

TALKING BUSINESS...

With a Few Local Business Owners

While Cincinnati may be home to ten Fortune 500 companies, small-to-medium-sized privately-owned businesses play a critical role in our local economy. Recently John Dovich (president of John D. Dovich & Associates, LLC), Mike Ward (president of Mike Ward Landscaping) and Todd Wilkins (president of Fairway Leasing, which owns Aaron's Sales and Lease Ownership) met to discuss the challenges they experience as small private business owners, as well as share the risks they took to start/grow their businesses and look ahead to any challenges they foresee over the next few years.

JOHN DOVICH: *Before we start talking about why you wanted to become an entrepreneur and business owner, can you give us a description of the companies you own and manage?*

TODD WILKINS: I'm a franchise owner of Aaron's, which is a rent-to-own retail store. We rent and sell furniture, appliances and electronics. Aaron's is a publicly traded company with 1800 locations, 700 of which are franchises nationally. I'm a franchisee for 18 locations in Kentucky. We've been in business for about 13 years.

MIKE WARD: I own a landscape business that's also involved in sod production. We are also a franchisee in the Weed Man Lawn Care system with both residential and commercial clients. I've been in business 39 years.

JOHN DOVICH: *Why did you want to become entrepreneurs?*

TODD WILKINS: I sum it up as the great game of business, which for me is the flexibility that comes with owning a business and the potential for financial freedom. However, most importantly is the change that you can affect through your own business. One of the most gratifying parts of owning a business is it provides my employees with jobs for their families.

MIKE WARD: I don't think there could be a greater con-



Pictured left to right: John Dovich, Mike Ward and Todd Wilkins.
Photo by Tracy Doyle.

trast between us because while Todd's entry into owning a business was very intentional, mine was not. My father had a landscape business and died suddenly when I was 15. I simply assumed that book of business and just ran with it. Over the years I never thought much about it, but it was cool having a business in high school and college and over time, the business grew and before I knew it, I really had something real.

JOHN DOVICH: *Just curious, Mike, are any of your original customers still a customer?*

MIKE WARD: I have one customer from the early 1980's – from either 1980 or 1981, and we still have him as an active customer.

JOHN DOVICH: *What were your biggest challenges once you made the decision to own your company and how did you overcome those challenges?*

MIKE WARD: Everything was a challenge in the early days of my business, including the systems, processes, how to sell, manage people, and production costs. It was all aspects of the business and being a single owner, having all those things that you were trying to get a handle on or perfect or just get to a working state. Clearly, within

our business, labor was the number one challenge for us and continues to be today. Finding, attracting, recruiting, hiring and maintaining a quality-oriented workforce in an outdoor business is less and less appealing to younger workers in today's market. Dealing with an uncertain workforce is our biggest challenge, especially now, as we've grown to 75 employees.

TODD WILKINS: For me, capital was a very big challenge early on in my company. Most small business lenders, while they want to lend money, they also want to see an operating history; they want two, three or four years of profit and loss documentation. For the first five years I ran the business, I showed losses. But that's what happens in some businesses when you're growing at a fast pace, and that meant continuing to obtain capital to expand my business was challenging. And, early on, business owners do everything – I was the HR guy, the Director of Operations, the CFO and the CEO. It was just me, until I hired my first employee. And then, I hired five. And then I opened a second store and all of a sudden, I had 14 employees. And then the third store and I had 20 employees. Now, we have 145 employees. Wearing so many hats early in the entrepreneurial journey was extremely challenging for me.

JOHN DOVICH: *Did either of you have a mentor to help you through your first few years of business leadership?*

MIKE WARD: In the early years I did not have a mentor. I look back on that and see that having a mentor would have been helpful. While I didn't have one, I did a lot of what I call, "seminar-ing," which was participating in outside education opportunities through the "green" industry. Now, I network more than anything else - this is how I meet with peer groups and that's where I get the bulk of my support at this point in my business.

TODD WILKINS: I had a good friend, who was a college roommate who built a successful business and had ultimately sold it just a few years after I had become a business owner. He was a mentor for me early on. When I relocated my family from Atlanta to Kentucky, to be closer to my business, I ultimately found the Entrepreneurs Organization (EO) and that became my mentor and group of advisors. That business forum is invaluable. They really are a board of advisors – I can bring issues to them and get great independent feedback from their experiences. It's instrumental in helping me with strategic direction.

JOHN DOVICH: One of the biggest influences for me, was about six years ago when my firm, with the help of the Goering Center, formed our outside board of advisors. It's been singly one of the best business decisions I've made within the past 30 years of doing business.

JOHN DOVICH: *At what point during this evolution did you decide to add key management talent around you to help manage and/or grow your business?*

TODD WILKINS: After about five years, I brought on a controller, which migrated into a director level position. She runs the office operations, which is a very critical position. Also, in that five-year period, I hired a Director of Store Operations. By including those two key roles, it helped my business grow to 18 stores. Adding those two roles and a couple of key multi-core leadership team members really drove my business forward.

MIKE WARD: My business was about 20-years old before we added managers to the staff. We now have six-to-eight key managers, which form our leadership team with another six-to-eight mid-level managers forming our management team. Looking back, I probably should have engaged with a leadership team earlier, but that's where we were with the business at that point in time.

JOHN DOVICH: *Looking at today and ahead to the next 3-5 years, what are your greatest challenges as a business and business owner?*

TODD WILKINS: That's an easy one for me – it's something I refer to as "the Amazon effect." Competition is changing very quickly and the world is becoming a "Digital-Land," allowing consumers to purchase from many different avenues. While we are a brick and mortar business with an ecommerce presence, so many companies are coming after all customer segments, including the customers we serve. Clearly, competition is our biggest challenge, on all platforms – both in a physical presence and in a digital world.

MIKE WARD: Within my business and in looking at the next 3-5 years, labor continues to be the number one challenge. Another issue my company is faced with concerns how to solve labor problems using available technology and robotics? Right now, all technology is driven to reduce labor costs. What happens when we have self-driving cars and delivery vans? Will we also have Roomba-type grass cutters? How will that technology help us solve labor problems to enable us to provide services at reasonable costs to our customers? We can't have unchecked labor costs because consumers won't allow it. Robotic agricultural weeding machines exist, and while I can't say if they'll become available to home landscaping companies soon, I believe the changes we'll see within the next few years will be the beginning of a revolutionary period for the physical trades. It's not happened yet, within this industry.

JOHN DOVICH: A challenge for my company, and I know it's one many business owners face, concerns the constantly

increasing health insurance premiums. With the debating of health care coverage in Washington, D.C., over the years, you just want to tell the politicians to find a bunch of smart people to figure it all out. We put people on the moon but we can't find a health care delivery system for our people that's affordable for small business owners to provide to its employees.

JOHN DOVICH: *Switching gears a little, what do you know today that you wish you knew when you first started your leadership role within your company?*

TODD WILKINS: For me it's the focus on leadership. When I launched the business, I ran around like my hair was on fire. Now, we achieve more from the leadership within my management team. So many companies have systems in place to allow them to be great. Had I known them, I would have put them in place and it would have been a quicker growth for my company. More focus on building my leadership team early on within my company would have been very helpful.

MIKE WARD: I remember in the early years of my business, I had to have a deep understanding of people. I think for business owners, this is the number one thing to understand and something you need to put all of your energy and effort towards. The concepts of a company mission and values quickly become more and more important as your business grows. You want people who are naturally aligned with you and pulling in the same direction as you expand your company. Leadership should always revolve around people. As a business owner, I learned people are more important to you, when your business evolves.

JOHN DOVICH: I agree with both of you. People are the most important to me, as well. Delegation and trusting someone else to perform and do their job, is very important. It all begins with trust. It's important to understand that while people might do things a little differently than you would do them, it's ok. It's all about trust.

JOHN DOVICH: *In just a few words, can you characterize your life as a business owner?*

MIKE WARD: In the early years of my company, it was absolutely 100% complete dedication, all-consuming hair-on-fire working the business. I had to be an expert in everything, and the business early on, wanted and needed everything I could give it. Now, though, it's changed and I feel like I don't serve the business in that same way. Now I feel my job is to really grow our people; to mentor, coach and develop our people to become the best they can. Beyond taking care of the customers, I look for ways to improve the lives for our people.

TODD WILKINS: I characterize it as hectic and all-consuming but most importantly, gratifying. As a business owner, you can never turn it off. It doesn't matter if I'm in the office or on vacation, the company is always on my mind. At the same time, it's extremely gratifying, it's great to be in the game of business. It's knowing that my business is contributing to commerce in our country, creating jobs, working with vendors, having influence in the communities we serve, and providing for our employees. All of that success is a very gratifying experience. And, to Mike's point, leading the organization and then getting out of the way so that the employees can run the business the way it can be run, is awesome for me. Getting out of the way is very challenging but I've learned how to do it over the years.

JOHN DOVICH: I characterize my life as a business owner as both exciting and invigorating. I'm a coach, a cheerleader, and a competitor – I win, I lose. Quite frankly I don't know that it's that different from the life of most people, but life as a business owner is different.

MIKE WARD: It's like having a second life.

JOHN DOVICH: It's the only life I know.

TODD WILKINS: I believe it's way more gratifying than working for someone else. If you're successful, the freedom and financial freedom is extremely gratifying.

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