

WHEN IS A DISTRIBUTOR NOT A DISTRIBUTOR?

When it's much, much more. Authorized Allen-Bradley Distributors shatter traditional distributor expectations by partnering with customers to provide automation sophistication, electrical supply chain management, and world-class local support.

By Theresa Houck, Executive Editor and Janet Kreiling, Contributing Writer, The Journal

➤ In the new economy, business partnering is an imperative. No one can go it alone. Strategic alliances help you gain a competitive advantage through access to a partner's resources, including their industry experience, technology and people. A prime example is the Authorized Allen-Bradley® Distributor channel. These distributors bring knowledge and service that helps you optimize your Rockwell Automation® solution investment. They'll provide you with electrical supplies, and much more.

As part of the Rockwell Automation PartnerNetwork™, your Authorized Allen-Bradley Distributor is knowledgeable about your business and invested in your success. Your distributor helps you manage your electrical supplies spending, provides extensive training for your staff and delivers quantifiable cost savings. This allows you to focus on your core competencies. We interviewed a sampling of these distributors in different regions of the U.S. to learn more.

"You can purchase components from a lot of different sources, but this buying experience is unique in the industry," says Mike Stanfill, vice president of industrial and commercial sales at Authorized Allen-Bradley



"The evolution from distributor to value-add partner is not only taking place at Rockwell Automation, but across our value chain. Our distributors are invested in their customers' success, and they partner with customers to help them make the best automation decision. This is what makes our distributor channel unique." — Bob Eisenbrown, Vice President of Global Channels and Marketing, Rockwell Automation

Distributor French Gerleman (www.frenchgerleman.com). Headquartered in St. Louis, French Gerleman operates branches in three states. "When you do business with us, you're not working with just another commodity dealer. You receive far more technical support and service."

"The Rockwell Automation limited distribution model allows Authorized Allen-Bradley Distributors to offer more support, to invest in training, and to carry a more extensive inventory," adds Kevin Powell, President of Werner Electric Supply (www.wernermin.com), based in Minneapolis.

One result of this model is a clear example of its effectiveness: A large competing components manufacturer deploys just a handful of technical specialists to cover the entire United States. Authorized Allen-Bradley Distributors have their own technical specialists — 900 factory-trained specialists throughout the country.

"This means customers receive consistent support wherever they are in North America," Powell explains. "Also, these distributor specialists must maintain a competence level with Rockwell Automation technologies."

The network of Authorized Allen-Bradley Distributors has one goal: meet customer expectations. They accomplish this by collaborating with customers to help clients minimize risk and maintain a competitive edge. That means the distributor is invested in its customers' success.

"Authorized Allen-Bradley Distributors do so much more than sell

and deliver electrical products that it's almost a disservice to use the term 'distributor,'" notes Bob Eisenbrown, Rockwell Automation vice president of global channels and marketing.

"Our distributors partner with customers throughout the decision-making process to help with the design, implementation and support of the automation investment. And by helping customers to manage their electric

No matter where you do business globally, you'll find a consistently high level of technical experience and service.

products supply chain, distributors provide a valuable support service that allows customers more time to focus on their business" he adds.

Technical and Business Support

With this distinctive level of partnering investment and experience expertise, examples of how distributors help customers abound. For example, distributors such as French Gerleman can provide both pre- and post-sale technical support, Stanfill says. Before a sale, the distributor's personnel guide a customer in selecting the right product for a specific application and advise them on how to use it correctly to maximize throughput and minimize downtime. After the sale, technical specialists can assist in the commissioning and ongoing support of equipment.

The distributors also provide business support. Customers can count on inventory being available when needed. This

>> Distinctive Model on a National Scale

In 2001, Rockwell Automation and its distributors realized their national customers, while valuing their local distributors, needed a national entity for their multiple plant locations. Therefore, the distributors formed an umbrella company called Vanguard National Alliance (VNA). This nonprofit organization comprises the Authorized Allen-Bradley Distributors. It amplifies what the distributors are providing to customers and adds a level of consistency by helping to develop national contracts that are fulfilled by the local distributors.

In this unique model, VNA helps the distributors give customers a single point of contact, a single contract, a single invoice and national pricing. VNA develops a proposal for each customer using negotiated prices with all electrical suppliers whose products are needed. Distributors then have a template specific to each customer, and they continue to provide the delivery and service on a local level.

"One big advantage is the reduced transaction cost," says Gary DeVost, VNA's president and CEO. "Rather than cutting numerous purchase orders with various suppliers for multiple plants, a customer can write one or just a few. This single contract also eliminates the number of transactions in payables, receivables, pricing and electronic connectivity."

VNA also works with local distributors to evaluate a customer's total inventory to weed out what is unnecessary; coordinates SKU reduction; and vendor-manages programs to help eliminate inventory that is no longer needed. Also, VNA plays a key role in helping distributors deliver the Total Cost of Ownership program at individual locations or for company-wide programs

More than 90% of VNA customers renew or expand agreements with the company, DeVost points out. He notes that VNA's strength ultimately comes from its Authorized Allen-Bradley Distributor members.

Vanguard National Alliance
www.vnaweb.com

means they can keep less on their own shelves, reducing carrying costs.

Distributors also can offer storeroom management services. In addition, customers can employ specific Rockwell Automation programs such as parts management agreements and custom inventory programs.

"For example, French Gerleman can provide kitted or preassembled products with a single catalog number to reduce the total cost and complexity of purchasing, receiving, accounting and staging," Stanfill says.

Distributor account-management teams have experience working within a specific industries, including those distinct to their territories. At Border

States Electric's branch in Tucson, Ariz. (www.borderstateselectric.com), for example, account managers work with utilities, electrical subcontractors, building managers and process industries, and with companies that mine copper, molybdenum and other minerals — which is the dominant industry in their market. Border States, headquartered in Fargo, N.D., has branches across the Southwest and upper Midwest.

Typical of other distributors in the Rockwell Automation PartnerNetwork, the Tucson branch of Border States carries complementary components from about 200 different name-brand suppliers in its inventory, according to branch manager Rob Gilbraith.

“Whatever you need, from Allen-Bradley PLCs or VFDs or DIN rail to electrical conduit to telephone — even fiber — cabling to lighting to fuses to panel frames, we can supply and support it,” Gilbraith explains. This allows customers to order a range of automation and general electrical components on a single purchase order.

The branch also sets aside a large space for training, for its own personnel and for customers, and brings in specialists from Rockwell Automation and other suppliers.

In addition, distributors selectively supply products from the network of Rockwell Automation Encompass Product Partners (www.rockwellautomation.com/go/tjencompass). This third-party product reference program lets you locate best-in-industry suppliers and their Rockwell Automation-compatible technologies quicker.

“There is something unique to their



“The Rockwell Automation limited distribution model gives us the ability to offer our customers a higher degree of service and support, to invest more heavily in training, to carry a much more extensive inventory and offer a wider array of value-added services.” — Steve Grimm, Senior Vice President of Sales and Marketing at Authorized Allen-Bradley Distributor French Gerleman

offering that provides a fit for a new application, a new industry or an expansion of our core technologies,” says Paula Bogner, Rockwell Automation Encompass manager of business partnering.

Total Cost of Ownership

The Authorized Allen-Bradley Distributors work together to drive year-over-year savings for customers through Total Cost of Ownership (TCO) programs, which are delivered by the distributors on a local level. Examples of these programs include these aspects of a customer’s operations:

- Energy savings and power quality.
- Inventory management.
- Productivity and process.
- Plant safety.
- Plant training and education.
- Environmental sustainability.

Involving other products, in addition to those from Rockwell Automation, these broad areas demonstrate the commitment distributors have made to partnering with their customers. And they’re designed to be of real value.

For example, a TCO approach can help a customer with an e-commerce procurement solution, or a training project that focuses on adaptable courses for emerging technologies or better process consistency. After working with the customer to select projects and goals, the sales team specifies savings or other achievement metrics and reports on progress periodically.

Beyond North America

The fabric of distributors’ customer commitment weaves through the core values that envelop the PartnerNetwork: integrity, growth, collaboration and ethics. Partnering with clients using these tenets forms the foundation of service distributors provide — and Rockwell



“One big advantage is the reduced transaction cost.” — Gary DeVost, President and CEO of Vanguard National Alliance, discussing one of the many advantage for users who single-source purchases of Rockwell Automation products.

Automation is driving the channel so that these conventions apply beyond North America for Authorized Allen-Bradley Distributors in any country.

That means that no matter where you do business globally, you’ll find a consistent and high level of technical experience and service. Rockwell Automation goes beyond traditional expectations of distributors by providing consultative sales and support based on trust and a singular focus: the customer’s success.

“These fundamental values are the basis for this unique structure to customers all over the world,” Eisenbrown explains. “It’s important for us to provide this steady and high level of assistance to customers in Europe, Latin America and the Asia Pacific.”

Just ask Bill Doherty, director for Channel Development, Rockwell Automation Latin America. “The distribution model in Latin America is the same limited distribution model as is used in North America. This allows our distributors to invest in pre-sales and

post-sales support capabilities beyond what the typical competitive distributor can afford to put in place," he says.

"So if you have operations in Ohio, for example, and you set up an operation in Brazil, our distributor support capabilities will look very familiar to you because of the coherence Rockwell Automation has driven through the distribution channel internationally."

Doherty says all 92 Authorized Allen-Bradley Distributor locations in Latin America provide trained product specialists and technical salespeople — about 90% of them engineers — who focus on providing unwavering service to help customers succeed.

As an example of how much Authorized Allen-Bradley Distributors are committed to adding value for customers, three Latin America distributors each recently put in place a product specialist focused on industrial safety. They will help customers select the appropriate safety solutions for their facilities and applications.

"Our channel relationships work because they're based on trust, mutual respect and mutual dependency," Doherty says.

Therefore, whether you're a North American customer going global, or company looking to do business in North America, the uniform framework of partnering means your local Authorized Allen-Bradley Distributor will deliver the same high level of service anywhere in the world.

Ahead of the Game

Value-added partnering is the foundation for success. Your local Authorized Allen-Bradley Distributor works with you to provide electrical supply chain management, product aggregation and increased automation sophistication — with exceptional local sales and support. Your distributor also can

help improve your time-to-market by providing one-stop shopping from a trusted electrical advisor. By partnering with others, you can focus on your core competencies and sharpen your competitive edge. □

Rockwell Automation Distributor Network

www.rockwellautomation.com/go/tjdistributor

PartnerNetwork

www.rockwellautomation.com/partners



Plant Floor-to-Computer Data Exchange that Manufacturing, IT and the CFO Can Agree On

eATM™ data appliances minimize the costs and time for setting up controller-to-computer data transactions. They let you easily select, configure and move data between plant floor controllers and back office computers – all without having to buy a PC, software and endure the added costs of programming and maintenance.

Just snap the appliance in an Allen-Bradley® controller and connect to a computer by Ethernet. In no time at all you can be using this versatile appliance to simplify tasks such as tracking and tracing, batch recipe or bill of material downloads, machine and robot configuration and more – all without programming.

It all adds up to a low-cost, easy way to exchange data. See for yourself, visit our web site for a *video demo* or call us about qualifying for an *evaluation unit* today.

800-625-8678 • www.oldi.com



Bridging the Gap **Online**
DEVELOPMENT INC.

© 2009 Online Development Inc. All Rights Reserved. All trademarks are the property of their respective owners. ON-0626-TJ