

Magnificent Obsession

Keri Davis, Founder and Co-owner of Gila Rut salons, knew early in her career that while the art of hair would always be an exciting part of her work, it was the business side of salon ownership that sent her passion into overdrive.



Keri Davis, Founder and Co-owner of Gila Rut, business educator and innovator

Twenty-one years in business and still growing, Gila Rut started out as a 1,000-square-foot salon in the hip Hillcrest neighborhood of San Diego. Soon, its original location grew to 2,000 square feet; a second location was opened in Chula Vista (2006) and a third in Torrey Hills (2011). Along the way, original owners Keri and Carol Davis also added a third partner, Karla Lopez-Martinez. "Our goal has always been to grow smart and not fast," says Keri. "Each location must be financially prosperous—including paying a percentage of our owners' salaries—and have a strong management team and staff in place before we would even consider opening another location."

Fulfilling Staff Goals

"One of the things that we find exciting about salon ownership is the opportunity to help other stylists grow their careers in ways that make them happy," says Keri. "Of course, we chart the progress of each staff member in terms of his or her bookings, retail sales, etc., but besides that, we also focus on what each person wants to do beyond working behind the chair. If someone aspires to become an educator or manager, for instance, we make sure that he or she receives specialized training. The caveat for these growth opportunities: Stylists must be with us for a minimum of one year before training begins, a time period that allows us to get know each other and for them to become thoroughly immersed in our culture."

Owner's Career Path

Like she does for her employees, Keri has carefully plotted her career path at Gila Rut. Because her passion has always been business, one of Keri's earliest goals was to step away from the chair and become a full-time businesswoman and marketing visionary for Gila Rut. "I haven't worked behind the chair for years, but following my career path wasn't without a few hiccups, including a two-year stint when I had to resume hairdressing after we had our first and only walkout," Keri relates. "It wasn't a big deal in terms of numbers—we lost three of seven employees—but they were our top earners. It was tough at the time, but the takeaway lessons from that one small event were instrumental in guiding us through a thorough restructuring of our business.

"Losing a group of stylists has happened to most owners who've been in business for a few years," Keri continues. "My best advice: If your goal is to work on and not in your business, clear



(left) Gila Rut Co-owners Karla Lopez-Martinez, Carol Davis and Keri Davis accept their NAHA 2012 Salon MBA award.

your mind so that you can act and not react; find out what went wrong; make changes that will strengthen your business; and move forward with a new plan to step away from the chair."

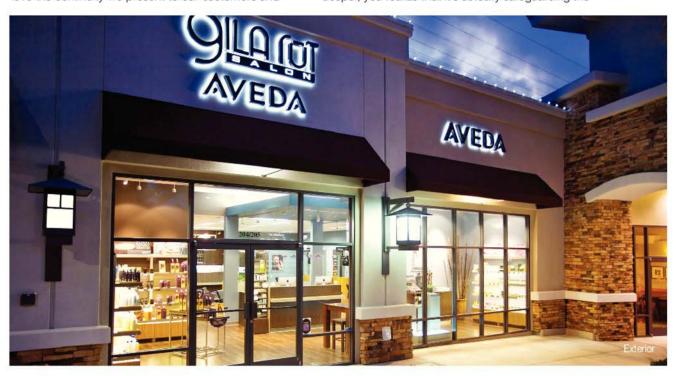
One and Only

For the past 12 years, Gila Rut has been an Aveda Lifestyle Salon business, an exclusive arrangement that many owners fear would be too limiting. "I personally love the continuity we present to our customers and the clear, unilateral product education that we provide for our staff," says Keri. "The backbar and styling stations also share a mutual focus, which benefits the appearance of our salons and what we, as a company, represent. In the beginning, it was a challenging transition, but I don't regret the decision for one minute. Our retail percentage has dramatically increased; we don't have any problems with products being sold in grocery stores, drug stores or mass-merchandise outlets; and our exclusive affiliation has attracted many stylists who previously worked at other Aveda Lifestyle Salons and are new to our area. There are also many business perks associated with being

a concept salon, no matter which brand you choose to carry. I'm lucky enough to be involved in Aveda business education. I've helped write and then teach Aveda Business College courses all over the country for the past seven years. Along with that business training, we also have access to a lot of advanced technical education, which greatly benefits our customers and our staff."

Freedom in Numbers

At first glance, Gila Rut seems top heavy in terms of managers and educators. But when you dig just a little deeper, you realize that it's actually safeguarding the





all three salons to our third partner, Karla. Delegating this duty means that, for the first time, I can exclusively concentrate on making sure that our business stays profitable, mentor our management staff, and institute and guide marketing plans that will ensure that our business continues to grow even stronger."

Protecting Profits

"In terms of profitability, we've defined all the business categories within

our salon," says Keri. "One of my jobs is to monitor each category or department, to ensure that it stays profitable. By doing this, we don't have a single area of our business that's dragging down our bottom line. This has allowed us to provide fabulous perks to our employees, including paid vacations and health benefits, and pay raises and advancements that are tied to reaching benchmarks within

their defined career paths." (GilaRut.com)

business, while giving those in charge the support they need to properly do their jobs. "On the rare occasion that we lose an educator, for instance, it doesn't leave a vacuum in our business," Keri explains. ""There are always educators on staff that are prepared and experienced enough to step up to the plate.

Moving Up the Ranks

"Because we don't hire managers outside of our business, our management team has moved up through the ranks," Keri relates. "They know our culture to the point that it's almost embedded in their DNA. This knowledge allows them to make the right decisions, no matter what comes up during the course of a day. Our management system has also allowed me to pursue my own career path within Gila Rut. Three months ago, this truly came to fruition when I handed over the operational reins for

