

# big thinking



OVERSEEING  
THE COUNTRY'S  
LARGEST RENT-  
TO-OWN STORE,  
NEW AVENUES'  
BILL KELLY  
BELIEVES SIZE  
IS SIGNIFICANT  
WHEN IT COMES  
TO BUSINESS  
SUCCESS

AN APROFILE BY KRISTEN CARD  
PHOTOGRAPHS BY KEN RADA

# B



Bill Kelly is a study in dichotomy. He is deliberative, yet driven. An optimistic pragmatist. And while he loves laughter, he strives for perfection. And all of these fascinating facets of Kelly's personality were evident by the age of 11. 🐾 "Between the ages of 11 and 21, I worked at a golf course," says Kelly. "I started caddying and was carrying bags bigger than I was at five dollars a loop. By 15, I was the No. 1 caddy. Expectations were high—people paying those expensive dues at the golf course wanted things perfect. As first caddy, I got to go out with the first group, which meant I got to go out on more loops every day. I'd get to work at dawn and leave at dark. It taught me the value of a good work ethic and how to get along with people. It was also a lot more fun than mowing lawns. One year at summer solstice, we got up and played all day long, from sun-up straight through to dark. When we counted it up, we had played 99 holes of golf in a single day."

# T

oday, 49-year-old Bill Kelly channels all of that impressive drive, diligence and determination into his work as chief operating officer of Georgia's New Avenues Rentals. Under President Mike Moore's guidance and Kelly's daily direction, the rent-to-own start-up has opened eight stores in less than two years, including a 35,000-square-foot über-facility believed to be America's biggest rent-to-own storefront.

Just a Midwestern boy from Springboro, Ohio (population approximately 10,000), Kelly was the only child of a stock broker/real estate dealer father and a mother who began her career serving as secretary to TV talk show godfather and fellow Ohioan Phil Donahue. Kelly's growing-up years were clearly consumed

by golf as he went on to captain the golf team at Heidelberg College, a liberal-arts school located in Tiffin, Ohio. Kelly followed a pre-med academic track, attending four years with a dual major in biology and English.

"It was 1979, I wasn't going to get into med school with a 3.2 GPA, and I didn't want to go to school anymore," says Kelly. "I didn't know what I was going to do. I ended up working for Rex TV and Appliances, selling car stereos. From the first day, I was the No. 1 salesman in the company. I got moved up to selling everything—TVs, appliances, stereo equipment—and at 21, became the company's youngest assistant manager."

Kelly spent the next decade moving up within Rex and launching the first few of many moves—from Dayton to Mobile, Alabama, to Jackson, Mississippi. By 27, Kelly was a multi-unit manager, running 14 stores in five states, and traveling extensively to help the company open up many of its stores nationwide. His Jackson store was photographed and used as the model store for the stock prospectus when Rex decided to go public.

Kelly wasn't moving up alone—during the same years, he and his wife, Linda (who he met at Heidelberg), had grown into a family. As Kelly's professional path continued to meander—with seven more moves over the next 15 years—his three young children learned to adapt to new environments readily and make friends wherever they went.

In 1989, Kelly was contacted by rent-to-own pioneers Mike Walts and Bud Holladay at Alrenco about switching his career course from retail to rent-to-own, a move that made good sense to Kelly.

"I got out of retail because it was becoming too dog-eat-dog," he says. "All about price, not about service, just buying and selling widgets. I've always believed in good value, but I also believe in good customer service. The rental business wasn't just about price points—it was one factor, but not necessarily the most important factor."

With his new direction came a new sort of working relationship for Kelly; Holladay became an invaluable mentor for him, the first of many surprisingly supportive—rather than competitive—colleague camaraderies.

"I'd had a lot of finance deals at Rex, so I already knew how to deal with customer applications," says Kelly. "I didn't know anything about collections, but working with Bud was priceless. He really immersed me in the collections part of the business and gave me a lot of confidence. After about a month of working with Bud, I felt like I could do it as well as anybody, with such terrific training."

Kelly stayed with Alrenco for the next nine years, helping grow the company from 34 stores to 167 as its vice president of operations. When Alrenco merged with Home Choice in 1998, Kelly launched and, as chief operating officer, ran his own start-up, RentWise, for a few years. In 2001, Kelly decided to leave rent-to-own and earn his insurance license—a Series 6 & 63 broker's license—and sell insurance and mutual funds. Not surprisingly, he was his company's top rookie salesman.

"It was O.K.," says Kelly, "but not as lucrative for me as rental-purchase."

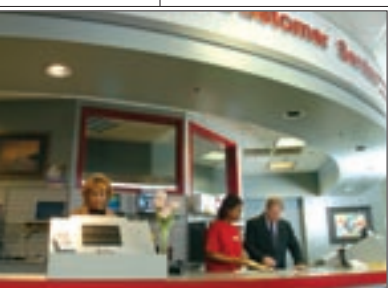
By late 2005, Kelly was working for a ColorTyme franchisee in Florida and living in the panhandle town of Navarre, which had just gone through three hurricanes in two years—Hurricanes Ivan (September 2004) and Dennis (July 2005) both hit the coastal community directly. By the time Katrina rolled over in August 2005, Kelly was feeling worn down.

"I had six stores severely affected by weather," he says. "They closed for weeks. We lost customers, employees, merchandise, store fixtures...it was devastating."

In November, another rent-to-own opportunity came knocking for Kelly, this time in the form of Mike Moore, then vice president of a successful chain of 300 specialty finance stores, who had decided rent-to-own would be a great way to diversify their business. Moore was searching for expertise from an RTO veteran, and Kelly fit the bill.

New Avenues Rentals opened the doors of its first store about two years ago in Jonesboro, Georgia, just south of Atlanta. Thanks in large part to Bill Kelly's strategic and operational know-how, the company has opened seven more since, all located around Atlanta.

"Atlanta is probably the most competitive marketplace in the United States," says Kelly. "We've



got Circuit City, Best Buy, BrandsMart, Fry's, H.H. Gregg, 45 Aaron's with their headquarters here, 50-plus Rent-A-Centers and myriad other competitors. At New Avenues, we're trying to hold our head above and be something different for the consumer."

Key differentiators for New Avenues are the size, look and feel of the stores. Store size averages a spacious 14,000 square feet. Kelly says what the company aims for is an atmosphere of grandeur and style, which when combined with true value, packs a one-two punch.

"We like larger stores, bigger footprints, in high-visibility areas," says Kelly. "We want customers to walk in and think they're in a retail furniture or electronics store. We have a director of purchasing and design who keeps us at the cutting edge with our furniture; I do the electronics, appliances and computers. We do an exceptional job in presentation and in price. I believe if [rent-to-own companies] all made our stores look and feel more like retail

stores and less like flea markets—even if people don't use our industry, maybe their opinion of us might improve."

And then there's that Decatur-Georgia-based enormo-store, the 35,000-square-foot former Circuit City that, as America's single largest rent-to-own store, is now New Avenues' crown jewel.

"We adapted much of [Circuit City]'s infrastructure to meet our needs," says Kelly. "We've turned their sound rooms into AV rooms; their clearance center is where we accept returns and host a nice bargain area. The facility also has quite a big warehouse with a shipping dock. It's working out wonderfully."

Naturally, Kelly continues to hunt for more spots the company can grow into. He says despite its pumped-up competitiveness—especially among electronics businesses—he and Moore still see plenty of market room for growth in and around Atlanta, but they've also got a wandering eye on markets beyond.

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Service and Fleet Manager Brad Hurtado, Service Assistant Manager Margaret Lily, Store Manager Mike Joiner, CSR Sherica Smith, MIT Frankie Augusta, CSR Mary Platts, Warehouse Manager Doug Wheatley, Assistant Store Manager Hershel Smith, CSR Tyrant Ealey (kneeling) and New Avenues' COO Bill Kelly (seated)

**Y**ou might think a man with his eyes so unwaveringly on the proverbial prize may be unconcerned about the human relations component of the business world. But truth be told, you can't talk business with Kelly for more than five minutes without him mentioning someone in the rent-to-own industry who has helped, supported or inspired him. He offers high praise for RTO trailblazers like Chris Bolin (Bolin Rent-To-Own), Larry Carrico (Rent One), David P. David (American Rentals), Ron DeMoss (Rent-A-Center), James McAlpine (Nationwide Marketing Group), Bill Milby (Home Express), Andy Simpson (Credit Merchandise), Daryl and Mike Tissot (Countryside Rentals) and Ed Winn (APRO).

As Kelly outlines some of the essential lessons he's learned over the years, he frequently mentions colleagues as teachers. He also credits many industry vendors like John Blair (DSC) and Bob Saunders (United Furniture) with helping him go out on his own.

"Bob has always been there for me with advice, insight and recommendations," says Kelly. "I consider him a man with a solid work ethic and incredible integrity. John helped me while he was the director of the TRIB Group. He's welcomed me into the Atlanta area and has been invaluable as a vendor and supplier for New Avenues.

"We're all basically trading customers in this industry," says Kelly. "So you've got to treat customers with respect. Treat them the way you want to be treated; the Golden Rule applies in rental-purchase as well as anywhere else. And having a positive attitude is very, very important. You've got to learn to laugh, learn to have fun.

"Working with Bud [Holladay] was as fun as it gets," he says. "I learned something from him every day, and he made me laugh every day. This job can be so hard—you can stay busy 24/7; you're never done. So if you don't laugh along the way somehow, you can get overwhelmed



**"I CAN NAME 40 PEOPLE IN THIS INDUSTRY WHO, IF I HAD A QUESTION ABOUT SOFTWARE OR PRODUCT OR PEOPLE OR ADVERTISING, I KNOW WOULD GIVE ME SOME OF THEIR TIME AND HELP TO FIND THE RIGHT ANSWER. I DON'T FEEL LIKE THAT WOULD HAPPEN WITH ANY OTHER INDUSTRY—SURELY NOT IN RETAIL. WE CAN BE FRIENDLY COMPETITORS AND SHARE SUCCESSES, TOO."**

really easily. Whenever I felt overwhelmed like that, Bud made me laugh. He was always ready with a kick in the pants to jolt me out of my complacency. I honestly try to follow that example and use it with my people. And if you can make customers laugh and break down those barriers, they'll follow you anywhere."

**I**nterestingly, Kelly credits rent-to-own industry organizations—such as the Association of Progressive Rental Organizations and TRIB Group, both to which

he belongs—with cultivating the environment of encouragement he has enjoyed with his professional peers.

"I worked for a while in the payday loan industry through ColorTyme and found that industry much more divided than rental-purchase," says Kelly. "I think APRO has done such a better job of uniting its members around a common cause and being extremely consistent. I can name 40 people in this industry who, if I had a question about software or product or people or advertising, would give me some of their time and help to find the right answer. I don't feel like that would happen with any other

industry—surely not in retail. We can be friendly competitors and share successes, too.”

Kelly has been involved in APRO since 1989, as well as in state rent-to-own associations in Kentucky, West Virginia and Indiana, where he served as president of the Rental-Purchase Dealers Association from 1997 to 1998. Kelly doesn't see himself as a trade association mover and shaker, but he does acknowledge the importance of the role he plays for the industry.

“Whenever APRO's called upon me, I've tried to be supportive of the organization,” says Kelly. “I'm an operator, not an owner, and the difference is, honestly, I just don't have the time to invest in the industry-wide big picture because I'm focused on the daily details. I have a tremendous amount of respect for the people who can and do make that huge commitment—hopefully, they've got someone like me helping them run their business. But you can be part of things and set an example by doing things right and fair and leading with integrity. I've always held myself and my people to the highest standards. I think that helps our industry as much as anything.”

**T**he way Bill Kelly speaks—slowly, carefully, with frequent long, thoughtful pauses—belies the “man on the move” lifestyle he's followed for more than 25 years. But asked where he sees himself 10 years from now, Kelly's answer indicates his nomadic days may be numbered.

“Ten years from now? Well, hopefully New Avenues will be growing along the same path it's going right now,” says Kelly. “I'd love to be doing what I'm doing, except with a lot more stores. I'd like to have people point to us and say, ‘Wow—they really led rent-to-own in this different direction, and they've done a wonderful job.’ I just love the people I work with—especially Mike Moore, who believes in me and provides the best support in giving us the right tools to go forth and conquer. We've got an amazing team at New Avenues, from the small home-office staff to our store managers and customer-service associates. We all have the same goal, which is to improve every day.

“The people who are doing business the same way we were doing it 25 years ago are going to be left in the dust,” he says. “If you're not continuously improving, then you're on a slow evolutionary path toward extinction. You've got to grow every day.”

At the end of every day, Kelly goes home to Linda, now his wife of 25 years, whom he calls his “partner, best friend and biggest cheerleader. We laugh all the time,” says Kelly. “She says that's why she loves me.”

Kelly still golfs some, though he claims he's had to learn to “let go and not be as good at it anymore.” He also



**Above:** A Kelly family vacation to Grand Teton National Park in Wyoming—wife Linda, Bill and children Annabelle, Tom and Caroline. **Right:** Linda and Bill celebrating 25 years of marriage. **Below:** Kelly at age 16 on his high school golf team.



loves to grill for family and friends and has won several chili cook-offs. But Kelly really gets animated talking about the memorable family vacations he and Linda take annually with their kids—Tom, 21, Caroline, 17, and 15-year-old Annabelle.

“Our favorite was Moose, Wyoming, at the Triangle X Ranch,” says Kelly. “It's up among the Grand Tetons—just stunning. We rode horses and lived in a little cabin. We saw bears and bison and moose. It was outstanding.”

Other Kelly family vacations have included walking Boston's Freedom Trail, visiting the Alamo in San Antonio and cruising to Mexico to see Mayan ruins.

Maybe the dichotomies that seem to make up Bill Kelly are really just a manifestation of his obvious desire to live life to its fullest, embracing as much of it as he can wherever he is, with every passing moment.

“There is never a reason to be bored,” says Kelly. “There's always something fun to do. In rental-purchase, you're running a retail store, a financial center and a service center all-in-one. In my position, I have not only those three balls to juggle, but I also have others, like purchasing and advertising and site selection. But it's a lot of fun when you're building something; you don't mind working a lot. I could work every day, because every day is fun. This—my work with New Avenues—is big, big fun.” ■



*Kristen Card is an independent business writer in Austin, Texas.*

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[chuck.melton@alliancels.com](mailto:chuck.melton@alliancels.com)  
[www.speedqueen.com](http://www.speedqueen.com)

### AMCOR Group USA \* ^

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[www.amcorgroupusa.com](http://www.amcorgroupusa.com)

### Electrolux Home Products ^

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[www.frigidaire.com](http://www.frigidaire.com)

### GE Consumer & Industrial \* ^ +

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[Paul.Eichberger@ge.com](mailto:Paul.Eichberger@ge.com)  
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### O'Rourke Sales Co. \* ^

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### Petra Industries \* ^ +

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### Synnex ^

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### Whirlpool Corp. \* ^ +

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