A Load Off Your Shoulders: The Smart Way to Delegate

The Hidden Cache: Money In Your Pro Shop BOWING CERS CORS ATINE

INTERNATIONAL VOL. 95.NO. 11 - NOVEMBER 2001

THE WORLD'S ONLY MAGAZINE DEVOTED EXCLUSIVELY TO TH

S OF BOWLING

What Makes Nick Tick?

O.K. distributor-proprietor Nick Keppe

MONEY MATTERS

- Set the Price That's Really Right
- Closeup on Center Financing

BOWLING INDUSTRY MAGAZINE, 660 HAMPSHIRE ROAD, SUITE 200 Westlake Village, Ca 91361 USA

CHANGE SERVICE REQUESTED

U.S. POSTAGE
PAID

Parmit NO. 135

Permit NO. 135 Midland, MI 48640

Casting a Giant Shadow

■ Meet Nick Keppe: charismatic distributor, proprietor—and gardener

BY PAUL LANE

You're at a social event—a coffee break or a reception at an industry convention—together with a large number of your peers: center proprietors and managers, bowling equipment manufacturers, suppliers and distributors. You begin to work the crowd, saying hello to your industry friends and colleagues who are scattered around the room in twos and threes. Then you see someone you'd really like to talk to. But this person is surrounded by at least a dozen people, all listening, laughing, and hanging on every word this person has to

say like it's the gospel. You can only nod, wave hello, and hope for a better opportunity later on.

This is how a colleague of mine described Nick Keppe, the managing director and owner of Complete Leisure Bowling Services, Ltd. in the U.K. (United Kingdom), when I asked at a recent bowling industry get-together if he had seen Nick.

"Seen him? Yes," said my colleague.
"Talked to him? Hardly! With his bigger-than-life personality, charisma, and

character it's virtually impossible to get anywhere close to Nick Keppe at a social gathering."

If you know Nick Keppe, none of this comes as a surprise. He is one very impressive individual. As it was put by Dan Tucker, a man who has known Keppe for a dozen years, traveled with him in the U.S., and stayed with Keppe and family in England—and a man Nick credits as one of the three greatest influences in his life: "He's a good, good guy. Anything you do with Nick Keppe, it's A-1." And Remo Picchietti, another one of

On the cover. Aptly named, Complete Leisure Bowling Services (and owner Nick Keppe) supplies just about anything in the bowling universe for U.K. and European centers and pro shops. Background graphic courtesy of Horizon Concepts.

those three influences and a 20-year friend of Nick's, calls him "one of the most effective thinkers in the industry" and a man of "tremendous integrity."

Introduction

Nick Keppe's introduction into the bowling business began in 1973 when he became manager of the 30-lane Streatham Bowl in south London. In 1978 he left the bowling business, only to return some three years later when he started Complete Leisure Services, which later became Complete Leisure Bowling Services, a company that today represents companies such as Vantage,

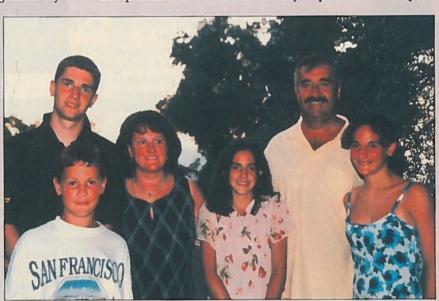
ZOT, Ebonite, Lane DynamX, Quality Bowling, Vulcan, Storm, Turbo 2 n 1, Master Industries, DBA and Bowltech Capital equipment, among many others.

Also, putting his money where his mouth is, since 1999 he has owned and operated the 14-lane Rhondda Bowl in Tonyresail, in the Rhondda Valley in Wales (birthplace and hometown of Welsh singer Tom Jones). It is not, and was never intended to be, a family entertainment center.

bowling in my center and opened with the intention of operating a *bowling* center," Keppe said. "The area is well provided with family entertainment centers, and I therefore wanted to fill a void with a sport-based center, includ-

ing a pro shop, which virtually none of the new centers had during the heady boom days of the early '90s."

And Nick's full-service distribution and installation business is not limited to the U.K.. Complete Leisure Bowling Services have installed centers from the Falklands to Iceland. From two-laners in Bulgaria to 36-laners in England. And they work closely with partners and distributors in countries such as Sweden, Denmark, Germany, Holland, Belgium, France, Italy, Hungary, the Czech Republic, and many more.



Family time. Sons Nicholas, age 10, and Stephen, 18; daughters Helen, 12, and Victoria, 14; "Big Nick" and his wife, Cathy.

Aspirations

The 50-year-old Keppe was born in the northern city of Bradford, England and moved south to London at the age

COVER STORY

of two, where he has lived ever since. He presently resides in the London suburb of Beckenham. Educated at Dulwich College, Keppe went on to take a Higher National Diploma in business studies.

The young Keppe also had aspirations of becoming a commercial airline pilot, and had a pilot's license at 17-years-old, even before having a driving license. Happily for the bowling industry, that aspiration did not pan out, and after earning his university diploma he joined Mecca, then a leisure industry giant, as a trainee, working in different departments including restaurants, discotheques, function suites and accounts. Nick even worked for six years on the Miss World Contest, also organized by Mecca.

After spending 2-1/2 years with Mecca he asked for a management position, and was told the only vacancy was Streatham Bowl in South London, which was number 162 in a "profit league" of 162 Mecca branches.

Accepting the challenge, Nick's first task was to clean



Through the roof—almost. Nick and rambunctious pepper plants in his greenhouse.

up the center in every respect, from the staff to the decor. With new staff he actually repainted the interior and exterior and generally tidied up the facility, and saw an immediate return. Within 18 months, Streatham Bowl had moved up to number two in the Mecca "profit league" and Keppe was rewarded with a first-class vacation in Bermuda.

Summons

Following Nick's success at Streatham Bowl, Eric Morley, the managing director of Mecca, summoned him to their head office and said, "We have two more bowling centers that are doing badly. Make them profitable and you can have 10 percent of any profits." These were Sunderland, in the

north of England, and Piccadilly Circus in London.

Nick went to Sunderland, stayed in a £1.50 (circa \$2.20 U.S.)-per-night bed-and-breakfast—as his living costs would come out of the profits—and offered all the staff five percent of any profits. After 12 months, the profit-sharing had inspired a formerly lackluster staff, with a rather pro-

SUPERIOR PERFORMANCE



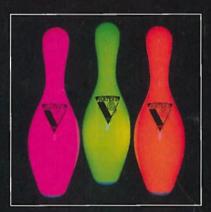
Original, injection-molded VULTEX II Pins . . . Now improved with integrated UV Surlyn* cover coat . . . for glowing action, more accurate scorekeeping, extended pin life.

*Surlyn is registered trademark of DuPont

You're independent. We're independent. We don't own or operate bowling centers in competetion with you. We support you with superior pins - VULTEX II - at significant savings. Let's work together for more growth, profit in the 2000's!

Contact your Vulcan Rep, or Rick DeFelice, V.P., Sales NATIONWIDE - 800-447-1146 INTL PHONE - 513-621-2850 FAX - 513-241-8199

E-mail: vulcorp@bellsouth.net
Now Accepting Visa / MC



For promotions, special events, VULTEX II Pins are available in many Glow-in-The-Dark colors.

Phone or Fax for specifics.

VULCAN BOWLING PIN COMPANY
30 GARFIELD PLACE CINCINNATI, OHIO 45202-4322 USA

JOIN 300 CLUB AWARD PROGRAM

COVER STORY

found indifference to customer service, to new heights. Unfortunately Piccadilly Circus had insurmountable problems, as well as astronomic rent, and had to close.

Mecca had several other sports/leisure facilities, and seeing his success with bowling, asked Nick if he wanted to take on the Silver Blades Ice Rinks, followed by their billiard clubs, and by 1978 he was the youngest director of the company. All through the growth, Eric Morley offered profit incentives to *all* staff. Then Mecca was taken over by Grand Metropolitan and the bonus schemes were discontinued. Thus began an exodus, which included Nick Keppe.

In March 1981 (Friday the 13th, to be exact), Keppe founded Complete Leisure Limited, trading as a consultancy, mainly using the success of the ice rink business to advise new ice arenas in U.K. cities such as Slough, Chelmsford, and Lee Valley (Robin Cousins was world champion at the time, and Torvill and Dean were com-

ing to prominence).

In addition, Keppe opened a Frames Snooker Club in a converted supermarket in Thornton Heath, London. This was followed by a second club in Coulsdon, Surrey. These were up-market facilities, featuring 22 and 20 full-size (12x6-foot) snooker tables, including a number of rooms with one or two tables each, for catered private party bookings.

Bowling Links

During all this time, links to bowling were maintained from a garage behind Complete Leisure's offices in Streatham, supplying balls, bags and other pro shop products. The fact that no pinsetter parts were available in the U.K. from inventory and had to be ordered from a central warehouse in Germany at an indefinite price for delivery at an unknown time led Keppe to develop the U.K.'s first parts warehouse and print the first price list.

At the same time, a friend had asked Nick about building a bowling center and he assisted in sourcing some equipment from the U.S., further justifying his

decision to go into the parts business.

All this activity started in the town of Aylesbury, a two-hour drive from Nick's home, because this was the lowest-cost rental area for warehousing in the U.K.. Once it was evident the business would take off, Keppe purchased his first warehouse unit in Maidstone, the current location, in 1991.

Business for Complete Leisure Bowling Services really began with this move, and the company quickly developed into a full-line supplier after this date, with key events including a breakfast meeting at the Washington BPAA with Remo Picchietti, who offered Keppe the DBA distributorship. On a seven-day, sevencity tour of the U.S., Keppe netted further distributor agreements with companies such as Vantage Bowling, ZOT Pinsetter Parts, Master Industries, Eastern Bowling, Quality Bowling, and many more.

Complete Leisure Bowling Services was developed through distribution, initially with retail consumer products and then maintenance and parts. And at that time, capital equipment was always imported, as and

when required, from the U.S.

Why has Complete Leisure been so successful? "A combination of gut reaction, not listening to accoun-

tants, and developing personal relationships in the industry," said Nick. "Gut reaction and accountants conflict in terms of inventory. I have alwäys 'piled high, sold cheap.' If an offer felt good, I would buy even if the warehouse was bursting. I feel that by having inventory, when people want it, you have a sale. I also feel strongly that you make profit when you buy. You create cash flow when you sell. Today more than ever our sales are growing because of our inventory. That's also one of the reasons my colleagues at Bowltech have become the largest supplier of capital equipment—because they have over 100 complete lane packages in stock."

Mutual Benefit

It's not surprising that Keppe mentioned Bowltech. At the Singapore FIQ Championships one year, Nick met Hans Krol of Bowltech, Holland, who was a specialist in lane resurfacing and capital equipment installations. Over the following years, Complete Leisure introduced Bowltech to the pro shop and retail business, and in reciprocation Bowltech provided Complete Leisure with capital equipment and resurfacing assistance.

Then in 1996 Complete Leisure and Bowltech restructured their companies to share the benefits each offered the other, and to place them both in a stronger position in Europe. Their relationship was the cause of much speculation, and still is. Few in the industry understand how it works, and even fewer are aware that Nick Keppe is godfather to Hans and Rian Krol's first daughter, Joyce, and Nick's wife, Cathy, is godmother to their second daughter, Susan. Asked about his arrangements with Bowltech, Nick gets a twinkle in his eye but says little.

This much is known: The Bowltech Trade Show, staged in Made, Holland, is something Nick and Hans Krol work together on, and presently they are working on the next one. Without doubt, the Bowltech Trade Show is the most upscale and elegant show anywhere in the industry. Proprietors from all over Europe attend the show, as do all the companies from the U.S. who are represented by Bowltech and Complete Leisure. According to Nick, "Hans is the mastermind of it all. His attention to detail is incredible, and he certainly knows how to host a party." But the show has Nick's stamp on it, too.

Due Credit

Complete Leisure's sales are currently running at their highest levels ever, with over \$1 million a year in ball sales alone! All this involves a great deal of travel for Keppe, including three or four trips a year to the U.S. "I have been in and out of the Channel tunnel more times than I care to remember," said Keppe, "and probably spend as much time on the road as I do in the office. I drive at least 35,000 miles a year, and fly on average twice a week."

But Nick's not one to sit back and take all the credit for his success. He gives credit to the technical support team at Complete Leisure, which he says is second to none, from Ross Gibson, who was a recent recipient of the U.K. Bowling Industry Award, and is probably the most knowledgeable all-round (not referring to his figure) technician in Europe, to John Hardman, who takes it personally if the hundreds of packages he ships out each day don't arrive by 9 a.m. the next morning.

"And we have recently added to the team," said Nick, "bringing Roger Whichelow from AMF's U.K. ware-

COVER STORY

house, and Nick Hogg to join Ross on the technical support side. And Tony Staples, our financial controller, who is also a Team England Bowler."

So what's next for Nick Keppe and Complete Leisure? "We will shortly be adding a third warehouse to our operations, to accommodate the \$3 million-plus stock that is bulging out of the existing units," says Nick. "Is this is hopeful sign for the future? Yes. Europe continues to be a good bowling market."

Hot Stuff

With all that's going on it's hard to imagine that Nick has any time for hobbies. But hobbies he has, including gardening, flying (remember he had a pilot's license at 17), philately, and work (of course). Nick regularly buys seeds from garden stores (nurseries) around the world, especially peppers, and grows 10 different varieties

every year in a specially constructed warehouse. With all that's going on, he's quite the family man, too.

If you've been keeping track, Nick Keppe has experienced booms in more than one leisure industry. Ice rinks, squash, and even snooker have all been at number one in the leisure top 10. Bowling in the U.K. was number one in the early '90s, and is still in growth mode in Europe. In fact, as Nick pointed out, Europe is probably the only growth market at this time.

When you add all this experience to the charisma, character and bigger-than-life personality that my colleague referred to at the beginning of this journey, not to mention Nick's leadership qualities and solid business acumen, is it any wonder that everyone wants to stop to say hello and talk to Nick Keppe at industry gettogethers, or that his company, Complete Leisure Bowling Services, is such a success?

How Nick Ticks (or, Keppe's Cogitations)

On the early '90s boom years: "Fantastic for the manufacturers of bowling equipment, with leisure corporations buying hundreds of millions of dollars of their product, with new nations joining the bowling scene. But those days seem to have come to an abrupt end. Leisure corporations look upon bowling as a commodity that, when fashionable, will give them a return on their investment. When unfashionable, bowling will be replaced by another commodity (currently health and fitness clubs in the U.K.), and bowling will disappear from their portfolio."

Bowling in Europe, some projections: "Continues to be a good bowling market. The U.K. will continue to see a decline in larger family entertainment centers, and an increase in smaller, 10- or 12-lane bowling centers in outlying towns and resorts. This 'back to the roots' program will maintain the number of lane beds, and therefore increase the number of centers. The Hollywood Bowl chain in the U.K. is perhaps the exception. I read a fascinating article in *International Bowling Industry* some time ago about this chain, and how they invested so much in their maintenance program and lanes, and training. They will continue to expand in the right direction."

On the Czech Republic: "We were among the first to install lanes in the Czech Republic, and with our distributor, COMAX, continue installing a center a month. From Day One in these markets we insisted on a proshop, trained the personnel, and now we have a thriving after-market business. For similar reasons, it's no coincidence that the 36-lane Airport Bowl in London is probably the U.K.'s most profitable center, and has the highest league participation and most successful pro shop."

Family recreation centers: "The family entertainment center concept has satisfied manufacturers' short-term needs, but destroyed their long-term goals. It isn't rocket science to recognize there is a serious global downturn in the bowling industry, and most manufacturers want to have a bigger slice of that smaller cake. The industry has lost some big names, and there are no doubt more to go. Every new center should have included a pro shop as well as bowler education programs. I cannot help but feel

that most of today's center managers are there to open the doors and file the paperwork."

Concerns: "In the U.S. there seems to be more direct selling from manufacturers to centers (seeking that bigger slice of the smaller cake!), and although this is less likely in Europe, the thought of distributors, with their technical support and investments, being 'bypassed' is disconcerting. Even in the U.K. we have had scoring system manufacturers bypassing their distributors and selling direct to customers, and the trend is very worrying."

The Olympics: "I am frustrated by bowling's lack of acceptance into the Olympic movement, but not despairing. It *will* happen one day, but perhaps only when it is perceived to be more of a sport than a recreational commodity in a family entertainment center."

BBIA: "Being a BBIA member, I have an annual outing in May, and have probably the most productive meetings of any of my trips. It is truly educational listening to fellow BBIA distributors, their concerns and problems, and relating them to our industry in Europe. It is also the ideal opportunity to resolve issues with the manufacturers. This leaves me free to enjoy the other annual 'must,' the BPAA Bowl Expo in June. Joining the BBIA was one of the best moves I have made. They even voted (thanks to Earl Schwebel from Canada) that the Union Jack flag will stand alongside the U.S. and Canadian flags at future meetings!"

Bowl Expo: "The last Bowl Expo was a little disappointing, both from the exhibit point of view, as well as the fact I seemed to spend most of my time arguing with suppliers! I feel the show should be every two years, with an extra day for international visitors. There were more food, insurance, novelty, and other booths than bowling products. I appreciate it is a show for the bowling proprietors, and therefore all center supplies should be represented, which is why a third day, for international visitors, with the emphasis on bowling products, would be most useful."

Greatest influences: "Remo Picchietti, a diplomat who spoke more sense than most! Dan Tucker, the opposite of Remo but equally endearing! And Jack Daniel's, someone I spend time with on every trip to the U.S.!"