hometown ColorTyme—and internally—People Helping People; the company also has premiered a new warmer, more retail-esque look and feel within its stores; and

**A LEADERSHIP TEAM REVAMP.**

“We’ve got a terrifically strong team here now,” Bloom asserts. “They’re intensely focused and very cohesive. I’m fascinated by watching them interact together, challenge and bounce ideas off of each other. This is a team I believe can grow us again.” Bloom says “again” because, truth be told, the number of ColorTyme stores nationwide has actually dropped during his tenure—today, 210 ColorTyme stores operate in 34 states. Rent-A-Center head Mitch Fadel says that while the numbers might seem daunting to outsiders, on the inside, ColorTyme is definitely on the move.

“Rent-A-Center has grown mainly through acquisitions and our growth strategy has been an easy exit strategy for franchisees when they want to retire and cash out on their investment in ColorTyme,” Fadel explains. “The exit strategy

most of the longtime franchisees likely to use the exit strategy have already done so and that fresh, new franchisees will continue to join ColorTyme and expand their businesses with the company for the next several decades.

“ColorTyme’s value package for someone who wants to invest in a rent-to-own franchise is fabulous and far superior to anyone else,” Bloom declares unequivocally. “I expect us to continue to attract double-digit new franchisees every year, with the number accelerating each year. Of course, this isn’t the best economic environment to grow in, but at the same time, rent-to-own is uniquely positioned for this economy. As we get five to 10 years out, I think we’ll be at 15 to 20 new franchisees a year, with each opening at least one store.” Additionally, Bloom says that while RimTyme is still ramping up as a business opportunity, he thinks its growth will take off in the next few years.

And so the next chapter of the ColorTyme chronicles is still being written, confirmation that the company’s 30-year story-in-progress hasn’t always been fairy-tale fodder. But whether reviewing past chapters or imagining future ones, it’s clear that the cast of characters determines the outcome of each plot point—and the happiest ending to wish for is no ending at all.

“It’s all about the people,” Fadel concludes. “Willie was a big part of the company’s success—he was as good as anyone I’ve ever seen at building relationships. He wasn’t necessarily the best industry expert you ever sat and talked to, but he was the best at building relationships. I felt that I continued that during my time at ColorTyme and [now] Bob has that all-important relationship with the franchisees, like I feel Willie had. I believe the leadership at ColorTyme and especially the relationships built by Willie, myself and now Bob with the franchisees have been, and will continue to be, the core and the strength of the company.”

“It’s a wonderful company,” Davis, ColorTyme’s 27-year veteran, effuses. “Our longevity speaks for itself; we’ve outlasted everybody. Our franchisees are the key—without them, we don’t have a company, we’ve got nothing. The people who are here, who have been here, stay with ColorTyme through thick and thin because we believe in it. And if you’ve ever been connected with ColorTyme, you never lose that connection completely. I’m not sure why; there’s just something about it. It’s just how it is.”

☞ CHAPTER 4 ☞

To be continued... ✧

Kristen Card is a freelance business writer based in Austin, Texas.