

## Small business profile

# From food to rocks

Dynamic Bulk Systems sells industrial equipment for a diverse group of everyday products

BY RON JANECKE  
rjanecke@bizjournals.com

**B**usiness activity: Everyone has most likely used the products at one time or another, but probably given little thought as to how they reached their final form.

Dynamic Bulk Systems, a manufacturer's representative company based in Fenton, sells industrial equipment that produces everything from "food to rocks," as Bob Baker, president of DBS, puts it.

Dynamic Bulk sells equipment made by 10 major companies to businesses of all sizes in eastern Missouri, southern Illinois and western Kentucky. The machinery produces items as diverse as beer, pet food, aspirin, charcoal, plastics, silicon sand, pool chemicals and fertilizer.

Baker, Dave O'Brien and Steve Brown are equal partners and owners of the firm they formed in May 1992 after working together at another company. While most manufacturing representative businesses are one-person shops or small companies with a handful of employees, DBS is one of the largest in the industry, with 12 employees. Dynamic Bulk has five competitors in its three-state territory.

Most of the manufacturers the company represents are more than 50 years old and



BRIAN CASSIDY PHOTO ILLUSTRATION

From left: Steve Brown, Bob Baker and Dave O'Brien are equal partners and owners of Dynamic Bulk Systems.

include New York Blower Co. (established in 1844), Rotex Inc. (1889) and Gardner Denver, also more than 110 years old. The products made by these companies include pneumatic conveying systems; mechanical conveyors; storage, discharging, feeding and screening systems; level and weight measurement; air movement systems, and process equipment.

DBS is paid on a commission basis by the manufacturers and individual sales range from \$100 to more than \$1 million. Average sales are about \$5,000.

Customers include Anheuser-Busch Cos. Inc., Nestle-Purina Pet Co., Monsanto Co. and Tyco/Mallinckrodt. Having corporations locate or keep their headquarters in St. Louis is crucial to DBS, which sells products to St. Louis-based firms that are used in their plants in other cities.

For instance, systems were sold to Ralston that are being used in France,

Italy and Spain, and to Anheuser-Busch, which is using them at breweries nationwide. In all, Dynamic Bulk has more than 1,500 customers.

DBS, Inc. has a "conveying demonstration system" in its Fenton warehouse, which it says is one of only two such systems in the country. The demonstration is used to show customers various options available on the equipment.

**Executives:** Bob Baker, 45, serves as president. He graduated from the University of Missouri-Columbia with a B.S. in chemical engineering and a master's in business administration. A St. Louis native, Baker has worked for Shell Oil Co., Anheuser-Busch and Zoltek Corp. in engineering/project management.

Dave O'Brien, 54, is vice president and a registered professional engineer. A native of St. Louis, he is a mechanical

engineering graduate of Washington University and worked for 14 years in the Ralston Purina central engineering department and held various positions.

Steve Brown, 50, is vice president/corporate secretary-treasurer. Originally from Kentucky, he attended Western Kentucky University and has been involved in technical sales for more than 25 years.

Diane Secrease was the company's first employee and has been with DBS for nearly 10 years. She is responsible for inside sales support and has direct responsibility for several clients.

Other key employees are Karen Kroger, Matt Heimerdinger, Mike Halley, Barb Vaughan, Don Johnson, Sharon Kamp, John Mountain and Debbie Holley.

**Company history:** Brown came up with the name for the company, using the first initial of their first names to form Dynamic (Dave O'Brien), Bulk (Bob Baker) and Systems (Steve Brown). They decided to form their own company after

"agreeing to disagree" with changes made by their previous employer.

The three started working out of a bedroom in O'Brien's home and worked there for three months before leasing an 1,100-square-foot office in Sunset Hills. Start-up capital came from their personal savings, and the company has remained debt-free. The company moved to Fenton in 1995.

The first premier product line for the company was MAC Equipment Inc., a company that makes pneumatic conveying/dust collection equipment. The firm started representing MAC in August 1992.

Dynamic Bulk has pursued an aggressive growth plan, which included setting up a Web site, [www.dynamicbulk.com](http://www.dynamicbulk.com), with reference tables, charts and conversion tables, direct-mail programs, and establishing several 800 numbers (1-800-314-FANS; 1-888-9-CONVEY). By "bulking up" its staff, the company is trying to saturate its three-state territory and sees its growth through the addition of customers.

During its first couple of months in business, the firm averaged 10 orders per month; today, it averages about 150 orders per month.

**Revenue:** DBS, Inc. is expecting revenue in the \$9 million to \$10 million range by the end of the year. Through the first three quarters of 2002, revenue was 6.7 percent ahead of 2001, when the firm had sales of \$8.2 million.

**Professional services:** Chris Nicholas at Commerce Bank handles financial services; Steve and Lisa Lang at Lang and Strate are the corporate accountants; Ed Griesedieck of Herzog, Crebs & McGhee is the firm's attorney; World Press provides marketing and printing services.

**The future:** Dynamic Bulk Systems wants to continue to increase its customer base and, if the economy improves, expects sales to reach \$15 million in the next two to three years.