

Small business profile

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Kelly Jones

ALL HANDS ON DECK

Kelly Jones has the mettle to grow Deckorators to more than \$5 million

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Kelly Jones learned a valuable lesson when he and his father, Dal Jones, attempted to build a business manufacturing golf-themed lamps. They ordered all the parts, started assembling and found that other manufacturers could do it cheaper. They lost \$20,000.

Kelly Jones, 34, remembered the experience years later when he started Deckorators in 1998. Deckorators is a company that makes aluminum balusters, or railing posts, used in residential deck construction. The company, which has its headquarters in a Crestwood office building, outsourced almost everything. It purchased the raw aluminum from a metal supplier, sent the product to a metal fabricator to cut, then forwarded the material to a painter who could make the balusters look like wrought iron, who then sent finished merchandise to a sheltered workshop for final packaging.

The arrangement lasted until Deckorators outgrew those suppliers in 2000 and 2001, Jones said. Deckorators was ordering enough aluminum, 500,000 pounds a year, that it could deal directly with aluminum processors and had enough volume to switch its manufacturing to China.

Until several months ago, Deckorators also had outsourced its local warehousing, using ADS Logis-

tics in St. Louis. Deckorators had expanded enough for the business to buy its own, 25,000-square-foot warehouse in north St. Louis this year, Jones said. "I was able to use the money we saved to work at creating more demand for my product," Jones said. "Every year we've been profitable."

Creating demand has been the biggest challenge for the company, which sells entirely through wholesalers, Jones said. Deckorators has done so by giving its wholesalers a marketing allowance, Jones said, and through \$250,000 a year targeted for promotions with Internet search engines, such as Google.com, where Deckorators pays to have its name pop up.

"The concept is interesting because he didn't need a lot of overhead to get the business started," said Joe Valenti, senior vice president of Reliance Bank, who has handled Deckorators' business. What makes the business work is Jones' tireless drive, Valenti said. But owning his own business is what keeps him going.

Business activity: Deckorators designs and manufactures aluminum balusters used in deck construction. The company sells its products to the building trade and 1,500 lumber stores through a dozen distributors in the United States, Canada, the United Kingdom and Ireland.

Key executives: President and founder Kelly Jones controls the business. Vice President Christopher "Doc" Meston is a minority shareholder. Deckorators has eight employees.

History: Jones learned to work with metals from his father, Dal Jones, an industrial arts teacher who

had a workshop at the family home in west St. Louis County. After graduating from Parkway Central, Jones skipped college and started his first job with a brother-in-law in Austin, Texas. They shared ownership in a business that sold recycled paper products.

He went through several sales positions and was recruited by Thomas Construction Co. locally in 1994, where he said he became one of the top salespeople at the home-remodeling business. Jones launched his own home-remodeling business, Jones Construction Co., in 1998, and soon started building "ironclad decks."

He used \$30,000 in profits from the construction business as seed capital for Deckorators and later closed the construction business.

Revenue: Deckorators generated \$5 million in 2003, Jones said, and is on track to reach \$12 million this year.

Professional services: Valenti, senior vice president with Reliance Bank, handles Deckorators' banking. Philip Brumbaugh, an accountant in solo practice in west St. Louis County, handles auditing and financial data. Dennis Strawderman, an attorney with Lake, Gantz & Strawderman, is the company's corporate attorney. Grace Fishel, an attorney in solo practice, handles the company's patent matters. Darrin Haugan, a marketing adviser based in Chicago, handles advertising. Connie Holubar, with Outreach Communications in Gun Barrel City, Texas, handles the company's public relations.

The future: Deckorators plans to expand the deck market by introducing related home-improvement items in the coming year. Jones said he expects the company to reach \$20 million in revenue in 2005.