

Johnson City/Jonesborough/Washington County Success Story



A significant success has occurred in Johnson City, Tennessee with *Coverest*, a furniture manufacturer, that offers direct sales to the public. *Coverest* moved its headquarters to Johnson City in June 2004 after months of intensive analysis to find an optimal business location. Formerly with locations in Grand Rapids, Michigan and Chicago, Johnson City's central location, the demographics of the region and proximity to other MSAs, as well as the affordable cost of living were key factors in the company's ultimate geographic choice.

The story of *Coverest* is an exciting adventure of three young entrepreneurs. Founded in 2002 as Dock1, a furniture wholesaler, by twin brothers Brad and Matt Smith, along with long-time friend Jason Boger, the three men are graduates of Andrews University in southwest Michigan. Brad and Matt received degrees in Business Administration (Finance and Administration) while Jason received a B.S. in Technology specializing in Digital Media. Of major interest to the EDB, is the intensive demographic evaluation and market analysis undertaken prior to their selection of Johnson City as it was readily apparent that their prior locations in Michigan, Wisconsin, and Illinois were not favorably positioned to serve eastern markets.

After finding the perfect business location, an accessible property adjacent to Interstate 26 in the heart of downtown Johnson City, the business partners decided to refine their business model powered by web-based technologies. In mid-2005 a new website was introduced designed and coded by Jason. In less than one year the company also expanded to warehouse and distribution space of over 20,000 square feet. *"Our Johnson City business location at 119 East King Street (Central Executive Offices) has proven to be outstanding as we have the ability to adjust our warehouse utilization depending on buying opportunities and seasonal variations,"* said Jason. Central Executive Offices is a unique entrepreneurial effort by itself functioning as a business incubator and providing adjacent warehouse space for distribution-type ventures.

Coverest, is planning another expansion of their Johnson City based operation in due to rapid sales growth. The product line features cutting edge designs including removable covers and advanced memory foam technology with no harmful smells and outstanding durability. *Coverest* has also capitalized on recent advances in foam technology and uses specialized packaging equipment to deliver the final product in a box that will fit in the back seat of most cars. With reduced shipping and storage costs, and the overall ease in moving and transporting memory foam bedding, the company is revolutionizing the bedding industry.

The *Coverest* products were developed, according to President Jason Boger, "out of necessity when we could not find a mattress that had the features we believed would solve the problems of traditional mattress design, problems that we had discovered

firsthand while running our previous retail mattress business.” *“There were a number of imported, lower grade products on the market, but none that had everything we were looking for.”* The stunning success of *Coverest* in a highly competitive industry indicates that the company’s timing and business instincts were correct.

Coverest has also fulfilled a market niche as a “green product” using bamboo fibers in their covers that are naturally anti-bacterial and anti-microbial, keeping the mattresses fresh and clean. They have also developed a collapsible wood foundation, which can be recycled. Good Housekeeping magazine selected *Coverest* as a featured product in its fall 2006 environmentally-correct restoration of an 1885 Townhouse in New York’s Upper Westside generating national acclaim. *“We are very pleased to be featured alongside other products that demonstrate high standards of environmentally conscious design, quality, and innovation,”* said Jason Boger.

Now with 11 sales representatives in 15 states and over 100 retailers carrying the *Coverest* product line in North America, the team of young businessmen is preparing to embark on yet another aggressive business venture. *“The next few months are going to be challenging but extremely exciting,”* said Jacob Ribich, Director of Marketing and Development. In the Johnson City area, *Coverest* mattresses can be found at Zak’s Furniture on the Kingsport Highway at Boones Creek.

P.C. Snapp, Executive Director of the Johnson City, Jonesborough, Washington County Economic Development Board stated, *“Coverest is a company with outstanding growth potential and is a striking example of the work ethic and business savvy of the next generation of business leaders for the Johnson City area. This story is one that can be emulated and replicated by others where youth, energy, and talent can be attracted to the Johnson City area, an affordable and beautiful place to live and work.”*