

# Dallas Business Journal

## GROWTH STRATEGIES

FOR THE **NEXT GENERATION** OF GREAT COMPANIES



GUS GUSTOVICH

**VISION:** Seeing the recession coming, Move Solutions Ltd.'s owners, Linda and Mike Monette, socked away cash in advance of the recession and then bought up bargains.

### PROBLEM **SOLVED**

# Confronting the bust head-on

*These small-business owners believed bad economic times were ahead and prepared accordingly*

By **MARGARET ALLEN**  
Staff Writer

WEST DALLAS — Rapacious readers of economic data and news, Dallas entrepreneurs Mike and Linda Monette in 2000 were convinced of a coming downturn.

It was their belief the recession would be a prolonged one, so the owners of the successful office relocater, Move Solutions

Ltd., began preparing during the boom. And they vowed not to lay off employees.

"Being a cynical optimist, I was looking further out and wondering where will this go wrong?" said 51-year-old Mike Monette, a South Dakota native and Vietnam veteran.

He was right. The tech bust became visible in 2001. And Move Solutions Ltd.'s 2000 revenue of \$18.6 million dropped like a rock to \$13.5 million by 2002. Despite

the fact it's the 800-pound gorilla in the industry, Move Solutions Ltd.'s business slid as downsizing companies left cubicles and furniture in place to encourage subleasing, and former steady clients tried to save a dollar by turning to their own building engineers and mailroom employees to handle moves, adds and changes. Paralysis set in with real estate services companies, eliminating the need for Move Solutions Ltd.'s project management, office moves, technical services, furniture repair services and storage and transportation services.

But the Monettes' attack and survival strategies allowed them to expand their overall business. The couple purchased two failing competitors, doubled their business payroll, hired salespeople, spent money on advertising and formed a holding company with a centralized accounting system, Total Office Solutions Ltd.

Besides Move Solutions Ltd., new companies under the Total Office umbrella, which was formed in 2001, are Corporate Source Ltd., formed in April 2001; MovePlan Ltd., formed in 2002; TechTeam

Solutions Ltd., formed in March 2003; and NewAgain Solutions Ltd., formed in April 2003. These companies provide a range of services to help companies relocate and set up their offices.

In FY 2003, Total Office Solutions Ltd. will have revenue of \$30 million, Mike Monette said.

"In a recession, people want more in every relationship they have by adding definable, exceptional value. In the absolute depth of the recession, everything was price, price, price," he said. "But people educated themselves about price and cost, and the best value is not always the cheapest cost. Our expanding products and services represented a greater value. Our strategy

---

### Total Office Solutions Ltd.

**Business:**

Holding company for office furniture and relocation services

**Headquarters:**

1473 Terre Colony Court, Dallas 75212

**Ownership:** Private**Top executive:** Mike

Monette, president

**Employees:** 526**Companies:** Five**Annual revenue:**

\$30 million (2003)

**Phone:**

(800) 668-3752

**Web:** [www.tospartners.com](http://www.tospartners.com)

during the recession was to expand our product service offerings."

The Monettes could do that by keeping fixed costs to a minimum, partly by using contract labor and temporary employees, and by not increasing management, vehicles or facilities. They also cut costs to the bone, such as restructuring for lower interest rates on building mortgages. That all added up to cash reserves during the bust, a rare phenomenon among businesses, according to Move Solutions Ltd.'s banker, Mary Jane Anderson, vice president with Comerica Bank in Dallas.

"So many companies don't hold a lot of cash in reserves," Anderson said. "It will get bonused out to the ownership or in added benefits to employees. (Mike Monette) was very well-positioned from a strong balance sheet to weather this downturn. He had reserves that helped carry him in the difficult times."

---

**Contact** DBJ writer Margaret Allen at [mallen@bizjournals.com](mailto:mallen@bizjournals.com) or (214) 706-7119.