

ARKANSAS Money & Politics

The Pied Piper of Bentonville

For 20 years, Cameron Smith has enticed Wal-Mart's suppliers to locate offices in the retailer's backyard, building a lucrative career for himself and helping drive northwest Arkansas' economic boom.

By J.R. Davis and Eric Francis /

Photography by Jacob Slaton and courtesy of Cameron Smith



In 1994 Cameron Smith was a recent transplant to Arkansas, working as an executive recruiter in Fort Smith, when he made his first trip to Bentonville and stumbled upon something the likes of which he'd never seen.

“There were about 50 [Wal-Mart] suppliers here at the time, and I thought that was an incredible amount for a small town,” Smith said. “There was Nestle, Pillsbury, Clorox — one after another. They were all wrapped up in a neat little package for me. I remember driving all the way back to Fort Smith thinking to myself, ‘Oh my gosh, what did I just see?’”

That same year he brought bicycle maker Huffy to Bentonville, his very first Wal-Mart supplier. Today, Cameron Smith and Associates (CSA) has helped establish more than 500 offices in the region for 430 clients. “I believe [we've helped facilitate more than] 4,000 jobs,” Smith said.

Recruiting suppliers into Bentonville isn't the sole purpose of CSA; the firm's stock in trade is executive recruitment. Smith just happens to concentrate on companies with close ties to retailers. So he finds executives for Target suppliers and brings them to Minneapolis; and for

Walgreens, his company has sent suppliers and executives to Chicago, helping to establish what he calls “vendorvilles” around the country. But Wal-Mart is his bread and butter.

It would be hard to overstate how important Wal-Mart’s suppliers have been to northwest Arkansas, said Kathy Deck, director of the Center for Business and Economic Research in the Walton College of Business at the University of Arkansas.

“Without the vendor community in northwest Arkansas, we would be missing a density of professional business jobs,” Deck said. “It is that density of jobs and income that has formed a lot of the ‘secret sauce’ for the region’s growth path.”

Mike Malone, president and CEO of the Northwest Arkansas Council, concurred that suppliers have had a huge impact on the region, which is growing at a rate of 24 people per day.

“We’re forecasting that we’re going to hit our half-millionth resident on May 28,” Malone said of the Northwest Arkansas Metropolitan Statistical Area.

The biggest challenge from that growth is keeping up with infrastructure demands as well as amenities that meet growing expectations.

“I think there’s going to continue to be a real focus on the quality of life and the amenities residents are looking for,” Malone said, “but also making sure the experience of living in northwest Arkansas is as good as it could be for a professional who could live anywhere in the world, certainly anywhere in the country.”

There are nearly 1,400 Wal-Mart suppliers with a presence in northwest Arkansas, and Malone said he’s seen estimates that as many as 6,000 people are directly employed by those suppliers, a significant portion of a regional workforce of 200,000.

Twenty years ago when Smith arrived, there were only about 50 suppliers. Given that Wal-Mart reported conducting business with some 25,000 companies, he asked himself one question: “Where are these guys?”

“It kind of bugged me, so I started making proactive calls around the country to try and generate interest in moving here,” he said.

That seemed like an easy sell: put an office within shouting distance of your client, the world’s biggest retailer; but he pitched northwest Arkansas in phone call after phone call.

It didn’t work.

“I was just a big, dumb headhunter trying to close a deal, and they wouldn’t listen to me,” Smith said. “So I went back to the 50 guys who were here and had them write testimonials of ‘Why Bentonville?’”

Smith took those testimonials back to the companies who had already turned him down. They did the trick.

“Instead of me doing a big sales pitch, I said, ‘Here, listen to your colleagues.’ Business just exploded from there.”

In one of those early years, when he only had three people on staff, CSA brought in 63 teams of suppliers. In the last decade, Smith’s business has quadrupled. He attributes a lot of that to advances in technology and the creation of new positions.



Smith presenting to a group in China

Cameron Smith

“Wal-Mart adds new technology, and then the suppliers need to follow suit,” Smith said. “Those technology companies come in and help support it, and the teams that had four people now have 12 people.”

“So the jobs kept evolving, and new positions were created,” he said. “It just kept us busy. All these years it’s just non-stop.”

Today his company is going through what Smith refers to as a “paradigm shift,” or a merging between young Millennials and “doers,” as he describes them, on the supplier teams.

“These guys are doing social media, and it’s all digital,” he said. “And the guys who have been here a long time are more of the back-slapping sales guys that can pitch Wal-Mart. They don’t really understand the new technology, nor do the Millennials understand the very complicated logistical supply chain system of Wal-Mart. So, a blending of the two is happening right now.”

CSA is broadening its scope, too, as it works to establish those vendorvilles for companies like Target, Best Buy and Super Value.

“The same thing we’re building here, we’re building [in Minneapolis] — not to the magnitude we have here,” said Smith. “Here in northwest Arkansas, it’s a whole different story.”

With the continued incursion of Fortune 500 and Fortune 1000 companies like Nike, 20th Century Fox, Mattel, Sony, Cisco, IBM and Microsoft — all of whom have set up offices in the region — Smith envisions northwest Arkansas becoming “the Silicon Valley of retail.”

“And it could happen just like that,” he said, snapping his fingers.

While being in Bentonville may help a supplier stay connected with Wal-Mart, Smith said there are still challenges those vendors face when working with the famously demanding and detail-oriented retailer.

“Staying on top of consumer insights,” he gave as an example. “When you work with Wal-Mart your margin is so narrow, you have to cut every piece of fat out of the supply chain system in order to make your margin. [For instance,] Wal-Mart goes as far as saying to Clorox, ‘We want to know how you’re making your bleach because we think we can find you companies to sell you cheaper chemicals to make your bleach.’”

The biggest challenge can be just making your company the kind of supplier Wal-Mart wants to do business with. “We have, on almost a daily basis, a company that wants to get their product into Wal-Mart coming to us. Most of the time, those companies are not ready,” Smith said. “If you come to me with an idea, just a concept, and it’s a new yo-yo, you have to go to a yo-yo company and get that product made. Wal-Mart is not going to make your yo-yo for you.”

But even once you’re in production, he said, Wal-Mart will want to visit your manufacturing plant, assess the leanness of your operation, and see if you can meet the demand — and the price point — the retailer will set.

Smith has gone on missions to find products suitable for Wal-Mart, including a trip to China almost a decade ago. In addition to talking to companies about how to work with Wal-Mart, he looked at products from dozens of manufacturers who wanted to get through the doors at Bentonville.

“We spent four days going from room to room looking at new types of patio furniture, chairs and a variety of innovations,” Smith said. “Most of it was garbage, but we found a couple of things. Those products are now in Wal-Mart, and we get paid every time they get scanned in a register somewhere.”

Smith did shed light on one common myth about Wal-Mart: that they require their vendors to have a presence in Bentonville. Not so, he said; in fact, for years the retailer didn’t even encourage it, telling suppliers there was no advantage to being in the company’s hometown. But Smith said the testimonials of his clients told a different story.

“The companies that are here and see the needle move, they see the advantage,” he said. “Sometimes a 45-second meeting in the lobby of Wal-Mart makes all the difference.”

He admits that if Wal-Mart suddenly changed its tune and wanted all their vendors to have a local presence, the sudden onslaught of clients would probably be more than CSA could handle — but it’s a problem he would welcome.

“I wish they would,” Smith said, with a laugh. “There’s like 30,000 vendors they deal with. I’d be a billionaire!”

A Strong Arm, an Iffy Ticker and an Itchy Throat

Smith played on fast-pitch softball teams while on break from the business world. But he played hardball when it came to fighting throat cancer.



It was 1985, and Cameron Smith was working for Gulf and Western Industries, his second stint at a Fortune 500 company, when he decided to take a break.

“I had unfortunately just gone through a divorce and, at the time, I was pitching what they refer to as ‘professional softball,’” he said. “I decided that I was going to take a sort of sabbatical from work.”

Like so many things tend to do for Smith, it just took off.

“I got picked up by The King and his Court softball team and then the Hollywood All-Stars, [Tony] Danza’s Dukes, Billy Crystal’s Whitefish, the Jackson’s Rock N’ Jocks,” Smith said, a noticeable nostalgia quickly setting in. “I was on softball rosters all over the country, so if Sony was playing Magnavox, they’d fly me in to pitch their championship game. It was fun, and the money was actually pretty good, too.”

Smith traveled the professional softball circuit fulltime for a couple of years before making the decision to return to work in 1987.

“I went back to the recruiter who helped me get a job with Championship Spark Plug,” said Smith, whose background up to that point had been in sales. “His boss was in the background listening and said, ‘Hold on a second. You ever thought about doing this business executive search?’”

He made it sound attractive, so much so that Smith accepted the offer and dove headfirst into it with Career Consultants in Southern California, often working 12 to 15 hour days. It didn’t take long for others to notice what Smith had already figured out.

“I was good at it,” he said. “I just had a knack for it.” Smith the recruiter was quickly recruited away to another firm, and in 1991, he opened his own executive search firm out of his L.A. home: The Cameron Agency. Things were good. Business was booming, and in 1993, while in Las Vegas to see a prize fight, he met a woman from Arkansas ... and eventually followed her to her home state.

It is here in Arkansas that he’s encountered some of the biggest challenges outside his professional life.

“I guess I was probably carrying a few too many pounds, but I stayed in shape,” he said. “I worked out, walked, lifted weights and was in reasonably good shape, but probably could have dropped 15 to 20 pounds, like everybody.”

In 2011, Smith went in for a routine heart test but his doctor wanted to try something different: a calcium test. Later that week, Smith flew to Seattle to pitch in the last game for The King and His Court softball team.

“I was in the middle of putting on my uniform, when the phone rang. It was my doctor. ‘He said, ‘Cameron, you know that test we took last week? Well, the results came in. Normally if it’s a score more than 100, we get a little concerned. Cameron, you’re over 2,000.’”

The upshot was, said the doctor, that if Smith played softball that night, he could very well die on the field.



Cameron Smith (right) and Ted Danson

Smith flew back to Arkansas immediately for an emergency quadruple bypass at Mercy Hospital Northwest Arkansas in Fort Smith. It turned out his heart was 95 percent blocked in all three arteries. “They rushed me in. I was feeling great. I wasn’t even sick,” he said. “I was fine and joking around with everybody until they pulled back the curtain before I was going back for surgery, and there were like 50 friends and family all standing on the other side of the curtain sobbing. It just freaked me out. That’s when it really scared me.”

Smith made it through surgery fine, and began the long road to recovery — or so he thought. The real battle was just beginning.

“Three to four weeks prior to the surgery, I noticed a soreness in my throat,” Smith said. “I couldn’t shake it.”

The soreness didn’t go away either, and about six weeks after his heart surgery Smith made an appointment with an ear, nose and throat doctor.

“It took the doctor one minute” to make a diagnosis, Smith said. “I had throat cancer seven weeks after my heart surgery. It had spread to my lymph nodes and my neck.”

It was a devastating blow to Smith and his family, but he wasn’t about to give up. “I was ready to go to Mayo, Hopkins, M.D. Anderson, anywhere I had to go.”

Little did he know, the expert help he was looking for was closer than he thought.

“Some very influential people in town here [in northwest Arkansas] found out about it,” Smith said. “And within hours they called me and everyone was pointing me to one direction — this doctor at UAMS, Dr. James Suen, who is one of the top basic tongue specialists in the world, and he’s in Arkansas.”

The next day, Smith headed south to Little Rock [to UAMS, the University of Arkansas for Medical Sciences,] to meet with Suen.

“One hour with him, I knew he was the right guy,” he said. “He was very optimistic that we could shrink the tumor.” That was in stark contrast to what Smith heard from other specialists. “They were talking about cutting my tongue out,” Smith exclaimed. “Really? I mean, take a leg or an arm. Don’t take my tongue. That’s the one thing I use everyday at work, you know?”

Fortunately, none of that was necessary. Suen treated the tumor, and though the road to recovery was a long one, eventually the cancer was gone. It was tough — at the time head and neck cancer was treated with radiation, which caused third degree burns to his throat and forced him to take his food through a tube for four months. Smith lost 70 pounds as a result.

“You lose 100 percent of your taste,” Smith recounted. “Food was awful. The texture of food, when you can’t taste, is like chewing on a wet rag. It’s awful.”

But at no point did he think he wouldn’t make it. “From day one, I said, ‘No, this is not taking me out,’” Smith said. “As bad as it was, I knew there was an end in sight.”

Smith credits Mercy Hospital and Suen for saving his life, and he credits his “amazing team” for keeping Cameron Smith and Associates on track. Actually, they did a lot more than that; the company grew 6 percent during Smith’s six-month absence.

“They don’t have any problems reminding me of that,” Smith said, laughing. “I can’t say enough about the people I have here. [Cameron Smith and Associates] is truly a family. They cut me off all emails. I was able to just pull away and concentrate on my health 100 percent, and there were weeks that I didn’t even call in.”

Smith has become a literal poster boy for Mercy’s heart campaign. His story — and billboard on I-49 — has been seen by thousands, and he believes it’s a message that has saved lives.

“I feel a responsibility to get that message out,” Smith said. “And when Mercy Hospital needs something from me — they saved my life, they don’t have to ask twice. It’s the same with UAMS, with its cancer facility down there. I feel indebted to them.”