

| **SMALL BIZ PROFILE** |

Narrow Gate Media LLC

# Brothers help others sell via the Web

*They've developed a template that can be tweaked to create unique sites*

By **Jo Ellen Meyers Sharp** • *Special to IBJ*

**W**hen Tom Vaught was a youngster growing up in Anderson, Kokomo and Muncie, he was known as the little salesman.

"People would always tell me I had the personality and social skills that made me a good salesman," said Vaught, who, with his older brother Tim Vaught, founded Narrow Gate Media LLC in January 2000 in Indianapolis.

For example, when Tom Vaught bought a motor scooter for his paper route, all his friends wanted to ride it, and he let them—in exchange for delivering the newspapers. "They got to ride the scooter and I still collected the money" from the customers, he said.

That finesse is a guiding force in the brothers' award-winning venture, which focuses on electronic marketing for businesses. Like a lot of businesses, Narrow Gate Media started with an idea, no formal business plan, personal savings of \$500 each, and \$10,000 in equipment. By the end of their first year of operation, the brothers had secured a line of credit from a bank by using a relative's personal certificate of deposit as collateral.

The brothers—both graduates of Ball State University—presented a solid plan and the relative "really believed in what we were doing," said Tom, 33. Tim is 37.

Early on, they were plagued by the new-business blues: slow sales, no unique selling position and no anchor client. Then came 9/11.

To compensate, the company altered its focus from custom-designed applications to developing templates that would need a few tweaks to fit a particular business's needs. "We cut all non-critical expenditures and reduced our salaries. We ran our company lean and mean to keep our

**Location:** 1837 N. Meridian St.  
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**Founded:** 2000  
**Founders/owners:** Tom and Tim Vaught  
**Service:** electronic marketing for businesses  
**Employees:** none  
**Revenue (2004):** \$287,000  
**One-year goal:** increase residual income systems  
**Industry outlook:** fantastic, as the cost of technology goes down and businesses realize new revenue can come from e-commerce

heads above water until the economy picked back up," Tom said.

The efforts have paid off. The company boosted sales 103 percent last year and hopes to repeat that this year.

"We are doing much, much better," Tom said. "We really have more work than we can handle."

The brothers are a "winning combo. They understood our needs," said Susanne McAlister, CEO of JP Greene & Associates, an Indianapolis-based alternative investment firm with offices in Toronto and New York. She hired Narrow Gate to develop her company's Web site.

"We wanted something professional and modern with movement, but not over the top," McAlister said. "They were able to take our ideas and turned it into an award-winning site for them. It works really well, and we are now updating the Web site."



IBJ Photo/Robin Jerstad

Brothers Tom, left, and Tim Vaught run Narrow Gate Media, an electronic marketing firm.

A Web site designed by Narrow Gate has taken Self-Addressed.com, a scrapbook and album supply company, from a home-based business to a venture large enough to support Jenn and Jared Johnson and their family, who moved recently to Greenwood from Colorado.

"Now it's everything we do," Jenn said. The couple started the business with another server and Web marketing company, "but we were not happy. They couldn't take us to the next level," Jenn said. "[Working with Narrow Gate has] been absolutely phenomenal, and they give us free advice and help us with research. They are fabulous."

Although Narrow Gate will continue developing marketing strategies for e-commerce, it also is expanding its residual

income systems. These are Web sites owned by Narrow Gate that produce income 24 hours a day as customers place orders that automatically go to another company that ships them. So Narrow Gate makes money from the sites without directly doing anything. One of Narrow Gate's residual income systems is TheStudyBible.com, which sells Bibles and other published materials, including videos and software.

"Whatever you decide to do, make sure you are passionate about it," Tom Vaught said. "With the trials, roadblocks and other problems that come with owning your own business, if you're not passionate about what you're doing, you'll probably fail. Ask yourself, 'Would you do this for free, if you could?' If your answer is yes, you may be onto something."•

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—Tom King  
 Eli Lilly and Company (retired)  
 Chairman of the Board, The Indy Partnership

