

# THE DAILY REPORTER

COLUMBUS' ONLY DAILY BUSINESS AND LEGAL NEWSPAPER - ESTABLISHED 1896

## *Gahanna firm one of nation's largest CD, DVD wholesalers*

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You may have seen the late-night infomercial for the Hoveround Power Chair that includes one of those “Call today for your DVD” pitches, but what you probably don’t know is that if you do make that call, the DVD that lands in your mailbox will have come from a Gahanna-based company.

Data Memory Marketing Inc. is a wholesale company that provides CDs, DVDs and anything related to those items to a wide variety of companies in many different industries, from Sony and Nationwide Insurance to Hoveround Power Chair, an account that’s been a surprising success for Data Memory Marketing.

“Who’d of thought that we’d have sent out 250,000 of those DVDs in the last six months,” said Dick McLarney, co-owner of Data Memory Marketing.

The 16-year-old company doesn’t physically manufacture the discs but they do record the audio and video onto the discs and package them according to their customer’s specifications.

They also sell items such as CD and DVD cases, disc duplicating machines, media cables and flash memory card readers.

“We do anything you can think of that’s connected to a CD or DVD,” said McLarney.

McLarney and his partner Ellen Clark are former Memorex executives who left that company to start Data Memory Marketing after Memorex was sold to another company.

Since then Data Memory has grown to 22 employees and is one of the largest CD and DVD wholesalers in the nation.

Other customers include electronic gaming giant Electronic Arts, Activision, The Limited and The Ohio State University.

Customers buy Data Memory Marketing’s CDs and DVDs to use for training videos or promotional videos or any number of other uses.

Bath and Body Works bought music CDs from Data Memory that were being screened to potentially be background music at its stores. It distributed those CDs to its stores for feedback.

Cash register manufacturer NCR uses Data Memory’s DVDs to train WalMart cashiers.

The company essentially sells to other resellers, from a hundred to several thousand copies. They’ll do the printing, artwork and package the items.

“We’re one of the largest replication of services companies in the country,” said McLarney.

That wasn’t always the case, of course.

Starting the company from scratch wasn’t easy and McLarney and Clark said they were putting some long hours in during those early days.

“I’d come home for dinner for about an hour and then go back to work,” said Clark. “The weekends were for paperwork.”

Things started to take off when, after hours of research at the library, the pair discovered software developers who were in need of recordable CDs.

“We started calling them and calling them and they said,

‘Yes, we do use them and yes, we do need them,’” said McLarney.

Soon the business was growing, but running their own business was certainly different than their years working for other companies, even though they were high in the pecking order at Memorex.

“I was in the corporate world for 25 years and I thought I was pretty smart in business, but I learned 10 times more in my first year (running Data Memory) than I ever learned in corporate America,” said McLarney.

They take a different approach to business, too, than most of corporate America does.

“Instead of competing with our competition we have a tendency to talk with them,” said McLarney.

He said that, for instance, if a competitor is moving in on a new account they’ll contact Data Memory Marketing and ask if they are dealing with that client. If Data Memory is, the competitor will back away.

“We have this good-guy relationship with our competitors,” McLarney.

As a result, that relationship dynamic is usually beneficial to both parties.

Because of the headaches and red tape involved, Data Memory didn’t used to do work for the federal government, but that changed several years ago when it started doing business with North Central Sight Services in Pennsylvania.

NCSS uses blind people in its packaging department and thus qualifies for special procurement access through the federal government.

Through NCSS Data Memory is indirectly gaining business from the federal government, and NCSS is now one of Data Memory’s biggest clients.

“They’ll buy 125,000 CDs at a time,” said McLarney.

Because of the unique relationship-emphasis manner in which they do business, Clark has won NCSS vendor awards in seven of the past eight years.

And, it’s been good for Data Memory’s bottom line.

“Our revenues have grown tremendously. It’s been good for both companies,” said McLarney.

Another area of growth has been their website.

After a couple of failed attempts a Data Memory salesman who ultimately built the site finally convinced McLarney to give website sales one more try.

“We’d do (an Internet search) and we’d be at the top. I’d say, ‘How’d you do that?’” McLarney said.

Now the company’s website brings in more than six figures every month.

Having been in the recording industry for more than three decades, McLarney has seen technology change at break-neck speed and that changing technology will ultimately impact the future of the company one way or another.

Despite digitalization that will likely doom much of the CD and DVD markets, he said there are still some untapped markets out there that should keep Data Memory Marketing viable for years to come.

Still, McLarney probably only half-jokingly says he’ll be retired on a beach somewhere when CDs and DVDs are obsolete.

“We’re old enough that we feel we’ll be retired before all of this becomes hell in a handbasket,” he said.