

COLUMBUS BUSINESS FIRST

London man carves out niche in competitive powerlifting market

Business First of Columbus - March 9, 2007 by [Saleha N. Ghani](#) Business First

Dave Tate can bench press 610 pounds.

He can also grow a business from \$300 in sales in the first month of operation to one that generated \$3.1 million in sales last year.

At least that's what he has done with Elite Fitness Systems Inc. over the last nine years.

Through his London-based company's Web site, the 39-year-old Tate, a retired powerlifter, sells strength training equipment and fitness products ranging from health supplements and medicine balls to barbells and books. Elite Fitness' clients include the New York State Police, Atlanta Falcons, Cleveland Browns and Arizona State University. Most of the company's sales are made through its Web site, elitefts.com.



Janet Adams | Business First
Dave Tate, owner of Elite Fitness Systems in London, started his multimillion dollar company with an advice-based Web site that he eventually expanded.
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Getting started

Tate, who is chief executive and shares ownership of the business with his wife, Traci, stumbled into the powerlifting and fitness products retail business in 1998 while working as a personal trainer at the Capital Club gym in the Huntington Center. There, Tate got to know members of the local business community and started getting advice on starting a business.

He started a question-and-answer Web site for those interested in strength training. When people began asking where to buy certain equipment or books about powerlifting, Tate directed them to different vendors.

"It dawned on me - wouldn't it be convenient if they could get all this stuff in the same place," Tate says. "That's where the whole idea for the store came in and that's also where the problem came in."

When more than 10 banks turned him down for a business loan, he began looking for loopholes in the wholesale buying system that could put money into his business. If a publisher, for instance, required a consumer to buy a minimum of 10 books at a time per purchase, Tate says he would order eight books he knew were discontinued and two that he would try to sell, paying only for the items he received.

"I just reinvested the money that I made. I kept turning everything back over," Tate says.

In the meantime, he had no employees and he kept his day job at the Capital Club until 2001 so he wouldn't have to pay himself a salary during those early years.

To grow his business, he relied on the contacts he had made in the strength training community - one he had been a part of since he was 13 years old. Those relationships helped him learn about new products and the industry.

Growing pains

Tate's attitude toward business reflects the grassroots nature of powerlifting as a sport, says Mark Chaillet, president and founder of the International Powerlifting Association based in York, Pa.

Chaillet, also a powerlifter, says it is tough to be successful in the market that Elite Fitness serves. Lifting a 700-pound barbell takes the same aggressive attitude needed to get a business off the ground, he says.

"(Tate is) very successful in his market. He sells a little bit of everything," Chaillet says. "There aren't a lot of people that sell powerlifting goods."

Through clients he had met at the Capital Club, Tate was introduced to **e-mith.com**, a Web site that helps clients find business consultants. Tate didn't have much money to invest in Elite Fitness when he started it in 1998, but knew he had to learn more about business to move forward. While it cost him close to \$1,000 a month, e-mith.com set him up with consultants.

"It was the best thing I ever did. I'd recommend it to anyone," he says.

Armed with new business knowledge and a successful sales pitch, he was able to grow the company enough to move into a 1,000-square-foot facility in downtown London. Orders kept coming in and inventory grew, so by late 2005, Elite Fitness moved into a 7,000-square-foot warehouse in London.

The original question-and-answer part of the business has also grown. About 30 experts from around the country answer questions submitted to the Web site, which had more than 800,000 uniquevisitors in January, who are able to browse the 60,000 or so questions and answers available in the archives.

"What sets us apart from everybody else is that we are in the PR business - not public relations but personal records," Tate says. "(For) everybody who works out or strength trains, your whole goal is to set your own personal record. What we do is provide products and services to help people do that. That's the big driving force behind it."

Tate isn't the only one who has tried their hand at the business, says Mike Ramsey, co-owner of William Strength Products Inc. in West Columbia, S.C. His company is one of Elite Fitness' vendors.

"A lot of weight equipment companies come and go. They realize that if you don't do it on a grand scale, it's hard to make it," he says. "There aren't very many people out there that have a hold on the market and sell to colleges and high schools as well."

That doesn't mean Elite Fitness is without competitors. Tate say one of his biggest rivals is Columbus-based Berry's Barbell & Equipment Company Inc.

Maintaining the edge evident in powerlifting helps propel Elite Fitness' growth, says Jim Wendler, senior editor of the Web site and sales manager who has worked for the firm since 2000.

Most of the company's employees are powerlifters. Wendler says he can use their high scores in bench pressing and lifting as a trump card to prove Elite Fitness' authority in the business.

Honesty, integrity, team work and strength are values that help powerlifters in training, Tate says.

"All of those are things that I learned in the weight room and in the sport which have transpired into our business," Tate says.

And for Elite Fitness it means being honest and doing what the company says it will do, he says.

Business, just like powerlift training, means having to do a lot of things you don't want to do. If it means delivering products within a time period, you have to be honest with yourself and do what you say you're going to do, he says.

It also means knowing when to let go of the reins, which Tate is prepared to do when the time

comes.

He hasn't ironed out the details of who he would hand leadership over to, but says once Elite Fitness' sales hit \$5 million, he will be ready to leave the job of CEO to someone who will be able to grow the business to \$20 million in sales. Whenever that happens, he says he will stay on as co-owner and adviser to make sure the business never loses its edge.

For now, he's just working on pushing those sales.

Elite Fitness Systems Inc.

Business: Sells strength training and other fitness equipment online and over the phone to high schools, universities, sports teams, fitness centers and individual buyers.

Based: London

CEO: Dave Tate

Owners: Dave and Traci Tate

Employees: 10

2006 revenue: \$3.1 million

Web site: Elitefts.com

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