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Coyote S-Series 36-in. grill.

## A Howling Success

By Lisa Readie Mayer

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Jim Ginocchi.

Coyotes are known for being smart and adaptable. So is Jim Ginocchi. The founder and president of Coyote Outdoor Living has relied on those skills plenty of times along his path to barbecue industry entrepreneurship.

That path began as an attorney specializing in environmental and construction law at a large Pittsburgh law firm, and later as in-house general counsel for a major residential developer, a company Ginocchi eventually helped to take public. When he didn't want to relocate to Kentucky with the new company, Ginocchi brought his law and construction background to HD Supply, a division of Home Depot (since sold off) that supplied products and services to homebuilders.

The timing was smack in the middle of the housing boom and the company's major national builder accounts were beginning to feature Outdoor Rooms in model homes as options for homebuyers. As Ginocchi learned more about the builders' market for Outdoor Rooms, he developed an expertise in gas grills and outdoor appliances, regularly traveling to Asia to visit grill-manufacturing facilities.

When his boss left HD Supply to become CEO of the specialty retail chain Barbeques Galore, Ginocchi followed, and was tasked with developing and running the company's direct-to-builder business. While growing the B-to-B channel and learning the retail side of the business over the next five years, Ginocchi noticed a void in the grill marketplace.

"There were about 10 companies in the premium space selling grills \$4,000 and up, and many companies selling lower-end cart grills to Big Box and home improvement stores," he says. "What was missing was a quality line for the everyday user in the \$1,000 to \$3,000 sweet spot. It needed to have enough bells and whistles to appeal to independent dealers and differentiate it from the grills offered in Big Box stores, but it had to be value-priced."

He left Barbeques Galore to create Coyote Outdoor Living, introducing a line of premium-quality grills at affordable price points. The line was designed with 'affordable luxury' in mind – with features and materials to match those of premium grills, but at a price more consumers and contractors could afford.

Today, Coyote Outdoor Living manufactures a wide variety of gas grills; a hybrid with side-by-side charcoal and gas heads; secondary cooking products such as sideburners, powerburners, and teppanyaki griddles; warming drawers; refrigeration; beverage centers; and storage elements for outdoor kitchens. The products are made using premium stainless-steel, double-walled hoods, and continuous welds with seamless edging on the grill box.

Features such as rotisseries, smoker boxes, infrared burners and interior lighting are standard on the S Series, but optional on the pared-down C series to broaden the price-point offerings. "By taking superfluous features out, we can keep prices reasonable to appeal to more people," Ginocchi says. The company offers top-notch customer service support and lifetime warranties.

Ginocchi counts value-priced lines such as AOG by R H Peterson Co., and Delta Heat by Twin Eagles, as his chief competitors. "But whereas those companies might be focused on their premium lines, the value segment is our main business and we focus 100 percent of our energy and effort on it. We know where we fit in the marketplace and would rather perfect our niche."

The company's products are designed in the U.S. and most are made in China in a factory exclusively dedicated to manufacturing Coyote Outdoor Living products. According to Ginocchi, the strategy has helped to deliver on his quality-and-value promise. "Our goal is to offer the best possible product at the best price point, so wherever we can achieve this, that's where we'll make it," he says. "Apple is an example of a company that does this successfully." There are about 20 employees at the company's Dallas headquarters, with additional representatives based at the factory in China.

Alan Proctor, director of Operations, is a key company executive; he was a colleague of Ginocchi's during his time at Barbeques Galore. Among Proctor's responsibilities is overseeing customer service and, "ensuring our customers have a good experience," according to Ginocchi. "Alan has been pivotal in streamlining the back end of our business. He has been in the industry for years and understands it from the inside out, including the mechanics of how grills work."

Ginocchi's own background in the building industry has given him an insider's understanding of the volatile housing market and insight into how to fit in that channel. "One lesson I learned is that the biggest grill brands for builders all pretty much disappeared when housing dried up," he says. "We knew that couldn't be our only source of business."

Upscale appliance dealers became an early target for the company. "It was a strategy that made sense," Ginocchi says, "because consumers are very time-pressed, so it would be helpful if they could get both their indoor and outdoor kitchen appliances in one stop. Appliance dealers were receptive; by carrying our whole line, they could be in the hot outdoor kitchen business."

He and his team sought out other specialty channels as well, including the hearth, hardscape, landscape and pool and spa industries. "We try to treat all our dealers equally and respect territories," Ginocchi says. "And we have a strict MAP policy for Internet sales that levels the playing field."

With a foothold established with specialty retailers, Ginocchi next sought to connect with designers, architects, landscape architects, kitchen and bath designers and other specifiers. "They already understand how to design a kitchen with proper flow and areas for cooking and entertaining, and now they are frequently being asked to design outdoor kitchens as well," he says.



42-in. S-Series grill from Coyote.

To reach these groups, Coyote Outdoor Living has stepped up its presence at industry trade shows and conferences, often aligning with professional partners such as Denver, makers of Brown Jordan Outdoor Kitchens, and countertop maker Cosentino. This year the company exhibited at the *Architectural Digest* Show, and co-sponsored a continuing education course on outdoor kitchens at the Kitchen & Bath Industry Show (KBIS). It also participated in an outdoor living seminar at the Source of Furniture & Accessories (SOFA) interior design show in Toronto.

In just shy of six years, Coyote Outdoor Living has staked a solid spot in the grill and outdoor living category. Sales have increased by double-digits every year, according to Ginocchi, and the company has grown its distributor base to 10. The company does business with key national appliance retailers including Ferguson and PIRCH, as well as a growing list of other specialty retail dealers throughout North America, South America and the Caribbean.

"We don't sell at Big Box stores," says Ginocchi. "We made a promise to our dealers that our product would not be everywhere; that we would be choosy about our dealers. When you work with a powerhouse such as Home Depot or Lowe's, you lose autonomy with things like pricing and Internet sales policies, and you have to play by their rules. We are happy and comfortable in the space we're in."

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Ginocchi credits a progressive and strategic marketing plan with helping to grow the brand. At the core is a "boots on the ground" effort to get company and distributor team members into retail stores, supporting dealers, training sales staff, creating displays, conducting demos and participating in in-store events. "Anything to get a chance to talk about our line with dealers and consumers," says Ginocchi.

He credits the company's public relations campaign with spreading awareness through trade and consumer magazines, an effort he plans to expand to Pinterest, Twitter, Facebook and bloggers this year. "We want to take advantage of social media to increase the visibility of the brand," he says.

Ginocchi believes having a presence on social media is also key to connecting with a broader and previously untapped audience for the company's outdoor kitchen products, particularly Millennials. "Millennials see a \$100,000 backyard on HGTV and they want it, but they can't afford it," he says.

"We want to turn that aspiration into reality. Our outdoor kitchens are available at every price point, from affordable options for budget-conscious first-time homebuyers to glamorous kitchens for multi-million-dollar custom homes. If you've got a 10-by-10 patio behind a small house, your idea of an outdoor kitchen might be a five ft. linear island with a built-in grill. It looks and functions better than a grill on a cart and doesn't cost much more."

Likewise, Ginocchi says an outdoor kitchen package that retails for around \$4,000 and includes a 36-in. gas grill, refrigerator, and access doors, built into a five ft. stucco island with a granite top, has greatly expanded the audience for the company's outdoor kitchen products. "It's a nice, very functional set-up, for a reasonable price," he says.

Coyote Outdoor Living is expanding its lineup of affordable outdoor kitchen elements this year, including a 36 in. drop-in charcoal grill, a variety of new cabinetry pieces, a trash and recycle combo drawer, and a full, dry pantry.

"We want to make outdoor kitchens a reality for everyone," says Ginocchi.

That's smart.