

ENTREPRENEURS Fort Worth woman takes the advice of a retailing legend and keeps her prices low to build up volume.

By TERESA McUSIC
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FORT WORTH — Teresa Nelson's gift baskets will be making their way into some high-profile offices this holiday season.

Executives at the CIA, the FBI and the U.S. surgeon general's office are slated to receive holiday gifts from Nelson's company, Fort Worth-based Teresa's Treasures.

Although Nelson declines to say whether the White House and its Texas-born resident — President Bush — are clients, her company will deliver gift baskets to Air Force One personnel.

The orders from the Washington Beltway are just another sign of the traction that Nelson has developed in the dog-eat-dog business of gourmet baskets and gifts. Now 3 years old, Teresa's Treasures is closing in on \$100,000 in annual sales.

Nelson has never been shy about making a splash in the highest circles.

"I've never been intimidated by prestigious people," she says. "I thrive on it."

It's a trademark that helped Nelson early in her career establish ties with Wal-Mart founder Sam Walton.

Working at a Wal-Mart pharmacy in Burleson while in high school, Nelson (then Teresa Walley) decided to try to meet Walton on a trip to Arkansas. Walton was out of town at the time; undeterred, Nelson befriended his secretary.

Six months later, she went back. This time, the most she hoped for was a five-minute meeting with Walton. But Walton spent the afternoon with her, introduced her to his officers and walked her around the plant. The day ended with him offering her a job in his treasury department once she graduated from Texas Wesleyan University.

Until his death in 1996, Walton and his staff took Nelson under their wing, providing career advice, business insight, even financial information on the company for her portfolio analysis project at TWU.

"Sam wasn't complicated," Nelson says. "Sam was very simple. He had not planned to be big. He grew from common sense, good products and treating people well."

Because of a car accident in 1992, Nelson couldn't work for Walton. Severely debilitated, Nelson underwent extensive physical therapy, and her graduation was delayed another year. Then in 1993, doctors discovered that Nelson had a brain tumor. After sur-

Knack for gifts



Teresa Nelson's gift basket business, Teresa's Treasures based in Everman, serves clients across the region and outside the country. This holiday season she will send baskets to federal agency executives.

gery, she had to relearn to walk, eat, talk and regain her memory.

After a few years working in banking, Nelson decided to start her own business out of her home. In January 2000, Teresa's Treasures was born.

By February, the company had 250 orders, and Nelson was on her way.

Now Teresa's Treasures is in 6,000 square feet at 616 B Shelby Road in south Fort Worth and has 6,000 clients and six employees. Among her customers are American Airlines, Texas Motor Speedway, Sabre, Sky Chefs, the

DoubleTree Hotel and realty and title companies. Clients span the region. She also has clients in Canada, Ireland, England and Pakistan.

Nelson attributes some of her growth to the Internet. Her Web site at TreasuresByTeresa.com brings in about 30 percent of her business.

Another reason for her growth is something Walton preached regularly: low pricing.

"We sell 30 percent to 40 percent below our competition," Nelson says. "Our goal is not the sale, it's volume.

Our baskets start at \$20. Offer lower prices, and it all comes around to you, and you get more business. Give me your loyalty and I'm happy."

Along with lower prices, Nelson offers free delivery in the Metroplex. For her regional clients, she often combines deliveries and makes a single run for a minimal cost of gas and time.

Although her products are low-price, they aren't cheap, says Sue Hodge, sales office manager for DoubleTree at Lincoln Center, one of Nelson's clients.

"You get gourmet products in her baskets," Hodge says. "And there are a lot of products in every basket, not just a bunch of shredded paper."

Teresa's Treasures has a product line of 2,000 items. Chocolate potato chips, microwavable nuts, chocolate cheese-cake truffles, Belgian milk chocolate and Neiman Marcus pretzels are some of the items Nelson offers. She also carries a line of bath products.

In addition, she has a standalone line of 300 products priced at \$10 or less. Sales teams often buy 200 of these smaller products at a time for clients, Nelson says, although there is no minimum order.

"Since there is no labor involved, it is pure profit," she says. "And we can offer one-stop shopping."

Offering such full service is a key to success in this business, says Shirley Frazier, president of Sweet Survival, an information clearinghouse for the gift basket industry based in Paterson, N.J.

"A lot of companies are good with designing but not as good at marketing," Frazier says.

Overall, the gift basket business is booming, she says. In the early 1990s, there were only 5,000 gift basket companies. Today there are 25,000, posting combined annual sales of \$3.5 billion.

Sixty percent of sales are to corporate clients with individuals making up the rest, Frazier says.

Nelson has focused on the corporate account, although she also sells to individuals. One technique that has paid off is selling in a stairstep manner. For example, one real estate client may use a title office, who uses a mortgage company who works with a home builder.

"This step chart provides potential multiple business opportunities staying within the same area of industry, thus allowing similar inventory to be used repeatedly and reducing costs," Nelson says.

She is negotiating a contract for a national account that would require 1,000 baskets a month delivered to 117 locations. Within five years, Nelson hopes to have one or two more locations in Texas, as well as a store.

Teresa McUsic is an Arlington-based free-lance writer.