
The Boardwalk Strategic Plan

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THE BOARDWALK

Saddlery, Tack, Shoe Repair, Gifts, Custom Saddle, Indian Jewelry, Beading Supplies

Overview of the Firm

- Started in 1967
- Incorporated in 1972
- Family owned business
- Owned and operated by Rob and Crystal Vogel
- Located on Snowy Range Road in West Laramie
- Specializes in leather repair and retail



Employees

- Jerry Gillespie: custom leather repair specialist for 15 years
 - Marsha Ginter: pack saddle specialist for 10 years
 - Jim Rogers: saddle repair and cobbler specialist for 6 years
 - Three college students work part-time
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Mission and Vision Statements

- **Mission Statement:** To provide top quality leather products, using careful attention to detail, in order to ensure the happiness a customer has with its leather products.
 - **Vision Statement:** Being highly recognized for its top quality products and its passion for leather repair and saddle production.
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Problems/Challenges

- Maintaining a positive inventory turnover
 - High input costs
 - China purchases a lot of leather from American factories and distributors
 - Accommodating for new type of consumer
 - Finding niche markets and competitive advantages
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Strategic Positioning

- Changing target market/consumer trends
 - Family owned ranches have turned to corporate owned
 - Increase in hobby farms has brought a new type of consumer (higher income)
 - More adolescents within the area are involved in equine activities
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Core Competencies/Competitive Advantages

- The Boardwalk excels in its customer service sector.
 - Jerry Gillespie has the most leather repair experience of anyone in the area.
 - The Boardwalk receives its leather from Herman Oaks Leather Company, one of the finest leather tanneries in the U.S.
 - One of the few businesses to make and sell pack saddles.
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Competitive Forces in Industry

- Laramie & Cheyenne area competitors:
 - Longhorn Saddle Shop
 - Tack Room
 - Martindale's/Corral West
 - Frausto Fabrications
 - Town and Country Gifts
 - Tandy Leather Factory (Cheyenne)
 - A Touch of Country
 - Country Junction (Bosler)
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Ratios/Industry Competition

■ Ratios for the Boardwalk

- Current = 2.31
- Return on Assets = 5.64
- Inventory Turnover = 3.13
- Net Income = \$58,457.86

Ratios for Tandy Leather Factory

Current = 7.47

Return on Assets = 8.88

Inventory Turnover = 3.19

Net Income = \$3,088,131

Value Chain Aspects

■ Support Activities

- The firm infrastructure, human resource management, and technology development activities need improved to become more strategically fit.

Primary Activities

The Boardwalk purchases different kinds of leather goods from many different wholesalers (Inbound logistics)

Boardwalk's advertising program and outstanding customer service add value to the marketing/sales and service activity sectors.

SWOT Analysis

■ Strengths

- ❑ Customer service
- ❑ Advertising
- ❑ Employee retention
- ❑ Tack quality
- ❑ Leather repair quality

■ Weaknesses

- ❑ Location
 - ❑ Inventory turnover (excess inventory)
 - ❑ Indian and Gift room department sales
 - ❑ Ethical/social responsibility
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SWOT Analysis cont'd

■ Opportunities

- ❑ Creating a niche market through children and higher income customers
- ❑ Increase tack inventory and availability by decreasing Indian and Gift room inventory
- ❑ Become the main saddle retailer/consignor in the area

■ Threats

- ❑ Competition from Tandy Leather Works
 - ❑ Increase of input expenses
 - ❑ Lack of leather due to mass purchases by China
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Strategic Recommendation

- If I was a Boardwalk manager...
 - Eliminate gift and American Indian sales departments
 - Use excess space to increase tack/saddle and cobbler departments
 - Decrease amount of inventory and rely more on on-line sales and custom orders
 - Update website and produce a catalogue
 - Increase advertising expenditures
 - Work to become more ethically and socially responsible
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Questions, Comments, Concerns

- Tandy Leather Factory ratios retrieved from Mergent database on the Coe library website

