



Casting the Right Spell

Speller's True Value Invests in the Community

Since the 1960s, the east side of Waterloo, Iowa, hasn't seen very much economic activity other than restaurants and convenience stores. Allen Speller and his father, Wendell, have been engaged in local commerce through a variety of businesses and ventures to help revitalize the area for more than three decades. Opening a hardware store had been a topic of family conversation for a long time, but the timing wasn't quite right until 2015.

"My parents talked about opening a hardware store years ago and never acted on it," Speller says. "The nearest hardware store is about 15 to 20 miles away, so everyone in town would go out that way if they needed something."

Speller's family has a long history in Waterloo, with relatives arriving in the early 1900s to work on the railroad and at the John Deere plant, which still employs many of the town's residents and members of the Speller family today.

Wendell worked at John Deere about 30 years ago, and when he was laid off, he fulfilled his dream of becoming an entrepreneur and business owner by opening a men's clothing store in Waterloo.

"My dad has owned the clothing store for 30 years, and he has run trucking companies and has managed rental properties, too. He also has some experience in real estate," Speller says.

After high school, Speller began pursuing a business degree, but eventually left school to follow in his father's initial footsteps at the John Deere plant. While there, he took advantage of John Deere's education program. The company paid for his associate's degree in business administration, which Speller completed in just one year. But, also similarly to his father, his role at John Deere wasn't forever.

"I was laid off, too, and I didn't want to keep going through that cycle. I had some money saved up, so we decided to start a business."



Allen Speller and his father **Wendell** transformed an old gas station into a hardware store in six months.

Menards Moves Out

In the late 2000s, Menards announced plans to open a location on Waterloo's east side, and Speller thought his chance to own and operate a hardware store was over. But in 2009, Menards postponed the planned opening date to 2012 and then eventually backed out of the project completely, opting to build on the other side of Waterloo.

"The east side of town was disappointed when they backed out. They got everybody hyped up, and then they didn't build here," Speller says. "But it created a prime opportunity for us to finally open a hardware store."

In 2015, a local gas station closed, and Speller and his father initially joked about buying the building—until the joke became a reality. They planned originally to open another gas station when the Menards fell through.

Even while the team was still planning on opening a gas station, Wendell was researching home improvement wholesalers and distributors, just in case one turned out to be the right fit for the new Speller family business.

As it turned out, True Value was excited about working with the Spellers, so the father-son duo quickly switched into hardware store mode to transform their new property.

“Removing the gas tanks was the most difficult and longest part of the six-month process of renovating the station, and we had to do that before we could even start planning the store,” Speller says. “Our co-op helped us stick to our timeline. Once we realized the business was actually happening, we kicked into gear.”

Speller’s True Value Hardware opened in November 2016. Now, with one year under their belts, Speller says they are thrilled with the potential of their business, but there is a lot to learn.

Learning the Ropes

Growing up watching his parents run their clothing store created an entrepreneurial spirit in Speller, and he says he always expected to go into business with his father some day.

“As a kid, I would knock on doors and ask to mow people’s grass in the summer and shovel their driveways in the winter,” he says. “In 2010, I started an in-home recording studio with a friend, which turned into a full-fledged entertainment company. We did that for several years.” Speller’s entertainment company promoted and hosted parties, concerts and events and worked with several platinum recording artists in a variety of genres, including hip-hop, R&B, country, pop and rock.

Although Speller considers himself and his father to be “handy” people, and with his father’s background in managing rental properties, neither one of them had any direct prior experience in the home improvement industry.

“We’ve realized that everybody has their own name for tools and knickknacks,” he says. “It was challenging in the beginning to figure out what people were looking for and to figure out the right questions to ask those people who didn’t know what they were looking for.”

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—Allen Speller, *Speller’s True Value*



Allen Speller (left) says he was inspired by his parents' entrepreneurial ventures while he was growing up. His father, **Wendell**, has owned and operated a men's clothing retail store, Tri-City Clothing, in Waterloo, Iowa, for 30 years.

Speller says his co-op has supported him and his family in learning and understanding the industry through seminars at the co-op's semiannual markets on business best practices and how to help customers. He also says his business degree has helped him navigate a side of business he hasn't experienced before.

"Keeping our books accurate and keeping track of everything that goes into the business side, like inventory management and calculating margins, is a lot more in depth than any business I've been a part of previously," Speller says. "I've been applying my business degree to maximize profits, cut expenses. I'm hoping that in the next year we'll get a handle on our inventory."

Making It Work

Aside from being a brand new business, Speller's True Value had a compounded challenge in its first year: road construction.

"Right after our grand opening, until about early November, there was road construction right in front

of the store, so people couldn't get in," Speller says. "We're hoping this winter is better, and we're going to take spring and summer by the horns this year."

Even though the business saw challenges, the community of Waterloo rallied around Speller's from the start.

Community members created a Facebook event asking 100 people to spend \$10 each at the business, which Speller says helped create a lot of buzz about the store.

"We have a good mix of customers," Speller says. "Initially, it was a lot of landlords, which was great because they know what they need. As word has spread, we're starting to get more DIY shoppers."

To meet the needs of the community, Speller says it was important to offer a broad product mix from the start.

"We wanted to have all the basic hardware and tools, but also the items that aren't basic, the hard-to-find stuff, like old-style fuses for homes," Speller says. "We make sure we have that on hand."

“Other store owners have been very helpful. If I have questions about something, I call them up and ask how they do it. They give answers in ways that only someone who has lived through it can.”

—Allen Speller, Speller's True Value

The business also stocks gardening supplies and paint and sundries, and the plumbing department serves the specific needs of its significant base of customers who are landlords.

“We also have a small selection of lumber, so people don't have to drive 15 minutes to get one piece of wood,” Speller says. “We try to eliminate the trip for people.”

The chamber of commerce and Waterloo's mayor have also been strong proponents of the business, attending the store's grand opening event and helping to publicize the store.

“The mayor shows a lot of support and helps spread the word about the business,” Speller says. “He came down to speak to the media about building up the economy on this side of town. He's been helpful, and he's on board to help this area.”

For All the Right Reasons

Speller has started learning more about the home improvement industry by connecting with other retailers. He stresses the value of making connections, whether through store visits or at co-op markets.

“Other store owners have been very helpful. If I have questions about something, I call them up and ask how they do it. They give answers in ways that only someone who has lived through it can,” he says. “It's important to ask as many questions as you can and to be close with your sales representative.”

As the business grows, Speller looks forward to becoming a resource in the community, not only as a home improvement store, but as an employer and investor in Waterloo.

“Right now, we're family-based, but eventually we want to bring jobs into the community and build up the area,” he says. “Making that investment in ourselves is worth it because it's going to reflect in our community as well.” ➔



Speller's True Value serves a variety of needs for the residents of Waterloo, Iowa, which is reflected in its product mix and community events.