Can a company's small size be a competitive advantage? “Our customers know they’re dealing with the owners,” said John Toomey, partner at Novato Audio Visual of Carol Stream, IL. “If a problem comes up, they’re dealing face to face with someone who cares deeply if they’re happy or not, and someone who has the power to make a decision on the spot. Some of our competitors have lower cost structures, but if their installer doesn’t do a perfect job, he may not be that concerned. But the quality of our work matters deeply to each of us.”

Toomey said that while the AV business is cost competitive, cost isn’t the whole story. “Now, if we were trying to bid on the Dolphins’ stadium, we might not be able to compete. But most of our installations are at smaller hotels, churches, and corporate projects. With these smaller jobs, our relationship with the customer is what’s crucial.”

Novato Audio Visual was founded in 2002 by Toomey and partner Tim Novak, both veterans with more than 17 years in AV dealer management. They began as a rental and staging operation, then, in 2005, added product sales and AV integration services. Using a combination of full-time staff and freelancers, they are able to offer design, engineering, installation, rental, staging, and production services.

This business model has proven to be largely recession-proof. “While our revenues are up only slightly over 2008, we feel good about that considering the problems some of our competitors have had,” Toomey explained late last year. By keeping their staff and overhead small, the partners ensure that profits are there even when revenues drop.

Part of their strategy, too, is diversification. Novak and Toomey’s philosophy can be seen at work at the Hampton Inn Hotel and Conference Center in Aurora, IL. “We appreciate our rental business,” Toomey said, “but the reality is that when a hotel customer reaches a certain volume on a projector or sound system rentals, they’re going to go out and buy their own equipment. We would rather they buy it from us than somebody else.”

The Hampton Inn went a little farther three years ago when they asked Novato if they could install permanent systems in a boardroom, two large meeting rooms, and a banquet area. “When we were considering installing our audiovisual systems and Tim told me he could take care of that, I jumped at the chance,” said director of sales Tom Stahl.

At another large customer, Novato not only installed sound and projection systems in a multi-purpose room, but they came back every January to provide a production crew for a company-wide annual meeting.

Novato’s Sarto Dilibenardo designed an installed AV system there with three 10,000-lumen Sony projectors, three 10- x 15-foot motorized screens, and a sound system with a 16-channel Mackie mixing board. They also installed the switchers and cabling needed to run video, audio and computer images to six other conference rooms plus a WebEx server. For the annual meeting, they use all of this gear but also bring in a three-chip camera and operator, stage lighting and operators to run the sound and video mix.

“Although we have a large customer base, we don’t want to lose touch with our smaller customers,” Toomey said. “They either do rental or they do installs, and they get nervous when the client needs a little of both. But we feel we need to develop the skills it takes to serve our clients best.”

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**QUICK BIO**

**COMPANY:** Novato Audio Visual  
**HEADQUARTERS:** Carol Stream, IL  
**SOLUTIONS:** Partners Tim Novak and John Toomey have made diverse services and access to the owners the trademarks of Novato’s success. Using a combination of full-time staff and freelance help, they offer design, engineering, installation, rental, staging, and production services.

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