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Don't Put Your Opportunities on Hold The Story of Little Jimmy Part 2.

By Jim Stoddard, Founder and owner of ARGCO.

Part one tells the story of how Little Jimmy was badly burned in a fire when he was 3 years old. As he grew up, his dad told him, "You'll be accepted as long as you can do a job and be of service to others, and you'll just have to be a little nicer than the next guy to make it."

Argco was conceived out of my need to be free. Money for things was not the big draw. I had experienced freedom while traveling through the west, living in my van, surfing and backpacking for most of my young adult life. Once you're devoted to the outdoors you're addicted and you don't want to stop.

My mid-twenties was passing me by and I never had a full time job. I had no medical insurance, no car insurance, and no headaches when I met some folks who were selling Teflon Tape over the phone. I was told I would make a great salesman, I wasn't convinced but since the job could fit into my surfing lifestyle, I tried it.



Cardiff-by-the-Sea in the Seventies

"Good Morning Billy, thanks for taking my call. The reason why I am reaching out to you today is I got a lowball price on your pipe thread sealant...., you know teflon tape (pause)

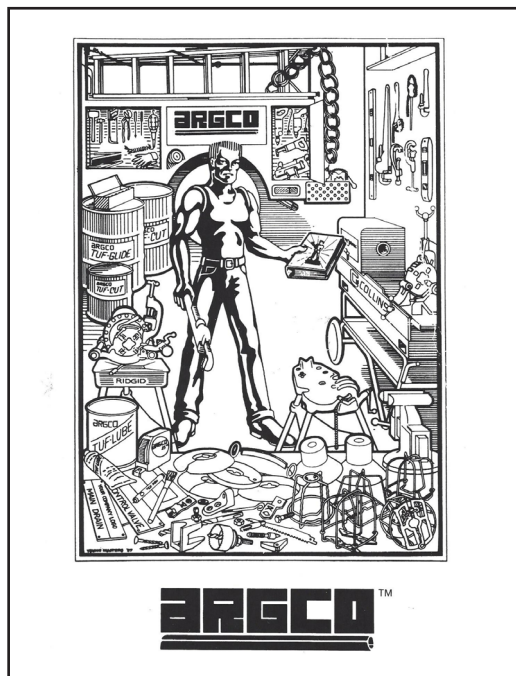
Comes on a plastic spool and shell, carries the mil spec T27730A on every roll and if you can work with me today, 29 cents." (pause)

Well it didn't take me long to figure out fire sprinkler contractors use more teflon tape than any of the other piping trades, so that is who I called.

Argco officially began in May of 1981, at that time Ma Bell had the monopoly on phone calling, so it was very expensive, but before 8 am Mom offered a 60% discount on their rate so I got up early and called the east coast from my living room in California.

I dialed as fast as I could and I only talked to buyers. Leaving messages made me no money.

"Billy, I understand what you're saying BUT if you don't shop every single item you're going to go out of business. (Pause) Do you let your wife buy milk at 7-11? (Pause)"



Argco's first catalog

The first thing I learned from being in business was everyone who was already in business was there to put me out of business. The biggest corporations have no mercy for small business. UPS did not explain that discounts were available.

AT&T made their billing so confusing they could charge you for phone lines you didn't have. Bank of America laughed at me, and Prudential Insurance overcharged me by 100% because big business has no heart.

Well as my fate would have it (and fortunately for me) by early 1982, my competition went bankrupt. I was shocked, so I called the phone company and asked for California Tape's toll free phone number, which I received 6 months later and that's my number today.

**“You can’t hit the ball if you don’t swing,”
my dad would say.**

In business everything is timing. It’s like hunting for morel mushrooms, the weather has to be warm enough at night for the mushrooms to pop up but early enough in the season that the grasses are not yet tall and you can see the mushrooms.

Mushrooms or Opportunities do not last, so don’t put your opportunities on hold. A few months went by after receiving Cal Tape’s number when a call came in from some Malaysian Tape manufacturers, I asked for a “wish price” and when they met it, my price came down by 40%. Wow the wheels were rolling, but we now hit overdrive.

“Billy I just received two containers and I can’t close the warehouse doors, so if you can purchase 10,000 rolls I’ll give you a price so low you could play handball with the curb.” (Pause)

“They buy the sizzle Jimmy, not the steak,” Wayne Underwood would tell me. Contractors won’t listen unless you get loud. Get their attention, and make them check their costs while they’re on the phone. “That’s a good price? Eh.....! Billy, it’s not like tomatoes....they don’t go bad!”

I was selling five new customers a day and business became so much fun that I forgot to surf for a year or two and all I did was work. I’d start in the morning dark and work into the night dark.

After just two years in business, Argco was selling a substantial share of the nation’s thread sealant tape business and Argco’s customer list read like The Who’s Who in the Fire Sprinkler and Plumbing industries. That’s a lot of tape.

In 1983, contractors were asking me for a paste pipe dope, so after researching the brands being used I realized I won’t be able to pay freight and make money selling brand named products.

That was an eye opener, so I did my research and Tuf-Glide pipe dope was formulated. Soon we were selling over a million dollars worth of Tuf-Glide; the original low cost Teflon pipe thread sealant.

Tuf-Glide’s success speaks of its quality! In the industry that threads and seals more pipe than any other, Tuf-

Glide is every bit as good as those high priced sealants.

Just because you’re big and you think you’re getting the best pricing doesn’t mean it’s true and Argco only added items that we could save contractors 50%. I networked all my research and purchasing over the phone. Gloves, gaskets, steel eye sockets, hole saws, tape.... Customers would ask what kind of product line is this? “These are the products I can afford to become a leading supplier in the fire sprinkler industry”, I would tell them.

In the mid eighties most of these items were still made in the USA in places like Jessup, Pennsylvania and East Orange, New Jersey. Small machine shops and factories that were family owned and proud to be working hard for their money. I realized later, that if those hard working folks knew what I knew (and that is) how to sell their products, they would have survived what happened next, but having supported the traditional supply chains was their mistake and demise.

Colorado here we come. By 1989 North County San Diego was losing its “hang loose beach character” to urbanization and silk shirts. I had to move. We loaded up the bus, invited any employee who wanted to come and headed out on the road again. We set up the sales office at 9,300 feet elevation with views of the Keystone Ski Area, where I sit today writing this story and cheering on the snow falling outside.



Argco's 1989 Get on the Bus Campaign

In the early 1990's Argco was confronted with a predatory startup that drove profits down on every product we sold, and it appeared this startup was working on my computer and tooling.

Argco once sold sprinkler accessories to OEM's and

the largest wholesalers, but now we quickly lost their business, making it necessary to shift gears and sell direct to contractors. We hung on and won at least the battle to stay in business and be creative.

Argco's creativity developed the most complete line of fire sprinkler accessories available anywhere in the world. Offering the hard-to-find items, I mean the tiniest of niches that solve problems and save contractors money. Keeping our ear to the rails of our industry is our focus today, and we are ramping up our research and developing many new time-saving tools, unique to installing Fire Sprinkler Systems. Our new innovative tools prove our long term commitment to the fire sprinkler contractor. We want to provide you with every item you need to install a fire sprinkler system most efficiently and at the lowest cost.

Now it has come to everyone's understanding that most of these brand name fire sprinkler and piping products are coming out of the same Chinese factories. I know, I have been going there for decades, and I can tell you the Chinese impress me. I believe Wall Street investing our money in China may turn out to be as poor a thinking as urinating in your pants to stay warm. In China, your volume purchase and cash can find the true cost before any fancy packaging, dividends or service fees.

Little Jimmy believes and this belief has supported Argco's survival and success, if you are not buying at the very best prices you will not be able to grow your business to a place where you will be free of the vulnerability of our cyclical economy.

Thank you for taking your valuable time and reading my story. If I told you everything that went down it would burn off both of your ears and I'd be giving away my secret recipes, but you can give Little Jimmy a call. I'll fill you in with any spicy details, and your money can earn you the best pricing on quality listed and approved fire sprinkler products. Guaranteed ! (Pause)

"Billy Are you there?..... I can hear the wheels a turning....."

It's your mushroom - staring you in the face!