



NATIONAL ASSOCIATION OF  
ELECTRICAL DISTRIBUTORS

Smart Tools for Smart Distribution®



# Benefits of Belonging

for Manufacturers and Suppliers

*Membership in the National Association  
of Electrical Distributors gives you a  
“seat at the table” with the top electrical  
distributors in the country!*

What do you get when you join NAED?

# ACCESS!

<b>A</b> CCESS	<b>Access decision-makers from the top electrical distributors in the country.</b> Nearly 90% of the Top 200 electrical distributors are NAED members.
<b>C</b> REATE	<b>Create new opportunities</b> to grow your market and your business.
<b>C</b> ONNECT	<b>Connect and network with all of your customers and prospects at NAED conferences,</b> whether they belong to marketing groups or not.
<b>E</b> DUcate	<b>Educate your customers with your product training courses</b> posted online at the NAED Learning Center. <b>Educate yourself and your staff on industry trends</b> and your distributors' businesses through conferences, research, courses, <i>TED Magazine</i> , and more.
<b>S</b> AVE	<b>Save time and money when you meet all of your best customers and prospects in one location</b> —an NAED conference. How many flights, hotel rooms, and dinners would it take to meet with them separately?
<b>S</b> HARE	<b>Share best practices</b> and seek answers to common challenges during peer networking sessions at NAED conferences. Contribute to the development and use of industry standards.

## What is the typical NAED distributor?

Nearly 90% of the distributors on the Top 200 list\* are NAED members. NAED represents the best distributors in a wide spectrum of sizes and ownerships:

- > small to mid-size independents
- > large regional and national chains
- > privately owned companies
- > ESOPs (employee stock ownership program = employee owned)
- > family-owned
- > privately owned companies
- > publicly traded companies

\* The Top 200 list is published yearly by *Electrical Wholesaling* magazine.

## How many distributors are in NAED?

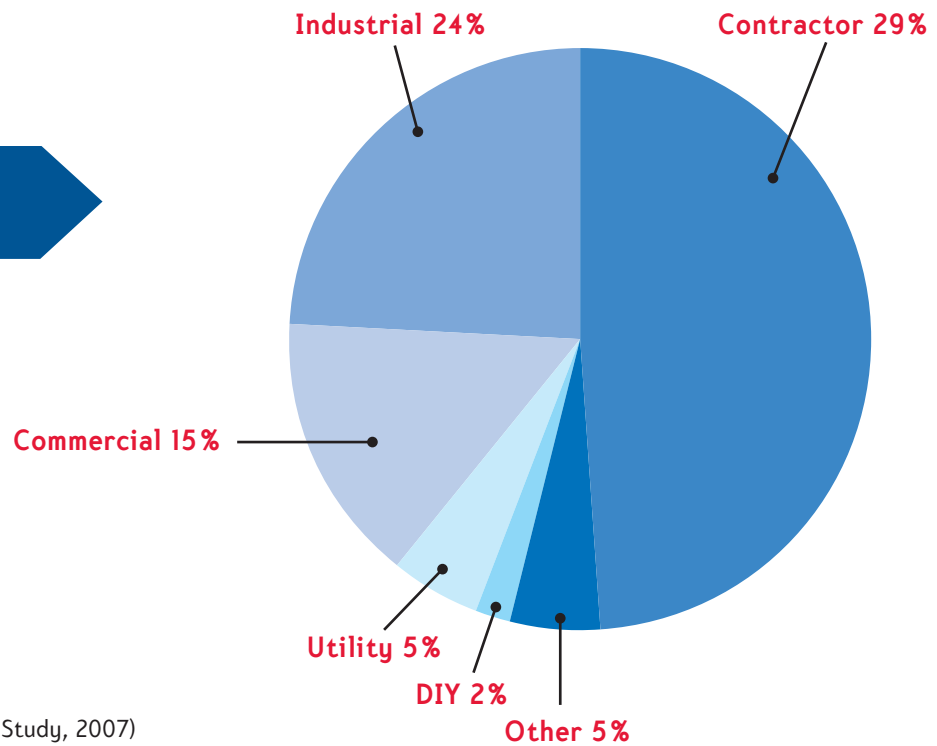
Electrical distributor companies representing more than 4,200 locations nationwide account for approximately \$34.9 billion in annual electrical sales.

### NAED Distributor Locations



## Distributor Customers

- > 49% Contractors
- > 24% Industrial
- > 15% Commercial
- > 5% Utility
- > 5% Other
- > 2% DIY



(Source: *TED Magazine* Profile Study, 2007)

## What suppliers and manufacturers does NAED represent?

With 234 associate and allied members, NAED represents the nation's best suppliers and manufacturers in the electrical distribution marketplace offering goods and services through regional, national, and international companies. These organizations supply the overwhelming majority of products and services to the electrical distribution channel.

## How can NAED help us understand our distributor customers better?

Look to NAED for learning what you need to know about the distributor market through:

- > The award-winning *TED Magazine*, [TEDmag.com](http://TEDmag.com), and [TEDgreenroom.com](http://TEDgreenroom.com)
- > NAED's yearly Performance Analysis Report (PAR) that gives an up-to-date picture of actual operations of distributors throughout the industry
- > Participation in AIM Internships for manufacturers that provide a unique chance to observe a distributor's operation in person
- > The World of Electrical Distribution (DVD) provides an overview for those new to the industry



# Can NAED help us economically connect face to face with distributors?

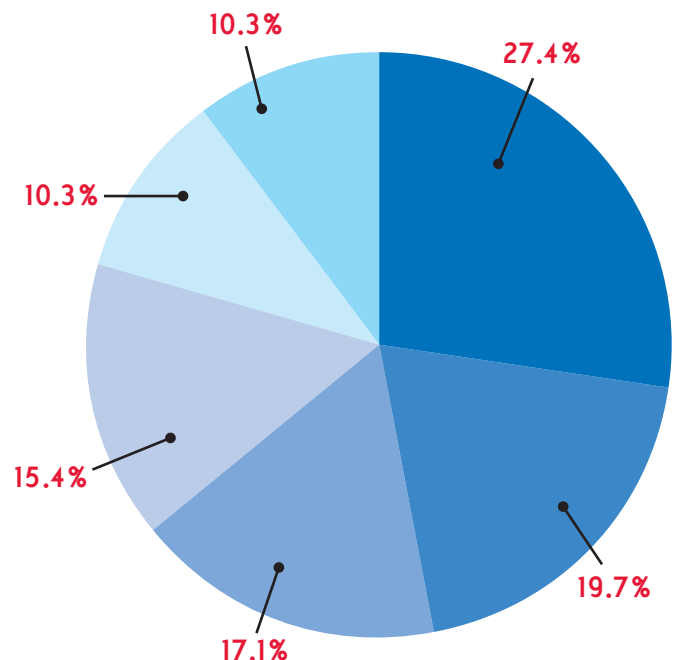
Absolutely. Meet dozens of your current (and future!) customers all in one ideal place for productive business discussions: NAED conferences. Save time and money.



- > **National Electrical Leadership Summit:** Brings together C-level executives from the entire industry for thought leader sessions and high-level networking. Manufacturers and suppliers host the Strategic Planning Booth sessions.
- > **Regional conferences:** Meet with distributors through 30-minute B2B booth sessions and multiple networking opportunities
- > **AdVenture—Electrical Marketing Conference:** Focuses on the unique challenges of marketers in the industry, provides a steady supply of ideas, and hosts *TED Magazine's* Best of the Best Marketing Awards annually in Chicago
- > **LEAD Conference:** Provides new strategies and learning for emerging leaders
- > **HR & Training Conference:** Yearly conference in St. Louis focuses on helping HR and training professionals improve their employee development programs
- > **Women in Industry Conference** provides professional development and industry networking for women from a wide cross-section of the industry
- > **Market Area Meetings** offer networking opportunities with distributors on a more local level

## Summit Attendees Sales Volume

- ..... \$100 mil or more
- ..... \$25 to \$49.99 mil
- ..... \$50 to \$99.99 mil
- ..... \$10 to \$24.99 mil
- ..... \$5 to \$9.99 mil
- ..... Less than \$5 mil



# How can NAED help us train our distributors and our employees?

**THE NAED LEARNING CENTER:** Become an NAED Training Partner and **feature your product training courses** on the industry's premier online training management platform: the **NAED Learning Center**. NAED will promote your company to distributors by featuring your logo on the NAED Learning Center website, promotional brochures, and signage at NAED meetings.

The NAED Learning Center is designed to be a seamless extension of your company's internal training program with a customizable home page and powerful assessment and reporting capabilities to help you: manage your employees' training, develop their curriculum, and track their progress.

Online training courses cover OSHA safety, management, communications, sales, customer service, ethics, software, leadership skills, and NAED's industry-specific courses including:

- > Electrical Products Education Course<sup>sm</sup> (EPEC)
- > ASSET Customer Service Course
- > Advanced Inside Sales
- > Selling Green 101
- > Counter Pro and Warehouse Pro
- > Electrical Distributor Guided Education (EDGE) introductory course
- > Recorded webinars



## **THE CERTIFIED ELECTRICAL PROFESSIONAL™ PROGRAM:**

This industry certification standardizes and validates baseline knowledge for manufacturing and distribution professionals in customer contact positions. Certification ensures credibility and professionalism in the areas of product knowledge, customer service, sales skills, and more, helping the individual and sponsor company stand apart from the competition.



## NAED assures the “voice of the supplier” in industry issues through:

- **The NAED Manufacturers Council** promotes improved communications and sales throughout the channel via projects such as the Upgrades Program:
  - Residential product sales are promoted through use of the Life Upgrades Room-by-Room Guide and the Electrical Contractor Q & A Audit
  - Industrial and Commercial product sales are promoted through the use of the Green Electrical Upgrades Guides
- **The Associates Advisory Council:** reviews high-level strategic planning issues for suppliers
- **Supplier representation** on the NAED Board of Directors



## How is NAED different from other organizations in the industry?

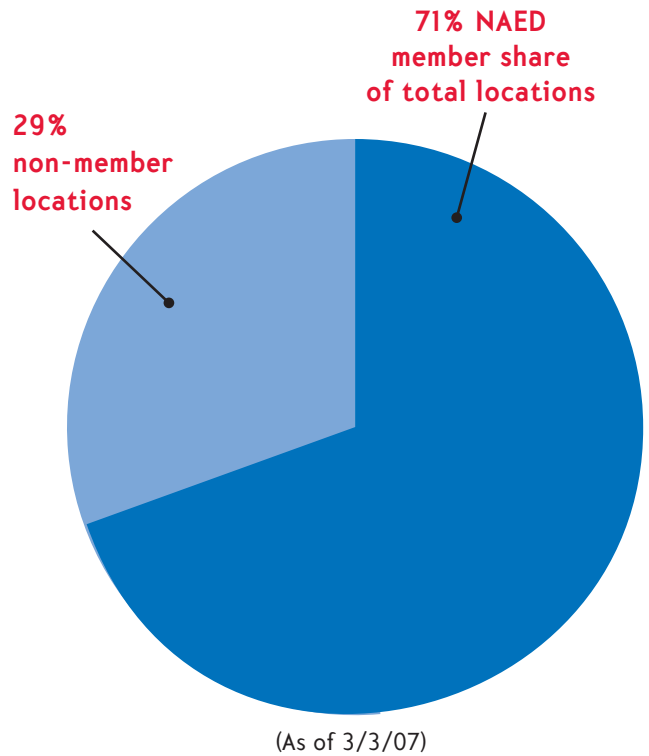
In order to help the entire electrical distribution channel become more successful, NAED tackles the tough “it takes a whole industry” issues that you, your company, and your marketing group can’t tackle alone. Manufacturers, distributors, and other impacted groups participate on special task forces to develop industry efficiency best practices, such as:

- **Standardized supply chain scorecards** for distributors and manufacturers to evaluate each other and improve mutual performance
- **Standardized SPA processes** to eliminate errors and help the channel become more efficient
- **New product launch process** to streamline product introductions throughout the channel
- **POS/POT standards** to help manufacturers pay their reps fairly and enable distributors to work with preferred manufacturers to grow sales and increase margins
- **Accurate data and electronic transactions through the Industry Data Exchange Association (IDEA).** (NAED members get a significant subscription reduction for IDEA)
- **Industry research** aimed at helping the electrical distribution channel be more successful

## The Market

### Electrical Distribution is estimated to be a \$72 billion industry.

- > NAED Member share of electrical distribution market: Approximately \$34.9 Billion, or 48.6% of the market (Based on self-reported figures from NAED members)
- > Total number of locations of NAED Members: 4,263 of 6,000 locations, or 71%
- > Total number of employees in NAED member companies: Approximately 75,000 distributor employees
- > Top-200-ranked distributors that are NAED members: 89%



## Sales Volume

### NAED Distributor Member Sales Volume

- ..... Less than \$5 mil
- ..... \$5 to \$9.99 mil
- ..... \$10 to \$24.99 mil
- ..... \$25 to \$49.99 mil
- ..... \$50 to \$99.99 mil
- ..... \$100 mil or more

(As of 2/19/07)

