

SMALL BUSINESS PROFILE

RUSH HOUR KARTING



▶ From left are Sherif Matta, Brent Ashworth and Tamer Saad. In the kart is Adam Saad.

STEVE WILSON

Vroom! Vroom! Through good and tough times, karts roar on

By Dale Gibson
 Reporter email: dgibson@bizjournals.com
 Twitter: @TriBizME

GARNER – When Adam Saad says the economy is coming back, people should listen.

He knows by experience. His business was driven into the pits during the depths of the Great Recession. Operators of similar businesses in other markets didn't make it. He did, and business is solid again.

"I know that when people spend their money with us, the economy is coming back," says Saad, the point man in a three-person partnership that has owned and operated Rush Hour Karting, an indoor, high-speed, competitive go-kart track that's tucked away along a country road somewhere between where Garner ends and Clayton begins.

The location is not ideal, Saad concedes, but there was a reason. He got a deal on the land from a family friend to build the 50,000-square-foot structure that houses not only the kart track but also a small restaurant, a gift shop, a game room, a briefing room for wannabe Jeff Gordons and even a conference room for corporate functions.

"It would have cost too much if we had put it in a prime-time location," Saad says of the spot chosen for the business.

So it's been a cobbled-together game of guerilla and social marketing that Saad – "He's a workaholic," says brother and co-owner Tamer Saad – has fashioned to keep would-be Danica Patricks streaming in the door. And some of it has been downright creative: He made a buy with Groupon to offer specials on races at the track, and then convinced the folks at Groupon to sponsor 15

▶ **BIO**

YEAR ESTABLISHED:
2005

FOUNDERS:
Adam Saad, Tamer Saad,
Sherif Matta

LOCATION:
Garner

NUMBER OF EMPLOYEES:
16

2011 REVENUE:
\$1 million

WEBSITE:
www.rushhourkarting.com

karts. He also does networking, keeps in touch with repeat drivers via email, drops cards at trade shows, and the like.

Adam feels the company now has good traction and has even begun giving some thought to perhaps building a second track, but that's in the very early stages. Rush Hour celebrated its seventh birthday on Dec. 7, provides jobs for 16 and last year topped \$1 million in revenue for the first time.

It's a lot of work for the Saads and their cousin Sherif Matta, the other partner and a cousin who came up with the idea for the track. But while Sherif was the inspiration, Adam proved to be the one to execute the plan. At the time, he was working in the family business, Garner TV and Appliance, but took time to research the karting business.

One factor held heavy sway over the trio's ultimate decision to build and open the track: Group sales to corporations looking for team-building experiences could be a steady source of income. And that's the way it's worked out, with about a third of Rush Hour Karting's sales coming from corporations and the rest from what Adam calls "arrive and drive" customers.

While appearing to be little more than a warehouse on the outside, the facility is impressive on the inside. The serpentine track dominates the building, offering hairpin turns, virtual U-turns and tempting straightaways. A system of huge fans controlled by carbon monoxide detectors sucks fumes out of the building.

Thanks to transponders in the karts, drivers can check where they stand in relation to their competitors on huge TV screens that also reveal the time it takes to cover one lap. On a recent day, the best time turned in was 30.255 seconds, the worst was 34.105 seconds. (The best yours truly could muster was 41.495 seconds.)

Running this business is not cheap. A single heavy-duty kart equipped for racing with four-point driver straps and wrap-around bumpers costs \$8,000, and Rush Hour has 15 of them for adults, along with eight kiddie carts.

And no foolishness is allowed. Remember that briefing room? The biggest sign in it says, "No Bumping." Three employees roam the track medians during race time, flags in hand, ready to pull guilty Jimmy Johnsons from the competition – after a warning.

Another major expense is insurance to cover potential accidents. There's never been a claim on that insurance from the kart driving. "The only claim was a for a bump-up in the parking lot," Adam says.

As for free time, the owners might spend some of that on the track, where Adam says cousin Sherif is a great racer, while "I'm terrible." But time off is scant for the trio – one of whom is always on site. Rush Hour Racing is open 363 days a year – closed only on Christmas Eve and Christmas Day.

"We'd do a great business on that days," says Adam. "But we've got to get a break sometime."

Five-Questions with ... David Kelly



Raleigh Division Vice President at Toll Brothers

What is the best piece of business advice you have ever received?

To surround yourself with people better than you.

What accomplishments are you most proud of from the past year?

Our Raleigh Division has exceeded the aggressive sales projections set forth for 2012 by almost 20 percent.

We have maintained a 95 percent customer satisfaction rating in 2012.

Being relatively new to the region, I am very proud to have joined such a great team.

What are some top-of-mind goals that you are looking to achieve in the next year?

To continue to grow the footprint of the Toll Brothers Raleigh Division by strengthening our brand, building upon our existing luxury communities and entering new markets.

To close the gap between our current 95 percent customer satisfaction levels and 100 percent.

What are the most telling signs (positive or negative) that you are seeing in the homebuilding industry right now?

Local homebuilding starts have converged over closings, meaning sales are increasing at an increased rate.

Home prices have stopped declining on average and we are beginning to see increases in some markets.

Home inventories have dropped, meaning the number of available homes are diminishing creating more demand for new construction.

What is the most important thing a potential homebuyer needs to know in this market?

Affordability is still at all-time high levels. With the increasing number of jobs in the Triangle, local unemployment levels being well under the national level and continued affordability, consumer confidence is back and rising.