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Shore Up Sales With Reef Aquaria

High-end equipment and livestock mark the hobby's cutting edge, and retailers with the knowledge can reap the rewards.

By Patricia Knight

Many reefkeepers thrive on and seek out new technology and the challenge of that elusive, tough-to-keep invert, industry sources said. What's new in the reefkeeping domain may become the next big thing in the hobby—but not every new technology or technique makes the cut. Certain trends continue to be popular in the reefkeeping hobby, and a new

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Promote Gifts for Pet Lovers

Dog- and cat-themed presents for people are a hit with shoppers—both during the holidays and year-round.

By Sandy Robins

The market for petcentric gifts for people has become a very buoyant and lucrative one for retailers, as pet lovers continue to spoil themselves and their friends with clothes, jewelry, stationery and home accessories on a regular basis.

"We have definitely seen this market grow considerably despite the downturn in the overall economy," said Kara Wahlstrom,



Stores offering a range of gift items can benefit from customers' love of all things pet-related.

owner of Hot Joe Jacket in West Linn, Ore., maker of pet-themed beverage insulators for both hot and cold beverages that are available in retail stores nationwide, as well as in Canada and the United Kingdom. "We have seen our business

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Walmart Begins Selling Premium Dog Food

By Ken Niedziela

A surprise? No.

A game changer? Possibly. Wal-Mart Stores Inc.'s leap into the premium pet food market with the Aug. 14 launch of its Pure Balance store brand generated immediate acceptance from industry veterans as well as waves of determination by inde-

pendent retailers to stay focused on educating owners and steering them to the best foods possible.

"It is not a shock that Walmart would bring out this kind of food, because it fits their model of trying to be everything for the consumer at the expense of all of the other local businesses,"

Walmart, page 32



In 2010, 51 percent of saltwater fish keepers relied on aquarium store personnel for information, according to the 2011-2012 APPA National Pet Owners Survey.

Reef Aquaria

from Cover

one seems to be emerging, retailers reported.

LEDs Still All the Rage

Though LEDs are not brand-new at this point, many in the hobby are talking about them. Storekeepers all carry them and use them in their own tanks, citing several advantages, including energy efficiency.

"LEDs are always a good choice, regardless of being new or a well-seasoned veteran," said Eddie Tanglao, store manager at Old Town Aquarium in Chicago.

These lighting systems continue to take the place of metal halide

systems and other reef lighting options. However, while it's a no-brainer for stores to offer LEDs, retailers may wish to consider some important issues related to carrying LEDs. Competitiveness and understanding marketplace dynamics are vital for success with this product category.

"Can the fixtures be sold competitively against online retailers?" asked David Troop, co-owner of Aquatic Life LLC in Commerce, Calif. "If so, the fixture is likely part of a Minimum Advertised Price policy."

Troop also recommended looking at whether the fixture can be ordered easily from the distributor (this way, a customer can ask for the unit based on looking at a

store demo, and the store can have it for the customer in a few days) and how easy it is for a store to demonstrate the fixture.

Supplements and Sales

Customers are frequently concerned about water quality when it comes to reef systems, as corals can be delicate and require a lot of care, retailers reported. And nutrient load in a tank is increasingly on reefkeepers' radar.

"Trends [include] keeping corals in lower nutrients," said Raja Abboud, owner of Raging Reef in Montreal, adding that retailers should recommend customers keep their setups filled with trace elements.

Dosing is emerging as an area that hobbyists focus on, and offers a market for repeat business opportunities. When it comes to technique, Abboud uses the Balling method in his retail tanks, a dosing method that also addresses carbonate, calcium and magnesium levels.

Other retailers noted their use of the Balling method, as well as dosing in general. Old Town Aquarium's Tanglao reported that people are having trouble with dosing nitrates and phosphates. The Red Sea nitrate and phosphate test kits are accurate and easy to use, he stated.

Customers who have trouble with nitrate and phosphate may be interested in one type of media currently getting great reviews from retailers: natural nitrate and phosphate control media with

biodegradable polymers. Jeff Macare, president of Reef Dynamics in Laguna Hills, Calif., called this media "the bleeding edge," but also noted that retailers need to understand how the media works and how to use it properly.

These types of products represent a good value, as they are repeat sales items and can positively impact the bottom line in a big way, retailers reported.

Keep the Nanos Going

Nano tanks are not only holding ground with reefkeepers—many of these setups now incorporate another trend popular with reefkeepers: LEDs. This is a natural marriage between the two technologies, as LEDs are well-suited to provide for the high-light needs of corals while helping to maintain cooler water temperatures, industry professionals reported.

"Nano reefs with small LED fixtures are really popular right now," said Cy Forell, owner of Barrier Reef in Renton, Wash. "We stock at least four different brands and have a variety of sizes available."

Manufacturers have responded by offering small tanks geared toward reefs, Tanglao reported.

Generally, selling smaller setups to be used as reef aquaria can be problematic, retailers reported, as the lower water volumes can create issues with stability. On top of this, certain reef aquarium specimens can be notoriously fragile in captive environ-

ments, industry participants reported, making for a one-two punch when it comes to selling these systems to hobbyists. The answer is to offer lots of education and to make sure customers know what they're getting into.

Fragging Profits

The ability to take coral, a high-profit livestock offering, and reproduce it relatively easily at low cost seems like a boon to purveyors of reef aquarium products and species. But the inputs involved vary, and retailers have to consider their market before jumping into the endeavor.

INDUSTRY VOICES

What are the secrets to creating a successful display reef that catches the eye of the customer?

"When a customer sees something they've never seen before, it often starts a conversation that can lead to them requesting a similar fish or coral. This is also a way you can set yourself apart from your competition."

—Cy Forell, owner of Barrier Reef in Renton, Wash.

"Relatively low fish stocking, excellent skimming and water movement, and regular partial water changes [are required]. We run our best LED fixtures on this setup... Many of its inhabitants have been with us since we opened nine years ago!"

—Brent Mills, owner of Aquatica in Montreal

"Make the corals vibrant, and they speak for themselves. Don't go pick the ugliest coral you've got. Everything can't be green; everything can't be brown."

—Leroy Duke, owner of Fish Safari in Virginia Beach, Va.

"Our secret is keeping the parameters rock steady with a doser. We dose [using] the Balling method. We have a skimmer that's three times the size of our tank."

—Raja Abboud, owner of Raging Reef in Montreal

"Make sure it stays clean—that's the majority of it. [Have] one person keeping it, so you know who's responsible for it."

—Eddie Tanglao, store manager for Old Town Aquarium in Chicago

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Coral displays can speak volumes when it comes to engaging customer interest.

The process itself is labor intensive, the species being fragged may be delicate and expensive, and many other businesses are already in the game. Leroy Duke, owner of Fish Safari in Virginia Beach, Va., said that his store breaks pieces of coral off from a mother colony, sells them, regrows the original mother colony, and breaks off yet more frags in a repeatable cycle.

"[With] some of the corals, you have to do that because of the cost of them," he stated. "Not everybody's got a market for a \$600 coral."

In some cases, retailers reported fragging as a matter of course, focusing on profitability. At Barrier Reef, corals in the display tank get fragged.

"This adds to our bottom line," Forell said. "If you are going to pay the overhead needed to have a nice display tank, you might as well put it to work for you."

He also said that the store frags selected corals in-house.

"If something hasn't sold after three to four weeks, it often finds itself on the literal chopping block," he stated.

For those with customers dedicated to the fragging effort, retailers can consider offering fragging kits. Reef tank hobbyists should have a basic coral frag kit, which is something retailers can put together and sell as a whole, or something they can provide piecemeal as the need arises, said Toheed Bhatti, CEO of Palos Hills, Ill.-based DR Instruments.

Creative Marketing

Today's successful aquatics retailers need to reach out to customers in new ways, as well as show reef-keepers that they have the knowledge and equipment to help hobbyists succeed.

Keeping in-store displays of various products helps accom-

plish this goal. Brent Mills, owner of Aquatica in Montreal, said his store has demonstration units for each piece of equipment he offers to customers.

"Just as an electronics store has every TV running...we are trying to show each product in action," he said.

Speaking of TV, Fish Safari in

Virginia Beach, Va., actually runs commercials on local TV channels, Duke said. He tried Val Pak coupons, noting that people would walk in, surrender the coupon and fail to even look around. On the other hand, people motivated by a TV commercial are already interested in what the store offers, he added.

Leveraging social media also makes sense for store owners, especially considering the relatively low cost of entry this type of marketing can provide.

"Besides our mailing list, Facebook and online forums have been the best places for us to market our store," said Forell of Barrier Reef.

Nothing can replace a capti-

vating in-store show aquarium, however. Selling products retailers use personally—both in the store and at home—and having a display tank can also drive sales.

"A beautiful display tank in your store not only inspires customers to achieve similar success, but also lends credibility to your advice," Forell stated. ■

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