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IN THE HUNT

Blazing a Trail Out of Chaos

By **BRENT BOWERS**

I asked Connie Gray what the annual revenues were of her family's car parts and scrap yard businesses in La Vergne, Tenn. "Lord have mercy," she replied. "I don't know."

Those six words encapsulate for me the fun of interviewing entrepreneurs. They never fail to surprise me by their straight talk.

Unlike big, publicly traded companies with their protective layer of public relations officials who promise to "get back to you" and then send you cautiously worded snoozers prepared by higher ups, entrepreneurs blurt out what they are thinking.

What many lack in the appearance of sophistication is more than made up for by street smarts, bulldog tenacity and a winning personality, three virtues indispensable to entrepreneurial success.

For years, Ms. Gray says she paid little attention to Gray's Auto Parts, the salvage yard founded by her father-in-law, Glen Gray, and instead put her energies into raising a family and running a hair salon called Connie's Place.

But the patriarch fell ill, and Gray's Auto Parts stumbled. In 2001, the elder Mr. Gray pleaded with his daughter-in-law to go through the books. Try to imagine the chief financial officer of a big corporation speaking with her candor about the financial mess she found.

"There was no filing cabinet," Ms. Gray recalled. "I found bills stuck in drawers, in piles, and I said, 'Oh, my God!' Somebody had wrapped up most of them in a bag and thrown it into a big [Tupperware](#) container. I thought, 'Are you kidding?' I put them all in a stack and it was two feet tall. There was a bill from Bell South for \$100,000. It took me six months to get that office straightened out."

When she added up all the bills, she found that the company had fallen \$300,000 in debt. Ms. Gray and her husband, Ashley, dipped deep into their home equity credit line and their savings to pay off some of it. She paid invoices crucial to the company's survival, and called the other creditors to plead for time. She often worked until 2 or 3 a.m.

She had five jobs: business manager, hair stylist, housewife, mother of three (including a newborn) and caregiver to her father-in-law. Her nerves, she said, were shattered. “I’d go into a rage and Ashley would say, ‘Hush, Connie,’” she recalled.

Finally, she hired Corporate Turnaround, a company I profiled recently, to negotiate settlements with creditors. Its founder, Jerry Silberman, also tells it like it is and, like most entrepreneurs, enjoys laughing about his misadventures.

At age 28, he said, he negotiated a buyout of a collection agency, but one of the partners rejected the deal. The next day, the building where he worked as a salesman for another collection agency burned down. “I thought, O.K., God, I get the idea. It’s time to start a company.”

He called his new venture the Interstate Department Services Corporation. It, too, was a collection agency, yet he was so strapped for cash in those early days that he couldn’t afford chairs and had to make collection calls sitting on the floor. “I borrowed money from my Dad and moved in with him for a while,” he recalled. “I myself got collection calls for unpaid bills. Some of my checks bounced.”

He later developed a system for helping honest but desperate business owners to pay off their debts, a system that Ms. Gray credits with helping her get out from under her mountain of bills. . In 2005, shortly before her father-in-law’s death, she says, Gray’s Auto Parts finally settled its debts.

By that point, she was co-owner of the company with her husband and had long since closed Connie’s Place. She said she determined that the business would have to expand to survive, but bank after bank turned down her loan requests. Her brazenness — a reliable gauge of successful female entrepreneurs — finally won the day.

When the lending officer for a local bank paid a call to her, she recalled, “I said to him, ‘John, I don’t want to negotiate and I don’t want to do any paperwork. I’m sick and tired of that. Either you make a commitment to me right here and now or get out of my office.’ He looked at me dumbstuck. Now we have a credit line with him of up to \$400,000. And everywhere he goes, he loves to tell the story about how I told him off.”

With the capital infusion, Ms. Gray opened Gray’s Scrap Iron and Metal Inc. in January, and she says it is already making more money than the salvage yard. The two companies employ 30 people, and though she cannot readily recite sales and profit figures, she knows the scrap yard has paid more than \$600,000 over the last seven months for copper, aluminum and other scrap metals that it resells.

Asked the secret of her success, she replied, “I’m a strong personality and when I know what’s right and what’s wrong, you ain’t gonna buck me.”

If I had a business relationship with her, I told myself, I wouldn’t buck her.