

# Creative Energy

Pandemic reaffirms commitment to customer-first mantra

## Location

Three locations in the San Francisco Bay area

## Owner

John Kasten

**SOMETHING ABOUT LIVING** in northern California engenders folks to look at wine barrels and think, “I could make a hot tub out of that,” and that’s exactly what Rolf Engelhard and Denis Kasten did in 1976.

Engelhard, an engineer, took it a step further by inventing a filtration system. The final product included a circulation pump and filtration system with ozone; it was even plumbed with solar-powered hot water. From there, Creative Energy was born.

“It was an extremely efficient system,” says David Kasten, Denis’ nephew and current operations manager. Creative Energy is located in Marin County, which is also the home to “Star Wars” creator George Lucas. “There is a rumor that our original Unit 1 was the inspiration for R2-D2. I don’t know if it’s true, but it’s fun,” David says.

But don’t think the name Creative Energy comes from that early foray with solar. “When my uncle [Denis Kasten] got in a hot tub for the first time, he got out and said, ‘I feel like I have all this creative energy,’” David says.

Eventually, the pair got a visit from Jeff Watkins — the co-founder of Watkins Wellness — who was looking for people to sell the original Hot Spring Spas Classic model. Rolf encouraged Watkins to add a circulation pump, and he did.

“We became one of the first vendors for Watkins,” David says. “We’ve been with them ever since. We’re lucky we chose Watkins because they’re the world leader.”

Like many entrepreneurs and inventors, Rolf and Denis had fantastic ideas but didn’t excel at running a business. In 1981, Denis’ brother John moved from Michigan, where he was managing car dealerships, to help run Creative Energy. John eventually bought both Rolf and Denis out and remains the sole owner. John, now 87, still comes to work every day and does all the in-person site visits.

David started working in the business in July 2002. Fresh out of college, he intended to become a United States Marine. He’d completed the physical and was well on his way into the service, but Creative Energy had staff turnover, and David was asked to come home and help. Even though it wasn’t the career path he envisioned, he’s been there ever since.

“Once I got in, I embraced it,” David says. Despite having a college degree, he started as an entry-level parts assistant and “learned from the bottom,” he says.

Doing business in the Bay area — which includes not only stiff competition but also some of the most expensive zip codes in the country and California’s stringent business statutes — has presented unique challenges for Creative Energy, like the time they opened a store in San Mateo.

“The week we opened that store, the city of San Francisco banned filling hot tubs because there was a drought,” David says.

And there’s good reason for John Kasten to continue doing in-person site visits when most companies now settle for customers to text or email them pictures of their homes.

“Our deliveries can be very difficult,” David says. In addition to the steep hills and narrow roads that San Francisco is known for, space is at a premium, and there often isn’t room to squeeze a hot tub between the house and its neighbor. In the past, they’ve done everything from using a crane to removing gates and even bringing the tubs through the garage or house and out the back door to the yard.

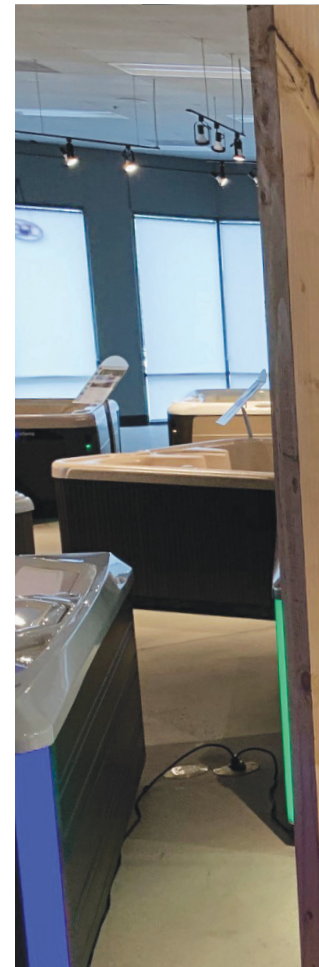
“We have to widen doors to make that opening larger in order to get the spa in,” David says, noting that’s why the company has a contractor’s license.

The site visits not only prevent a lot of headaches but are also representative of the company’s culture.

“We’re hands-on with our customers, and that’s how we differentiate ourselves,” David says. “The site check closes a lot of deals for us. We get into their backyard and form that relationship; they know we’re professional.”

By 2020, the company had four showrooms with its most recent store in Concord. Then, of course, COVID hit, right when the Pleasanton lease was up.

“We were cruising along with all four showrooms,” David says. “But we had to





instruct all our employees to go on unemployment because we were out of business. I kept my warehouse guy here receiving products. We shut down Pleasanton. Little did we know 60 days later how in demand our product would be.”

David says there was one blessing in disguise for him during the pandemic: learning how to operate a business remotely.

“I like to be at work first thing in the morning, check the guys out and make sure everything’s running smoothly,” he says. “Then I go home and pick up my kids and work on the computer. In many ways, it’s more convenient and accepted now.”

On the to-do list for Creative Energy is to solidify a succession plan, get a Pleasanton-area store open again and continue growing the market for its newest product line: cold tubs.

“The demand [for cold tubs] is high,” David says. “Some people think it’s a fad, but I don’t. There’s a lot of science behind it.”

#### Website

[creativeenergy.com](http://creativeenergy.com)

#### Social Media



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