

How to Survive Anything In The World of Small Business

by Jordana Magonigal | photography by Pat Rawlins

I How do you stay afloat in a business (and a market) that's quickly sinking?

IN GREENVILLE IN 1960, Louise Kellett began Kellett Enterprises, then known as Loom Products Co., to supply the huge textiles market with wooden parts used for textile looms, a position that solidified her presence in Greenville and in the textile industry. The only female business owner in the industry, she was known simply as "that lady in textiles," and, at the beginning, operated the company out of a small gas station off of White Horse Road.

"That lady" ran a successful company, particularly after the patent of the LP-13 Shake Absorber®, designed to reduce vibration and noise from the heavy machines.

But, over time, the textile industry began to decline in South Carolina, as in the rest of the nation, and as Louise's nephew James Kellett describes, the textile industry's national demise took a toll on the family business.

"In the late 1970s and early 1980s, technology advanced in production of the loom," Kellett, now president of Operations for Kellett Enterprises, says. "The wooden parts that we had manufactured were being replaced, which was the first sight of a slowdown for us in sales."

Then, in the mid-'90s, as the North American Free Trade Agreement was passed, the company experienced another slowdown in sales as textile production started to move offshore.

By 2004, only two employees were left at Kellett Enterprises. Louise Kellett's niece, Claudia Kellett-McNabb, moved to Greenville from Atlanta to help the ailing company.

"I can't say we almost went under," says McNabb, president and CEO, "but we had one customer who had about half of our sales. If anything happened to them, we would have had to close."

The challenge facing them was huge: rebuild a company



Kellett Enterprises employees (from left to right) Beverly Davis, Anne Clevenger, James Kellett, Claudia Kellett-McNabb, Don Delany and Dianna Delany.

who had lost most of its business and its customers in a market that didn't exist as it once did.

"I came in knowing that there was no more textile business," McNabb says. "So I knew we weren't going to go down that path anymore."

The path they did go down included rebuilding relationships with old customers, as well as new ways to market the company and their products – including the use of the Internet. Even then, one product – the LP-13 Shake Absorber® – kept the company afloat, although McNabb notes that it was the quality of the product as well as the timeliness of the order management that kept customers coming back.

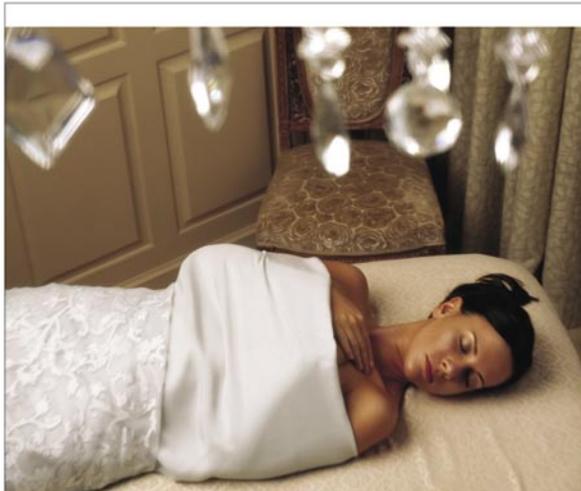
"There was no money for marketing, and no money for research and development," says McNabb. "Bringing technology into the business has helped us the most."



James Kellett and Claudia Kellett-McNabb, with a portrait of founder Louise Kellett.

Today, Kellett Enterprises consists of five full-time employees and three part-time. Even with a small employee base, last year, the company grew 51 percent, and is on track to match that again this year. By the end of 2007, McNabb expects that business will have tripled since her arrival.

But in the end, McNabb attributes the success of Kellett Enterprises to her employees. "We have the ability to know our employees personally and professionally," she says. "After working for a small company, I don't think I'd ever go back to a large corporation." ■



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