

AN APROFILE
BY KRISTEN CARD
PHOTOGRAPHS
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THE next GENERATION

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hen Bobbie Mitchell moved with her husband, Grady, and their two young sons, Chad and Derek, from Winston Salem, NC, to Danville, VA, in 1981, she thought her involvement in her husband's new retail appliance and electronics store was going to be temporary. Just a few months, they decided, until the store was up and running. Then she'd stay at home with the boys.



**KELLY RENTALS,
A ONE-TIME
MOM-AND-POP
OPERATION,
ADDS SONS, STORES
AND BIG GROWTH
TO THE MIX**

Twenty-plus years later, things have turned out differently. Very differently. Bobbie never did quit working at their store, which quickly evolved into a booming rent-to-own business. Rather than staying at home with Chad and Derek, she simply brought the boys to work—and then put them to work. And when Grady died unexpectedly in 1995, Bobbie became owner and president of Kelly Rentals (www.kellyrentals.com), feeling rather lucky to have missed stay-at-home-momhood.

“One thing I was thankful for was that I had been involved in the business from the very beginning,” Bobbie—now remarried, with the new surname Floyd—says. “If I hadn’t been, then I’d have been at a total loss. But I was prepared to run the business.”

A TWO-WOMAN SHOW

And run it Bobbie Floyd has—like a marathon. Today, Kelly Rentals has 18 stores and 150 employees throughout Virginia and North Carolina. But Bobbie definitely hasn’t done it alone. Jo Ann Grainger, Bobbie’s right-hand woman and a kind of second mother to her sons, is the company’s general manager and secretary. As the

ing care of business just as if I were here. She’s an exceptional employee and a great friend.”

And so the mom-and-pop shop turned into a two-woman business until 1997, when Chad Mitchell, freshly graduated from the University of Virginia with his degrees in economics and government, stunned his mother and their family friend by announcing his intentions to join the family business.

“I never had any pressure from my parents at all to go into the rent-to-own business,” Chad says. “They sent me off to college, paid for it, and left it up to me to decide what career I wanted to choose.”

“My last year in college, I decided I had a great opportunity to come home and try to grow the business,” he says. “It was left in good hands with my mom and Jo Ann. I wanted to come home and continue what my dad had started. That’s how I saw it.”

Three years later, younger brother Derek—following his graduation from Virginia Tech with a history degree—followed suit.

“I went to school and changed my major a lot and stuck with history because I thought teaching was what I wanted to do. Somehow—it didn’t have to be in a classroom, but some sort of teaching,” Derek says. “And the



DEREK, JO ANN, BOBBIE AND CHAD

“THE MAIN THING ALLOWING US TO ACCELERATE OUR GROWTH IS THESE TWO YOUNG MEN COMING INTO OUR COMPANY, TAKING A LOT OF THE LOAD AND GIVING US A NEW VISION. I THINK ALL COMPANIES CAN USE THE VISION OF YOUTH.” —JO ANN GRAINGER

Mitchells’ first-ever employee, Jo Ann marked 20 years with the company just as the company itself celebrated its 20th anniversary last January.

“We hired Jo Ann when we decided to have rentals at the back of our retail store,” says Bobbie. “It wasn’t even a separate section; she had a cordless telephone and a file cabinet.” Despite her sparse setup, Jo Ann worked industriously and, before long, it became clear rentals were a much more profitable path. The retail portion of the Mitchell’s business faded away to make room for Kelly Rentals.

“Before I came to the rent-to-own business, I never had a job that kept me busy,” Jo Ann says. “This is a business where you never have a dull day—it’s been so many years since I’ve seen the light at the end of the tunnel, I can’t remember what it looks like. But it’s exciting; it’s a challenge every single day. I wanted a job that I wouldn’t be bored with and wanted job security. It’s really been the answer to the things I was searching for in a career.”

The appreciation is mutual. “Jo Ann has been a god-send,” Bobbie says. “I depend upon her 100 percent as far as making the right decisions for the business. Whenever I have to be gone, I know she’s going to be right here, tak-



more I thought about it, the more I thought about coming to Kelly Rentals and working in the human resources department, training new associates, teaching them.”

“[The boys] really spent a lot of time during their younger years at the store,” says Bobbie. “They worked at the warehouse and just did odd jobs here and there. But they hadn’t given me much of an inkling that they wanted to come into the family business. I was really proud they wanted to do that. I was thrilled.”

THE KELLY RENTALS MANAGEMENT QUARTET

The breakdown of duties among Kelly Rentals’ leadership quartet seems fairly clear-cut: Bobbie and Jo Ann are responsible for keeping operations running smoothly; Chad and Derek—as director of merchandising and marketing and director of development and growth, respectively—are in charge of expanding the company.

“Grady’s dream was to grow the company,” says Jo Ann. “We’ve tried to open one or two stores a year, get them on their feet, then move on to a couple more. We’ve tried to do a steady, healthy growth that we could keep up with and manage as we grew.”

Bobbie adds with pride that every single Kelly Rentals

store was “made” from scratch—no acquisitions or mergers here. “We just grow as we can afford to grow,” she says.

But with two twenty-somethings stepping in, Kelly Rentals’ expansion rate is stepping up. According to the brothers, the company now intends to launch two or three stores annually, with the ultimate goal of having 40 stores active within the next nine years.

“The main thing allowing us to accelerate our growth is these two young men coming into our company, taking a lot of the load and giving us a new vision,” Jo Ann says. “I think all companies can use the vision of youth. We feel like Kelly Rentals’ future is brighter than ever.”

While the company’s growth pattern may be accelerating, its core values are intact. The keys to Kelly Rentals’ success are as down-to-earth and straightforward as the tight-knit extended family that serves as the example for them: Treat customers with the utmost respect. Offer a fine quality product. Train your associates comprehensively. Take care of your employees and they will take care of your customers.

“What do I think makes the difference?” Bobbie says. “Being honest with your customers and fair with everyone. And just treating everyone like you want to be treated.”



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PROTECTING THE KELLY INTERESTS

Something else the foursome agrees makes a real difference—not just for their business, but for the rental-purchase industry overall—is political participation. Kelly Rentals has been a member of the Association of Progressive Rental Organizations since 1987; Derek has been the company’s key attendee at APRO’s annual legislative conference for the past four years.

“When I first came to the company, I was wet behind the ears,” Derek says. “I really didn’t have much knowledge of our government and how it works. When I went to the APRO Legislative Conference the first year, I learned real quick how it all works.”

Derek and his Kelly Rentals colleagues picked up the ways of Washington, D.C., so quickly, in fact, that they held more meetings with lawmakers to urge support for federal RTO legislation than any other APRO member company for two consecutive years. Derek is powerfully motivated by the fact that while Virginia has its own state law to safeguard rental-purchase businesses, North Carolina—where Kelly Rentals’ growth is currently centered—doesn’t.

“APRO is our voice,” says Derek. “It gets our message across, it gets the rent-to-own industry out there in a good light. There are people out there who are against our business and might get their message across better

than us and we could be on the street. That’s always the fear at the back of my mind; I’m going to do what I can to make sure that doesn’t happen.”

CARVING OUT A LEGACY

The Kelly Rentals team has its self-directed work cut out for it, with high expectations for themselves, their company and their industry. And though their quiet Southern accents and genteel manners might make you wonder whether they possess the drive to deliver, don’t—this quartet is a well-oiled business machine, ready to carve out a strong rent-to-own legacy that can proudly be passed down from parent to child.

Which is exactly what Bobbie Floyd envisions. With both Chad and Derek married and Chad’s second son due this autumn, Bobbie’s working to make sure Kelly Rentals is something worthy of keeping within her family for generations to come.

“Hopefully, this business will be left to the boys someday,” she says. “They’re going to need to continue to work hard, because I don’t want to see our business bought out by somebody, like so many smaller companies are doing nowadays. I don’t want to see that happen to Kelly Rentals.” ■

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