Wolff/SMG finds success follows its fulfillment

By KERRY FELTNER

A Macedon company provides fulfillment and promotions to some of the biggest players in the publishing industry. The onetime advertising firm found success after dramatically changing its focus 20 years ago.

Raymond DelMonte

Wolff/SMG serves clients such as the National Wildlife Federation, National Audubon Society, *TV Guide*, and Hearst Corp., supporting its publications including *Cosmopolitan*, *Seventeen* and *Oprah Magazine*.

Playboy, the company's first client, set the precedent for its future.

"I think (we) pinch ourselves every single day and say, 'are we really doing business with Cosmo? Is this really Mac Cosmetics? Is this really Oprah?'" said Raymond DelMonte, CEO and president. "If we never got the *Playboy* business we wouldn't be in this business today. Once you have one you need to be aggressive, but the story is a believable story."

Wolff/SMG is based at 1641 Commons Parkway in a 73,500-square-foot facility in Macedon, Wayne County. The firm also has a 15,000-square-foot warehouse in Palmyra and is looking for an additional 30,000-square-foot location this year.

The company employs 39 people and expects to add roughly 10 more staffers by the end of 2016. The firm is targeting 40 percent growth in revenue and looks to expand in e-commerce fulfillment and catalog support business.

Wolff/SMG dates back to 1935 and was purchased in 1975 by DelMonte along with two business partners. Both partners have since left the company.

In 1984 when the company's main clients began to downsize, the advertising firm decided to venture into something unfamiliar: fulfillment.

"The advertising business was falling apart and frankly it wasn't fun anymore," DelMonte said. "We were out competing with the freelancers that we were using to do the creative for the advertising agencies, so we said let's try something different."

The firm reincorporated the business in 1997 into SMG Direct Inc.

Today the company continues to serve the New York City and Washington, D.C., markets.

Hearst has been its client for more than 20 years. Hearst has 21 magazines with 90 percent of them using fulfillment and promotions.

"I like the people there, particularly Ray DelMonte," said Vladimir Damianov, senior promotion director for Hearst Magazines. "I really have a very good personal relationship with him; I trust him. They're really very good at what they do. (Ray) has been like a part of our company in that respect."

Customers do not know that the gifts they receive for purchasing a subscription come from Wolff/SMG, Damianov said.

"They think it's coming from Hearst… As far as they're concerned Wolff/SMG doesn't exist and yet Wolff/SMG is the crucial part of that business that we can't really do on our own," he said. "We really need their mediation in that. I'm a very happy client."

Wolff/SMG spends around $8 million annually in postage.

"Not only are we good people to deal with but we know how to mail things cheaper than pretty much anybody else," DelMonte said. "You really need to have the technology, the skill and the knowledge to know how to mail this for 35 cents as opposed to somebody else mailing it for 65 cents."

Around 2008, the recession set the company back. Subscriptions then were viewed as unnecessary. The company was able to adapt by adjusting work schedules of employees to better accompany growth, officials said.

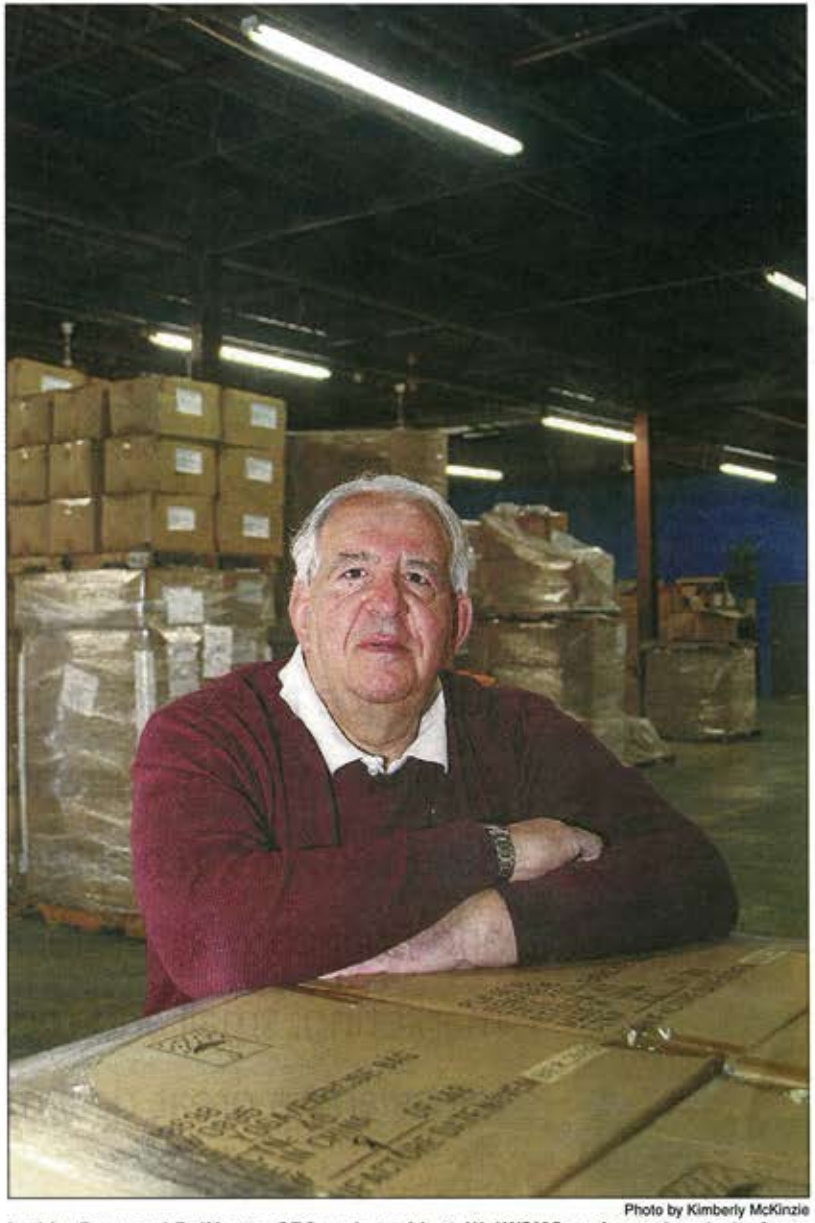

Photo by Kimberly McKinzie

Led by Raymond DelMonte, CEO and president, Wolff/SMG underwent a strategic refocusing two decades ago.

"During the economic downturn we got hurt," DelMonte said. "What was happening was people weren't subscribing to magazines because that was an arbitrary decision to do that and a luxury.

"We were able to navigate our way through that," he added.

The company has managed to adapt to the economy's changes due to the strength of its relationships, officials said. The National Wildlife Federation has been a client of the firm for over a decade.

"We continue to do business with Wolff/SMG based on their knowledgeable staff, great customer service and fair pricing on services provided," said Laura Clay, senior director of operations and inventory for the National Wildlife Federation in Washington, D.C. "Wolff/SMG treats each client as if you are their only client. Their work ethic and attention to detail clearly shows they truly care about the business and the partnership that we have created together.

"Ray DelMonte has set his company apart from many that we deal with based on his accessibility, hands-on approach and day-to-day involvement in our business," she added.

The fulfillment business leaves DelMonte fulfilled himself, he says. The business has staying power.

"We're like an oak tree," he said. "It takes a while for it to grow but it takes an awful long time to bring it down."

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