

The Modest Billionaire

***Editor's Note:** With Hobby Lobby hitting headlines recently because of its lawsuit against the HHS mandate, Charisma wanted to share this article from 2005. It highlights Founder David Green, who believes God has blessed his business so he can share his money with others.*

Could you pick a billionaire out of a crowd of ordinary folks? Probably not this guy.

David Green, listed by *Forbes* magazine in 2004 as the world's 514th richest person, doesn't fit the tycoon stereotype in the least.

The man who runs an empire of successful businesses, including the fast-growing Hobby Lobby arts and crafts store chain, is soft-spoken and appears almost shy. When on the job he often wears khakis and a sport shirt instead of a power suit. His office isn't plush and full of gadgets but simple and comparatively small, yet it sits on a corner of Green's mammoth 3-million-square-foot company headquarters.

But it's not his obvious disregard for luxurious living, or even his quiet, unassuming manner that makes Green a stark contrast to those living the typical lifestyle of the rich and famous. What he counts as valuable makes this man a misfit in the cutthroat world of business.

Green has eternity in mind.

"If we don't change someone's life for eternity and we do \$1.5 billion in sales—so what?" Green asks. "That's why we are excited about telling people about Christ because He will affect their lives for eternity."

As he talks about his relationship with God, Green's diffident manner drops away and his quiet voice takes on strength and

firmness. He doesn't measure success in dollars and cents or in rising profit margins. But how did a quiet, unpretentious man with a heart for Christ become a leader in the world of competitive retailing?

Small Beginnings

Green's story began at the age of 7 when he first met Christ and surrendered to Him. His father, a Church of God pastor, led him to the Lord.

"I guess when you're a PK [preacher's kid] you get immersed in all that," Green says. "I have five brothers and sisters, and they are all serving the Lord. Most of them are either pastors or pastors' wives."

But Green didn't fit the full-time ministry mold even then. He was the child who didn't shine academically.

"When I was in high school I took Distributive Education [DE]," he says. "I wasn't very good in school, so I enjoyed getting out of school. DE allowed me to get credit for working."

Two life-changing things happened while Green worked at McClellan's five and dime store in Altus, Okla., during his junior and senior years. For one, he received his earliest training in business. For another, he met his wife, Barbara.

They married right after high school. She was 17 and he was 19. Their union produced three children and is still going strong after more than 40 years. Barbara has been his partner in business and in ministry.

A 13-year stint with the TG&Y retail chain further prepared Green for his destiny. Then a small thing started him on the road to greatness: Small picture frames.

"In 1970 ... there was a little craze about taking some small canvases and paintings, a group of small frames, to put on a

wall," he says. "We saw the opportunity to start manufacturing these frames. We borrowed \$600 from the bank and started making them in our garage."

That low-budget, garage business was just the beginning. The Greens opened a store in 1972. They moved the frame manufacturing business from the garage to the back of the store and sold arts and crafts in the front area. The whole store encompassed only 600 square feet.

Greco Frame & Supply, which is one of the Green's family of businesses, is still in operation today, although the small-frame trend has given way to larger ones. The arts and crafts business, which became the Hobby Lobby company, propelled the Greens to success.

It wasn't exactly an overnight sensation, though. For three years David Green kept his TG&Y job. For the first five years of the business, Barbara ran it without taking a salary.

Their hard work paid off. The business expanded. Now it includes 309 Hobby Lobby stores, as well as 19 Mardel Christian and office supply stores.

The Greens also run Crafts Etc!, a wholesale arts and crafts company, and Hemispheres stores, which sell furniture and home furnishings. In addition, the Greens' Worldwood company manufactures many products sold in the stores, and H.L. Realty is their real estate and property management arm.

A Family Affair

Obviously the Greens have their hands full with so many businesses. Many of the hands helping them belong to family members.

Barbara still comes in to work several days a week. Older son Mart is president of Mardel, and younger son Steve serves as vice president of Hobby Lobby. Nephews Randy Green and Jeff Green run Crafts Etc! and Greco Frame & Supply, while daughter

Darsee Lett is the creative director for the stores.

The family are partners in more than the business. Just as Green's parents influenced their children to serve the Lord, David and Barbara passed that legacy on to their children.

"David's passion—his drive—has been instilled in his entire family," Glenn Cranfield says. Cranfield, a lifelong friend of the Greens, is their interim pastor at Lakeside Assembly of God in Oklahoma City. "They want to know Christ and make Him known to others in every area."

Why have the Greens prospered? Perhaps the answer can be found in the statement of purpose posted for the world to see on Hobby Lobby's website ([http://www.hobbylobby.com](#)). It says the company "is committed to honoring the Lord in all we do by operating ... in a manner consistent with Biblical principles."

The statement ends with a bold declaration of faith that is rare today in the world of American business: "We believe that it is by God's grace and provision that Hobby Lobby has prospered. He has been faithful in the past, we will trust Him for our future."

Adhering to that statement hasn't been easy. Like the time when the Greens decided to close their stores on Sundays.

"We all started feeling at the same time really that the Lord wanted us to close our stores," Green says. "It seemed like a contradiction. We have a statement on our website saying that we are trying to run this based on biblical principles, but we had people who would like to go to church and couldn't."

At that time the stores sold \$100 million in products on Sundays.

"It's the busiest day per hour," Green says. "So that was a little bit scary for us, although we decided we should never make our decisions based on dollars and cents. We should make

our decisions based on what's right and wrong."

They posted a sign on all the stores with this announcement: "Hobby Lobby will be closed on Sundays so that the employees can have the opportunity to worship with their families."

And the chain continued to prosper.

"There are decisions that, through man's eyes, look like they would not be profitable, but when you really have faith in God and know it is His business and try to do it His way, then things are better," he says. "He will bless you. How can He bless you if you always have your hands in the cookie jar?"

That cookie jar is sometimes tempting. One store opened in an area that quickly degenerated. The Greens closed the store and moved it to another location but were stuck with an expensive lease. A liquor store offered to buy the lease—which would have released the Greens from a commitment to \$350,000 a year for eight more years.

They refused and are still losing \$30,000 a month on the lease. To Green, making a decision based on moral and ethical integrity was more important than the bottom line.

"There are a lot of opportunities ... in our private life and our business life that we are tested," Green says. "God tests us to see, 'Do you really believe the Bible?' So we try our best to do what is right. We have lots of opportunities to compromise. When we don't compromise, that's when God is going to bless us."

Some of the testing came at a time when it seemed the whole business was about to go under during Oklahoma's oil bust in the mid-'80s.

"We received a letter from the bank threatening to foreclose, to take our inventory and to sell it off. That was probably the worst time of our business and probably the best time. The

best, in fact, because we learned at that time to give the business to God.”

During that difficult time the Greens spent a lot of time in prayer.

“I’d be underneath my desk almost daily asking God what He was trying to say in all of this,” he says. “What were we supposed to learn? Because it was His business. He is bigger than the oil bust.”

The company survived, and the Greens learned something about success.

“I’m not real sure there are a whole lot of us who can handle success without going through something where God says, ‘This ain’t about you,’ Green says. “Sometimes we have to learn that the hard way. That’s why it was the best thing that ever happened to us, so that God would prepare us to be able to give us the success that He has.”

Burden of Success

Not that success isn’t without its own problems and responsibilities. The Greens take seriously their roles as stewards of the wealth God has given them. “We don’t own this company,” he says. “God owns everything. We have to find His will.”

With that attitude, this wealthy businessman has decided to share his profits with worthwhile Christian causes. Green says his family feels strongly that God directed them to invest heavily in a few large projects rather than give small amounts to thousands of smaller ones. Two ministries top the list, the Book of Hope and Every Home for Christ.

The Book of Hope is a compilation of the four gospels that is distributed to schoolchildren in countries throughout the world.

"We've distributed about 180 million of these books," Green says. "We're committed to do 49.5 million this year."

Meanwhile, Every Home for Christ takes gospel booklets door-to-door to every single home in a country. The ministry's China project especially captured the Greens' hearts. "In seven years we intend to get the gospel to 400 million Chinese people," Green says.

The Greens are concerned about spreading the Word here in the United States as well. Last year they bought four theaters around the country and donated them to churches. Their donations actually make good business sense, too.

"It's a situation where the government will allow you to write it off your taxes on the basis of the appraised value vs. what you actually pay for it," Green explains. "So, it's just a way to expand what we do in ministry without costing us a lot of money."

When word got around about Green's charitable work, his office was inundated with calls asking for help with building purchases. But Green says his charitable work is focused on evangelism and he is not open to new projects at this time.

"We get about 300 requests for finances a month," he says. "We can't even answer them all."

That doesn't mean Green isn't ready to jump in when the Lord shows him an opportunity. That's how the full-page ads the company runs during Easter and Christmas started.

Green realized as he read the newspaper on Christmas Day that all the ads said, "Happy Holidays" or "Season's Greetings." He couldn't find a single "Merry Christmas."

"I thought, 'This is terrible,'" Green says. "People are afraid to say 'Christ.'"

So he placed full-page ads in newspapers in every major city

in the central United States. "There are full-page ads on Easter Sunday and Christmas Day proclaiming what that day is about," he says.

From the holiday advertisements to the full-time chaplain Green hired to minister to his employees, his company is run with an eye on eternal values. And that's the advice Green has for Christians who want to start a business.

"Don't try to control it. Turn it over to God and make Him part of the business," Green says. "As we allow Him to be a part of the business, and lean on Him, He promises to give us the answers to problems and to open the right doors."

Doors continue to open for the Green family. Plans are in the works to grow from 309 to 500 stores this year.

"Personally, I don't need them," Green says. "I could live the way I do with 10 stores. So why do we want 500 stores? So we can tell more people about Christ. That's what excites us. That is the purpose. Our purpose has to be something beyond our lifetime."

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