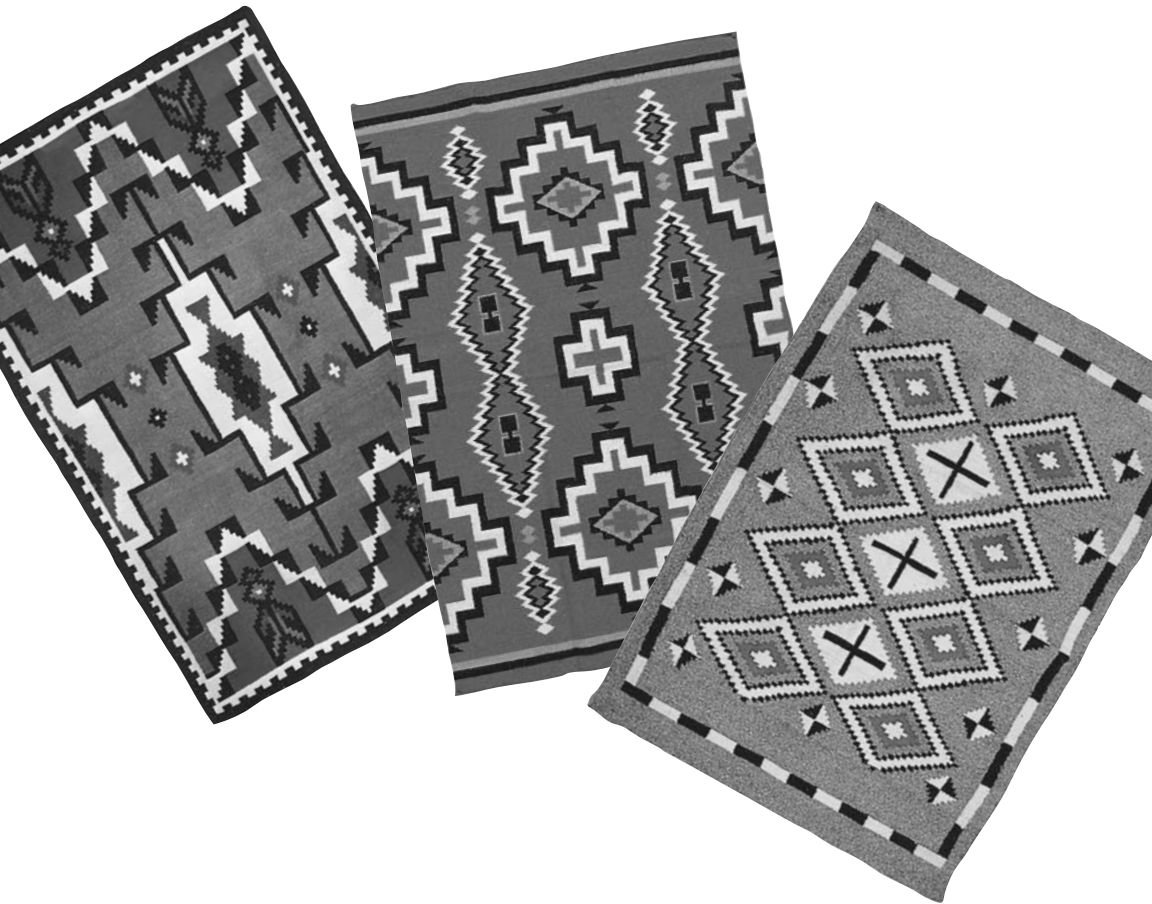


PART 1

Born to Trade



Chapter One

The Natural

“Trading is a lot like tending a flock. Your customers are your sheep. You can shear them every year, but you can only skin them once.”

—MACK HENSON, 1950



AS LONG AS I CAN REMEMBER I've wanted to be a trader. As a little kid, one of my favorite games was to drag out all the canned goods from the cupboard and play store. I was never much of a mathematical whiz, but I was proud that I knew how to make change before the other kids my age did.

I grew up in Abilene, Texas, in the part of town that lay north of the railroad line that came through in 1881. The south side was richer than the north side, but our neighborhood had a real mix of all kinds of people and good, safe schools.

One thing I noticed early on was that if you had a little money, you could buy all the other kids ice cream and everybody would like you. That presented the problem of how to get extra money over and above my small allowance.

One of the first things I did was to get into the donkey business. I had a donkey and used to let the other kids ride. For the small kids who

couldn't ride by themselves, I'd lead the donkey myself, for a small fee.

One day I noticed that all new pencils were sawed off flat on the end and were not sharpened. That gave me a brilliant idea. If I took a sharpened pencil and sawed it off flat, it would be a "new" pencil. To me the length didn't matter just as long as it was cut off smooth at the end. Pencils were always available for the asking (so long as they were for school), and I began asking for them, cutting off the ends and selling them to other kids. The older kids began to question the fact that these were the shortest new pencils they had ever seen. They noticed that the shortest of the short had erasers that appeared to be used. I told them that the short pencils were made that way to fit behind the ear! Even though I took some teasing, I realized that my new enterprise was all profit. I was proud of myself.

IN THE SUMMER OF 1954, I started making some of my first really successful trades from behind the plywood counter of a sno-cone stand. As in any retail business, the secret of my success was location. My stand was in the parking lot between my Daddy's grocery store and my Uncle Jake's gas station. I got the crushed ice and syrup from Uncle Jake and was paid a commission on sales. Traffic was good and my overhead was low. But like any other ten-year-old kid, I began to lose focus once the novelty of the business wore off. That is, until the Fourth of July came around, and my dad and uncle let me keep *all* the money that I took in.

Man, oh, man, did I work that day! I really hawked my goods hard. I gave everybody triple sized sno-cones for a dime. If they didn't have a dime, I'd take a nickel! When business got a little slow, I hired some kids to greet the people as they parked their cars and to run around my dad's store advertising my sno-cones. The kids got two cents for every sno-cone they sold, and I kept eight (or, in the case of the nickel sno-cones, they got one cent and I kept four). I made so much money on that Fourth of July that I bought everyone a load of candy and ice cream, tons of firecrackers and about a month's supply of BBs. I was a real high roller. I liked that feeling. No, I LOVED IT!!!!



NOT ONLY did my sno-cone and pencil business boom, but so did my dad's retail store. From the time it opened in 1946 until 1954, the Mack Henson Grocery & Market quadrupled in size and eventually included clothing, hardware, and jewelry departments.

Late in the summer of 1954, we held the famous three-day Mack Henson Grocery & Market 8th Anniversary Celebration. We replaced the sno-cone stand in the parking lot with a small Ferris wheel. One of the grocery wholesale companies that sold Aunt Jemima pancake mix sent out a real, honest-to-goodness Aunt Jemima look-a-like. Top Tobacco Company sent out the "World's Most Famous Champion Top Spinner," who just happened to live right in Abilene. Daddy made a deal to promote Tip Top fried fruit pies. We sold so many thousands of fruit pies (regular price: ten cents. Super introductory price: three for a dime) that the Tip Top company parked a truck full of fruit pies right in front of the store to replenish the stock. Wow!

Radio ads and word-of-mouth drew huge crowds to the celebration. Early every morning, my little brother Bennie and I dressed up like clowns—thanks to my Aunt Louise who made what I thought were real cool clown suits—and hitched up my donkey to a borrowed wagon. Then Old Man Hatfield, a family friend, and I drove all over town throwing candy to the kids, handing out flyers, and inviting everyone, young and old, to the 8th Anniversary Celebration. I remember it was so hot and humid that the grease paint on my clown face ran down all over, but it didn't bother me because I was having the time of my life. I was ten years old, a celebrity clown and making \$3 a day!

I was totally exhausted by the end of each day, but I was so excited about the next day I could hardly sleep. When I did get to sleep, I dreamed about the day that I would have my own grocery store. "If only I could start now," I thought, "then I won't have to be bothered with going to school."

By the time I was ten, I knew for sure I wanted to be a trader. I guess my dad, Mack Henson, was really to blame. He, all three of his brothers,

and his sister were independent business people and well respected. I had had a small taste of success myself, and when Daddy took the time to teach me some of his basic rules of business success, I was fascinated with his stories and his philosophy.

Mack believed in advertising and was quite a showman. Everybody in town knew who he was. He did a lot of community theater and really wanted to be a big time movie star, though he never did make it, thank goodness! He put his creative talent and his acting ability into his business. He sponsored a fifteen minute live TV show every Wednesday that was funny and silly and popular with everyone. He was a great master of ceremonies and hosted a lot of school and community functions.

On some Saturday mornings, he personally painted pictures of cartoon characters like Donald Duck and Mickey Mouse on our store windows. He didn't paint them quickly, but took his time—and drew a big crowd in the process. Kids, old people, everybody. Daddy explained that by standing outside and painting his window slowly, he advertised his business, provided free entertainment, and had a great chance to visit with his customers. He believed in building relationships with his customers and in being completely honest with them.

He told me never to loan my customers money. “If someone owes you \$2 and doesn't have the money,” he explained, “then they'll go to your competitor to buy their groceries because they'll be embarrassed to buy from you, and you'll miss out on them not buying \$30 a week in groceries. So you're better off just giving them the \$2 rather than loaning them the money.”

I remember one hot day there was an elderly lady sitting in a car in our parking lot waiting for someone who was shopping in our store. Daddy gave her a sno-cone. I was upset about him giving away my merchandise until he explained that not only was it nice and respectful to give the lady a sno-cone, but after that she would probably become a loyal customer and tell her friends about our store. “It's good business to help people and be friendly,” he said.

To me Daddy was a GENIUS!