

Ken Wooley
Extra Space Storage
By Jeannine Lewis

Ken Wooley, CEO of Extra Space Storage, knows a lot about being an entrepreneur, or as he refers to himself, a serial entrepreneur. Ken loves new startup companies and is always looking for the next idea. Some businesses he has dabbled in previously include; mining, oil & gas, food, retailing and real estate just to name a few. While he tried many things, he found himself interested in the idea of self-storage. He had been exposed to it early in his professional career and always felt it was an interesting concept. In August of 2004, Ken took his company, Extra Space Storage, public. He shared with us insights he has had as entrepreneur, looking back on his career.

From the beginning Ken didn't like working for wages, he preferred to earn money working for himself rather than for someone else. He started a business to pay his way through college importing antique cars from England (1967). He and a friend borrowed \$10,000, and were able to earn enough for both of them to pay for undergraduate and graduate school. While in graduate school Ken worked for a real estate developer developing a self-storage business. He liked the business; he thought self-storage was interesting

Ken took all kinds of different jobs; he saw opportunities all around him. He invested in the stock market and unfortunately that was not a successful experience, it crashed in 1974 and he had borrowed the money he invested, he lost it all and had to sell his house to pay off some of the debts. He realized he needed a way to make money and it wasn't going to be in the stock market so he looked to real estate.

In 4 years, Ken successfully turned zero dollars into \$350,000 by buying houses, fixing them up, and selling them. He made friends with a business man from England who saw his potential and wanted to back him in his own company. He got into the house building with the

England contact and unfortunately things didn't go well, he eventually lost all his partner's investment. At the same time, he started extra space storage with some other friends who had money.

Eventually Extra Space Storage went public. Ken and his partner had personally guaranteed loans and his partner was preparing to leave for a 3 year mission presidency. He didn't feel comfortable leaving over \$10 million worth of loans and was concerned he would come back to find a real problem on his hands. To address this concern they made the decision to go public. Six months later they filed their first prospectus.

Contacts now mean opportunity later

Ken was able to start these real estate ventures, the house building business and the storage business, because he knew people with money who believed in him and his ability. He had demonstrated to them that he was hard working, smart, capable, and honest. When he first made these contacts I would expect it never occurred to them that some day one of these early impressions would someday assist him in becoming the CEO of a publicly traded company. That is really the key thing I got from his visit.

In our many cases and during our lectures a couple of points regularly come up that were demonstrated through Ken's successes and failures; entrepreneurs generally have a theme and entrepreneurs need to have a command of all the parts of a business. Ken demonstrated that a theme is important, he dabbled in many businesses before settling on self-storage, and in his own assessment he lost time and money. Once he thought about what he was good at and enjoyed spending his time doing, he was able to quickly create a successful venture. He just needed to focus his energy and efforts.