



NATIONAL TV SALES & RENTAL

# THE ULTIMATE FAMILY BUSINESS

HERE ARE FAMILY BUSINESSES AND THERE ARE FAMILY BUSINESSES. And then there is the Lebanon, MO-based National TV Sales & Rental, a third-generation business in which almost 20 percent of its 60 employees are family. What makes this particular venture so successful is not simply that it is run by the family, but that it is also based on sound business principles.

National TV Sales President and CEO Mark Windsor got his start in the industry by working as an accounts manager for a rental company in Texas. He worked his way up to the point where he was managing six stores of which one was his own. But he decided he wanted to go back to his hometown of Lebanon, so he left Texas and returned to Missouri to start his business anew. This was 1986.

His wife, Executive Vice President Kathy Windsor, meanwhile, had seven years experience working as a manager for a neighborhood 7-11 store while in Texas, where, she recalls, she learned a lot about business, especially standardi-

zation of policies and procedures, employee training and customer service. "I learned how customers' eyes light up when you call them by name," she says. "People like to be recognized."

That first store opened in 1986 was the start of the family business. Since then, the family has grown and so has the business. "I wish I had known 20 years ago that I would be in this situation," says Mark. "I would have had more kids and nieces and nephews." Currently, Mark and Kathy's three children are all involved in the business, which "is a father's dream come true." Joining them are two of the Windsor's nieces (Brook and Nicole Weddle), along with their mother (Mark's sister Margaret), Rick Windsor (Mark's brother) and Kathy's mother, Eunice Jeffries, and Mark's dad, Dick Windsor.

AN APROFILE BY THOMAS G. DOLAN

**T**HE WINDSORS NOW HAVE 13 STORES, with plans to open two more. All of the stores are in Missouri. Whenever the couple looks to open a new store, they look for a small town. “We’ve opened a couple of city stores, but they don’t thrive as well as our small town stores,” Kathy says. “The nature of our business is more suited toward small towns.”

This is especially true in terms of the personal service the Windsor’s offer. Personal service, of course, is important in any store, no matter where the location. But it’s got a special connotation in a small town where word of mouth, good or bad, travels fast.

“We’re required to respond to a customer complaint within 24 hours, to at least make contact,” Kathy says. “Most of the time we take care of the problem the same day. Everything we offer is not covered by warranty, but we do our best to fix the unit, replace it with something of equal value, or provide a loaner. You won’t find service like this from a Sears or Wal-Mart. But we feel it’s important. If we expect customers to pay on time, we have to make sure that what we provide them is in good working order. If it breaks down, we fix it immediately.”

The store offers a wide variety of payment plans to make it easy for the customer to pay on time. Kathy’s favorite is the 90-day cash program in which the unit is paid for in full within 90 days. “This gives the customer a very good value, for it allows us to lower the cost of the merchandise. A lot of customers start planning their 90-day purchases right after Christmas, so that when income tax refunds come in, they have the money. They also have the satisfaction of owning the product.”

The plan also helps the store, Kathy says, because there are more products sold and a faster turnaround, requiring less maintenance. This is especially true of more inexpensive products. “Renting something for \$2 a week for 52 weeks is a chore for both sides,” she says. “And the customer may get tired of it.”

#### AN UNCONVENTIONAL APPROACH

Kathy doesn’t want her customers to get tired of anything in her store. For

this reason, she offers a wide variety of merchandise. “There’s only so many televisions or VCRs that any home can have,” she says. “And, if you’re in a small town, there’s a limited population, so you have to keep offering something new to bring people back.”

For this reason, Kathy is always on the lookout for a wide variety of odds and ends and curios, including little pub tables, “pie faces,” rough pine hutches, jewelry cabinets, magazine racks and microwave stands. “We recently purchased some video games comparable to the pinball machines in the old arcades,” Kathy says. “We put these out on a five-week agreement and rented 200 within a month. Bringing in new items also causes excitement with

### THE ORIGINAL FOUR

Mark Windsor, Margaret Bauer, Rick Windsor and Kathy Windsor



the employees and keeps their enthusiasm up for the rest of the business.”

The business breaks down roughly into 30 percent of white good appliances, about 25 percent furniture, about 20 percent electronics, 10 percent computers and the rest miscellaneous.

The company does a lot of conventional advertising including extensive radio, some cable TV and four to five direct mail fliers per year. Her most effective form of advertising, however,

is the \$20 referral fee.

Whenever someone brings in a new customer, at the time the customer makes the first payment on a rental, the person who made the referral gets \$20, either in cash or as a credit toward a rental. “One customer paid off his entire VCR with referrals,” Kathy says. “Some hand out our business cards with their name on it to their friends and colleagues. That says something about the way we do business when our customers are willing to make those kinds of referrals.”

#### A STREAMLINED OPERATION

In projecting the location for a new store, the Windsor’s, in addition to choosing a small town with a good market potential, also want one along their shipping route. The company purchases via a full semi-truck load. The goods are then all shipped to their 200,000-square-foot distribution center, which the company then delivers to the various stores in three trucks. “Not very many rent-to-own businesses do it this way,” Kathy says. “But if you order on an individual store basis, you can wait six to eight weeks for delivery.

Inventory needs can change drastically during this time.”

This way, Kathy says, the company gets price discounts through volume buying. Also, the company’s trucks can easily make adjustments from store to store, picking up, say, extra refrigerators from one location to take to another that needs them right away.

“We feel we’re never out of product,” Kathy says. The corporate office is computerized so management knows

exactly what is available and needed in each of the stores. “If each store did its own buying, it would take fewer employees and less planning,” Kathy says. “But I wouldn’t change it. For we deliver more efficiently and we always get those volume discounts.”

In addition, the company has its own service departments for both appliances and electronics. If something cannot be fixed in the home or at the store level, the trucks can bring it to a central location and get the unit fixed much faster than sending it to an outside service.

Centralized buying implies a level of standardization and, in fact, standardization is the norm throughout all of the stores. “Sometimes our customers travel or move to a different town or have relatives and friends someplace else. We want them to be able to go into any of our stores and find basically the same products at the same price,” Kathy says. “Account goals also are standardized and all employees wear light-colored dresses or shirts and ties. We dress for success and fully believe in that.”

#### PLANTING THE PROPER ROOTS

Training is also standardized. There are three basic stages. The beginning employee has three days of training in a classroom environment. Goals are established and reviewed each week. The second stage comes about six months later. It involves a formal two-day training period. This prepares the employee to be an assistant manager or assume a comparable position on the management support team.

Promotions are not automatic if there are no openings, but the employee is prepared and in line when an opportunity does present itself. The third stage of training at National TV Sales & Rentals occurs after about a year. This is called managers in-waiting. Employees learn how to handle the duties of a manager and are qualified to manage a store when the manager is absent due to vacation, sickness or other reasons. These managers in-waiting are then prepared to step into an opening for manager when it opens up.

A new program the company has been working on for nine months is

## ALL IN THE FAMILY

**N**ational TV Sales & Rental EVP Kathy Windsor, along with two younger generation members of the National TV team—Anthony Windsor and Brooke Weddle [see family tree sidebar]—discuss the family side of the business and how they make it work.

**PROGRESSIVE RENTALS: What do you think attracts younger generations to the business?**

**KATHY:** They all grew up in the business and with so many family members involved, the business naturally bleeds over into our personal lives. They have been around since the start and have seen how far we have come and together nothing is going to stop us. One of my boys was renting items in our home on a play phone when he was five years old...he even pretended to rent his sister.

**ANTHONY:** Knowing the security of the job and I already knew the business.

**BROOKE:** I grew up in the business so I was familiar with it and comfortable.

**PR:** What makes your family business unique?

**KATHY:** We all have the same goals and are not looking for another job like so many employees are today. We are here to stay. Even if you are not a family member, you pick up on the commitment and are treated like family. I think our other employees also see that everyone is treated the same and everyone has the same chances for advancement.

**ANTHONY:** We have family members working at all levels of the business.

**BROOKE:** Almost all of our immediate family works for National TV.

**PR:** What is the glue that keeps you all together when friction arises?

**ANTHONY:** Knowing that it takes the whole family working together to keep the business going and we are all committed.

**BROOKE:** Commitment.

**PR:** How do you handle conflict when it arises?

**KATHY:** Like any other business, you get the facts and proceed from there. Some members have a harder time keeping in mind it is nothing personal, that it’s business. Some members bull up and get the “mother bear” syndrome that so-and-so wouldn’t do that. And there are some who are harder on family members because they expect more from them and assume they always know the right things to do. Feelings get hurt. The hardest thing is remembering they are employees not family when it comes to National. But, since you know them so well personally, you sometime have insights on problems and can handle them better. You know when their personal life is affecting their performance without asking.

**ANTHONY:** Deal with it or start climbing the ladder until you get an answer.

**BROOKE:** Deal with it.

**PR:** How do you assign responsibilities and titles to members of the next generation?

**KATHY:** Everyone is treated the same at National TV whether they are relatives or not. They all go through the same training. The only difference is my kids and nieces were raised in this business so they have an advantage.

**PR:** How do you view women in the rent-to-own business? What do they bring to the business?

**KATHY:** I believe women are a great asset to rent-to-own and are one of the main reasons the business is changing for the better. As a norm, we have nurturing natures that improves relationships with customers and employees alike. We have an eye for detail, which helps in the merchandising of stores and purchasing of product. We also are less threatening in customer confirmations, which results in better customer relations.

**ANTHONY:** The customers seem to like them better, they make good account managers.

**BROOKE:** Women in rent to own are better account managers.

# THE FAMILY BUSINESS TREE

- ✎ Mark Windsor, president, and Kathy Windsor, executive vice president, have been married for 23 years, and have three children. Mark runs the overall business, and Kathy does the buying and merchandise distribution and is head of the corporate office staff.
- ✎ Margaret Bauer (Mark's sister and mother of Brooke and Nicole) has been with the company since its beginning, and is now visual merchandising specialist.
- ✎ Rick Windsor (Mark's brother) started with the company in 1987 as an account representative and is currently manager of the Sedalia store.
- ✎ Aaron Windsor (Mark and Kathy's son), 22, has been in the business since he was 16 years old. He was recently married, and will soon graduate from college to become an account manager trainee.
- ✎ Anthony Windsor (Mark and Kathy's son), almost 20, has worked for the company for two years, and is currently in customer service at the store in Springfield, where he is also attending college.
- ✎ Michelle Windsor (Mark and Kathy's daughter), just turned 16, is a junior in high school and works part time in the Lebanon store.
- ✎ Nicole Weddle (Mark's niece and Margaret's daughter), almost 21, has been with the company under a year and is managing the Buffalo store.
- ✎ Brooke Weddle (identical twin to Nicole) has been with the company more than a year and is managing the Springfield store.
- ✎ Eunice Jeffries (Kathy's mother) has been with the company five years and is head of human resources.
- ✎ Dick Windsor (Mark's dad), an original investor, retired, still works for the company in an advisory capacity for site development.

called MIT or manager in training. Although the company has traditionally promoted from within, Kathy says, "Sometimes you need new blood or need to bring in a qualified person from the outside. Maybe someone has managed a convenience store or has college qualifications. This person is not going to start out at \$7 an hour. So this program brings an experienced person like this up to speed on the business and offers accelerated management training."

## KEEPING THAT "FAMILY" FEEL

Even though this is a family business, National TV Sales faces many of the same challenges as all rental stores, including the ongoing challenge of attracting and retaining good employees. "This industry is famous for its turnover rate," Kathy says. "The work ethic isn't there as much as it once was and people aren't as loyal. We offer a very good profit sharing and insurance plan so that they will think of themselves as a part of our family. After a year of employment, however, the turnover rate drops significantly."

Kathy goes far beyond simply offering good benefit packages to her employees. "I guess you could say Kathy is the director of warm fuzzy feelings," says Mark. "She is the one who sends out personal handwritten notes for all occasions, gives handmade receiving

blankets for all births, plans Christmas parties, cooks at company picnics and personally cooks and serves lunch to all new employees in classroom training. I take care of the nuts and bolts of the company. She takes care of the rest, including the scholarship program, community and charity affairs and playing mom where needed."

The Windsor's sense of family extends into the community as well. Scholarships of \$1,000 are offered to high school graduates in every town where the couple has a store. Mark runs a beef farm on the side and is very active in Future Farmers of America. The couple donates generously to charities and are on many church lists as resources to turn to when families are struck by tragedies such as a burned down home or domestic violence. They will gather up and donate whatever might be needed, furniture, clothing or cash. For a long time, for customers whose health was in decline, the Windsor's have provided items such as a lift chair, water heaters, log splitters, "whatever," Kathy says, "is needed."

"This business has been very good to us. We've found that if we treat people the way we would like to be treated, whatever you give eventually comes back," says Kathy. ■

*Thomas G. Dolan is a free-lance writer living in Anacortes, WA.*

## THE NEXT GENERATION

Top row: Aaron, Michelle and Anthony Windsor  
Seated: Brooke and Nicole Weddle

