

# Start & Run a Pet Business

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I dedicate this book to my mother, Cindy Orcutt, whose unconditional love of animals will always be my inspiration.

# Introduction



It has been my privilege over the past eight years to do what I love most each and every day. The experiences I have gained in that time have been both emotionally and physically rewarding. My experiences clearly affirm I have chosen the best career path I could have for myself by working with animals. Although, I cannot take all the credit, as I did come by the choice honestly; coming from a family of ranchers and being raised in a small town in Alberta, Canada, provided endless opportunities to be around a variety of animals.

I started my work with animals because of an inherent love for all creatures. Throughout the years I have been very fortunate to work with animals in many different capacities, such as animal rescue, animal-assisted therapy, and animal homeopathic practitioner.

While completing my Bachelor of Social Work degree, I learned of an innovative therapy technique called animal-assisted therapy. The primary goal of this therapy was to utilize the human-animal bond to promote trust and respect in client-therapist relations. The more I researched this innovative concept, the more excited I became. Finally a way to meld animals with my chosen profession; in Canada, 80 percent of therapists or counselors are registered social workers.

I was elated because I had found the ultimate career. The only problem was that no agency or organization had implemented anything like this in my city at that time. This surprised me greatly, as there was strong support for various animal businesses and services in the area. The bulk of my research indicated that the practice models for animal-assisted therapies support the idea that human-animal interactions can produce positive psychological and physiological benefits in both humans and animals. This theory is based on thousands of years of human anecdotal evidence. At the time the Chimo Project had also just released groundbreaking, solid empirical evidence supporting this idea.

I did the only thing I could think of and created Pets for Health Sake, Animal-Assisted Therapies Services. My rationale was simple: If there

were no services like this then I would ensure that there would be. With the support of my employers at the time, we established a joint program, at first, between the Schizophrenia Society (Lethbridge and area chapter) and the Canadian Mental Health Association (Lethbridge/Alberta South Region). Because of their trust in my professional abilities to pioneer this concept within our city, and their own experiences of the healing power of animals, I was able to create a flexible program that delved into all aspects of human-animal interaction therapies. The program's mission statement was clear: "To provide individuals the opportunity to interact with animals and receive the benefits thereof."

I have had the pleasure of working with rabbits, cats, bearded dragons, and dogs in a variety of different ways; facilitating everything from literacy to young offender programs. Focusing on each animal's individual abilities and strengths I sought to create strategies that would reflect the unique benefits of each animal for humans.

During that time I also became involved with the Lethbridge & District Humane Society, first as an office volunteer then as Vice President of the Board of Directors and eventually President. President was a title I held proudly through two consecutive two-year terms. By working with the Humane Society animals and becoming aware of their varying ailments, I became interested in different options for treating the animals with which I was in contact. I found many of the Western approaches to animal medicine seemed to lack a cure for progressive chronic symptoms. This in turn led to years of me researching various natural and Eastern modalities and methods.

While completing my certification as an Animal Homeopathic Practitioner I offered my services to the community through Tail Blazers (Lethbridge), Inc. With emerging companies such as Healthy Spot in Santa Monica, California, and Tail Blazers Inc., originating from Calgary, Alberta, I was able to expand on the concept of a retail-health-food store for pets catering to all aspects of the whole being of the animal, from nutrition to health care. With my background and certification, and the support of Tail Blazers' Lethbridge owner, Tammy Luchansky, the Lethbridge franchise was the first of the Tail Blazers stores to be able to offer this type of a business combination.

My focus has always been to improve the pet industry, no matter on which side of it I became involved. Throughout the past eight years I

have chosen to introduce emerging trends and innovative ideas to my community while working with animals.

As the pet industry continues to expand at an accelerating and unprecedented rate, there are endless possibilities when it comes to creating a successful pet business. With a little ingenuity and a solid business plan the sky is truly the limit for this industry.

What I have learned from my experiences working with animals has been instrumental in my continued personal and professional successes. It is my hope in writing this book that you will also be able to create a successful and ethical venture that expresses your love of animals.

# Chapter 1

## The Different Types of Pet Businesses





The first thing you must ask yourself is: Why do you want to start a pet business? Is it because of your love for animals or solely for the hope of creating a profitable venture? Will you attempt to fill a gap in the industry or create a niche market?

As with any business you must have a clear and concise objective as to the type of business you want to start, and what benefits that business will provide to your clients and community. Defining your motives in the beginning will give you and potential investors an idea of the future profitability of your business. When looking at the overall consumer activity in the pet industry, an increasingly upward trend has developed in the last decade, taking what used to be a conservative multimillion-dollar industry, into a staggering multibillion-dollar industry.

Once you've decided what your particular focus is you can start focusing on other aspects such as location, regulations, population (statistics), business plan, and future expansion.

I have broken down the overview of various business opportunities into sections in this chapter, rather than into individual businesses. Frankly, there are just too many viable business options to go into too much detail on all of them. The sections that follow cover businesses that can be described as services, health care, retail, or nonprofit or volunteer.

## 1. Service

Businesses that fall under the service category in the pet industry can included but are certainly not limited to the following:

- 🐾 Pet finder
- 🐾 Agility training
- 🐾 Obedience training
- 🐾 Pet sitting
- 🐾 Pet grooming
- 🐾 Pet visitation programs
- 🐾 Animal-assisted therapy

- 🐾 Pet memorial services
- 🐾 Dog-walking
- 🐾 Doggy daycares or kennels

Most of these types of services require that the providers have some form of acceptable certification within their area. Depending on which type of pet service you wish to provide, certifications in the service industry can be obtained through courses that take a few weekends or evenings to a couple of years in college.

Before you sign up for courses, research any institution or organization to make sure that it is recognized by your state or province. Pay special attention to who or what within the pet industry recognizes these certifications. Aside from some specialized services, it is wise to pick a course that is nationally recognized, versus just locally recognized. State, provincial, and federal mandates regarding the type of certification required to offer certain services, such as training or grooming, will differ depending on your location. Be aware of what your municipality expects when you obtain your business license. For example, should you decide to open a doggy daycare in the same location as a pizzeria, some municipalities will not allow a food service combined with an animal-based business. Depending on the region in which your business will be located, and what services you wish to provide, your facility may need to be approved by your local health authority. Be apprised of local health requirements and municipal bylaws regarding types of services *before* you create your business plan.

It is also advisable to research health and safety standards in your area. You should strive to meet or exceed the current standards. Not only does this help to establish credibility of your new business, it also keeps you ahead of the game. If you choose to do less than what is expected of you in an effort to curb start-up costs, it could result in failure or having to spend time or money to catch up to current standards.

When opening a service-based business, an easy to clean location is a must (see Chapter 4 for more information about picking a location). Look at properties that have concrete or vinyl flooring or plan for this as part of your renovation costs in your business plan. Note that a pet-service business can range anywhere from \$10,000 to \$50,000 (USD or CAD) on average in start-up costs.

When providing services for animals you must have a contingency plan in place in case the unforeseen should occur. Depending on your specialty and training, most associations will already have guidelines or suggestions for contingency plans. Be sure to research these so you are educated as to what is considered the best practices model for your given venue. You should also create a more specific version of your contingency plan, which includes what is required of you by any association you may belong to as well as points specific to your particular venue.

Consider every worst-case scenario you can and then write a policy and procedure manual for how you would handle each situation. This should be done on some level for all types of pet businesses. Even in retail you and your employees should know how to handle an upset customer before you ever have to deal with one in person.

Based on the one-stop-shop approach, service providers are catering to the business of today's consumers and benefiting from the extra revenues. You will have to decide if providing one service or many services is what you want to do and whether you will incorporate it at the beginning, in future expansions, or not at all. Some considerations will include hiring support staff, or perhaps a receptionist (see Chapter 7 for more on hiring staff).

## **2. Health Care**

Pet businesses that fall under the health-care category include, but are not limited to the following:

- 🐾 Veterinary clinics and hospitals
- 🐾 Rehabilitation therapy centers
- 🐾 Animal communicators
- 🐾 Animal therapists
- 🐾 Homeopathic practitioners

When looking at health-care pet businesses the first thing you should be aware of are the training requirements, as most opportunities in these fields will require a higher level of education or training. For example veterinarians, chiropractors, physiotherapists, veterinarian technologists, massage therapists, and acupuncturists all need higher education.

This is not to say you could not start a business in these fields without specific training. Typically, owners of these types of businesses perform the services themselves, rather than hire those with the required skill set. This leads to owners that have a sound knowledge base of their business, and the services they provide. This also minimizes the stress of dealing with employees with a higher level of training than yourself as it is difficult to critique their performance if you really have no understanding of their duties or requirements. Be realistic in your endeavors. After all, seldom do you see a person who can't boil water opening a restaurant!

Within the service industry, health-care services and providers will be regulated differently state to state, and province to province. Depending on the type of health-care service you will provide, the necessary training can take anywhere from six months to eight years, depending on your state or provincial requirements. Your local health authority will definitely be involved in the start-up process. Get to know the officials you will have to deal with on a regular basis through start-up and the duration of your business. It is far easier to work with someone you are familiar with and, depending on how long you own your business, you may work with a specific person continually.

Most start-up costs for businesses in the health-care field will cost \$30,000 to \$150,000 (USD or CAD). This will include things such as leasing or a down payment on a location, advertising, renovations, and marketing. This does not include the cost of your education or certification.

### **3. Retail**

Retail pet businesses include, but are not limited to, the following:

- 🐾 Stores (e.g., food, clothing, toys, herbal and natural supplements)
- 🐾 Boutique stores
- 🐾 Online stores

When choosing a business in the pet-retail industry you have considerable options with little-to-no need for specialized training or certifications. When reviewing different pet-retail options, consider the following questions:

- 🐾 Do you have any moral or ethical standards for the companies from which you choose to purchase products?

- 🐾 What is your budget for purchasing products?
- 🐾 Will you be creating the products yourself? If so, what are your business standards and practices?
- 🐾 Are you attempting to serve a niche market or a general population?

When you have answered these questions, you then need to consider what method you will use for your retail-pet operation. There are generally two standardized methods of operating a retail business: online or storefront. Whichever you choose should be based on target market, best method for product delivery, and location of your business.

### **3.1 Online retail**

Online pet boutiques are a modern trend that is beginning to dominate the industry. These businesses are versatile, convenient, and trendy, which make them a popular choice for many would-be business owners. Online businesses are also typically less expensive to run in terms of overhead costs, start-up costs, and the nonexistence of the legal liability of signing a rental lease or purchasing a building associated with storefront businesses.

Overhead costs for online businesses range from \$1,200 to \$20,000 (USD or CAD). Some websites claim to be able to help you start an online business for less than \$1,000, but there are always conditions, so do your research. Check references, look up the business on the Better Business Bureau website, and ask for recommendations of others as you don't want to have to pay for any aspect of your new pet business twice.

Start-up costs associated with this type of business can include ordering the product you wish to sell, setting up an online payment system, computer, high-speed Internet connection and modem, business license, specialized packaging for your products, and office supplies.

Online retail businesses are a popular option for entrepreneurs with low funds or for those who wish to avoid high risks. What's more, online retail is a great business to run as a home-based or part-time entrepreneur because it offers flexibility on the time commitment needed. It can be a fantastic outlet for your creative talent or hobby. It is also a great platform to target national and international markets right from the start.

## 3.2 Storefront

Storefront businesses appeal to the consumer on two basic levels. The first is that products are tactile; people generally like to touch and inspect items they are interested in purchasing. The second is impulsiveness; some people find it more appealing to buy and take home the product right then and there instead of waiting seven to ten business days to enjoy their purchase.

When opening a storefront pet-retail business, your location is what your customers will associate your product with. In many ways it will be the face of your business. Successful storefront pet-retail businesses are generally bright, clean, and open, allowing customers, two-legged and four-legged alike, easy access to products and merchandise.

As with any business, create your displays to be fun and educational. This not only attracts the customer's eye, but also reduces time-consuming questions regarding product information.

Costs associated with start-up of a retail business can range from \$10,000 to \$100,000 (USD or CAD), depending on your target market. Such factors can include location, overhead, equipment, wholesale prices of products and merchandise, renovations, employees, and marketing.

## 4. Nonprofit and Volunteer Work

Those wanting to create a nonprofit- or volunteer-based venture are not in it for the income. Nonprofit usually means low wages (if any wages at all), especially when dealing in the realm of pets. Many nonprofit or volunteer businesses are very successful, but success is not often based on economic gain. The following services fall into the volunteer or nonprofit sector of the pet business:

- 🐾 Shelters
- 🐾 Rescue groups
- 🐾 Search and rescue
- 🐾 Assistance groups (e.g., Blankets for a Cause)
- 🐾 Pet visitation services

Becoming a volunteer at a local animal rescue association is a great way to network with potential supporters of your new business. It is also a valuable way to gain knowledge of working with various types of animals.

Volunteer and rescue groups are mostly created as nonprofit organizations. However, some are not operated as businesses or have business subsidiaries to help fund their efforts. Different business practices and legal requirements apply and these will vary from one jurisdiction to the next.

For many people, the reason behind creating a nonprofit organization is that a gap in services needs to be filled, rather than the motivation to create a lucrative business. It has been my experience that although very rewarding, those who create nonprofit or volunteer pet businesses are not doing so to make money. It is their passion and love for animals that drives them.

Be aware of all local and state or provincial laws pertaining to the creation of a nonprofit organization. The application process can be tedious. However, depending on your location, there are government services in place to provide assistance with the application process. Check with your local government office for more information.

Be aware that most current state and provincial laws require that in order to be a registered nonprofit organization there must be direction by an appointed board. Therefore, you may create the organization and be its founder, but you may have to defer delegation to your appointed board. Note that in Canada it is illegal to be a paid employee while sitting on the board of a nonprofit organization.

One of the main reasons in creating a nonprofit organization is the tax incentives or reductions that are offered due to low profits (if any). Grants are also more readily available to those in the nonprofit sector. Some choose this method as a way to fill the gap without having to rely on personal funding for the endeavor. There is also the ability to fundraise for your cause. Events such as dog jogs, benefit concerts, and silent dinners and auctions can be a multifunctional way to generate revenue while networking within your community. Depending on the event, you could also have a lot of fun!