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Howell awning company sees success despite recession

Awning company focused on marketing

By **MICHAEL L. DIAMOND** • BUSINESS WRITER • February 10, 2010

HOWELL — As the recession began to decimate the housing industry, the prospects for Awning Design, an awning manufacturing and sales company in Howell, were not looking so hot.

Construction dried up. Consumer spending evaporated. But rather than give up, Awning Design redoubled its marketing and expanded.

The result? "It's paid off," said owner Mark Pedersen, a Middletown resident. "Even in a recession year, we did a nice business."

Awning Design sells awnings for homes and businesses, keeping sunlight out, helping customers conserve energy and protecting furniture from the sun's wear and tear. It employs up to 17 employees during its peak season in the summer, and it has nearly \$2 million in annual sales. Recently, the business moved into a new 8,000-square-foot building in Howell.

The company appears to be one of the recession's survivors, offering a road map on how a business, faced with the worst environment since the Great Depression, can emerge stronger.

Indeed, this recession, caused by the collapse of the housing bubble, has been more than a challenge to construction-related businesses. Some have filed for bankruptcy to help get out of debt. Others have closed outright.

"You want to keep your debt to a minimum. Pay your bills. Take it a day at a time. Don't overdo anything," said Linda Bernaski, president of Palatial Homes, an Ocean Township home builder and past president of the trade group Shore Builders Association of Central New Jersey. "That's how we've proceeded the past two years."

Pedersen, 48, lives in Middletown with wife Robin, daughter Bethany, 14, and son Jordan, 11. He has

been through recessions before.

He opened a glass company in Toms River in 1984, but closed it five years later when a recession leveled the real estate industry. He went to work for the glaziers union to make ends meet, but always preferred to be his own boss.

In 1993, he ran an errand for his father-in-law, stopping at a store on Route 9 in Howell.

"I walked into the company — it had 2 1/4 employees — and picked up a completed awning for my father-in-law," Pedersen said. "I commented that it looked pretty cool. The owner asked if I wanted to buy the company."

Pedersen did not have to think long about it. He bought the company for \$50,000, using money from savings and his family. And he began to compete against the giant retailers by preaching customer service.

Eventually, though, he concluded he needed help to expand.

In 2007, he turned to Alan "Gordy" Techner, who worked at a direct-mail company with which Awning Design advertised. Needing extra money to help pay for his daughter Amanda's wedding, Techner went to work part-time with Pedersen.

It helped that the company had little debt. But with

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the recession bearing down, Techner brushed off any concerns about expansion. He retooled the company's Web site, www.awningdesign.net, and ensured it would come up near the top of the page on search engines. He decided that customers did not want to drive to Route 9, so he found retail space on Route 33 to set up showrooms. By the end of 2007, Techner was part owner of the company.

The company now has showrooms in Howell, Middletown, Wall and Robbinsville.

"My philosophy is, you're never going to be guaranteed to sell (your product to) everybody you s it in front of, but you need to be relevant," said Techner, a 54-year-old Manalapan resident. "You need to be in the mix."

Awning Design this year appears ready to grow again. It consolidated two facilities into its Route 33 manufacturing plant and showroom in January. And it is expanding its product line to include wrought-iron railings, solar-panel roof vents, fireplaces and wood stoves to help increase sales during the winter.

"We've managed to do well, considering how the economy was situated last year," Pedersen said. "I'm confident we'll do better this year than '09."

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