



[Home](#)

## PM's 2007 Manufacturers Rep of the Year<p>The 'Go-To' Rep

By [Steve Smith](#)

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Emerson-Swan fills many non-traditional roles to continually influence the traditional chain of distribution.



Three years ago, our boss, Jim Olszynski, paid a visit to Emerson-Swan, headquartered in Randolph, Mass., on the occasion of naming them Manufacturers Rep of the Year for our sister magazine, *Supply House Times*.

After spending a full day followed by a leisurely dinner with several agency executives, Jim wrote that he “couldn’t recall the word ‘sell’ ... in any conversation.”

We did the same this April to bestow the Rep of the Year title from our magazine, the first for *Plumbing & Mechanical* in what will become an annual event. What we found was an organization that is in tune with its market, and one that is listening and responding to the needs of its customers at all levels of the distribution chain.

This time, three years later, the word “sell” was in evidence but never in any isolated sign-on-the-dotted line way. We asked Joe Swan, chief executive officer what had changed.

“The industry has changed and we have adapted,” Swan says. “Ultimately, we need to sell products. However, the route to success is through consultative relationships with our wholesaler and trade customers. We spend a lot of time looking at our customers’ needs, developing programs and solutions and emphasizing systems sales. All of this effort puts products on the shelf at the wholesaler and then creates market demand to move them to market. In the end, if we are recognized as a valued partner to our customers, we are successful on behalf of the manufacturers we represent.”

We expected a rep agency to get its plumbing and heating products on wholesaler shelves. But it’s what the agency does to get those products off those shelves and installed within the residential and commercial markets it serves that really matters. Consider several of Emerson-Swan’s business initiatives:

- Train as many contractors a year as possible so the “pros” have access to systems, application and troubleshooting information, as well as new products, new concepts and new technological introductions.
- Extensive internal training, for all Emerson-Swan salespeople on products, systems, presentation techniques and sales skill sets.
- Employ not just salespeople, but specially trained support staff to back up the contractor and the wholesaler.
- Call on all the “decision-makers” - be they contractors, engineers or project owners to ensure that Emerson-Swan lines are speced, stocked, bought and installed properly.
- Continue to grow its sales force to ensure deeper market penetration and better wholesaler and contractor coverage and communication.
- Operate a 92,000-square-foot warehouse to ensure wholesalers can fill their orders promptly.

“We believe it is our job to influence the market on behalf of our manufacturers,” says Parker Wheat, president and chief operating officer. “The wholesaler has concentrated on operational excellence in terms of delivering high-level logistics and great customer service to their trade customers. It’s our job to help our wholesaler customers by creating demand for the products that we have convinced them to put there in the first place.”

Selling products almost seems beside the point as the company emphasizes information and service about those products in several non-traditional ways to keep its influence strong throughout the traditional channels of distribution.

## TNT

Since Jim’s visit three years ago, the company has concluded that one of the most important ways it can influence product purchases throughout its markets is through training and education.

Emerson-Swan did a tremendous amount of research aimed at finding out what the trade’s number one unmet need was. The answer was resounding: training and education. That, coupled with the knowledge that their manufacturers are introducing new, more efficient products to the market at a much faster pace today than just a few years ago, created an opportunity for an organization willing to change with the times.

These needs form the bedrock of the “TNT” program, put in place two years ago. “TNT” stands for “Training & Education-New Ideas-Trade Focus.” Emerson-Swan extracted much of the approach from a less formalized “pull” program, originally set up to learn about how the trade conducts their businesses, what their needs are and

what their problems are, as well as to increase business with many key trade accounts.

## Training & Education

To address the training and education initiative, the company has hired a full-time trainer, Bruce Marshall. Marshall travels to where he is needed and typically brings along another new addition - a training truck specially outfitted with working hydronic systems. (For more information, see sidebar "Mobile Training.")

Emerson-Swan currently offers four seminar schedules a year with each schedule offering training at 10-12 different locations. Examples of the subject matter include seminars on "basic electricity," "advanced electricity," "basic hydronics," and "advanced hydronics" with radiant or domestic hot water options.

Marshall also tailors seminars per demand for trade associations, such as the Plumbing-Heating-Cooling Contractors - National Association and the National Association of Oil Heating Service Managers. In fact, his seminars are accredited by the National Oilheat Research Alliance.

Last year, the average attendance for Marshall's seminars was approximately 61 contractors for each or about 2,700 contractors in total. This year attendance is up, as are the number of association seminars.

And that's on top of the more impromptu product training sessions any of the company's 57 outside salespeople can do veritably at the drop of a hat.

"We certainly train our salespeople on sales techniques," Wheat adds, "but we've also invested further in making sure our sales team can do top-notch presentations on an ongoing basis for small groups."

During our meeting, for example, we learned how Jim Simas, vice president of one of the company's sales territories, had just talked to almost 300 members of the Maine PHCC. Salesmen Bob Maderios had wrapped up a seminar for a local trade school of 45 students, and Chris Wilson had finished a series of "lunch and learns" at a number of engineering firms.

Add in the traditional counter days and customer appreciation events regularly scheduled at wholesaler counters, and the company figures it trained in excess of 12,000 people last year across the company's sales territory.

At the time of writing this article, the company was in the process of hiring another trainer, one dedicated to educating the trade on the company's new line of high-efficiency boilers.

## New Ideas

The "new ideas" segment of the "TNT" program refers to creatively addressing the contractor's needs through innovative concepts and programs. Whether this is showing laborsaving products or new design software to the trade or presenting "point of purchase" materials they can use with the consumer.

Then there is the emergence of the Internet as a trade tool. Independent-minded contractors easily can Google to their hearts' content when it comes to new products. But that still leaves a place for old-fashioned service.

“Once he’s done his research,” explains Ken Fagan, senior vice president, business development, “he wants to talk to someone local who knows the product and can answer specific questions about its use. So we have geared up our inside sales staff to be able to handle an increasing contractor load as the trade learns more about Emerson-Swan resources.”

Without that evidence of support, new products, no matter how great they might be, tend to get a bad rap. Contractors aren’t likely to take a gamble on anything new without local reps standing behind the product. They need to be able to look that person in the eyes - or pick up the phone and call when they have a question or need technical support.

Training and education and new ideas also apply to Emerson-Swan’s own staff. When it’s commonplace these days to walk into an office of cubicles, it’s refreshing to see the company’s inside sales staff working out in the open all answering phones. Emerson-Swan’s open concept enhances communication across the inside sales group

Inside sales, as expected, supports the outside sales team - readily sizing and designing systems for the trade contractors and their wholesaler partners.

Emerson-Swan is working on a new data retrieval system for its Web site, which would allow all customers to easily search, view and print documents, such as parts breakdowns, wiring diagrams and operations manuals. Today this function is primarily performed by the inside sales group who can routinely be seen e-mailing this information to all members of the distribution channel.

## Trade

The last part of the TNT program refers to the evolution of the old “pull” program in which Emerson-Swan’s sales people routinely call on the trade.

Three years ago, for example, the company was making an average of 1,200 nonwholesale calls per month, primarily to promote product. Today, the calls may offer much more information.

“We found contractors were looking for a ‘go-to’ person,” Fagan explains. “That means they were looking for people who could provide timely, credible answers, provide training and education, provide information on new products, as well as quality products that could reduce callbacks. For the contractor, callbacks, warranty claims and the like are money out of pocket. If we can help in these areas, we become a valuable resource for the trade.”

This might be done in concert with a wholesaler salesperson, or without, depending on the schedules and the mission at hand. The key is communication across the channel so that all “legs of the stool” are in sync.

Jed Swan, vice president of marketing, describes the current idea as one of serving a “circle of influence” in

which the company keeps tabs on key decision-makers regarding products and projects.

“Each of our salespeople is responsible for identifying key trade accounts that would have the greatest influence on our business,” Swan explains. “These targets are identified and incorporated into our wholesaler-specific business plans. We define the trade in terms of whoever the point of influence is within the given channel we are active in.”

That could be the contractor. But it could also be the engineer ... or the architect ... or the project manager. Depending on the product or a particular project, those points of influence could consist of a number of different professionals.

“We have to touch all of these points one way or another, as they all interrelate,” Swan says. Hence, the “circle of influence.”

Chances are those points of influence are contractors when it comes to the lines of plumbing and heating products that comprise Emerson-Swan's Distribution Products Division. The DP division, in turn, contains separate sales teams for plumbing products and heating products, as well as a dedicated staff for “Applied Products,” in which much of the time is spent with contractors on installations and design/build activities.

“We're finding that we have to reach out with multiple arms,” says George L. Simas III, senior vice president, distribution products, “including the two that have always embraced our wholesalers.”

As Swan points out, many of these trade calls are done in conjunction with business plans drawn up with the company's wholesaler partners.

“There typically is a large contractor component to such a plan,” Wheat says. “Our trade calls may or may not include the presence of a wholesaler's salesman. However, they understand that our mission is to educate, show product and share new products, new technology and new ideas with the trade, and that activity will benefit us all in the end.”

The agency identifies a broad range of contractors with an equally wide range of sales volume - from one-man shops to companies with 300 trucks - from heating firms to plumbing, HVAC and mechanicals, as well as many other trade disciplines.

The company also has been a long-time supporter of local trade associations.

“In many cases we're asked to speak, which helps the trade see the value that we can bring from a technical and systems point of view,” Fagan adds.

Rep agencies have always called on the trade, but the nature of the calls has changed. “Twenty years ago, calls to contractors were largely troubleshooting calls regarding products,” Fagan explains. “Today, these calls are much more proactive - less about fixing a problem and more about selling systems in which products we represent are installed.”

The contractor wants the rep relationship on his own terms. “If we establish a link that drives his needs then we have shifted the terms of engagement,” Fagan says. The link might be trade salesmen calling on him, an awesome Web site, direct mail or e-mail communications, training and education, technical help, or numerous other possibilities.

“At the end of the day,” Simas says, “our success lies in our ability to bring value to our channel members in a way that always keeps an eye on their profitability. If they are profitable and we have helped, then we will remain profitable as well.”

## Mobile Training

While Emerson-Swan has always held training sessions for the trade, much of this was classroom-based. Great information, but not so hands-on. However, last year the company converted an 18-foot step van into a rolling mechanical classroom - Emerson-Swan's mobile classroom.

The van's inside is fitted with a wide variety of working hydronic systems. Two wall-hung Munchkin boilers can be fired up to not only demonstrate that product, but show how an overall system might operate. The piping, for example, simulates multitemperature, multizone heating systems using Taco zone valves and circulators.

Terminal units include a unit heater from Modine, fan convectors and kick space heaters from Smith's Environmental. The van also includes radiant displays from Watts Radiant, expansion tanks from Flexcon, baseboard by Heating Edge and an indirect water heater from Super Stor.

Emerson-Swan even lined the interior walls with one of its newest products: interlocking, waterproof wall panels from Repartex, normally used in bathrooms and kitchens.

The truck joins a 14-foot trailer that the company has hauled around for several years. The truck and trailer are known, respectively, as Thelma and Louise.

Even here, you can see how Emerson-Swan incorporates what most would consider just a “training” tool into a sales tool.

“The fully functioning heating systems allow us to show a variety of product, how they are installed and how they operate,” says Parker Wheat, president and chief operating officer. “Showing these systems generally leads into dialogue on application and troubleshooting - areas where the contractor is looking for information.”

## Top Management And Staff

- **Joseph E. Swan**, chief executive officer
- **Parker Wheat**, president and chief operating officer

Emerson-Swan operates three divisions. For *Plumbing & Mechanical* readers, most of the plumbing and heating products bought through wholesale distribution would be found in the Distribution Products Division headed by **George L. Simas III**, senior vice president of sales.

The Engineered Products Division, led by **Jeff Dirksen**, senior vice president, would be more likely to service

PM Engineer readers.

The newest division is the Building Products Division, essentially for new construction, led by **Dick Lucy**, director of sales.

The Applied Products Group, headed by **John Williams**, senior vice president, is the design/build component of the Distribution Products Division.

Other key executives include **Jed Swan**, vice president, marketing, and Ken Fagan, senior vice president, business development.

The company further breaks down its geographic territory to six regions with distinct sales and management staffs in order to best serve local accounts. It operates from six offices, plus one warehouse and covers New England, upstate New York, Pittsburgh and West Virginia.

The company currently employs 149 people, but Wheat says additional hiring for sales positions will likely push that to 155 by year's end. That total currently includes 57 outside salespeople, including management (likely to be 62 by year's end), 33 inside salespeople and seven support service staff.

## Company History

Emerson-Swan celebrates 75 years in business this year.

Thomas Swan Sr. and partner Ralph Emerson founded the company in 1932. The founders had been working for Hoffman Specialties when the Great Depression made it impossible for the company to keep salesmen employed.

So Emerson and Swan went off on their own as independent Hoffman representatives, and were compelled to pursue other business opportunities as well in that bleak economic era.

Those businesses now form the core of The Swan Group, a holding company for enterprises that include manufacturing and real estate in addition to the rep agency.

The Emerson family hasn't been around since the 1950s, but Thomas Swan Jr. joined the company in 1967 and his brother, Joseph Swan, joined the family business in 1970. Tom is currently chairman of The Swan Group and Joseph is the chief executive officer of Emerson-Swan and of The Swan Group.

*Taken in part from "Emerson-Swan Sets The Standard," August 2003, Supply House Times.*

## Links

- [Contact Plumbing & Mechanical](#)

Steve Smith was editor of Plumbing & Mechanical from 1996-2009.