

# Stellar cellar

Startup company serves growing ranks of vinophiles

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WEST MICHIGAN — The chances are good that the executives of one local startup business know just the wine to go with a successful business launch. Better yet, they also have a unique place to store that bottle until it comes time to uncork it.

**REVEL CUSTOM WINE CELLARS** was started by Jim Cash, president of **CHRISTMAN CAPITAL DEVELOPMENT CO.** of Lansing after unsuccessfully looking for a wine cellar to hold his 700-bottle collection. He designed the cellar for his home and soon realized others might be interested in his design. He showed the design for about a year before starting his own business.

In January, he began the Grand Rapids-based Revel, hired a COO, and started building a network of six distributors covering 10 states. The product officially launched on June 22.

"It's been 0 to 90," Laurie

Lindrup, COO of Revel and a certified sommelier, told *Main Street Strategies*. "The amount of calls we're getting, the projects we're working on and the excitement created since we launched is amazing."

The goal for the business next year is to break even, which requires the company to sell 5.3 cellars a month. "That seems attainable at the rate we're going now," she said. Revel is also looking to offer wine cellar insurance, as well as develop a service that would help collectors fill their cellars by identifying top-notch wines projected to gain value in the next 10-15 years.

Revel plans to be profitable by year three, a feat Lindrup thinks isn't much of a stretch.

When asked about the timing of starting up a business in a recession, Lindrup said she believes the current conditions are the "right environment to start a business."

"Think about it — a lot of people can't sell their homes, so they're remodeling," Lindrup said, adding that the wine cellar has the potential to become the in-home movie



Laurie Lindrup, COO of Revel Custom Wine Cellars, and designer Jaclyn Drenth (right) have been working on a nationwide launch of the company's new cellars. The high-end cellars are being marketed to wine collectors and wineries.

PHOTO: JOE BOOMGAARD

theater of the current decade, given how wine consumption — which industry studies say has grown each of the last 14 years — has become very trendy. "And it adds value to a home."

## High-end innovation

The cellar addresses the problem of "dead space" in corners by using a wine wheel, a type of rotating tray that can store wine in several layers of racks. Plus, Cash's at-

tention to design was "leaps and bounds" ahead of existing, traditional cellar models, Lindrup said. The cellars feature 17 components and carry two patents.

The dowel systems allow for bottles of all sizes to be held on rollout racks allowing an owner to see a majority of his collection at one glance and to readily identify the bottles by label, reducing handling.

The average Revel wine cellar ranges from \$25,000-\$50,000 de-

pending on the amount of custom work involved in a given project.

Lindrup said the company wanted its products to set the mark for quality craftsmanship and to stand out from the rest of the cellars, so they sought out manufacturers that could meet their demands. In talking with local designers and architects, Lindrup was turned on to **BENCHMARK WOOD STUDIO**, a Holland company spun out of **MIKE SCHAAP BUILDERS INC.**

## Developing distribution

As the company was developing its strategic plan, Lindrup said it needed to decide how to go to market across the country. It settled on a distributor network, including some dedicated Revel-only representatives who would sell through architects, interior designers and homebuilder channels.

Lindrup and Jaclyn Drenth, cellar designer for Revel, also had to find a way to create buzz about the company and to introduce the product to the right group of people, namely interior designers. They devised what they called the "Black Envelope Project," sent the top 40 interior designers in the country some product information, and followed up with an e-mail campaign. The initial push led to a project with an interior designer in Chicago and ongoing conversations with other designers in the Twin Cities and Boston.

The company also hired a local company, **ALEXANDER MARKETING**, to help market the cellars.

"Something we've done internally is that we've tried to market one-on-one and influence the end user," Lindrup said, noting the company also hopes to sell installations at wineries. One distributor has been working hard on the Napa Valley market.

## Architects, designers key to growth

The company's business plan calls for it to market directly to architects. Since architects have a continuing education requirement via the **AMERICAN INSTITUTE OF ARCHITECTS**, Lindrup is creating an AIA-certified education program in wine cellars to present at local AIA chapters across the country. "We want to get on the agenda of the local AIAs and do a wine and learn. We want to give them two reasons to come out — to drink wine and to get education points," Lindrup said.

In the company's business model, the distributor matches an architect or interior designer with Revel's designer, Drenth, who then matches their specifications to develop a custom design. Since the cabinets are all standard sizing, each project doesn't have to reinvent the original design, she said.

Drenth, a recent graduate of the interior design program at **KENDALL COLLEGE OF ART AND DESIGN**, said she feels "very lucky and grateful" to have found work in interior design in West Michigan, unlike many of her classmates who are still looking for positions or who have had to move out of the region.

Jeff Swieringa, design team manager for Benchmark Wood Studio in Holland, holds an example of a wine rack made of mahogany that his company manufactures for Revel Cellars.

PHOTO: JOE BOOMGAARD



## Startup spurs other local growth

While Revel is a small company, its birth has meant jobs at other local companies. In particular, doing business with Revel meant some additional growth and investment at Benchmark Wood Studio, according to Jeff Swieringa, Benchmark's design team manager.

The cellars are almost entirely made out of mahogany because of its ability to withstand cool, damp areas. Benchmark purchased some production equipment to finish the raw stock

it receives. The company has also helped Revel with research and development, according to Swieringa.

The company employs 25 people, many of them wood craftsmen, who often work on an entire cabinet from start to finish. A throwback to the region's history in wood-based furniture, Benchmark has no shortage of skilled labor.

"We have a real good location in Holland," Swieringa told *Main Street Strategies*. "And in some ways the economy has helped because there are a lot of great workers look-

ing for work after some pretty big players had cutbacks."

Swieringa said Benchmark hires mostly experienced craftsmen who have the right attitude and a knack for the "art of woodworking."

"Our motto is 'wonders in wood,' and we look for someone who really likes what they're doing," he said.

## Quality sells

Benchmark started in 2001 as "four guys and a table saw," but quickly grew and added people as demand for the high-end wood cabinets increased. The company spun off from Mike Schaap Builders in 2004, but Schaap remains the president and CEO.

Swieringa said business has been very steady despite the down housing market and the overall economy. Most of Benchmark's sales are in a 60-mile radius of Holland with many projects involving Lake Michigan and other waterfront homes.

"The economy as a whole has an affect on everybody. We see more people kicking the tires, but within the last six months, things have really picked up," Swieringa said, noting the plant has been running a great deal of overtime in the last few months.

"Our underlying goal is to strive for quality and excellence," Swieringa said. **MSS**