

## Founder finds a way to save trade-show firm

New partner buys out naysayers, grows co.

BY SANDRA ZARAGOZA / ABJ STAFF

When Imagecraft Exhibits founder Mike Davis learned that his business partners hoped to sell their majority interest in the company, he worried about his employees and clients.

One potential buyer was even talking about closing the Austin office.

But that is not a fate that Davis would allow for the 38-year-old Imagecraft — a maker of trade booths, displays and custom office furniture. Some Imagecraft employees have worked alongside Davis, through thick and thin, for 25 years.

"I saw, all of a sudden, 40 people out of jobs, and I spent 30 some years building this [company] up," Davis said. "I just couldn't see that."

Thanks to a new partnership with Austin businessman Tom Blair, Imagecraft has picked up new clients, is developing new lines of business and is now better-positioned to weather the soft trade show climate.

Davis and Blair bought out Davis' partners for an undisclosed amount, and Davis is again the majority stakeholder, Blair said.

"We basically got his company back from the deal he made a few years ago, and in the process saved jobs in Austin that might have gone away," he said.

The company generated \$5.5 million in revenue last year,



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**Tom Blair (left) and Mike Davis have high hopes for their company, Imagecraft Exhibits. Last year former company owners wanted to sell it.**

down from the previous year. And Imagecraft is now poised to generate \$7 million to \$8 million in revenue this year, Blair said.

Since taking back the company late last year, Blair and Davis have added sales staff in Austin and in the Dallas office, which employs about nine. They've also landed new customers, including retailer 7-Eleven and Dresser Wayne, a fuel dispenser manufacturer.

Davis credits his banker, Shaun Tuggle at Plains Capital Bank in Round Rock, for helping him find the right partner.

In the mid-1990s, Davis sold the majority interest in the company to partners, who he declined to name. But in recent years, their business relationship became strained. When the former partners said they wanted out of the company because of a difficult trade show environment, Davis saw it as an opportunity to put the

company back on track and save his Austin employees' jobs.

Tuggle put Davis in touch with investment banking firm Focus Strategies, which identified two potential partners. Davis said he chose Blair because of his desire to take a day-to-day role in the business.

Blair, who has been a franchise developer for Tin Star restaurants and Sport Clips, brings business and marketing know-how to Imagecraft.

"I come from the artistic end, and he comes from the business end, so it was a good mix," Davis said.

Blair said the company's reputation for quality is helping sales remain steady, even as trade show industry business is down. The company has seen an increase in its rental trade booth business as clients have held back on buying booths.

With an eye on new business lines, Imagecraft plans to launch a startup business program that will provide early-stage companies with booth equipment for trade shows at an entry-level price, Blair said. Trade show booths can run from thousands for a basic banner booth to \$300,000 or more for a more elaborate booth.

As far as the trade show market goes, Blair said he is cautiously optimistic that the industry is seeing signs of improvement. Meanwhile, he's focused on growing Imagecraft's commercial business line, which provides custom-built sales offices, reception desks and other marketing-related furniture.

Although Imagecraft's clients are located across the country, the company is concentrating on growing its Austin business.

"Now that we are locally owned again, we are going to put a lot of emphasis around creating awareness of our organization here in Austin," Blair said.

If all goes well, Blair hopes to expand into new markets, such as San Antonio and Houston, soon.

For now, Imagecraft's employees are enjoying the change in ownership, Blair said.

"It's reinvigorated the employees," he said. "They feel better now about the future of the organization and the fact that we are talking about building and growing the business."



Tuggle

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