



NATIONAL ASSOCIATION OF  
ELECTRICAL DISTRIBUTORS

**Smart Tools for Smart Distribution.**

**2010 National Electrical Leadership Summit**

## **Manufacturers Annual Forum**

**Monday, May 17  
1:00 – 2:30 pm**

2010 National Electrical Leadership Summit

**Welcome to  
Annual NAED Manufacturers  
Council Forum  
May 17, 2010**

**Roger Vaught**  
NAED Manufacturers Council Chair Person  
Vice President of Sales  
Allied Electrical Group

**Agenda**

1. INTRODUCTION/OVERVIEW
2. MISSION/MEMBERS
3. GUIDELINES/ACCOMPLISHMENTS
4. COUNCIL GOALS
5. MANUFACTURER'S SURVEY
6. BEST PRACTICES – TRAINING/EDUCATION
7. BEST PRACTICES – NEW PRODUCT INTRODUCTION
8. BEST PRACTICES – IMPROVING EFFICIENCIES
9. Q&A
10. WRAP UP and SPECIAL PRESENTATIONS

**Mission**

**Formed in 1990**

- To act on behalf of the NAED manufacturers to provide effective communications between suppliers, distributors and the NAED.
- To take positions on behalf of the manufacturers on industry issues (jointly identified), and communicate them to NAED leadership.
- To help initiate and facilitate actions for the benefit of all in the electrical distribution channel.

**Members - Past**

❖ Ray Hurt - Advance/Philips	❖ Jim Bracken - GE Lighting
❖ Bob Bukowsky - Ideal	❖ Alan Sipe - Klein Tools
❖ Brian McGlone - Hubbell Wiring Devices	❖ Jeffrey Mitchell - 3M Electrical Products
❖ Bill Shulha - Greenlee	❖ Ron Lim - Crescent/Stonco
❖ Tim Taylor - Intermatic	❖ David Burnette - Wheatland Tube
❖ Robert Smith - P&S	❖ Curtis Froland - Fluke
❖ Rick Angel - Lutron	
❖ Kathy Jo Van - Coleman Cable	

**Members - Present**

- ❖ Roger Vaught, Chair - Allied Electrical Group
- ❖ Karen Ponce, Past Chair - Shat-R-Shield
- ❖ John Hoffman, Chair Elect - Legrand, N.A.
- ❖ Bruce Bittner - Hubbell Lighting
- ❖ Kevin Duggan - Cooper Bussmann
- ❖ Jim Kosciolek - Ferraz Shawmut
- ❖ Liz O'Grady - Thomas & Betts
- ❖ Winn Wise - Southwire
- ❖ Terri Dumas - RAB Lighting
- ❖ Dave Goedeking - 3M
- ❖ Louis Weisberg - Service Wire

**Council Guidelines**

- Formalized process and membership. Similar to other NAED Councils.
  - Membership & Chair person process
  - Balance of small, medium, and large companies
  - Length of service
  - Attendance
  - Other administrative issues

**Accomplishments**

- NAED meeting format
- All-Industry Networking Groups
- Training/Education – NAED Learning Center
- POS (Point of Sale) and SPA (Special Pricing Authorizations)
- Supply Chain Scorecard
- Green Electrical Guides
- Advocacy Internship for Manufacturers (AIM)
- New Member Orientation
- Manufacturers Council Survey

**Current & Future Goals**

- ❖ Training/Education
- ❖ New Products
- ❖ Improving Business Efficiencies
- ❖ Continue to be a formal vehicle for collaboration between electrical manufacturers and distribution.
- ❖ Create ideas that mutually improve sales, channel processes, and business relationships.

**Training Opportunities**

**Liz O'Grady**  
 Member, NAED Manufacturers Council  
 National Sales Manager  
 Thomas & Betts Corporation

**Training Opportunities**

**NAED Learning Center**



Goals:

- Provide portal
- Make it easy
- Track all industry training

**A Portal to Industry Training**

NAED Courses & Research	Soft Skill & Business Libraries	Free Manufacturer Training	Internal Training
Advanced Inside Sales	Communication	Product Lines	Orientation
ASSET Customer Service	Customer Service	Product Application	Processes
Counter Pro	Ethics	Electrical Basics	Application
EDGE	Finance	Value Selling	
EPEC	Human Resources		
Maximize Your Profit Power	Leadership		
Profit Talk 101	Management		
Selling Green 101	Personal Development		
Warehouse Pro	Safety		
NAED Research	Sales		
Research In Action Webinars	Software Training		


**NAED Learning Center Testimonial**

The Hite Company - Altoona, PA  
Denise Kelly – Director of Training and Employee Development

- Utilizing since 2006 as their Learning Management System (LMS)
- Foundation – Employee Development Program
  - 1,300 courses completed online and offline
  - Track the training completed
  - Analyze types of training and time invested
- Managers – Individual training transcripts
  - Employee Performance Evaluations
  - Assign training goals – improved performance and to address any gaps in training

**Testimonial**

*"Our customized NAED Learning Center home page is impressive to new users. They like the opportunity to take industry-based online training and watch their transcripts grow."*



Denise Kelly, Director of Training & Development, The Hite Company


**NAED Learning Center Testimonial**

The Hite Company - Altoona, PA  
Denise Kelly – Director of Training and Employee Development

- Business Operating System – "Go Live" on June 1, 2010
- Internal Modules - Order Entry, Item Search, etc.
- New Product Introduction – Fast, efficient way to communicate features, functions and benefits that are available 24/7
- Special Promotion – Manufacturer provides the details of the product and promotion details
- Access to Manufacturer product training modules - powered by ElectricSmarts Network

**Testimonial**

*"Our customized NAED Learning Center home page is impressive to new users. They like the opportunity to take industry-based online training and watch their transcripts grow."*



Denise Kelly, Director of Training & Development, The Hite Company


**Training Opportunities**

**Wes Morgenthaler**  
NAED Learning Center Administrator

**More Testimonials**

**Testimonial**


*"Our BSE customized home page is appreciated by all our employee careers. When logged in, they see their company, their logo, their positions. From there they can explore and use the site to fulfill training needs to further their career."*



Denise Doeling, HR Training & Communications Supervisor, Border States Electric

**Testimonial**


*"The NAED Learning Center has given us an effective method to reach associates spread out over 30 locations, and the tracking allows us to easily capture training participation for performance evaluations."*



Tina Jett, Vice-President of Human Resources, Butler Supply, Inc.

**Testimonial**

*"The NAED Learning Center has been the most beneficial training resource that our organization has ever used and has allowed our training program to come out of the dark ages and into the 21st century."*




Junior Hebron, Manager Sales & Marketing, Mid-State Supply

**4 Years of the NAED Learning Center:**

- 9,333 unique active users
- 450+ member companies
- 36,000 online courses launched
- 70,400 offline courses tracked

**Manufacturer content usage:**

- 46 manufacturers represented
- 8,500+ course launches
- 12,000+ ElectricSmarts course launches



**NAED Training Partnership**

Make it easy for manufacturers to participate:

<b>Option 1</b> Host courses directly on NLC Server	<b>Option 2</b> Partner with ElectricSmarts Network	<b>Option 3</b> Link to external website
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- Promote on NAED Learning Center launch page and every custom home page
- Feature manufacturer partners in marketing communications
- Provide training usage data to manufacturers

**Manufacturer Training Alliance**

The Manufacturer Training Alliance exists to support the NAED Education and Research Foundation by focusing in two key areas:

- ❖ Identify training needs and opportunities for manufacturer members to develop their own employees and channel partners
- ❖ Provide guidance and standards to improve the effectiveness of training and development in the channel.

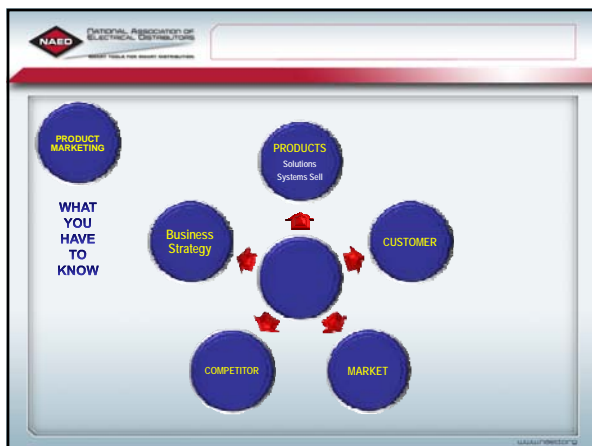
**Thank You**

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**John Hoffman**  
 Manufacturer Council Chair-Elect  
 Executive VP Sales & Market Development  
 Legrand, N.A.

**Brian Di Bella**  
 Vice President and General Manager of  
 Legrand, N.A.

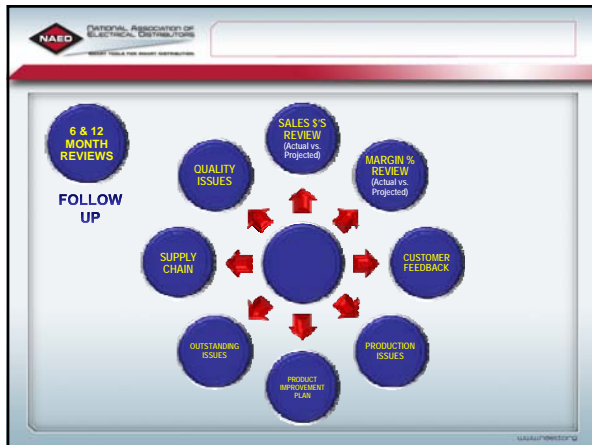


**Industrial Design**  
*The professional service of creating and developing concepts and specifications that optimize the function, value and appearance of the products and systems for the mutual benefit of both user and manufacturer*  
 IDSA, Industrial Designers Society of America

Discovery and Understanding → Concept Generation → Fulfilling the Promise

**New Product Launch Process**

- All sales tools and marketing collateral in one place.
- Electronic copies of entire binder available on line.



**QUESTIONS?**

**Springfield Electric – New Product Launch**

**Mark Barthel**  
 Vice President of Sales

**Allen Baum**  
 VP of Marketing  
 Springfield Electric Supply Company

**Springfield Electric – New Product Launch**

**Product Sponsorship**

- ❖ Corporate Driven
  - ❖ Marketing Committee
  - ❖ Purchasing Department
- ❖ Branch-centric
  - ❖ Local Sales/Management
  - ❖ Customer Request

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 BEST VALUE FOR BEST DISTRIBUTION

Springfield Electric – New Product Launch

## New Product Acquisition Process

- ❖ Negotiation
- ❖ Approval
- ❖ Item Load
  - ❖ Description
  - ❖ Pricing
  - ❖ Stock levels
- ❖ Purchase
- ❖ Merchandising & Promotion Plan
- ❖ Communications Schedule




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 BEST VALUE FOR BEST DISTRIBUTION

Springfield Electric – New Product Launch

## Philosophy

- ❖ Create Value for the Manufacturer
- ❖ Create Value for the End Customer
- ❖ Demand Creation
  - ❖ Vertical Market Segment
  - ❖ By Target Customers



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 BEST VALUE FOR BEST DISTRIBUTION

Springfield Electric – New Product Launch

## Implementation

- ❖ Training
  - ❖ Webinar
  - ❖ Live Training by Representatives
    - ❖ Market Opportunities
    - ❖ Competitive landscape
  - ❖ Product Launch Kits




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 BEST VALUE FOR BEST DISTRIBUTION

Springfield Electric – New Product Launch

## Implementation

- ❖ Target Account/Vertical Market Planning
  - ❖ Value Chain Creation
    - ❖ Economic Value Sell
  - ❖ Demand Creation
    - ❖ Joint Calls
    - ❖ Lead generation
    - ❖ Solutions



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Springfield Electric – New Product Launch

## Accountability

- ❖ Business Review
  - ❖ Financial
  - ❖ Benchmark Success
  - ❖ Barriers to Success
- ❖ Sharing Best Practices


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Improving Efficiencies

**Teri Dumas**  
 Member, Manufacturers Council  
 Vice President, Marketing  
 RAB Lighting, Inc.


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**EDI Opportunities**

**Jack Henderson**  
 NAED Chair-Elect  
 Executive VP  
 Hunzicker Brothers, Inc.

 NATIONAL ASSOCIATION OF ELECTRICAL DISTRIBUTORS  
**EDI Opportunities**


**Benefits of EDI Transactions**

- ❖ Labor Savings
- ❖ Time Savings
- ❖ Error Reduction & Accuracy
- ❖ Paper Savings
- ❖ Improved Customer Service

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**EDI Opportunities**

**EDI Perils and Pitfalls**

- ❖ Inaccurate Data
- ❖ Standard Packaging
- ❖ Bad Pricing

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**EDI Opportunities**

**EDI Transaction Sets**

- ❖ 850 Purchase Order
- ❖ 855 Purchase Order Acknowledgement
- ❖ 856 Ship Notice
- ❖ 810 Invoice
- ❖ 844 Rebate Claim
- ❖ 849 Response to Rebate Claim

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**E-Commerce Initiative**

**Thomas & Betts**  
  
**E-Commerce Initiative**



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**E-Commerce Initiative**

**E-Commerce**


Means different things to different companies

- EDI Order Entry
- Web Based Order Entry
- Real Time Manufacturer Information

- Thomas & Betts utilizes all of these

**E-Commerce Initiative**

### Case for using EDI

- Processing EDI orders since 1989
- Minimizes errors
- Reduces Processing
- Offers speed and accuracy throughout order process

**E-Commerce Initiative**

### Case for using EDI

- Industry Data Exchange (IDX) Internet based network – transmit EDI orders
- IDX maintains a near 100% reliability record 30% to 40% savings compared to commercial service providers

**E-Commerce Initiative**

### Case for using EDI

Entry Method	Error Rate	Speed	Remarks
Manual	"X"	1-8 hrs	CSR/agent entry. Subject to translation errors, carton lot rounding, pricing, callback verification, processing delays
EDI	42% less	5-10 min	Best Solution for high volume, repetitive business...essentially one way process
Web	80% less	Real-time	Fully-interactive...user verifies item, quantity, pricing, ship method, ship date, even air freight cost (<10 lines).

**E-Commerce Initiative**

### Real-time Manufacturer's information

2009 Web Hits by T&B Application Area (Over 50 Million Hits)

Application Area	Percentage
Web Catalog	61%
T&B Access	18%
Corporate Site	10%
Electrical World	5%
Other	3%
Europe	2%

**E-Commerce Initiative**


Receive as many as 250,000 stock checks per month via T&B Access...  
Over 15% of our U.S. orders come to us via T&B Access on the web

How our customers use T&B Access...

**E-Commerce Initiative**

### Summary


- EDI Transaction Rate – Electrical Distribution - 45%  
Significant Savings  
Less errors  
Reduces processing  
Speed and accuracy through the order process
- T&B Access – web-based distributor interface  
Real Time based  
Easy to use  
Everything at your fingertips

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## Council Transitions

- ❖ Special thanks to Karen Ponce,  
Past Chair
- ❖ John Hoffman Incoming Chair

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## Closing

**THANK YOU FOR ATTENDING**

*And Be Sure To  
Fill Out Your Feedback Form!*

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