

JBE Inc. Formed at the Intersection of Serendipity and Hard Work

By Mary Ruth Austin

The best business startup stories are always the serendipitous ones. Jerry Ellison has such a story.

Now owner and operator of JBE Incorporated, a sub-assembly and warehouse operation based in Hartsville, Ellison was underemployed and looking for a change in 1982.

He found his opportunity while reading an article in *Awake*, a faith-based magazine published by the Jehovah's Witnesses, which suggested sub-assembly manufacturing work for the unemployed or underemployed.

Ellison says he probably wouldn't have given the idea any more thought were it not for a chance encounter the next day at the post office. While picking up his mail, he ran into a friend who worked in manufacturing.

"I asked him if they had any sub-assembly work that needed to be done," Ellison explained. "He told me 'no' and was walking away when he turned around and said, 'You know, actually we might have something.'"

By the end of the week, Ellison had secured his first contract.

He quickly built JBE into a modest enterprise, employing four associates in a 1,500-square-foot facility. The company experienced steady growth through the mid 1990s, with annual sales exceeding \$300,000.

Growth rapidly accelerated into this century, as JBE secured large contracts with several major corporations. The most important of those came from Honda of South Carolina Manufacturing, which contracted with JBE to assemble watercrafts.

"That really got things going for us," Ellison said.

Honda since has moved its watercraft assembly to Timmonsville, but JBE continues to enjoy a productive relationship with the manufacturer, assembling taillights for its line of all-terrain vehicles.

Other contracts soon followed, including one with Cummins Turbo Technologies, for whom JBE assembles more than 1,000 turbochargers a day. Cummins, based in England, actually ships the parts to JBE, which in turn passes the sub-assemblies to another plant in Charleston.

Additionally, JBE recently initiated a partnership with Sonoco that involves warehousing and order fulfillment. JBE buys all of Sonoco's forms and labels from the packaging company's preferred supplier and then holds the inventory until Sonoco needs it. JBE also recently hired a sourcing person who works full-time at Sonoco, helping reduce costs.

"We bring value to the table for Sonoco by freeing up the space and time these things occupy," Ellison said of his warehousing arrangement with Sonoco.

Ellison credits the growth to partnerships with large, reputable businesses and a commitment to getting the job done the right way and on time.

"People do business with those they trust. When you have successful partnerships with larger companies that have high standards, such as Sonoco, it causes others to take notice," Ellison said. "Our quality standard, as well as the people we do business with, breed confidence that we're going to deliver quality performance in a timely manner."

Today, JBE operates within 140,000 square-feet of warehouse space, employing more than 90 associates. Sales are expected to exceed \$20 million this year.

Ellison said quality is a huge component of his company's success because it allows him to compete with even larger businesses.

"Some companies may be able to do it a little cheaper, but we make up for that by doing it the right way, on time, every time," Ellison said.

JBE is an ISO 9001 certified manufacturer, a quality certification designation that all automobile manufacturers must obtain. The company was one of the first minority-owned businesses to obtain the coveted certification.

"It took us 10 months and a lot of money to become certified," Ellison said. "It's something we take a lot of pride in."



Jerry Ellison credits much of JBE's success to strategic partnerships.

JBE's quality has not gone unnoticed. Recently, the company was recognized as the 2006 "Small Trader of the Year" by the South Carolina World Trade Center for its involvement in global trade. Ellison also was chosen as the 2004 Darlington County Ambassador for Economic Development.

A family-run business, JBE takes an enormous amount of pride in its work force.

Ellison's daughter, La Juan Davis, serves as chief financial officer. His sons, Ricardo and Dwayne, serve as operations manager and logistics and human resources manager, respectively.

"This company is founded on family values, and that extends to our associates. We're all part of the same family," Ellison said.

Ellison also is actively involved in the minority community, where he feels his business is a positive symbol.

"As important as employment is to an economically depressed area like Darlington, I feel it is equally important to show people that hard work does pay off," Ellison said.

JBE has teamed up with Sonoco to host the Supplier Diversity Trade Show. The expo for minority-owned and women-owned supplier businesses is the second largest minority business gathering in North Carolina and South Carolina. Now in its third year, the annual event presents an opportunity for businesses to talk shop and network.

"We're proud to be involved in the Supplier Diversity Trade Show. Sonoco has been an integral part of its success, and we both feel it's a very positive venture to have here in Hartsville," Ellison said. "It's opened doors for suppliers to have opportunities that may not have otherwise come to fruition."

It's Ellison's hope that the next minority business story will depend less on serendipity and more on positive working relationships. ♣

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