



TIM MUELLER/Associated Press, above; CESAR NERYS, below

Tiger Town Realty owner Lonnie Marandino, outside his office last week in Baton Rouge, La., worked with representatives of the Sunshine Pages directory to sign up for Boomdash LLC's Reach & Go search-engine advertising.

START-UP EXPANDS ITS REACH

Now Boomdash seeks to build on its La. efforts

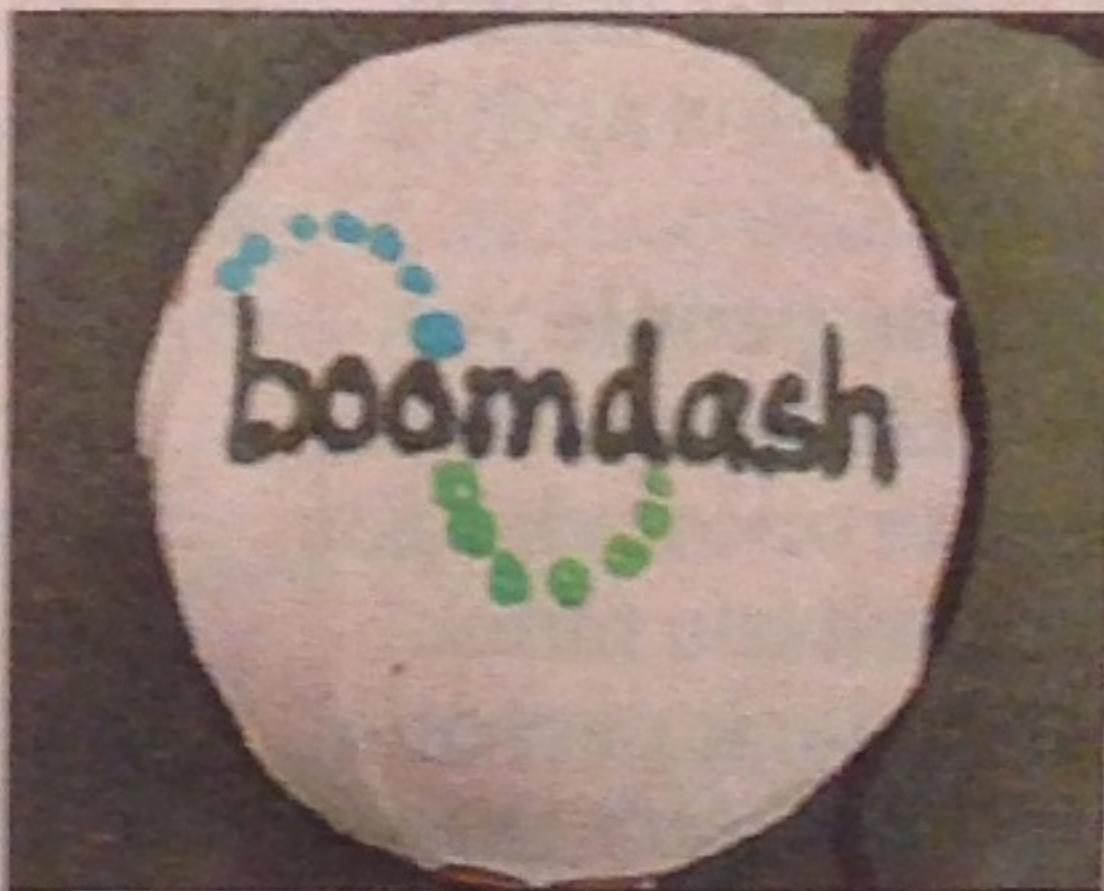
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When Cesar Nerys launched his Ann Arbor start-up company Boomdash LLC this spring, he didn't factor hurricanes into the list of potential pitfalls.

But last month, the veteran entrepreneur remained glued to the TV screen as first Hurricane Gustav and later Ike churned toward the gulf coast. The first market for the search engine marketing firm just happens to be New Orleans and Baton Rouge, La.

Gustav and an outer band of storms caused by Ike wound up delaying by almost four weeks a Boomdash sales training course for 15 employees at Sunshine Pages, a telephone directory publisher that's selling Boomdash's product.

"I'm really worried about my folks in Louisiana," Nerys said the day after Labor Day, recalling how earlier this year some Sunshine employees had taken him to see the



To attract more business, Boomdash sent cookies to potential customers around the country.

devastation from Hurricane Katrina.

In late September, the training course finally began, but Nerys and his two partners ran into difficulties finding hotel rooms because of the influx of roofers and other repair contractors in the area. Fortunately, one of Sunshine's customers, a hotel company, came through with accommodations.

With all the local hotel meeting rooms being used for construction planning, the course was moved to a gigantic sporting goods store belonging to another Sunshine customer. There, sales representatives learned about Boomdash's product under the silent gaze of deer heads hanging on the walls while gigantic fish glided back and



About this series

In Michigan's diversifying economy, thousands of workers are starting new businesses. This year, the Free Press is following the ups and downs of two of the state's newest start-up companies, Boomdash LLC and RealKidz Inc., as they try to turn their dreams into reality. To read previous stories in the series, see the special report in the Business section of www.freep.com.

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forth through enormous tanks nearby.

"You almost felt like you were in Disney World," Nerys said.

With the completion of the course, Sunshine's 45 sales representatives have all been taught how to sell Boomdash Reach & Go — which helps small businesses advertise on search engines such as Google — along with their usual telephone directory ads. Since July, 20 of Sunshine's customers have been using the Boomdash product without paying any monthly service fees, but their trial periods recently ended.

So far, about half of these small businesses have decided to pay the monthly service fees — either \$65 or \$115 depending on the level of service — to continue using the product.

That kind of response pleases Nerys and his partners. The trial period went so smoothly that Boomdash didn't need to make any major changes to its product.

How Boomdash fares in Louisiana will prove critical to its efforts to gain venture capital so the company can expand faster and hire more employees.

The turmoil in the financial markets isn't stopping venture

capitalists from investing, and Boomdash has cultivated key contacts at leading venture firms.

But the company still must show venture investors some kind of sales track record in order to prove the merit of its business plan. It's close to reaching that point. In a recent six-week period, it added 35 paying customers.

To make it easier for the company to get outside investment, Nerys, a former AT&T executive, recently decided to become Boomdash's chief marketing officer, handing the title of CEO to Doug Neal.

Neal, who had been Boomdash's chief operating officer, had previously served as CEO of a venture-backed technology company in California. Nerys' expertise is in sales.

These kinds of changes often create friction at start-ups, but so far that hasn't happened at Boomdash.

"We are blessed to have a close-knit team which is unencumbered by the ego-driven start-up problems that frequently derail early-stage companies," Nerys said.

Hurricanes aren't the only headwinds Boomdash has encountered. Like other start-ups, it's trying to gain new customers just as the national economy is dramatically slow-

Lessons learned

Nearly six months after Boomdash's launch, the start-up company's partners have gained some valuable insights into what it takes to build a business:

- The investment and time in doing the homework before going to market paid off. Learning to speak the language and learning to understand the mind-set has made it a lot more comfortable for Boomdash and its potential customers.
- You have to trust your instincts when you don't have all the facts.
- Picking the right partners is crucial. Good communication is paramount.

ing down.

"The risk is local businesses will not spend as much on advertising," Neal said.

But so far, Boomdash hasn't seen any negative effects. In mid-September, it signed its fourth customer, the Yellow Pages of New England. And this month, it has already gained two more publishers, in New Hampshire and central Massachusetts.

To get on the New England publisher's radar, Boomdash had tried an old-fashioned marketing tactic in August. It

shipped baskets of white-frosted cookies to the Boston publisher and 24 others around the country that it didn't get to meet at a convention in April.

Its marketing efforts appear to be working. Publishers have been calling Boomdash to set up meetings during another industry gathering later this month in San Antonio, Texas.

That's quite a change from early this year when Nerys and his partners were the ones making lots of sales calls.

"This time around, they are actually reaching out to us," Nerys marveled.

As the seasons change, Nerys' days remain filled with sales meetings, telephone conferences and travel. That's the life he bought into when he decided to start his business.

Though he and his partners are excited about seeing their company reach milestones, they admit their spouses are dealing with increased stress.

"What we're doing is more of a black box" to them, Nerys said. "Our wives are asking, 'Tell me again when you expect to get paid?'"

If things continue to go well for Boomdash, that day may be coming soon.

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