

## LOS ANGELES BUSINESS JOURNAL

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## SPECIAL REPORT FASTEST-GROWING PRIVATE COMPANIES



**Watch the CEO Eat or Whiskin Water for the human industry, Dogswell is a functional food company for the pet industry.**  
**MARKUS GANNON,**  
 Dogswell LLC



Gannon with friends

**DOGSWELL LLC** Los Angeles  
 Founded: 2004 - Growth Rate: 100%  
 2007 Revenue: \$10.2 million

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## He's Making Pet Food the Natural Way

By **ALEXA HYLAND**, Staff Reporter

When Marco Gannon founded pet food maker Dogswell LLC four years ago, he had an idea: why not the most natural food possible at a profitable price that pet owners could afford.

So he created regular 100,000 and natural selling low-cost dog chews only, in 7-ounce portions for \$8.99, in small plastic bags that pet owners could hang from hooks.

"The treat was very cost-effective," Gannon said. "And it was easier to get shelf space for a bag that is small and has great margins for the retailer."

Three days, Gannon has no trouble getting shelf space for his beautiful pet food line, which has grown to include dry and canned dog food, in addition to cat treats. The company's products are sold in 1,000 pet and natural food stores nationwide.

That success has fueled tremendous growth for the Los Angeles company, which hit \$10.2 million in revenue last year. That amounts to a 107-percent growth rate over three years and good enough for No. 1 on the Business Journal's list of fastest-growing companies.

Dogswell's success coincides with the growth of the pet food industry nationwide. The American Pet Products Association has estimated that sales will grow 4 percent this year to \$14.9 billion.

The company is focusing in particular on increasing demand for alternatives to mass-produced pet food, especially after outbreaks caused products imported from China and raised low-cost pet food sickness and killed cats and dogs last year.

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July 18, 2008, owner of natural pet store July's in the Doges, and Dogswell products have become increasingly popular with pet consumers — the number rose on a weekly basis — because they don't contain hormones, fillers or artificial colors and flavors.

"Just by studying the package, you can see that it is a product with premium ingredients," Robinson said.

After starting Dogswell with the chicken-based puppy dog treat, Gannon began making dry and canned dog food and treats. Among the ingredients are meat, apples, banana and sweet potatoes, as well as vitamins and other supplements such as glucosamine and flaxseed oil. The products are designed to maintain dogs' joints and keep their hearts healthy, boost levels and coat shiny.

"Much like I did for the Vitamin Water for the human industry, Dogswell is a functional food company for the pet industry," Gannon said.

The 33-year-old entrepreneur knew he wanted to work with animals as a child, growing up with a white Shepherd named Emily. A San Francisco native, Gannon expanded his business across from his grandfather, who owned grocery stores in the 1930s, while his doctor father focused his interest in medicine.

Gannon finished the health pet food master's thesis after graduating from USC's Marshall School of Business' entrepreneurial program. But in Dogswell started gaining a following among pet owners, Gannon found it difficult to manage the growth.

"We didn't have our business model that strong," he said. "But we are doing a much better job of that. We have a head of human resources, and it is important for us to continue on that page, and not forget about it."

Last year, the company plans new lines of dry and canned food, in addition to a line that is designed to control weight in dogs. Gannon estimates revenue will be \$14 million in 2008.

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