

There's more in store for this partnership

• Starting their own company helped Paul Clifford and Sonia St. Charles get a handle on their family's schedule while helping business clients manage their data.

By TODD NELSON,
Special to the Star Tribune

For Paul Clifford and Sonia St. Charles, starting their own company was all about gaining control -- of hectic lives and mushrooming volumes of business data.

The husband-and-wife team had three teenage children and demanding corporate jobs when they decided, back in 2001, that something had to give.

"We needed more flexibility with our schedules," St. Charles said. "On paper, we have very complementary skills. There had to be something we could do together that would allow us to be there for the kids and yet manage to continue to support the family."

With her management experience and his technology background, an entrepreneurial solution made sense.

Building on Clifford's expectation that business data -- e-mail, customer files, presentations and the like -- would only grow in volume and in vulnerability, they launched Davenport Group, a St. Paul data-storage provider and consulting firm.



JOEY MCLEISTER jmcleister@startribune.com

Sonia St. Charles and Paul Clifford of the Davenport Group. Their St. Paul company designs, installs and provides support for storage area networks (SANs). Since 2003 the firm has dealt exclusively in SAN products from Eden Prairie-based Compellent Technologies Inc

The company's primary offering is storage area networks (SANs), which combine computer hardware and software that enable customers to store, manage and recover vast amounts of data. Clients range from private and public companies, including a number of Fortune 1000 firms, to county and state governments.

Davenport Group designs the networks, oversees installation and provides support. It deals exclusively in SAN products from Eden Prairie-based Compellent Technologies Inc., which went public last year. The cost for a network storage system can range from little more than \$20,000 to \$1 million.

"Data is everything," Clifford said. "And it is growing at incredible, historical rates. And it is at risk."

The threats range from user glitches to hackers, computer viruses, power failures and natural disasters.

"There is not a business that can operate, government or otherwise, when they don't have access to their data," Clifford said.

Sales got off to a slow start, with the Sept. 11, 2001, terrorist attacks dampening technology spending and the entire economy; the company didn't see its first sales until 2002.

Davenport Group has since rebounded, with revenue that doubled last year, to \$3.2 million, and is expected to double again this year.

The company is pursuing a faster-growth strategy now that Clifford and St. Charles are empty-nesters.

"Our youngest child left for college last fall," St. Charles said. "Within two weeks of parking him at his dorm, we had hired additional people for our sales force and we've been running ever since. And we're having a ball."

Both wanted to be confident that Davenport Group, which has more clients outside Minnesota than within the state, was operating successfully as a virtual company before it set out to expand.

"We didn't want our customers to suffer because they weren't across the street from us," St. Charles said. "We wanted every customer to feel like they were our only customer."

Clifford added: "We had to learn to do that. ... We're real good at delivering that level of virtual support. That's our secret sauce."

The Compellent connection

The company, which the couple self-financed, has six full-time employees -- including one each in Colorado, Oklahoma and North Carolina -- and a number of contractors.

Davenport Group reached a turning point in 2003, when it became a certified reseller of Compellent storage products and dropped other vendors.

"Instead of being agnostic, we were going to be evangelists," Clifford said. "If we are aware of the best tool in the marketplace and we carry a lot of other manufacturers' products but we truly know this one is better, why are we selling the others?"

Compellent sells only through channel partners and has no sales staff of its own. Davenport Group is one of only a couple of those partners who exclusively handle Compellent storage products, a key point of difference from other providers, Clifford said.

Davenport Group recently updated its website, launching the "Compellent Happy Place," a portal designed to be a resource for product information, case studies and educational videos. A discussion forum, moderated by a Compellent user who is not a Davenport Group customer, has drawn thousands of visitors in its first couple of months online.

Clifford and St. Charles acknowledge the risk in aligning so closely with Compellent, which faces competition from giants such as Dell, Hewlett-Packard and Hitachi Data Systems. "We're committed to delivering what our customers need," St. Charles said.

"Today, that product is Compellent."

Added Clifford: "If something happened there, we would continue to address the needs of our customers, so that we are not at risk and our customers are not at risk."

Michael Beach, vice president of sales and operations at Compellent, said Clifford and St. Charles were meticulous in understanding what Compellent provides and in making sure that customers get value from their purchase.

"They talk about having a strong desire to treat each customer like their only customer," Beach said. "That's a tremendous way to set themselves up for success, and a tremendous way to set us up for success."

August Technology in Bloomington, which has since merged with New Jersey-based Rudolph Technologies, bought its first Compellent SAN product through Davenport Group in 2005, said Peter Fitch, IT infrastructure manager.

"After we discovered how easy it was to manage and how feature-rich it was, we had to have it," Fitch said. Davenport

DAVENPORT GROUP

Business: Reseller of storage area network (SAN) systems made by Eden Prairie-based Compellent Technologies

Founded: 2001

Headquarters: St. Paul

Website: www.davenportgroup.com

Executives: Paul Clifford, president and founder; Sonia St. Charles, CEO and founder.

Employees: Six

2007 revenue: \$3.2 million

Strategy: Pursue more aggressive growth strategy to expand customer base and revenue

Group has done additional installations in Rudolph's Bloomington office, its headquarters and a Seattle office.

The expert says: Jay Ebben, an assistant professor in the Entrepreneurship Department at the University of St. Thomas Opus College of Business, said the Davenport Group's strategy of carrying only Compellent's data-storage systems offers several advantages.

"It allows them to build their brand of quality alongside a company that already has a reputation for quality," Ebben said. It distinguishes Davenport from most competitors and helps it develop greater expertise in Compellent's products.

Ebben cautioned against growing too quickly, which dooms many small businesses.

"It sounds like they have the right approach, which is they're growing while still trying to retain the customer intimacy that's gotten them where they are now."

Todd Nelson is a freelance writer in Woodbury. His e-mail address is todd_nelson@mac.com.