

## CTI finds its calling

Hymes, Green dial up \$4 million in business telephone system sales

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Valentine's Day used to cause some heartache for Walter Knoll Florist.

The company faced an overflow of calls on Valentine's and other key sales days in the floral business, which meant some callers were sent to voice mail. Promptly answering phones is key for the company, which faces competition not only from other florists but grocery chains as well, said Walter Knoll III, president of the business.

The solution arrived in 2002 with a cold call from a sales rep with Communications Technologies Inc. (CTI). The Chesterfield company, which specializes in selling business telephone systems, developed a way to route the overflow to Walter Knoll's call center in St. Louis, distributing them seamlessly to the flower business' 30 employees at its dozen retail stores. Now, Knoll said, "We answer with the efficiency of 911 operators."

Bob Hymes and Steve Green, the founders and owners of CTI, said they grew CTI's business to \$4 million in revenue last year by focusing on solutions and service. That focus helped them retain their first customer, Fiduciary Asset Management in Clayton, now part of Piper Jaffray, with whom they've been doing business since 1999.

"We talked with every large phone system company at the time and we went with the startup," said Aaron Walbrandt, chief technical officer for Fiduciary. "They easily cut our bill in half."

Walbrandt said Fiduciary remains a CTI customer because of the technology people Hymes and Green employ.

Hymes, 43, and Green, 39, are both veterans of the telecommunications business. They met in the late '90s at another St. Louis telephone service business, CommWorld of St. Louis, where Hymes was director of sales and Green was on his sales team. They left the company, raised \$200,000 from family and friends, and in 1999 guaranteed their first two employees they would have jobs



Steve Green and Bob Hymes have built Communications Technology Inc. by solving problems for customers such as Walter Knoll Florist.

for at least a year. As part of their split with CommWorld, Green and Hymes initially were barred from selling Southwestern Bell systems. That turned out to be a blessing, they said, since a range of competitive carriers such as NuVox and McLeodUSA started to arrive in the market. CTI sells a number of communications systems, but Hymes and Green have gravitated toward Toshiba since 2003. That year Toshiba started offering a seven-year warranty. "Most other companies then were one year or two years," Green said.

CTI's first home was in Hymes' garage while he and Green waited for office space to be built out at the Spirit Business Center in Chesterfield Valley. "My wife wasn't happy with the \$50,000 of telephones that were delivered to our garage," Hymes recalled.

Hymes and Green said that when they started CTI, they had salespeople concentrate on finding business owners who were moving or had outgrown their old equipment — typical times for a business to consider a new telecommunications system.

The strategy paid off. CTI now has repeat customers. The sweet spot for the business — companies with 50 to 150 phone lines — make up much of the mix, though CTI customers range in size from two lines to more than 300, Green said. Most customers are based in the St. Louis area, and some of those customers — the Save-A-Lot grocery chain, for example — have called on CTI to install phone systems at locations around the country.

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With the growth, CTI has started offering more services, including wiring communications networks. Last year CTI acquired The Diamond Group, a four-person networking company Hymes and Green had recommended to their customers. CTI also has expanded to two other fields: entry-system controls for businesses and video surveillance systems.

The added services potentially place CTI in competition with companies with whom it has collaborated, said Green, adding it has not yet been an issue.

Since CTI started, the company has expanded from a 1,500-square-foot office to one that's 4,500 square feet. The company now has 29 employees, with about 12 of them joining in the last year.

Among the new employees is Leo Rosen, a veteran of other communications firms who is now CTI's director of sales, and Marty Marshall, who joined two years ago as operations manager.

**Professional services:** Terry Winget, a vice president with Merrill Lynch Bank, handles banking; Rick Curtis, a vice president with Bremen Bank & Trust, handles CTI's line of credit. Michael Kaemmerer, an attorney with McCarthy, Leonard, Kaemmerer, Owen, McGovern, Striler & Menghini, is CTI's lawyer. Michael Patterson with Holt & Patterson Ltd. is the company's accountant.