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COMPANY PROFILE

Chicago record store gives vinyl and CDs a new spin in the Web



Dusty Groove America, Inc.
On-line music store

CEO: Rick Wocjik

Founded: April 1996 by Wocjik and John Schauer

Employees: 10 (nine full-time, one part-time)

Address: 1180 N. Milwaukee Ave., Chicago, IL 60622

Hours: Headquarters and retail store open Fridays, noon to 8 p.m.; Saturdays and Sundays, noon to 6 p.m.

Phone: 1-888-DUSTYGR for orders; outside the U.S., 773-645-0982; general information, 773-645-1200

Web: www.dustygroove.com

Financial data

Revenue: 1998 — \$ 750,000; projecting 2 million for 1999.

Net income: 1998 — \$28,000; projecting \$60,000 for 1999.

By Lisa Song
Tribune Staff Writer

One of the keys to starting a successful business is to target customers who aren't getting what they need elsewhere. Just ask Rick Wocjik and John Schauer, founders of on-line music source Dusty Groove America, located on a trendy corner in Chicago's Old Wicker Park neighborhood.

Although giants such as Amazon.com, CDNow, BMG and Columbia House have snapped up the lion's share of mainstream music sales on the Internet, there are plenty of smaller niches ripe for the picking. Looking for something special such as Brazilian Joao Donato's "Quem E Quem" on LP or Frenchman Pierre Barouh's "Ca Va, Ca Vient" on CD? Good luck if you're looking at the on-line superstores; rare finds like these require a specialist.

Since it went live in 1996, DGA has gained notoriety for filling the void in unsung musical genres such as Brazilian funk, old school hip hop, Latin soul classics, 50s French jazz and obscure Italian film soundtracks. The company's database contains more than 20,000 titles and is updated daily.

Today Dusty Groove has 10 employees and fills around 400 orders a week to the tune of about \$25,000. A good week can hit \$35,000. But things weren't always so good; in the early days, the company was lucky to bring in \$1,000 in a month.

Both Wocjik, 33, and Schauer, 35, have extensive music backgrounds. Wocjik, a former DJ at University of Chicago's WHBK-FM 88.5, worked for eight years as a music buyer for Chicago's venerable Reckless Records. His personal record collection includes about 14,000 selections from around the world. Schauer still fills in as a DJ, spinning rap on Northwestern WNUR-FM 89.3 under the alias J.P. Chill. The duo started selling records on-line as a hobby but decided to make a business of it after they found an entire truckload of albums on a December 1995 East Coast music-finding expedition.

They set up shop in Schauer's Hyde Park apartment, running the Web site from a sluggish PC in their free time. Schauer, who had a computer background, created the Web site while Wocjik, gatekeeper to the vinyl kingdom, provided the goods for sale. Within a couple of weeks, they had their first order.

"When we first started the site, it was patched together using a program called Paradox," formerly an Inprise title now developed by Corel, Schauer said. "[The

database] was really convoluted and done by hand. If somebody ordered a James Brown album, I'd go into the raw tables and page down to it and write 'reserved.' Then when it was paid for, I'd mark it as 'paid.'"

Soon the site was home to more than 1,000 titles, and what had begun as a pet project for music aficionados had turned into a full-fledged business. The duo hired their first employee in September 1996; by December, they hired two more employees and were bringing in about \$10,000 a month. Soon the patchwork Web site was over-taxed, and a new solution was needed.

In summer of 1997, DGA hired a Chicago Internet consulting group to set up a more powerful custom inventory system, but the relationship didn't go well because the consultants' couldn't really grasp what they were trying to do, Wocjik said. After spending a few months and a few thousand dollars, the founders ditched the consultants and started over from scratch. "It's very difficult to write up a proposal to somebody that doesn't know or understand your business," Wocjik said.

Schauer decided to tackle the job himself. He already knew basic programming concepts and taught himself Javascript and Microsoft Access. Within a few months, he unveiled a much savvier Web site that was hosted on a powerful Unix server.

The new database, built in Access, is a self-contained system: A customer punches in an order, and within minutes an automated e-mail notifies the buyer that the order was received. Access constructs the order, totals the shipping costs and updates the inventory. Another improvement, Schauer's hand-built "shopping cart" system added last September, made the site more powerful, and sales doubled almost immediately.

Still, visitors to DGA's Web site shouldn't expect anything too fancy. There are no JPEGs or GIFs of album covers, no audio clips and no customer reviews of titles. Wocjik said he feels the simplicity is what keeps customers coming back. "We're real curmudgeons on the Internet," he said. "Most of our customers probably use America Online on a clunky first computer whose graphics take forever to load."

He said he would rather invest time and money in inventory issues and customer feedback. "All of our growth comes from listening to customers," Wocjik said. "We are old-fashioned thinkers in this way."

Ordering from the Dusty Groove site is ►