

# JAH-ROC MILL GALLERY

## (York, Western Australia)

When two friends, David Paris and Gary Bennett purchased the Old York Flour Mill in 1993, it had been in a derelict state since ceasing operation as a mill in 1967. Today, their partnership has transformed the mill into the home for the multi award winning business called Jah-Roc Mill Gallery, and they have become one of the most respected and influential furniture designer-maker teams in Australia. The business is experiencing an average annual growth of 25%, employs 18 staff, attracts 50,000 annual visitors and has recently achieved its 32nd award. The business has also created an incubator environment for another eleven businesses, employing an additional 20 staff.

The impact on the small wheatbelt town of York is immense in terms of economic, employment and tourism benefits. It represents a wonderful story of passion, persistence, strong work ethic, vision, learning, customer service and commitment to quality.

### THE STORY SO FAR ...

In 1982, Gary Bennett and David Paris were members of '*Bob Hawke's Surf Team*' when they first bumped into each other, while searching for spare parts for their old surfers wagons in a wreckers yard in Nambour, Queensland. Gary was a carpenter who had been on a working holiday in Queensland and David was a cabinet maker by trade. Both were originally from Western Australia and had many things in common - surfing, mutual friends and a loathing of the education system! A strong friendship was formed, but eventually '*the party*' ended and Gary and David went their separate ways. David went overseas for three years and Gary continued his journey around Australia, stopping along the way to help Shirley Strachan (ex Skyhooks and *Better Homes and Gardens*) to build a cedar and oregan surf shop on Victoria's Phillip Island.

It was not until 1989, that Gary and David reconnected to commence building Jah-Roc into what it is today. Gary had started Jah-Roc in 1987, in his backyard shed in the Perth beachside suburb of Scarborough and was making pieces hewn from hand split pieces of Toodyay Stone and old bits of jarrah salvaged from building sites, hence the name Jah

(Jarrah) and Roc (Rock). In 1988, he moved the business to Osborne Park and rented the rear of a shed. As Gary's business grew, he soon realized that he needed some help - whilst his artistic talents were excellent, his organizational skills were lacking. At this point David returned from his world travels and decided to buy into Jah-Roc and thus the partnership was formed. David also became excited about Gary's sister Joanne, and married her, cementing a family partnership!

With David's cabinet making and organizational skills, Jah-roc Kitchens was established. 80% of their business was kitchens (which they did not particularly like doing), the other 20% was creative furniture which was their real passion. In 1990, they decided to exhibit some of their furniture in art galleries in the South West of Western Australia. Their designs were well received and they also started to receive industry recognition. This gave them confidence that their future lay in the creation of fine and creative furniture rather than producing kitchen cabinets.



Gary also took some of their furniture products to Los Angeles and went cold calling, door to door trying to find a market for their product, and was eventually invited to exhibit their work in Beverley Hills. This proved successful and they began exporting to the USA on a regular basis. This followed with exhibitions in Milan, Italy, Tokyo and Japan in 1991, from which further sales eventuated. They also began to win awards for their work and this gave them confidence and the belief that they had a unique product.

They also suffered some setbacks along the way from which they nearly did not survive, but from which they learnt some valuable, albeit expensive lessons. 1991 was a particularly bad year. A large project that they undertook for '*a friend of a friend*' turned into a financial disaster when the developer went broke leaving them owing \$35,000 to their suppliers. A foray into the granite quarry business was equally unsuccessful. Their accountant delivered the bad news - '*it was all over and that they should go off and do something else*'. David briefly flirted with this option whilst Gary and an apprentice (Matt Hammill), who offered to work for nothing, persisted. Soon David rejoined and decided to focus on what they were passionate about and what they did best - making artistic furniture out of solid and recycled timber.

Gary and David recommenced by traveling to the south coast for some creative inspiration and to do some surfing. During this trip they designed a new range of furniture and when they

returned to Perth, created the prototypes and then displayed them in a number of South West galleries. This proved very successful, and they managed to pay off their creditors and *'survived to live another day'*. In Gary's surfing language *'we got dumped, but did not suffer a complete wipeout'*.

As their business began to grow, they realized they needed new premises. Nothing around Perth was suitable. In 1993, Gary took his wife, Lara to visit his parents in York, a small wheatbelt town where he had spent his childhood, and they discovered what was to become the new home for their business – a dilapidated old flour mill about to be auctioned. They decided to attend the auction and bid for it. They were successful at auction and purchased it for \$155,000, \$1000 less than the maximum that their bank had given them approval for. Given that the losing bidder had planned to demolish the building, it was significant for both Gary and David, as well as the town of York and lovers of heritage.

The Old York Flour Mill was constructed in 1892, and dominates the entrance to the historic wheatbelt town of York. It is a four storey structure, built using convict hand made bricks and occupies two acres. A week after the auction, Gary and David realized the challenge they had taken on. According to Gary – *'an incredibly derelict building with missing windows, heaps of graffiti and holes in the roof and floors'*. Family members and friends thought they were crazy. Their bank manager thought so too - *'why would you move from Scarborough Beach Road with 70,000 cars a day driving past to York with only 3000 people in total'*? Knowing more about the market than what their bank manager, Gary and David responded with *'Why not?'* They saw the huge marketing and operating potential.

Within two weeks, they were operating from their new premises and Gary and his wife Lara were literally living in a tent under one of the sheds. So the task of restoring the complex of derelict buildings began. The first goal was to *'close up the building'*, ie to fix the roof, windows, doors etc. The first twelve months were very chaotic and very hard work. It was also case of *'sink or swim'*, as they could not afford to stop or slow down otherwise their business would have drowned.

They had little money and what they did earn, they put back into the business. Like their furniture, which was mostly made out of recycled timber, they through necessity recycled materials that they found on site to renovate the building, which became their gallery. Apart from their own efforts, they had support from family, friends and even locals who were sympathetic to what they were trying to do, especially when they realised that they were actually restoring the building and were not pulling it down to make their furniture from it. The local *'Friends of the Old Flour Mill'* group contributed \$4000 to help fund some of the 40 double hung windows that needed replacing. .



Their courageous decision to move to the country and create a tourism based outlet for their business seemed to be vindicated as their turnover doubled in their first year of operations in York.

The renovations continued and as their business began to grow, so did their staff and number of visitors who came to York to view their business. In 1995, one of their visitors to the gallery was Brent Stewart, who owned a Perth marketing company called 'Market Equity'. He undertook the development of a five year business plan. Gary remembers looking at the plan and thinking that there was no way they could reach the sales targets in the plan. Nevertheless they adopted it, and to their amazement they achieved it in three years.

Gary and David learnt quickly the value of listening to advice, albeit they were selective as they picked and chose what they thought was relevant to their market. One of those pieces of advice was to realise that they were in fact, not in the furniture business, but in the lifestyle business. Gary firmly believes that *'people who buy our furniture are buying a lifestyle'*.

In 1996, a group of local jazz enthusiasts approached them to use the unused western shed for their annual Jazz Festival. The group re-roofed and re-floored the shed and three months later David and Gary found themselves wearing suits at a \$175 a head show, watching James Morrison, Tommy Emmanuel and Grace Knight, whilst they ate crayfish and drank wine. The Premier arrived in a helicopter, and 1000 people by train especially catered for the occasion. Gary remembers looking at David and saying *'Oh, how your luck can change'!*

There have been many defining moments in their business and none more so than in 1995, when they decided to opt out of the production side of the business. For a long time, they believed that no one could do things better than themselves, but if the business was to grow, then they had to learn to delegate and focus on managing the business. They also realised that they had to take responsibility for those aspects of managing the business that they were individually best at - Gary would focus on the creative aspects of the business, while David the day to day organisational needs of the business.



With the growing number of visitors to the gallery, they also realized that the business and its clients would benefit from the presence of other craft businesses and a café. A café facility was created in the mill's old office complex, and rented out.

Attracted by the success of the Gallery, other businesses were introduced. Gary's father-in-law (Leon Baker) renovated the third floor of the gallery to set up his jewelry business. Other businesses included 'Errol's Forge' and Megan Gardiner's 'Card with a View'. It was apparent to them that this business cluster or incubator concept was a great opportunity to add value to the visitor experience and so they opened up more space for additional businesses. It was also a way of giving back, so that other artists could have the same opportunity as they were given when they paid \$50 per week to rent part of someone else's shed. It also solved the problem of having to maintain some very large spaces which always needed cleaning.

Unfortunately, not all businesses made it, but as Gary explains - *'they often thought that they could ride on the coattails of Jah-Roc, but did not appreciate what was necessary for business success'*. Today, 11 other enterprises operate in the complex, including the Café, a blacksmith, antique shop, hardware outlet and hairdresser.

In December 2002, Jah-Roc established an outlet in Margaret River, a coastal town in the South West of Western Australia, famous for its wineries and surfing. They had returned to the area that in the early days had embraced their work and had encouraged them to pursue their passions. They bought another restored heritage building as their gallery space.

Jah-Roc is open 7 days a week, 364 days a year, and as Gary states – *'There aren't many places that you can come and get your hair cut, pick up your hardware needs, buy a gift, have some lunch and furnish your house'* (Bush, 2002:1).

Jah-Roc has received many awards, but probably the most significant and proudest awards have been *'Best of the Best at the FIAA, Australian Furniture of the Year Awards 2002* with a piece entitled *'Sue's Chaise Longue'*, and in 2003, *'Best First Generation Business Award'*. Today, it could be said that Gary and David are surfing the *'crest of a wave'*.

## THE IMPACT

David and Gary are modest when it comes to the impact that the success of their business has had on others, and whilst they acknowledge that they have no doubt made a contribution, they state *'we are too busy working on the business to stop and think about it for too long'*. However, the reality is very significant.

- **Local economy**

Jah-Roc has had a major impact on the local economy and employment opportunities in the small town of York. The business employs 18 staff. The need to employ skilled workers from outside York means that they contribute to the maintenance of a viable population in the town and thereby helping to ensure high standards of education, health and other services are retained.

As mentioned, Jah-Roc has supported the development of a business community within the large rambling mill site. These 11 businesses have generated 20 additional jobs. In addition, Jah-Roc's Mill Gallery showcases and sells the work of 130 different artists from all over Australia, the majority being rural based workers.

Local Business Enterprise Centre Manager Kevin Mangini has incredible admiration for what Gary and David have achieved - *'Jah-Roc has been responsible for the attraction of a large number of visitors to York and this has had a flow on effect through the local economy ... it would be great to have more businesses of the calibre of Jah-Roc in town. It is one of York's tourism and business icons'*.

*'Without tourism, York would be dead...and Jah-Roc makes a significant contribution to tourism, which has a flow on effect through the whole economy'* claims York Tourist Bureau Manager Denise Smyth. According to Denise, many people come to York due to Jah-Roc. The fact that Jah-Roc is based in York means that the town benefits from all the

extensive marketing and advertising. Every time they appear on state and national television programs such as *'Getaway'* and *'Postcards'*, York is receiving free advertising.

Travel Downunder website (2003) claim – *'when you visit the Jah-Roc Mill Gallery it is probably the most fascinating fine art and craft experience you will find in Australia...'*.

The high standards set by Jah-Roc have influenced York in many ways as Birgit Schreuder, local York business proprietor explains - *'Jah-Roc brought style to York and that meant that it was no longer good enough to sell knitted coat hangers to visitors who came to York'*. Denise Smyth confirms this as the Tourist Bureau reassessed the products they sold through their premises bureau directly as a result of what Jah-Roc were offering, and *'yes - 'we took the knitted coat hangers off the shelf!'*.

- **Heritage Tourism**

Restoration of the 1892 flour mill has helped to preserve a unique part of Western Australia's heritage. According to David Paris – *'Now we've got more than just a furniture outlet, we've got this amazing old building that gives people more reason to come visit us... the building itself has become as much a drawcard as the furniture'* (Heritage Council, 2003:5).

According to the WA Heritage council (2002:5) - *'restoring an icon building in a small town has generated a lot of interest for customers and the media – people were keen to see what they have done'*.

Jah-Roc has been acknowledged for the restoration work through several awards:

- 1995 Heritage Council "Award for work undertaken to conserve *The Old York Flour Mill*"
- 1997 York Tourism Awards "*Preservation of Heritage – for work undertaken to conserve The Old York Flour Mill*"

In addition, they have been recipients of several Heritage Council grants.

- **Impact on other businesses**

Through the development of a *'Business Incubator'*, Jah-Roc have been able to turn unproductive spaces into a vibrant business community around that of its own. Whilst many of the businesses are successful in their own right, the Jah-Roc complex gives them access to reasonable rates of rental, a working environment that is positive and conducive to creativity, and 50,000 visitors a year.

Geoff Eaton, proprietor of *Jah-Roc Café* for three years, attributes part of the success of his business to the encouragement and support provided to him by Jah-Roc. Geoff believes that Gary and David understood from their own early experiences what it was like to be starting a business and offered a rate of rent and support that enabled him to focus on creating a business that was befitting the type of visitors that Jah-Roc attracted, rather than having to worry about how he was going to pay his rent and outgoings. *'Being*

*around positive people has helped me, as well as being able to benefit from cross promotion opportunities' according to Geoff.*

Megan Gardiner proprietor of 'Cards with a View' has been at Jah-Roc for over six years and has seen the transformation of Jah-Roc during that time. She adores the atmosphere and the sense of community. Megan believes that David and Gary's passion and hard work is motivational as *'they do the things that other people talk about'*.



- **Furniture industry**

Jah-Roc demonstrated the growing importance of the fine woodcraft industry to the current debate regarding timber sustainability. They are currently value adding between \$18,000 and \$30,000 per cubic metre, compared to the \$1,000 per cubic metre when timber is used for housing construction. A recent parcel of particularly pretty "Flame" Jarrah was purchased for \$1200 (1m<sup>3</sup>) and was turned into a staggering \$56,000 worth of product and there's even a few bits left over.

Ian Hearn, President of the Furnishing Industry Association of Australia, has watched the development of their business for many years. He was one of the many people who questioned their decision to move to York. Ian states that *'Jah-Roc is a business unlike any other, they look through different eyes and others can learn from their ability to look outside the square...they are starting to reap the rewards of their hard work and dedication'* Ian believes that Jah-Roc is a wonderful example of what a furniture business can do for country towns. BIS Shrapnel research demonstrates that for every person employed in the furniture industry, three others are employed indirectly. Ian believes that Jah-Roc's innovation and quality manufacturing has helped to raise the Association's profile and has set a benchmark that will remain for a long time. Jah-Roc has always been a strong supporter of the Association.

- **Young People**

David speaks with pride about his involvement with Year Ten Manual Arts students at the local high school. David is involved through 'Landmark Education'. A fundamental principle of Landmark Education's work is that people – and the communities, organisations, and institutions with which they are engaged – have the possibility not only of success, but also of fulfillment and greatness.

As part of Landmark, he had to undertake a community project with the local school. Students had to design and build something that contained their favourite object. David explains – *'it makes them realise that anything they want is available to them and demonstrates that you can be successful using hand skills. It encourages students to think out the circle, helps to improve their self esteem and understand that anything is possible.'*

Gary has become an Ambassador for C.R.E.A.T.E. (Creating Rural Entrepreneurial Attitudes Through Education), a non-profit school based program run in rural Australia. Its objectives are to:

- demystify the concept of *'being enterprising'* and its relevance for all young people in coping with change;
- understand and appreciate one's local and regional community and the social and economic opportunities they provide; and
- explore, develop and test a variety of social and business entrepreneurial experiences.

Gary enjoys the opportunity of returning to a school environment which he detested as a young person, and challenging students, teachers and their communities to be enterprising in thoughts and actions.

## THE SUCCESS FACTORS

Ten key factors are identified by David and Gary, namely:

- **Passion, Persistence and Strong Work Ethic**

The restoration of a derelict old flour mill, and the creation of a national furniture icon business is testament to the persistence and hard work of Gary, David and the team at Jahroc. Jah-Roc has had many defining moments over the years, but none more so than when they stopped making kitchen cabinets, which they hated, and focused on their passion - fine furniture. Their vision statement is *"to create objects of desire that withstand the passage of time"*. They often refer to their vision statement to ensure they do not lose sight of why they are in the business and what has made them successful.

Without persistence, a strong work ethic and a never say die attitude they have overcome most obstacles in their way. *'When others say "why", we said "why not"'* was Gary's response to people who question their decision to operate from York. *'While every one else talks about it, Gary and David are doing it'*, according to Kevin Mangini, the local Business Enterprise Centre Manager.

- **Do What You Do Best**

It did not take Gary and David very long to realise that if the business was to survive and they were to be successful, they had to stick with what they did best, or as Gary puts it - *'you have to stick with your knitting'*. This not only applied to their business products, but also to how they managed the business. David recounted that in the early days in York that he and Gary essentially took on the same responsibilities. This led to the odd *'barney'* and it soon became evident that there had to be a better way of doing things. As a consequence, Gary took responsibility for sales, marketing, and design while David took control of the organisational and financial aspects of the business. This has resulted in a unique and profitable

### Success Factors

- Passion, persistence and strong work
- Do what you do best
- Business plan
- Product differentiation and quality
- Location
- Continuous learning
- Commitment to staff development
- Customer service
- Media/marketing
- Profitability



partnership. According to Nathan (1996:4) – *‘Bennett and Paris seem to have the perfect business marriage with Paris playing “ying” to Bennett’s “yang” ‘.*

- **Business plan**

David and Gary are strong believers in having a clearly defined business plan, and monitoring that plan has been critical to their success – *‘We monitor our results daily. We can’t afford to wait until the end of the week or month to find out that we are not achieving our targets’* states David. By monitoring it daily, they are in a position to take corrective action before it is too late. *‘You should never assume anything - test it and measure it’.* David cites the example of one employee who raced around looking busy and productive, but when they analysed his performance, they discovered that he was actually their most unproductive employee.

- **Product Differentiation and Quality**

Gary and David knew from experience that the furniture business was very competitive and that they would never get rich by mass producing ‘mainstream’ furniture that you bought in places like Harvey Norman. They have created a unique niche by:

- producing furniture that is stylish and unique;
- maintaining a very high quality in terms of craftsmanship, with great attention being paid to every detail;
- focusing on one off products; and
- branding their pieces with their name and date, and acknowledging the source if it came from something of significance, such as the *‘Old Busselton Jetty’*. Offering a Lifetime structural Guarantee and offering a resale Policy. The latter is a huge customer benefit as the work has been proven to double in price every 8-10 years.

Having a unique and quality product has meant that they could justify top prices and a healthy profit margin

- **Location**

Without doubt, the presence of the business within such an imposing building on the main entrance to York has been a significant factor. The building with its towering thick brick walls and huge hand hewn timbers is a great showcase for their wonderful furniture designs, crafted from recycled timbers. In the words of Gary Bennett – *‘the building has given us impact as a home base and added significantly to our presence in the market’* (Heritage Council, 2002:5).

- **Continuous Learning**

Gary and David are constantly searching for new ways to do things in a smarter and more productive way. As David puts it – *‘we are always asking ourselves ‘How can we improve it, how can we do it better?’*

They read books, listen to tapes, attend seminars and are always willing to take advice from others, whether that be their business coach, accountant or even Tom O’Toole the famous Beechworth Baker, who has visited Jah-Roc on a number of occasions. Armed

with new ideas, Gary and David are able to respond to situations, rather than having to react to them.

In 2001, they were experiencing a plateau in their business growth. They were becoming frustrated that their turnover had become stagnant and that they were not making progress to the next level as planned. They decided to engage Hank De Smit, a business coach to help them. Hank reviewed their management and work practices and provided feedback including their lack of management and sales expertise. Hank had pointed out that it was not the most effective use of their time for David to be driving the forklift and for Gary to be spending so much time on selling the furniture. They needed to learn the art of delegation. David commented - *'I had some great ideas, but no time to implement them, Hank taught me how to be a manager and how to plan'*.

- **Commitment to Staff Development**

The Mission Statement of Jah-Roc clearly states – *'At Jah-Roc, all staff will be treated with respect and be rewarded generously for their contributions towards servicing our customers. We will honour all our agreements and encourage all staff to work co-operatively as a team to fulfill the customers' needs'*.

Jah-Roc gives strong attention to staff training and communications with staff. Their regular meetings with managers and staff enable them to keep staff informed about what is happening within the business, and to receive feedback from them. By keeping the staff informed they believe staff have no doubt about the direction the company is heading and what is expected of them. David and Gary are *'straight shooters'* and believe that it is very important that the staff are very clear on what are the consequences of the business not performing.

- **Customer service**

Jah-Roc's mission statement contains a strong commitment to the highest standards of customer service – *'Jah-roc is a team of devoted people ... dedicated to serving our customers and to ensuring that the Jah-Roc experience is like our furniture of the highest quality...'*.

David and Gary found out along the way they were *'not in the furniture business, but in the lifestyle business'*. Subsequently, there is incredible focus on offering the best in terms of service and presentation. Jah-Roc's 12 Points of Culture (reproduced in the **Pot Pourri of Great Ideas** section below) reflects their commitment and expectation of staff in terms of customer service.

- **Media /Marketing**

Being in a country town, Gary and David claim they had to be good at marketing - *'how else would get people to drive all the way to York to see our furniture'* states Gary. Over the years they have marketed their furniture in diverse ways including the traditional galleries, furniture shows, expos and newspapers. They have also arranged to be featured on a number of TV lifestyle programs including *Getaway* (twice) and *Postcards* (three occasions) which have been a tremendous source of free exposure. They have tried to use every opportunity to network and make their business known. Entering their furniture in

awards has also helped to market their business. Recently they received their 32nd award since 1988.

- Both Dave and Gary agree that Jahroc would not be the success it is without the enormous amount of support and help they have had from family, friends, business associates and customers.

## **ADVICE TO OTHERS CONTEMPATING RURAL BUSINESS CREATION**

According to Gary Bennett:

- *'you should not do it unless you are passionate about it, and then never give up;*
- *you need to do it differently to your competitors in some way;*
- *realise what business you're in and remember that no matter what you do you are in the people business; and*
- *have a good story to tell about your business – people buy your story when they buy your product'.*

According to David Paris:

- *'be realistic; and*
- *do a lot of planning before you start'.*