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People Person

How did Indy Car racing, baseball
and pizza help EDG earn top
CEDIA and CEA honors?
Find out on page 58

Bob Gullo, president,
Electronics Design Group

**Special
CEDIA
EXPO
Issue!**



AWARDS WINNER

CEA AND CEDIA like them. ... they really, really like them.

BY DONNA ENGLANDER

PHOTOGRAPHY BY SCOTT BRAMAN

QUICK STATS

Company Name

Electronics Design Group, Inc (EDG)
Piscataway, N.J.

Principals Bob Gullo, president

Revenue (2004) \$9.5M+

Best Customer Service Rule

Use your good judgment in all situations. *(From the Nordstrom Employee Manual, published in The Nordstrom WAY to Customer Service Excellence)*

Specialties High-end custom theaters and whole-house automation

It's akin to winning both the Best Actor and Best Actress Academy Awards in the same year. ... Okay, that would be impossible. But that's exactly what Bob Gullo did when Electronic Design Group became the first dealer to be recognized by the two leading dealer organizations serving the custom electronics industry. EDG was awarded both the 2004 Dealer of the Year Award from the Custom Electronic Design and Installation Association (CEDIA) and the 2005 Mark of Excellence Award for Dealer of the Year from the Consumer Electronics Association (CEA). EDG has also won nine Electronic Lifestyle Awards from CEDIA. Even though the company has those nine awards under its belt, since winning the dealer of the year awards, Gullo has definitely noticed a difference. "Our phone has been ringing a lot," he says.



Among the creative HR tactics at EDG are internal awards for Rookie of the Year, MVP and Unsung Hero, plus regular pizza days, a corporate picnic and bonding events such as Indy Car racing.

The difference being that the company was recognized not just for an installation or project, but because of the overall operation of the business. Gullo is a firm believer that “those little things mean a lot.” That is why he is so committed to not only valuing his employees and maintaining an employee education program, but to his marketing program as well. He also looks for new business opportunities that fit well with his current operation.

Valuing Third-Party Recognition

“Winning these awards is good internally, especially with our employees. It’s really created a ‘feel good’ atmosphere in the office,” Gullo says. “It’s great for our technicians to see the results of their hard work.

“There is definitely more awareness in the industry of who we are now. Having that third-party endorsement is important. I can’t say that winning the awards has directly translated into more business. You can’t measure that, but we do use it in our marketing material.”

The awards have also served as networking tools. “From a vendor perspective, it has opened some doors that may have been more difficult to breach otherwise,” says Gullo. “Many of the larger vendors weren’t aware of our company before this. We have also gotten a lot of resumes submitted and have ended up picking up an employee or two.”

Bonding with Employees

Because Gullo believes in and values his employees, he has worked to create a number of programs to show them how important they are to the company. One of his biggest efforts on this front is an annual dinner event held during the holidays. “This went from a casual dinner to the awards dinner. It gets better every year,” he says.

This past year at the dinner, a projector and screen were set up to highlight images of projects they’ve worked on. “It was cool that all of our employees were able to see and talk about these projects. There are a number of our employees, such as the accounting staff, who never get to see the projects we work on,” says Gullo.

As part of the dinner, Gullo tries to



connect all of his employees by having the different departments give short presentations of what they do throughout the year. He presents a number of awards that come with a gift check and includes their name on a plaque. Some of the awards include “Rookie of the Year,” “MVP,” “EDG Difference Award,” and the “Unsung Hero Award.”

During the summer, EDG throws a company picnic for its employees and their families at a corporate picnic facility. About three or four times a year, EDG also sponsors a Happy Hour night where employees are taken to a local bar or restaurant. And one Wednesday a month is pizza day when a number of pies are brought in for lunch.

Occasionally, the company also offers other unique bonding opportunities. Two years ago at the CEDIA Expo, EDG threw an Indy Car event. “We all had a blast doing that. This is probably something we’ll only do every few years since we have to stay an extra day at CEDIA. We’re now thinking about taking everyone to a [Colorado] Rockies game for CEDIA in 2006.”

For Gullo these programs are part of the business plan. “Even though these programs tend to be very expensive, I think it would be a disservice to our employees if we didn’t do them. People

For some custom theaters, EDG enlists architects and interior designers to design and build the room.

appreciate what you do for them. They like seeing their name prominently displayed on a plaque,” he says.

In addition to these fun, bonding-type events, Gullo also works to bring his employees together through education. He brings a large contingent to both regional and national CEDIA events. EDG currently employs a total of 55 people. Gullo brought 24 employees to the last CEDIA Expo and had 18 attend the last regional event. “It costs us a fortune, but I think it is worth it,” he adds.

The company also conducts internal education events led by two senior A/V technicians. They run seminars about every other month. In addition, EDG will bring in outside speakers to help explain company benefits, such as the 401k program. “Our employees range in age from 20s to 70s. We try to educate people on all the benefits of thinking about retirement. We want them to see the benefits,” Gullo says.

Making a Mark with Marketing

Gullo’s personal interest is marketing. “This is one of the most fun aspects of the business for me,” he says. “When touting

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the company, it isn't about the biggest surround-sound system and giant TVs. Those are just products. We want to show the available applications and how they can benefit our clients. We are always trying to up the ante. We have just created a top secret new marketing brochure that will debut in October."

The company has begun tracking its marketing campaigns by looking at cost, response, value of opportunities and actual revenue generated. "We recently closed a \$40,000 to \$50,000 project that was generated from a postcard mailing from an early 2004 campaign. We were able to track the client's name to that specific campaign. It helps us know what works and where to not waste our marketing dollars," says Gullo.

Another marketing program is the email newsletter. "We attempted to do this many times throughout the years, but we finally decided to do it in 2003," says Gullo. "We first needed to figure out whom to send it to. We concentrated on our existing and prospective clients and others in our database including architects, builders, designers, etc. We also knew we had to be fairly consistent and decided we would produce it eight to 12 times per year."

The newsletter includes product and technology news, a manufacturer spotlight, project highlights, service Q&A, and company news. "We've gotten a really good response from this," says Gullo. "We have an old client we haven't talked to in probably 10 years. So when he called, I personally went out to meet with him. He told me, 'I read your newsletter all the time; you've really grown.' He might not have called us if he hadn't seen the newsletter."

Creating Complementary Business Opportunities

While EDG has consistently concentrated on high-end custom installations and some retrofit remodels, it has also started exploring a few new opportunities. One of these new focuses is ripping out and repairing dysfunctional systems installed by other companies.

"Most of the work has either come



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from direct vendor referrals or from referrals from our existing clients," says Gullo. "Some of these projects are very big—up to \$50,000 or \$100,000 in repair work. We had to develop new internal processes for this business. The client needs to understand how much downtime will be involved—the downtime typically can last eight to 12 weeks."

For this type of business, they usually take all of the equipment out of the client's home, bring it back to the shop, completely redo the rack, reprogram and test all of the equipment, and check all of the wiring. They have been doing this for about the past year and a half.

For the large, custom theaters EDG builds, the company brings in architects and interior designers—all of the professionals needed to completely design and build the room. "This is a big plus for our clients since we provide all of the services

needed to design a home theater."

needed to design a home theater."

But in the past year, EDG has started doing more semi-custom theaters. "Many clients want a fairly quick project that doesn't cost a fortune," says Gullo. "We have been working with Acoustic Innovations to create this. These semi-custom theaters are installed in eight to 12 weeks vs. six to 12 months for a custom theater, at a fraction of the cost. These are really for smaller spaces. The customer picks out a style and color theme, and we work with a local contracting company on the installation," admits Gullo. **CE Pro**

Donna Englander is a Massachusetts-based freelance writer.



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