

**DAVID P. DAVID'S  
JOURNEY FROM  
HARVESTING  
HOLIDAY TREES  
TO REAPING  
THE REWARDS OF  
RENT-TO-OWN**

It is the week before Thanksgiving, and David P. David can't help but think about Christmas trees. Not because retail stores are already teeming with tannenbaums and not because his holiday spirit is overflowing to the point at which he can't wait to put up his own festive foliage. David, vice president and general manager of the Indiana-based rent-to-own chain American Rentals ([www.american-rentals.com](http://www.american-rentals.com)), is concentrated on Christmas trees because he spent the first 14 years of his career working as a Christmas-tree farmer. ¶ "We had a farm and my father was in the Christmas tree and nursery business," David explains. "We had about a million-and-a-half Christmas trees planted throughout central Indiana and we shipped about 150,000 trees a year. We'd start harvesting Christmas trees in October, get everything here loaded onto boxcars, drive to Florida, unload the boxcars and by Thanksgiving, we had 35 locations at Montgomery Ward stores throughout central and south Florida stocked and ready to go." ¶ David recounts his time in the Christmas-tree business with mixed emotions. On one hand, it was grueling work, under extremely high-pressure conditions.

PHOTOGRAPHS BY BILL KEENE AND CINDY FERGUSON

**'Tis always the season...  
for success**  
AN APROFILE BY KRISTEN CARD



**Y**ou had one month to make your living,” says David. “I worked 16 to 20 hours a day, seven days a week, and it didn’t matter if it was raining or snowing or 20 below zero—you only had a certain time period to get the job done, and if you didn’t get it done, the year was wasted. The only thing that kept me going was knowing it’d all be over by Christmastime.” ¶ On the other hand, Christmas-tree farming helped David develop an exemplary work ethic, the ability to successfully deal with all aspects of running a business—from machinery repair to promotions to retail sales—and a good idea of what motivates him business-wise. ¶ “Working with my dad in the Christmas-tree business is the one thing I did that was the most satisfying thing in my life,” David, 56, claims. “I wasn’t fond of the business, nor did I think I’d stay in it for the rest of my life. But a lot of what I learned, I put it into rent-to-own. What I enjoy is making people happy, giving people enjoyment. When we rent product to people, it’s something for them to get enjoyment from—that’s much more of a motivator for me than making money.”

**D**avid was born and grew up in Nashville, Indiana, a lightly populated (fewer than 1,000) artists colony located in the south-central part of the Hoosier State. David was the middle child of five, and only son, of Mary Jane and Grover Cleveland David Jr. His reiterative name came from his father, who spent much of his life clearing up confusion about whether his name was Grover David or David Grover; David David made misinterpretation impossible.

In addition to their Christmas-tree business, David’s family also ran a feed store, bait-and-tackle shop, hunting supply, filling station and restaurant, the Red House Drive-In, which in its heyday was the spot to go to in Brown County. Clearly, hard work was a definitive characteristic of the family and had been for generations. David’s maternal grandfather had been a renowned horse trader, while his paternal grandfather owned southern Indiana’s first Ford dealership—an extremely successful enterprise, especially in light of the fact that he insisted upon driving a horse and buggy himself.

David graduated from Brown County High School in 1967 and went on to flight school to become a commercial pilot, a childhood dream that never quite came to fruition. David continued to work alongside his family in their varied businesses and eventually moved to Kissimmee, Florida, to manage a Datsun dealership, which is where he was when his brother-in-law, Jim Hammond, decided to go out on his own.

In late 1980, Hammond bought Bloomington Full-O-Pep Appliances. Full-O-Pep had been in business since 1946 and was quite well-known throughout southern Indiana—“up to five counties away,” according to David.

David immediately asked Hammond whether he had any interest at all in acquiring a partner.

“He said no, not really, but I should come up and talk with him,” remembers David. “I came back to Indiana in August of 1981 and talked with him and he said if I moved back, then we’d think about opening up another retail store. I moved home by October. A month later, Jim, Dennis Adams and I went up to Kalamazoo, Michigan, and Bud Green, who owned Kalamazoo Rental, was giving seminars on the rent-to-own business. We spent the whole day in Kalamazoo, we talked to Bud, saw the product, talked with customers and drove home late that night. The next day, we started making plans to open a rent-to-own store within our retail store.”

Within three months, David, Adams and Hammond had moved their fledgling rental operation into its own Bloomington location.

By May, they had launched a Columbus store and from then on, continued to open about two new stores a year. By 1987, they had 12 stores—called Full-O-Pep on the western side of the state and American Rentals on the eastern side—and Hammond had had enough. He was ready for retirement and gave David a call.

“I think my proudest professional moment was having Jim call me and ask me to come to Bloomington and take over the company,” David says. “I said, ‘Are you sure?’ and he said, ‘Absolutely.’ I said, ‘Do you think I can do it?’ and he said, ‘I know you can.’”

Hammond knew what he was doing. Today, under David’s leadership, American Rentals (he unified the name when he took over) has 45 stores throughout Indiana, Kentucky and Tennessee, run by five district managers and about 250 employees. In 2004, the company moved into a 53,000-square-foot headquarters, which includes its corporate offices, a store, and distribution center. As David understatedly notes, considering he opened the Columbus store with only \$800, the company’s doing pretty well.

**D**avid is a purebred Midwesterner, plain-spoken but slow-talking, with clear deliberation put into the thoughts he chooses to express and the words he uses to express them. With almost deadpan delivery, he spells out his company’s simple, apparently effective plan to continue opening up a minimum of two stores a year, while making sure all American Rentals stores stay profitable. “We’re just going to keep the growth going,” he says.

Which is not to imply that David isn’t excited about

the future of his business. On the contrary, the company has just dived into a new venture that David finds extremely exciting: American Rentals opened its first franchise of Rent-n-Roll Custom Wheels and Tires last summer in Evansville, Indiana, and has plans to open three more locations in Louisville, Kentucky and another three to five in Indianapolis.

“I think it’s going to revitalize our rent-to-own stores,” says David. “It’s like being back in 1981, opening up a new sort of industry. It’s a complex business—we looked into maybe doing it on our own, but once I visited the franchise and realized how much energy [Rent-n-Roll owner Larry Sutton] had put into it and how much expertise he had, we decided to go with Rent-n-Roll.”

Asked the secrets of his success, David lists several fac-

service-oriented, who like working with customers and who make it a friendly store to come into. I encourage them to run the stores like the stores are their own; I want the way they run their store and treat their customers to reflect their personality. I think that’s what helps us keep that small-town feel.”

While David definitely isn’t a micromanager, he does hold his employees to high standards, following words of wisdom from his grandmother: If it’s worth doing, then it’s worth doing well.

“Don’t prejudice your customer,” counsels David. “Some of my store managers have told me that people whom others wouldn’t rent to have turned out to be some of their best customers. Don’t let anybody else’s store look better than yours—everybody cares what your



tors, including what he interestingly calls his “willingness to succeed.”

“We really try to operate as the hometown store, which we’ve been here in Bloomington since 1946,” David explains. “I try to hire managers who are customer

store looks like. Everybody wants to come into a nice, clean store and see nice, clean product.

“I’m not a believer in buying low-end product,” David continues. “I believe in things that are going to last a long time. You buy a better product, one that’s dependable



and going to last, and in the long run, the customer's going to appreciate it. It helps keep them coming back."

David says his best managers keep customers coming

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back through long-term, more personal relationships—they know first names and birthdays and have treats ready for kids whenever they come into the store. In fact, one of David's top managers is someone with whom he's had a very personal relationship his whole life.

"My mother managed our Columbus store for 20 years," says David. "When Rent-A-Center opened up a store, it changed managers about 12 times within its first five years trying to compete with her. It couldn't do it. A couple had a newborn and before they went home from the hospital, they came by the store to show the baby to her. You just can't hire a manager to compete with something like that."

David's mother still works for the company, helping with collections ("She loves tracking people down," he says), while his sister, Barbara, now oversees the Columbus store. One of David's daughters, Tessa, also works with the family business while working toward a degree at Indiana University Bloomington.

Aside from exceptional personnel—familial and otherwise—David believes American Rentals enjoys a competitive advantage from doing its own distribution.

"There's not a lot of rent-to-own businesses that still have distribution centers," he notes. "Every week, we



move hundreds of pieces of merchandise in order to accommodate customers quickly. We do all our own servicing, with different departments for appliances, electronics, computers and lawn equipment. And we control the cost, so we can keep it down."

But the bottom line that David returns to time and again isn't about low prices—it's about good people.

"I think our success has been all the good people we've been able to hire and keep," David muses. "We offer competitive salaries and benefits, but it goes beyond that. We try to help people when they need it—a sick kid, a dwindling bank account—working with them on whatever situations come up in their lives. My door is always open and my number's always available to whoever wants to talk to me. I think they feel they can be heard, like they've got a voice about things."

Having a voice about things is important to David, a fact exemplified by his intense involvement in both state and national industry trade associations. The Rental-Purchase Dealers Association of Indiana (RPDA) had David at its helm for 11 of its 18 years. Created to pass a state rent-to-own bill in 1987, the organization went dormant immediately following its legislative win. Two years later, as interest began to rise in revitalizing the group, David accepted the role of president, helping reenergize the RPDA, increase its membership, and launch a highly successful annual trade show that helps fund the association's lobbyist/legislative watchdog.

At the Association of Progressive Rental Organizations, David has served as a board member since 1989; currently, he serves as board secretary and chairs APRO's membership committee. David says the information he's gotten from other dealers at APRO events has been invaluable in building his business.

"I think for a long time, I took a lot of information away [from APRO events], but I didn't feel like I contributed a lot," says David. "For the past five years or so, I feel like I've been able to give a lot more than I've taken. I think some [non-members] are waiting for APRO to give them something; they're thinking 'What's it going to do for me?' If they'd try to be a giver rather than a taker, then they'd see just how much will come around to them. They'd probably get a lot more than they ever expected."

"APRO's like an insurance company," he says. "You might not always be happy when you've got to pay for it, but if you ever need to use it, then you're glad it's there. It just amazes me how this industry pulls together to make something happen."

**D**avid David is an industrious guy. In addition to opening up new stores, expanding into a new product area, serving as a board member and committee chair with APRO, and staying active in RPDA, David finds time now and then to golf, ride his bike and



fly (he is licensed, but not for commercial aircraft). The twice-divorced father of five—four girls and one boy total, ranging in age from 8 to 22—and grandfather of two tends to spend much of his leisure time with his family. His favorite activity with them is an annual summer trip to Michigan's auto-free Mackinac Island.

But lazy summer days seem long ago, as the holidays grow closer and David grows restless. It's a hard habit to break, the relentless busyness of his growing-up years, the back-breaking push every December. So David doesn't try to shake it; rather, he embraces it and incorporates it constructively into his life today.

"The Christmas season is very important for our company," stresses David. "We move product around like crazy the weeks before Christmas, to make sure customers have what they want for that special time of year."

And if he is helping make people happy, David's happy, too. ■

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