

ELM SALES & EQUIPMENT

SPA VETS LOOK TO CAPITALIZE ON REPLACEMENT PARTS MARKET



Marc Lambert (left) and Ted Williams, owners of ELM Sales and Equipment.

Photos by Kristine Archer

With more than 50 years of hot tub industry experience between them, Ted Williams and Marc Lambert, co-owners of ELM Sales & Equipment Inc., have seen it all. It's that shared knowledge, along with a love of the business, that has driven them to make their Mississauga, Ont.-based spa parts company a success.

"I've been in the industry for 30 years, Marc's been in it for 25 years," Williams says, noting the partners' sole focus on spas throughout their careers. "We haven't gone back and forth from pools to spas. With our backgrounds, we've probably got as much knowledge as just about anybody in Canada when it comes to the history of parts and general knowledge of the spa industry."

FROM PAST TO PRESENT

ELM carries all manner of spa components and accessories, from replacement parts and spa packs to umbrellas and steps. Its current dealer network stretches from Manitoba east, though the company does sell its manufactured products, such as spa packs and controls, with distribution across Canada.

The company started as a small distribution firm spun off from a manufacturing company Williams co-owned called Correct-Tech Inc.

"We had designed and manufactured spa controls for about a decade and then started to sell replacement controllers to the industry, specifically to dealers," Williams says of his previous venture. "Many U.S. companies had gone by the wayside and some of their dealers were in need of replacement parts. We felt responsible to stick around and supply those parts to them."

As he continued to evaluate the market, Williams noticed what he describes as a void in the spa parts replacement sector, particularly north of the border. Noting only one major Canadian competitor, Williams thought the market was ripe for a new player.

It was the latest step in Williams' career, which started in 1980, manufacturing wooden hot tubs under the name Rain Barrel Hot Tubs; the company eventually became one of the first manufacturers of acrylic spas in Canada. After the early-1990s recession, a lot of companies failed and many of the larger U.S. players pulled out of Canada, including a major spa pack supplier, leaving a void in the market.

"As a result, Correct-Tech started to get into the spa control manufacturing business," Williams explains. "For several years we were making strictly mechanical controls; then the electronic spa controls came along."

LOOKING FOR A PARTNER

Though he started the company on his own, Williams knew he would need the help of an experienced colleague—and Marc, who he'd known for years, was at the top of his list. Williams and Lambert had often discussed the



Though the partners strive to carry a wide range of products, ELM's strongest market is for 'nuts and bolts' mechanical components.

idea of working together, but the timing was never quite right until ELM.

"Marc and I had conversations for quite a while before we decided to develop ELM into a bigger company," Williams explains. "I said, 'I'm not going to do this unless I have you helping me.'"

GRAND EFFECTS
FIRE AND WATER ELEMENTS

DESIGNED TO INSPIRE

- Fire And Water Bowls • Fire Bowls • Fire Pits
- Water Bowls • Fire Inserts

Complete Automated or Manual Systems,
CSA Approved Burner Assembly with Flame
Monitoring Technology.

GRAND EFFECTS 949.697.5270
www.GrandEffectsInc.com

Photo courtesy of Paragon Pools, Las Vegas, NV



50" Grand Corinthian Fire Pit



Vertical Torch



Linear Inserts

Photo courtesy of Pools By John Clarkson, Northern Florida

■ INDUSTRY PROFILE



Lambert (pictured) and Williams regularly welcome dealers and their staff to their facility for training.

Lambert started in the spa business when he took a part-time position while pursuing a degree at Ryerson University. What began as a summer job soon blossomed into a full-fledged career, with Lambert eventually taking a position with a spa pack manufacturing company—and crossing paths with his future business partner.

“Ted was one of my first customers,” says Lambert. Marc held a variety of positions with different original equipment manufacturers (OEMs), the most recent of which was a 10-year stint with Hydromax doing design, engineering, certification and training the company’s employees worldwide. Lambert officially joined ELM in 2008.

AN EMERGING MARKET

The company looks to capitalize on a Canadian spa market that is reaching the 30-year mark, leaving behind lots of old product in need of service—and the types of parts and accessories ELM carries.

“We sell pretty much every type of replacement controller or part out there,” Williams says. “We’re continuously looking for anything and everything there is for hot tubs that we could re-sell to a dealer or technician to help them service spas.”

“There are hundreds of thousands of spas in people’s backyards right now that require some sort of maintenance and regular repair,” Lambert adds, noting people are more apt to pay for a repair on the hot tub they purchased for \$3,500 or less than invest in a new model at a much higher cost. If a dealer has a good service department they can give a customer that option and still have good revenue.

“We still come across some real gems that are chugging away in the field that are 20 or 25 years old,” he continues. “The great thing is, we have the parts for those spas.”



Williams and Lambert are eager to put their more than 50 years of spa industry experience to work as they grow their business.

We have parts from day one right up to stuff that’s produced today.”

Williams says one of the company’s goals is to help dealers create new service departments or develop existing ones.

“We believe the key to a successful hot tub dealership is to showcase a spa line with nice accessories and provide knowledgeable and professional follow up and after-market service,” he says, noting ELM is able to train dealers and their staff at the company’s Mississauga facility.

While establishing the business, Williams and Lambert have also paid special attention to their website.

“We’re trying to get our name and brand out there,” Williams explains. “We want the website to be a go-to for anybody, including end users. The key is that we are providing solutions for people. Lots of end users have been orphaned by their dealers and are looking for some help. When they call here, we qualify them, determine their needs, figure out the part they need, contact a dealer or technician and make the connection.”

It’s an arrangement that benefits the hot tub owner, the dealer and ELM, Lambert adds.

A CHANGE OF PACE

Even with their years of experience to draw on, Williams and Lambert have still had to make adjustments and overcome challenges while growing the ELM brand.

Though they strive to carry a wide range of products, the partners say their strongest market is for 'nuts and bolts' mechanical components, which plays perfectly with their experience in the industry.

"We've also been sourcing different product lines, bringing them in and presenting them to dealers to see what the market will accept, some move and some don't for whatever reason," Williams says.

At present, ELM employs six people. Williams and Lambert have added to their team carefully over the years.

"You have to have the right people in place. Although we do have a plan for expansion, this cannot be done effectively unless you have good, knowledgeable and dedicated staff," Williams says.

The partners' most recent addition is an in-field technical sales representative who is on the road full time to develop the company's customer base. They have also hired additional staff to continue to organize and maintain their warehouse, along with the implementation of a real-time inventory and bar-coding system.

PLANNING FOR THE FUTURE

As they move forward, Williams and Lambert are taking a measured approach to growth, trying to strike a good balance between expanding the business and maintaining the small touches they feel set them apart.

"We'd like to be about three to four times the size we are right now. We don't want to have a huge company where the customer service is lost," Williams says. The partners are also cautious about balancing their personal and professional lives. I have three kids, Marc has three kids. We want everybody at ELM to have a good lifestyle."

Lambert adds, "We're not trying to dominate the world. There's enough business out there that we think we can supply and support our customers well and still be comfortable and maintain that personal touch. It's that little bit extra that builds a relationship of trust between us and our customers." 💧

"WE BELIEVE THE KEY TO A SUCCESSFUL HOT TUB DEALERSHIP IS TO SHOWCASE A SPA LINE WITH NICE ACCESSORIES AND PROVIDE KNOWLEDGEABLE AND PROFESSIONAL FOLLOW UP AND AFTER-MARKET SERVICE."

—TED WILLIAMS



When it comes to covering swimming pools, HydraMatic covers by Aquamatic Cover Systems set the standard for excellence since 1980.

HydraMatic covers focus on safety, energy savings, ease of use and aesthetics. Featuring a full-fluid hydraulic drive and carrying a 20-year mechanism warranty, they can be customized to fit most swimming pools. Remember to check with Aquamatic Cover Systems for any special engineering requirements.

When you want the best, ask for HydraMatic! EZ-Covers and HydraLux automatic covers are also available. Visit our website www.aquamatic.com

800.262.4044 | www.aquamatic.com
200 Mayock Road, Gilroy California 95020


