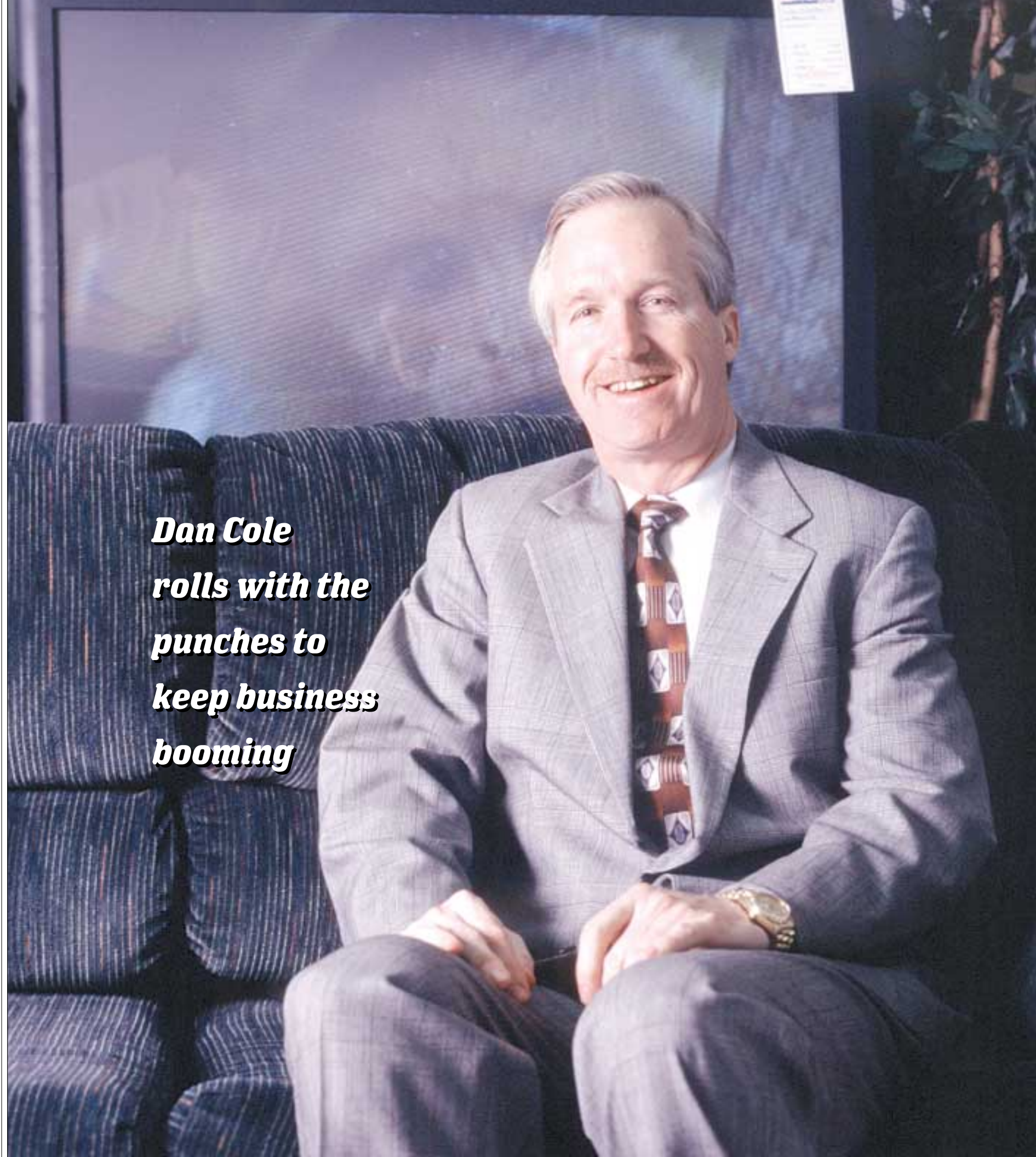


# changing with the times

**d**an Cole, owner of National Rent to Own, based in Bridgeton, MO, has served on APRO's Government Relations Committee for more than a year, has been president of the Missouri Rental Dealers Association for three years and has made seven annual trips to Washington D.C. to lobby for HR 1701, the Consumer Rental-Purchase Agreement Act. Yet, despite his activism on both local and national fronts, Cole is hesitant to associate himself with the political environment of the RTO industry.

***An APROfile  
by Katie Garza  
Photographs  
by Joe Nuelle***



***Dan Cole  
rolls with the  
punches to  
keep business  
booming***



ne thing I want to establish is the fact that I'm not a politician," he says. "I really hate the concept of politics. I'm not one to fan my ego by trying to be involved; I'd much rather not have to be. But, I think it's an absolute necessity with what we do."

Cole says that the RTO industry historically has had a "bull's eye on its chest" due to consumer advocacy issues and the lease-versus-sale argument regarding rental-purchase transactions. He says that when people in power misunderstand the industry, it can greatly affect the industry's livelihood.

"One of the things I've learned is that all you have to do is get the right

politician, and—with the stroke of a pen—he can change the way we do business," he says.

"So we have to be vigilant. We have to be aware of what's going on at the state and federal levels. Unfortunately, there just aren't a lot of people who want to be involved and you just have to take it upon yourself to ensure that there's always a few of us who are out

there trying to make sure that things are happening the way we want them to happen."

Cole says he is encouraged that the U.S. House Financial Services Subcommittee on Financial Services and Credit passed HR 1701 on November 28, 2001. However, he acknowledges that, as an industry, we still have a way to go in making this legislation a reality.

"The big thing with HR 1701 is the clarification that what we do is a lease and not a sale," says Cole. "It's what we've been trying to do all these years. If people wanted to buy products, they'd go somewhere else to get them. Once we get HR 1701 passed, we can conduct business as a rental and not be concerned about all these other issues. It'll strengthen the business and give us more confidence and legitimacy and so forth."

Ultimately, Cole thinks that our industry's political struggle to be understood by legislators and consumer advocates has strengthened the RTO industry as a whole.

"The fact of the matter is that all the conflicts we've had to get laws passed and the conflicts we've had with politicians have really made us a better industry," he says.

"It's galvanized the fact that we really do need to treat people right and that we need to provide good products and services. It certainly has made me look in the mirror every single day and that's really important."

#### **Responding to market demands**

Cole says he continuously evaluates the way he does business in his own company to stay current with the changing face of the RTO industry. National Rent to Own, established in 1984, operates 26 stores—16 in Missouri and 10 in Illinois.

Over the years, Cole has been able to tap into the needs of his customers and his



# NATIONAL RENT TO OWN



***"When you sit back at the home office and put together policies and sales programs, sometimes there is a big difference between putting it together and actually making it work at the store level. Obviously, the people at the store level are where the rubber of the tire meets the road. They can say whether these things really work or not. Getting feedback from the troops, so to speak, on a continuous basis is extremely important."***

employees by regularly meeting with a store manager advisory board and conducting routine customer surveys.

"The advisory board has a big impact and influence on our policies and procedures and the way we do business," he says.

"When you sit back at the home office and put together policies and sales programs, sometimes there is a big difference between putting it together and actually making it work at the store level. Obviously, the people at the store level are where the rubber of the tire meets the road. They can say whether these things really work or not. Getting feedback from the troops, so to speak, on a continuous basis is extremely important."

Cole believes that high employee turnover always has been a weak spot in the RTO industry and using an advisory board to tap into employee attitudes is another way to counteract that trend.

"We try to pay our employees well, but more importantly, we respect them and try to create a real good work environment so that they'll stay," he says.

"If an employee doesn't stay with you for more than 90 days, then it's difficult to get them trained so that they treat the customers correctly."

Providing customer service that is relevant to the ever-changing marketplace is equally vital to running a successful business, he says. The APRO and Federal Trade Commission cus-

tomer surveys help store managers to address these needs.

“We work hard at being problem solvers for our customers rather than having the ‘my way or the highway’ type of attitude,” he says.

“We understand that some of our customers are going to have problems. We develop programs to try to work with them as much as we possibly can.”

He says the APRO surveys also reveal what products and services are in demand. “We find that there’s a

tremendous evolution going on,” Cole says. “Programs that were successful two years ago no longer work. Our customers now demand all the benefits and features that you can get at retail. They demand big-screen TVs and all the high technology. You have to keep changing and moving forward with those trends.”

Cole admits, however, that he draws the line when it comes to diversifying into related services in an attempt to attract more customers.

“We just want National Rent to Own to be the best rental store in town,” he says. “We haven’t added other services like payday loans or that kind of thing. That’s one thing that concerns me a little about some of the other guys in the business. To me, you need to be an expert at one thing. It’s difficult to be an expert at 10 things.”

He says that store presentation also affects how potential customers respond to his company. “We work very hard at store appearance,” Cole says. “We spend a lot of money on remodeling and fabrics and decorating to make it a pleasing environment for our customers.”

### **The future looks bright**

Cole says he would like to open four to five new stores every year. This rapid pace of growth obviously will require a larger workforce; Cole has his ideas of how he’ll approach that challenge.

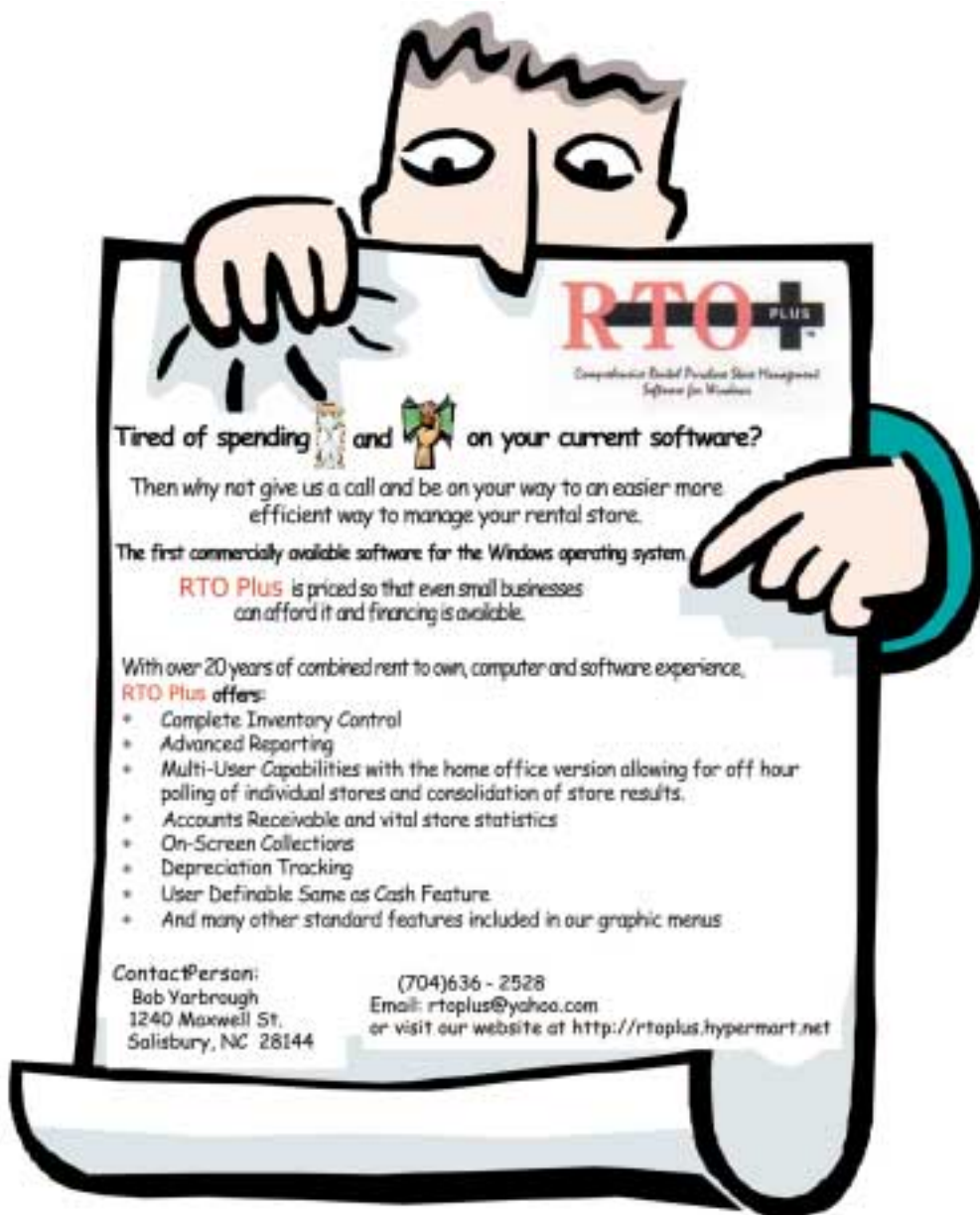
“We try to promote from within as much as we possibly can,” he says, “but I think we have to keep working on improving our employee base, in terms of attracting talent to the industry.”

And one way to recruit quality people is to make sure that the industry is received as a first-rate business in the marketplace. State organizations, such as the Missouri Rental Dealers Association, help local businesses shape the future of the RTO industry through legislation lobbying, trade shows, conferences and training programs.

“We want to make sure that we keep our troops together,” he says. “We want to make sure that we have good grass-roots coverage that can stop any potential problems.

“I think the business in general has changed dramatically in the past five to 10 years,” he says. “The ‘fly-by-nights’ are out. We’ve become more professional. The industry has grown up. You have to have good stores, well-trained people, great products and you have to give good service. I think, from that standpoint, we’ve definitely gone through an evolution.” ■

*Katie Garza is a free-lance writer.*



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