



Frank Barrett, owner of Gateway Aquatics, takes time to clean one of the twenty ponds on his four acre spread. He sells a variety of tropical fish.

For this wholesaler

Small Is Good

Gateway Aquatics is a prime example of the way a small farmer can develop a growing wholesale market.

Text and Photos

By
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JACKSONVILLE, FL - When business at Gateway Aquatics grew to \$12,000 annual gross in 1972 owner Frank Barrett decided it was no longer a hobby. He bought four acres on the edge of town, started his own farm and increased sales to \$80,000 in 1973. In 1974 his firm turned in more than \$125,000 in sales and Barrett now feels that doubling his figures every 18 months is a reasonable goal. He is shooting for \$250,000 this year but claims no crystal ball.

During the two years he has been a full-time wholesaler, Barrett has seen 14 similar enterprises come and go. Only one retired. And during the same period he has seen the recession hit his retailers, a few hard enough to close their doors. Yet most of his customers are still in business going strong and doing nearly as well as Barrett himself.

Frank Barrett explains his optimism with disarming simplicity. "Americans are accustomed to luxuries and will stretch other things to keep their hobbies going. Its especially true of such things as 79 cent fish."

But recession-proof or not, Frank feels that suppliers who feature rock-bottom leader prices "low enough to be out of line" may get an initial order from retailers yet are working against themselves. "Price isn't everything," he says, "even in a recession."

"Cut-rate wholesalers force a retailer to buy second-rate stock then put the shop in a position where the owner cannot make good on his sales. These suppliers seldom get a repeat order."

Barrett claims he doesn't do that. "I charge the lowest price consistent with

the cost of backing up my stock with replacements." And that, Barrett adds, is the sole explanation for his booming success.

Replacements count

Like other wholesalers, he has problems. While he backs up all sales he often wonders about the few retailers who continually report losses while others around them have no problems at all. Yet he is lenient and works hard for new dealers, especially those who open stores in shopping centers and through a lack of experience, or through problems with new plumbing, run into disasters.

His experience goes back to 1960 when he was a junior in high school. A neighbor, who was moving, offered a bargain in an aquarium, and tossed in free fish. From two pairs, swords and angels, Barrett discovered breeding and is still selling both species. After time in the Army he returned to breeding and selling and shortly turned pro.

Somewhere in that period he tried a retail store but found it was too confining. Within a year he returned to the "freedom" of a wholesaler-farmer's life. He now has four acres with 20 well developed pools and customers are centered in Florida and Georgia with scattered numbers in New York, New Jersey, West Virginia and Ohio.

In accordance with a policy of not seeking more business than he can handle, Barrett is not pushing for new accounts until he adds new facilities which will eventually double his capacity. But he is proud of his customers, many older, established dealers. In addition he serves

two chains. He feels these are good for everyone.

"Newcomers are brought into the hobby by mass advertising and merchandising," Barrett says, "and once started become customers of independent retailers."

As an example Barrett tells of one mass merchandiser in Jacksonville who sold more than 14,000 new setups in a two month period prior to Christmas. "Some of these people dropped out of the hobby," he admits, "but a surprising number became customers of other retailers. I know because I'm selling them fish."

Shipping and costs

Distant customers are served by three airlines, Eastern, National and Delta and closer accounts by Greyhound. Frank has found that Greyhound gives reliable service and has sent thousands of packages without a single loss.

Because Barrett's prices are low customers share shipping costs. Insulated packing cases are billed at \$1.75 and customers receive \$1.00 credit for each one returned. Often local customers pick up shipments at his farm just to return the cases.

Barrett makes no claim for seeing more clearly into the future than others, but feels he is right about the strength of the tropical fish industry. He thinks the industry is moving ahead because the hobby is growing and Frank says the hobby is mushrooming for two reasons—the pleasure of fishkeeping and the flexibility of its prices.

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