

# CE Pro

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## Team Work

Atlanta Home Theater pulls  
together to win CEDIA's  
Dealer of the Year *page 64*

# The New Kids on the Block

Atlanta Home Theater: CEDIA's 2000  
Dealer of the Year

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**A** sense of destiny colors the relatively brief history of Atlanta Home Theater (AHT) (Roswell, GA).

Scott and Jennifer Ross, the husband-and-wife team who are its president and CEO, respectively, were childhood friends who fell in love after going their own way in the world for many years. In September 1996, they made real their dream and opened the doors of the business they wanted to run together. “We brought in a silent partner and recruited the appropriate talent,” Jennifer says. “On the exact date of our two-year anniversary, we bought out our silent partner as planned.” Precisely two years after that—to the day—CEDIA awarded AHT its “Dealer of the Year” award for 2000 and its award for “Best Home Theater,” for good measure. [] Coincidence? Certainly. However, the creators of this

rising star in the custom-installation business are assured that hard work is needed to turn opportunity—even chance—to their advantage.

## SNAPSHOT:

- A young and fearless husband-and-wife team assemble an award-winning cadre of dealer/installers.
- Strong relationships with manufacturers and builders put jobs in the pipeline.
- People either make or break the firm; subcontractors aren't such a good idea.



It is no secret to people who study the matter that residential systems integration is that rare profession where technology, economy, and talent are aligning in a way where success seems preordained, provided people have the wherewithal to court it. "We had the advantage of being young and fearless, complemented by immediate support from manufacturers anxious to make commitments to us," Jennifer says.

After high school, Scott served two years in the Army and thereafter attended the University of Georgia in pursuit of an accounting career. After graduation, he turned away from an opportunity with a "big six" accounting firm to gain experience through consulting with several Atlanta audio/video dealers. He assisted one large chain of consumer-electronics stores in sales and training, then spent the next year consulting with two stereo shops that were just beginning to scratch the surface of the home theater realm. Scott had built relationships with manufacturers in the home theater industry as a result of endless expensive purchases of equipment while in the military and in college. His self-taught experience with audio and video equipment and extensive interest in an enormous assortment of music warranted making a career of it.

Meanwhile, Jennifer completed a marketing degree at Georgia Southern University and launched a career in executive recruitment. She spent three years recruiting engineers for Nortel Networks and another year on assignment with Ernst & Young, recruiting for Coca-Cola. She and Scott were reunited through a mutual friend, and the rest is history.

"Overall, our joint research resulted in an astonishing conclusion," Jennifer says. "Despite Atlanta's growth and opportunity, there seemed a deficit of strong players in the custom audio/video arena and an absence of dominance in comparison to up North and out West. The economy was climbing, and Atlanta was begging for a custom approach to home technology, and we accepted the challenge. By happenstance, Scott had met a team of phenomenal installers that we were able to hire."

In addition to Scott and Jennifer, the original AHT team consisted of two designers and three installation technicians, who had 30 years of experience combined. CEDIA referred several technicians from failing businesses and "counter-productive" work environments. "Two of our employees had run their own A/V businesses and decided to focus on their true integration talents and let somebody else drive the business," Jennifer says. "With differences in age, education, background and skill levels, the one thing each person on our team had in common was that they felt underused by previous managers. All craved an arena where they could shine."

## A new face

Atlanta Home Theater's specialty is home theater and multizoned audio, automation and lighting systems. The company first began in the \$20,000 to \$50,000 theater range, and now its integrators are doing projects above the million-dollar mark, while remaining equally committed to clients who can afford only simple systems. Hard work and tenacity absolutely play a role; the management team credits its relationship with select custom builders with the quantum evolution of its business. AHT rarely bids on a project. Most of its clients are presold, the result of established accounts with builders, designers, and architects. The rest come from client referrals. Because AHT maintains a 10-month pipeline, there is little margin for changes and surprises. There is also little time for selling and marketing to brand-new customers. AHT's powerful existing partnerships provide security to valuable clients who build custom homes. "Our builder partners bring us clients who can afford whatever they want, and we have the ability to design, install and integrate anything they want," Scott says. "Without them, we would be just another struggling dealer."

Despite its rapid growth, the company is measured by the selection of products that it represents to clients. Scott says AHT

## BUSINESS PRACTICES

### Avoid Subcontractors

There are 19 people on staff currently, and the plan is to hire one more entry-level technician before 2001. Scott and Jennifer oversee the company jointly, and operations are controlled by a COO, who is a computer networking and software specialist. Other key personnel include a scheduling manager with extensive experience in prewiring and installation, a chief design engineer with 15 years of experience and a lead technician with 18 years of experience (both part of the original team), and two system designers with 15 years combined experience.

The installation team is organized into three crews, each of which is

led by a project manager with sales and design experience.

Atlanta Home Theater has salaried employees only. All AHT work is performed and overseen by the firm's project managers and implemented by its technicians. Jennifer says she takes a dim view of contractors, not because of their lack of skill, but because of the risks involved. "We have a sound reputation and everything to lose by taking chances with subcontractors, so we view the practice as a liability," she says. "First of all, we are not willing to teach everyone else our procedures and formats that have taken us years to test and perfect, but second, it costs us more money and time to oversee and double-check a contractor's work than it is worth our while. And if a subcontractor is viable enough to sub work to,

WORST BUSINESS  
DECISION MADE

Risked ruining the business by entrusting a questionable employee with the company's name and reputation without proper supervision in a desire to "give him a chance."

BEST BUSINESS  
DECISION MADE

Made it a policy to aggressively court custom builders as dedicated partners to ensure a pipeline of high-quality jobs.

makes it a priority to know every application of these products and for the staff to learn them intimately before quoting them in proposals. "Just as fast as we acquire new employees, we send them to school," Scott says. "We have become outstanding with clients by affording our team the certifications they need, and as a result we have cleaned up more than a few automation messes created by other companies that didn't do their homework."

When AHT opened its doors, the firm had reputable manufacturers that supported its efforts from the outset. Original to the company were Meridian, Wilson, Vidikron, Dynaudio, Sonic Frontiers, Parasound, Velodyne, Niles, Marantz, Anthem, MIT, Pioneer Elite, Sony and Panasonic. They later acquired Jeff Rowland, TAG McLaren, Crestron, Lutron, Seleo, Cinepro, Faroudja, Xantech, Escient, and Cinematech. AHT is currently the largest Wilson Audio dealer in world. Most recently, the company has welcomed Krell into its family.

"We are consistently in the top five dealers with 85 percent of our product lines," Scott says. "We are passionate about the product lines we have chosen and prefer to work with manufacturers that are honest and deliver what they promise." Even so, loyalties must always lie with the client. A benefit of working at



▲ Scott and Jennifer Ross, president and CEO, respectively, have led Atlanta Home Theater from a standing start to CEDIA's Dealer of the Year in four short years. The secret of their success is no secret at all: hard work and boundless enthusiasm.



▲ The staff of Atlanta Home Theater and the company fleet, featuring the flagship Viper, are arrayed before their storefront headquarters in Roswell, GA. Cofounders Scott and Jennifer Ross are all for flash, so long as it's backed by excellent people.

they should be regarded as candidates for full-time employment."

In AHT's view, any firm using subcontractors is waving the flag of "not being in the

business for the long term" or "unable to balance their workload against their payroll, which in either case is a limitation that works against them."

the custom-design level is that the more eccentric, high-performance manufacturers tend to be more customer-service oriented, more professional and more responsive to the dealer's needs. The manufacturers who support large chain consumer retailers, and are focused on volume sales rather than quality, are the epitome of the custom dealer's nightmare.

"Our team concerns itself with our clients' satisfaction, no matter how unreasonable, and particularly with the final 10 percent of a job," Jennifer says. "The AHT staff is half the age of the average employees of companies whom we rival in success, but their knowledge and experience combined exceeds that of many firms who are five times our age. Scott and I intend to continue providing them with the forum, training, product exposure and opportunities that ensure their marketability in any direction they wish to go in the future of the industry. We will also continue to love them as our own."

In 2000, AHT began a renovation of its gallery and Meridian theaters, installing a pair of Wilson X-1 Grand Slams and an X-S subwoofer in its high-end \$300,000 showroom. An artist who designs murals for a client created a tropical rain forest motif on the walls of the theater, with animals specific to Zoo Atlanta and from areas of South America where he had traveled. In addition, the firm's training room, lobby and hallway are under reconstruction. The firm added six new employees to the payroll, acquired four more company vans, and accepted two more builder accounts. AHT added three more product lines and became a flagship dealer for Theo Kalomirakis Theaters, which it will partner with during the February 2001 International Builder's Expo. Finally, the firm jointly purchased an aircraft in order to assist with timely out-of-state travel, installs and service.

## People are everything

"We believe that the market demands a strong team, and a strong team is what determines your survival through experiences and change," Jennifer says. "Leadership of the team is important, but without the right people your are only leading cows to corn."

Even cows can turn on you sometimes. Three years ago, AHT hired an individual who Jennifer sensed had equal amounts of baggage as potential. She listened to her heart instead of her head, thinking the company could sculpt this person into a phenomenal salesman and weed the potential for hazard out of him. In the end, they paid for it. At a client's home, he attempted to move a big-screen TV through a doorway that he had forgotten to measure prior to the install irreparably damaging the TV. This guy then headed to a local large-chain consumer store that sold the same TV model, and tried to return it as if it had been purchased there. This dealer, with whom AHT had a respectful relationship, called to say that one of AHT's employees was outside their shipping dock, ranting profanely, accosting their employees, and insisting they accept the return of a big-screen TV. This manager on the phone added that the unit was shattered, with broken glass rattling inside.



▼ Scott and Jennifer in the Tuscan-villa-themed home theater that garnered them CEDIA's 2000 highest level "Best Home Theater," along with partner Theo Kalomirakis Theaters, which created interior design.



## KEY INSTALLATION

### Tuscany Comes to Georgia

During the early part of the twentieth century, legendary theater architect John Eberson developed an exciting variation of the movie palace concept: the atmospheric theater. Dazzled theater-goers would find themselves in the middle of an Arabian bazaar, an Italian piazza, or a Spanish village as they settled down to watch movies under an enchanting, star-filled night sky punctuated by drifting clouds. Going to the movies would never be the same.

Seventy years later, the atmospheric theater concept makes its spectacular residential debut in this elaborate private theater on an island off the coast of Georgia. The project owes as much to set design as it does to architecture. A team of renowned architects, lighting designers, acousticians, A/V engineers, artisans, Old-World craftsmen, and stage-set fabricators

combined their talents to create an environment that is a feast for the eyes and ears. The architectural theme is a remote village in Italy's northern countryside, complete with charming houses, courtyards and vistas of nearby medieval towns. Antique doorways blend with rusticated, vine-covered fences, and wrought-iron street lamps cast a soft glow on the plaster and brick walls. Instead of the traditional theater curtain, the designers opted for a photo-realistic painting of a fiery sunset behind a distant Italian hilltop.

To its guests' surprise, this tiny villa has a big secret: 2,500 pounds and \$145,000 worth of Wilson Audio speakers constitute the amazing sound throughout this theater. The Wilson X-S subwoofer,

Then it got worse: Hours later, an elderly gentleman, who had been run off the interstate by an AHT company vehicle that was changing lanes at 85 miles per hour, described to Scott and Jennifer how a nonsecured big-screen TV flew out of the bed of the truck into the center lane of the expressway, tumbling end over end before another car smashed into it. The AHT van then swerved into him, running him into the center median. Four men then hopped out of the truck, stopping traffic in the midst of the interstate, and hoisted the shattered TV back into the company vehicle. "At this point, it was apparent that we were lucky, even given the downside of the incident," Jennifer says. "When people show you who they really are, believe them!"

In addition to the challenge of finding good people, AHT says an issue of major concern is the uneven scruples of the people dealing products in the home-technology industry. Installers are setting standards in the minds of consumers more than the magazines and manufacturers. Each dealer operates from a different

larger than a refrigerator on its side, delivers a tremor that flexes the surrounding walls, vibrates the floating floor, rocks the seats and thrusts its viewers into the scene. The X-1 Grand Slamm front speakers, working in unison with the WATCH side channels and the Watt-Puppy rear and center channels, driven by \$50,000 of Jeff Rowland power amplifiers, produce sound in abundance and clarity. Meridian's 861 Surround Processor is the brain of the storm and the 800 DVD Machine, at \$16,000, gets the job done. The 119-inch video screen, with automated masking, is the stage of excellence as Digital Projections' 6SX, complimented by the Faroudja DVP-3000 scaler, features the latest in 3-Chip DLP video technology. In total, this video investment of \$140,000 defeats hands-down any CRT performance found in home theater, but more importantly, it represents an arousing debut of IMAX in home theater.

The Crestron illuminated touch panel displays the client's name against a digital photograph of the street lamps and windows located in the rear of the theater. Given the client's selection of the most powerful audio/video system on the market, it required a variety of off-the-shelf room acoustic and noise control products, as well as numerous custom solutions toward achieving an even room frequency response, excellent surround-sound imaging, spatial enhancement and a high level of noise and vibration isolation to other areas of the home. If he were alive today, John Ebersson would be amazed at the intense, atmospheric thrill that can be obtained with a half million dollars in state-of-the-art equipment and acoustic treatments.

The client's mandate was clear from the beginning: "I want the best that money can buy, the most unique design imaginable, and the absolute best sound and picture that is available today." The enthusiastic reports coming from his guests and from industry insiders who have visited the site to preview the end result, are a testament to the uniqueness of this project. The talented team responsible for its creation has combined inspired architecture, high-performance audio/video equipment and ground-breaking acoustical design to create an environment that elevates home theater to classical heights.

paradigm, has different work ethics, different objectives and different intentions in the industry. While this is rampant in any industry, custom installation happens to be an expensive and complex arena for consumers to indulge in. They are hot for home technology and perhaps are more vulnerable to dealers than to their doctors and lawyers, where they can do research to clarify anything they are told. "Many dealers recklessly spout opinions, facts, and theories to sell and make profit," Scott says. "It is scary to realize that you could give 10 dealers \$30,000 and tell them to build their best systems, which would result in 10 completely different systems with a wide range of emphasis and performances."

So, the message is that a residential integration firm with a top staff and good relationships with clients and partners is unbeatable, even by the economy. "We strive to be flexible and bend with demand, stress, minimal head count and changes in the economy," Jennifer says. "We are a team, most of whom have a

## Equipment List Highlights

Digital Projection 6SX DLP Projector  
 Faroudja DVP-3000 Video Scaler  
 Da-Lite CinemaVision 119" 16:9 Screen  
 Da-Lite Pro-Imager Masking System  
 In-Line 35 Ft. RGB Cables (2)  
 Meridian 861 Surround Processor  
 Meridian 800 DVD Machine  
 Wilson X-1 Front Speakers  
 Wilson Watt/Puppy Center Speaker  
 Wilson WATCH Side Speakers  
 Wilson Watt/Puppy Rear Speakers  
 Wilson XS Subwoofer  
 Jeff Rowland 8Ti-HC Front Amplifier  
 Jeff Rowland 8Ti-HC Center/Sub Amp  
 Jeff Rowland MC-6 Side/Rear Amplifier  
 RCA DTC-100 HDTV DSS Receiver  
 Sony SAN-24MD1 HDTV Dish  
 Marantz MV-880 S-VHS VCR  
 Crestron Color Touchscreen Remote  
 Niles IPC-12 Power Protection  
 Billy Bags Equipment Rack  
 MIT Speaker/Interconnect  
 Lite Touch Lighting Control System  
 RPG Diffracted diffusion panels  
 RPG Binary Amplitude Diffusion Panels  
 RPG Modex low-frequency absorption panels  
 Owens-Corning Acoustic White Core  
 Kinetics DIM Floating Floor  
 Johns-Manville Permacote Acoustic Lining  
 Zero International Door Seals  
 Custom low-frequency absorbers  
 Custom Vibration isolation materials

formal education, and several of us hold masters degrees. These people are equipped with market awareness and an understanding of where our company is in the game. They do not panic on the job or in response to market changes. As I stated before, many of them have been self-employed and can think beyond a paycheck. The entire team has demonstrated their ability to accept change and to be flexible with the company. If someone became incapacitated tomorrow, I am confident that our cross-training, multi-tasking and psychology would carry us."

Ultimately, AHT sees its market as impervious to the fluctuations of economic indicators, unaffected by its changes. The firm has never had a level year in fact, every year has been a tremendous gain on the previous. Logic suggests that all business levels out at some point, but that horizontal line has yet to come into view. "Regardless of the market climate, we will continue to go forward and refine what we are doing," Jennifer says. "Our intentions are solid and our team is built to last." **[CE Pro]**



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