

Santelli builds on service

Lumberyard survives through three generations by focusing on retail, commercial

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PALMYRA - When brothers Alfred and James Santelli bought land along Route 31 in Lyons and opened their lumberyard in 1945, that corridor consisted mostly of farmers' fields. Not any more.

Over the last 65 years, while the setting has changed to a busy commercial one, the business also has grown and changed along with it, shifting its focus in response to the arrival of major hardware and home improvement chains and the burst of the housing bubble. But through three generations, the Santellis have remained, along with their stock of paint, windows, storm doors and, of course, lumber.

"It is a good place for the serious do-it-yourselfer to come," said Arthur Santelli, 50, one of Alfred's sons and the current president. "They like coming to our stores because we have knowledgeable people at the counter that can help them."

But despite that retail facade, the core of Santelli Lumber's business is now wholesale, Santelli said. The company sells lumber and supplies to other businesses and builders, using a staff of outside salesmen to spread the word.

"It's pretty tough to compete [for the retail market] with the hours and the square footage that Lowes and Home Depot have," Santelli said.



Arthur Santelli

Back in 1945, that wasn't the case. Alfred and James Santelli did "a little bit of everything," Arthur Santelli said.



Marc Santelli

They had a lumberyard, sold hardware, worked on roof trusses and manufactured kitchen cabinets. The business flourished in the post-war housing boom, and the brothers even started their own construction company, which operated until 1977 focusing primarily on agricultural buildings.

James Santelli retired in 1972, and Alfred Santelli followed seven years later. Two of his sons, James and Anthony Santelli, took over the business and opened a second location in Palmyra, where it is now headquartered.

"I think it's fair to say that the focus of the company shifted from construction to [primarily] retail," Arthur Santelli said. "It was the days before Home Depot and Lowe's."

By the time Arthur Santelli joined his siblings in 1987, it was time to shift again.

Today, Santelli Lumber employs 23 people at its two locations.

The Palmyra site generates most of the business because it's closer to the larger housing markets in western Wayne County and Monroe County, Arthur said. But Lyons fills a niche for the company, too, allowing it to reach into the Geneva area.

Arthur, who bought out his brothers in 2001, has since been joined by two other family members — nephews Marc Santelli, who serves as vice president, and Josh Santelli, a salesman.

Despite that expanding family tree, the Santellis aren't talking business expansion, at least for now. Instead, they're working to adjust their business to the realities of the current economy.



Gabrielle Plucknette photos / Finger Lakes Times



Ryan Hadden, a yard man at Santelli Lumber in Palmyra, pulls a load of lumber to transport for the store in Lyons.

Sam Hilsinger, a yard foreman, pulls a load of lumber for a customer and wraps it with metal bands so the lumber stays put during transport.



Lumber and materials are stored in a number of buildings at Santelli Lumber in Palmyra. John Gill, an inside salesman, takes a phone call at the main desk.

Santelli Lumber belongs to a supply cooperative that Arthur said allows it to compete with or beat the prices offered at larger chains but that offered no shelter from the collapse of the housing market.

While some sectors of the economy have improved, home building has not, Arthur Santelli said.

"It's kind of just been crawling along the bottom," he said, noting that construction along Canandaigua Lake was hit especially hard. "That high-end market has really taken a beating."

The Santellis have worked to diversify their business, he said, relying in part on the pole barns the company builds.

At the same time, they're working to keep the family feel, the personal touch and transparency that they think keeps their customers coming.

"We don't want to lose sight of the fact that we are a small business," Marc Santelli said.

But they're also working to transition from a mom-and-pop style of operation to a professionally managed company.

"It still can be small and personal, and you can still be a little benevolent and paternalistic," Arthur Santelli explained. "But you still can have a professional organization related to the management of the human resources."