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ENTREPRENEUR

Unchained

DogWatch strays from retail model to boost sales of its electronic pet-fence

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NATICK — Each night when he lets his 5-year-old border collie, Emma, out for her evening romp in his suburban Wakefield backyard, Chris Blackburn is secure in the knowledge that his beloved mutt won't trample his garden or flee the property altogether.

"You open the door, let the dog out and know that the dog's not going to leave the yard," Blackburn said simply.

Blackburn's Emma is one of an estimated 400,000 dogs since 1991 who've been trained on the hidden electric fence systems manufactured by 12-year-old, Natick-based DogWatch Inc.

For customers like Blackburn, DogWatch founder and CEO Fred King may just be a dog owner's best friend. That's because his products keep rambunctious canines safely contained in yards and out of restricted areas, all while remaining invisible to the naked eye.

"The product allows you to keep your dog home safely 24 hours a day, seven days a week, even when you are away," said King.

While the company offers several other products — an indoor system, a remote trainer and a bark controller — DogWatch's primary breadwinner remains the hidden fence.

About six companies nationally are involved in this niche business, but King said his is one of only two that sell the product strictly through professional dealers, rather than self-installed retail channels.

For those dealers, he said, product demand is high: "There are over 50 million dogs in the U.S. Thirty-six million households have a dog. There have probably been less than 1.5 million hidden-fence systems sold to date by all of the manufacturers, so there is a very large untapped market."

Also, King said, DogWatch is the only invisible-fence company that uses a patented FM (rather than AM) radio signal — thereby eliminating stray signals that may

set off the receiver and inadvertently zap your pooch as it passes in front of a TV or a garage door opener.

The systems feature an adjustable field range from zero to 20 feet, adjustable voltage levels and a one-year battery life.

Installation of the systems, which King says usually takes about half a day, runs from \$850 to \$1,200, depending on the number of dogs on the system and the size of the yard.

King, a 51-year-old graduate of Boston University with a bachelor's degree in geography, said the inspiration for DogWatch, ironically, originated from problems caused by his cat. In the late 1980s, it seems, the family's frisky feline had taken to tearing up a newly recovered chair.

When he began exploring the then-nascent market for ultrasonic products, King found only one company offering invisible protective fencing: Malvern, Pa.-based Invisible Fence Inc., which had been in the business since 1973.

When that company's patent on the product expired in 1990, King, who was working as a commercial real estate broker at the time, decided to launch his own version.

He took the concept to a national fence industry trade show in January 1991, where he signed up 50 to 60 dealers, who paid \$5,000 for an initial order of the product — generating immediate cash flow for the company.

Ten years later, he brought on Stan Healy — who received his bachelor's degree in political science from Wesleyan University in Connecticut and his master's degree from the University of Pennsylvania's Wharton School — as president and chief operating officer.

Together, he and King helped grow DogWatch into an enterprise that now occupies 8,500 square feet of office space in Natick and employs 19 people. On average, said King, the company's revenue has grown 15 percent each year, with revenue for 2001 just under \$5 million.

Apart from the King-Healy team, the driving force behind the company is its network



CEO Fred King (left) and president Stan Healy of DogWatch Inc. offer underground hidden-fence systems. The systems, which are hidden from sight, are designed to keep dogs safely contained in yards and out of trouble.

of 400 dealers (six are in Massachusetts), who represent the company in 46 states and nine countries.

In contrast to the high-volume retailers, DogWatch dealers sell the products directly to their clients, handling all the necessary installation, training and follow-up service.

The secret lies in the set-up: A wire is placed underground around the desired piece of property and a broadcast radio signal is carried around the boundary.

A customer's dog wears a radio receiver collar around its neck. Initial training with the dog takes about a half-hour to 45 minutes; the dog is subsequently trained for a few minutes each day for seven to 10 days, by which time the dog should learn where the boundary is. If the dog approaches within 5 feet to 10 feet of the delineated area, it will be warned by an audible signal. If the animal proceeds further, it receives what the company calls "a mild corrective shock."

While that approach may seem unsavory to some, Dr. Jeff Paola, a veterinarian with Main Street Veterinary Hospital in Millis, referred to a University of Pennsylvania study indicating that the brief shock (seconds only) results in "not much pain consideration" for the animal, considering the duration and strength of the voltage.

A DogWatch customer for four years, Paola called the hidden fences "an economical alternative and a cosmetic alternative (to traditional fences), and it's very effective."

One local dealer, Ken Terrell (who also operates the dog-training firm K9 University, in Douglas), has represented DogWatch for nearly nine years and has about 2,000 customers.

"If you talk to anybody on the street, they'll tell you that people who buy the product off-shelf (tend to) install it improperly and train the dog improperly," said Terrell. "With us, the consumer ends up with a product that works."