

# Business Profile — Pet Shops

The successful operation of a pet shop that satisfies the needs of pet owners and animals alike requires a strong liking for animals, a knowledge of their habits and managerial competence. Individuals wishing to enter the pet shop industry in an entrepreneurial capacity should also bring considerable experience in the industry to their new business.

There are good prospects for success in the industry if it is located in the suburbs of a metropolitan area where pet ownership is the greatest. The new entrepreneur must be technically competent, willing to perform occasionally undesirable maintenance tasks, and able to keep abreast of the new trends in the industry, particularly as related to his trading area's demands. The

risks in the industry can be minimized if the pet shop owner clearly defines and analyzes his market, keeps good inventory records to turnover, and utilizes the many resources of advice available to him.

Retail pet shops are classified under Standard Industrial Classification (SIC) 5999 which encompasses miscellaneous retail stores not elsewhere classified. Retail pet shops are involved in the sale of pets and pet products including food and accessories. They may also offer grooming services. Other segments of the pet industry which are not described in this profile include pet breeders, wholesalers and distributors, manufacturers of pet pro-

ducts, veterinarians, and trainers. Pets and pet products are sold at retail by independent pet shops including franchise operators, discount stores, and variety stores. This profile will be specifically concerned with the operation of a retail pet business by an independent entrepreneur operating either under his own name or under a franchise.

There are now an estimated 12.5 million American households with one or more dogs and 5.3 million with at least one cat. The estimated dog population is 25 to 28 million, the cat population about 33 million, and the fish population about 300 million, with each type of pet having particular needs that may be met by the pet store. It is

estimated that eight million households have birds - 75 percent of which are parakeets. The industry has shown continued growth especially

1970, owners spent about \$3 billion on their pets - almost three times as much as they spent in 1960.

A most important part of business is an analysis of future trends in the area of interest. Currently there is a strong demand for pets, pet foods, and accessories, with a high probability of bringing good profits to the owners of pet shops.

The demand for particular pets, such as dogs, cats, birds, and fish, always has existed, but the rate of demand is increasing rapidly. Tropical fish are a good example of people's desire to own pets.

One of the largest tropical fish farmers in the world shopping over 20 million tropical fish throughout the United States

in the span of 3 years. Industry experts report that tropical fish have become America's second largest hobby, behind photography. There are about 15 percent more hobbyists yearly, with the number now exceeding 20 million.

Other factors reflect the growth potential for the pet industry. Research and development departments of pet shop supply manufacturers and supermarkets are placing heavy emphasis on pets in their projections for the next 15 years. Supermarket studies have led to conclusions indicative of the anticipated pet population growth. Grocery industry statistics indicate that retail sales of cat and dog foods have climbed from \$600 million in 1965 to \$1 billion in 1969. Pet products as a category of goods stocked by grocery stores has been one of the standout performers in the past 5 years. Projections show that in the next 5 years pet products will be among the top four grocery categories in terms of annual tonnage sales gains.

What are the external influences affecting growth? One of the primary causes may be found outside the pet industry itself - in the continuous growth and expansion of the American economy. Population is expected to rise to 213 million in the United States by 1975 and 225.5 million in 1980. Demographic data indicate that urbanization (settlement in areas with populations of 50,000 and over) will be the trend. The A.C. Nielsen Company estimates that, of the 26 million additional consumers expected by 1980, 20 million new residents will settle in metropolitan areas including city suburbs. Since the pet ownership tendency is greatest in these areas (with 50 percent of pet owners living there), this growth means a sales market with great potential.

Disposable income, too, is expected to grow rapidly, reaching over \$1 trillion in the United States by 1980, nearly double the 1968 figure of \$588 billion. This trend has led Progressive Grocer to say that "more people plus more people moving to cities and suburbs plus more money to spend equals more pets."

## 11 TELE-CABLE CHANNEL WINSTON-SALEM/FORSYTH COUNTY SCHOOLS

SCHEDULE for JANUARY 20 - JANUARY 24

	MONDAY 20	TUESDAY 21	WEDNESDAY 22	THURSDAY 23	FRIDAY 24
8:30					MEET THE ARTS
9:00	COMPARATIVE GEOGRAPHY	MAN & HIS WORLD	IMAGES & THINGS		
9:30	ELECTRIC COMPANY				
10:00	DUSTING OFF MYTHOLOGY	COVER TO COVER	BREAD & BUTTERFLIES ABOUT SAFETY	LIFE WORLD 2000 GUTEN TAG	TIME FOR SOUNDS
10:30	ZOOM	RIPPLES INSIDE/OUT	ZOOM (R)	IMAGES & THINGS (R) CELEBRATE A BOOK	"NEW" COVER TO COVER CELEBRATE A BOOK (R)
11:00	ALL ABOUT YOU INSIDE/OUT	STORIES TO TALK ABOUT	GUTEN TAG MAN & HIS WORLD (R)	WHAT ON EARTH	ALL ABOUT YOU INSIDE/OUT
11:30	SEAME STREET				
12:00	SEAME STREET				
12:30		GUTEN TAG 1:15 & 1:50	GUTEN TAG		

(R) = Repeat from earlier in week.

**T. V. PROGRAM NOTES:**

**Comparative Geography:** "Two Mountainlands - Alps & Andes"

**Dusting Off Mythology:** "The Hero"

**All About You:** (Mon.) "Talk, Talk, Talk" (Fri.) "What Keeps You Alive?"

**Inside/Out:** (Mon.-Tues.) "Some Are Special" (Fri.) "I Want To"

**Man & His World:** "Japanese Boy - Story of Taro"

**Cover to Cover:** "The Children of Green Knowe"

**Stories to Talk About:** "Why We Use Money; The Fisherman Who Needed a Knife"

**Ripples:** "Feeling Spaces"

**Images & Things:** "Getting The Message"

**Bread & Butterflies:** "Interpersonal Skills"

**Guten Tag:** (Tues.) "Rachen ist ungesund!" (Wed.-Thurs.) "So ein Zufall!"

**Life World 2000:** "Migration"

**Celebrate A Book:** "The Piano Tuners & Sammy"

**What On Earth:** "The Beach-Border of the Land"

**Meet The Arts:** "Introduction"

**About Safety:** "Clyde Learns About Germs"

**RADIO COUNCIL PROGRAMS - on WFDD/FM (88.5 on the FM radio dial)**

Monday - January 20th - 1:30 PM, "Ponia and the King of The Storytime Series"

Tuesday - January 21st - 1:30 PM, "Drovers' Gold" This Fall North Carolina Series

Wednesday - January 22nd - 1:30 PM, "Judge For Yourself" Listen See