Thank you for your time and effort working in the member portal on your 2015 reconciliation. Each year we implement new processes to make your experience easier and more streamlined, and we will continue to make improvements with your feedback. Our team puts in countless hours to assist both distributors and suppliers, through emails, calls and conversations to ensure the accuracy of the purchases tracked through NetPlus Alliance.

NetPlus Alliance purchases between our distributor members and supplier partners were up 12% over 2014. As a group, NetPlus Alliance outperformed the industry three times over, and came out on top against the national competition. A key element to our growth is engagement: bringing our distributors and suppliers together at our annual meeting, regional meetings, trainings, advisory council meetings and industry events.

The NetPlus Annual meeting takes place in the fall this year, and we look forward to seeing you in San Antonio at the Hyatt Hill Country, Oct. 2-4, 2016. Distributor registration for the NetPlus Annual Meeting opens on April 1. Companies that attend earn 25 Plus Points, and Members that are working to achieve the Diamond Level in the Points Plus loyalty program, must attend the Annual Meeting to qualify. For more information on the Points Plus program, login to your account on the NetPlus Member Portal.

Our two regional meetings this year will take place in Birmingham, AL, on May 17, and in the Philadelphia area on June 15. These meetings allow member executives to have table-top meetings with suppliers, meet with local sales representatives, explore new opportunities and participate in sales planning. You can find the 2016 schedule of events and trainings on the NetPlus website, and watch your email for the regional meeting registration.

The definition of reconciliation is the action of making financial accounts consistent, but its synonyms include: bringing together, understanding and harmonizing. Let’s focus our efforts this year on working with each other for the mutual benefits of success and growth. Together we will make 2016 a great year!

Newest Members

Suppliers
- Cable Tie Express
- MP Pumps

Distributors
- Power Fast
- Valley Fasteners of Lynchburg

Issue Features

P3 The Importance of Networking
P8 – P9 C.H. Hanson
P11 Distributor Pulse
STAND BEHIND YOUR WORK™

550+ SERVICE CENTERS NATIONWIDE    INDUSTRY-LEADING WARRANTIES    EXPERT TECHNICAL SERVICE
The Importance of Networking

Over the past couple of years, I have written a number of articles about mergers and acquisitions of both the opportunity, and to a lesser degree, the process. It’s a subject that has always fascinated me going back to my days at Ward Beals & McCarthy, where we (I) created two subsidiary companies (one to sell plumbing supplies and the other for fluid power products); acquired two full line industrial distributorships; and sold the business in 1990. As a director of a local bank, First Niagara Financial Group (FNFG), I was involved in the acquisition of many banks and insurance agencies. And finally within the first three years of starting NetPlus Alliance we bought out two other small industrial supply buying groups to help jump start our group.

I have accumulated quite a few articles about M & A. A key element that runs through many of them is networking, and getting to know your competitors. For me it was pretty easy; in our marketplace in Western New York in the 1970’s and 1980’s, our company belonged to two local associations: The Niagara Frontier Industrial Distributors Association and a similar organization for New York State. The NFIDA met for dinner four times a year and had a golf outing in the summer. We had 30 + distributors of all types that sold to industry; probably 10 were direct competitors. We worked together on projects for our mutual benefit such as a local product purchasing guide and a credit checking alert process. We got to know each other very well, in some cases well enough to go in a corner and straighten out some pricing situations (I think the statute of limitations has expired). Nationally, I was asked to participate on the Operations Management Committee of the National Industrial Distributor Association (NIDA). Here I got to meet contemporary distributors from around the country. This networking led to my involvement as a founding distributor of ID ONE and the subsequent introduction to Trumbull industries, the company that purchased Ward Beals in 1990.

As a bank director, I watched our CEO reach out to other CEO’s around the mid-Atlantic region to get to know them and to “plant the seed” that if they are ever thinking about selling their business, call FNFG first. Many of the “planted seeds” paid off with key acquisitions for our bank.

I could go on with many other anecdotes but I think you get the idea – Networking pays off in many ways. Every NetPlus member has numerous opportunities to network. They include our National meeting, regional meetings and various training sessions at various NetPlus manufacturers and rep agencies. Take advantage of those opportunities to join with other distributors from around the country to share productive ideas. You won’t regret it. Whatever time and money you invest to participate will come back to you many times over.

So if you’re not networking yet, now is a good time to start. Who knows, you might meet a willing seller, a willing buyer, a new customer or a new supplier. But in any event, you will find a way to grow your gross profit.

Contents

- JET Tools
- Chairman’s Column
- Oil-Dri
- 2016 Annual Meeting
- Brighton-Best International
- Tool Talk
- Motorola
- Featured Supplier: C.H. Hanson
- Bosch
- Distributor Pulse
- Tech Tips
- Stanley
- Milwaukee Tool
- Drillco Cutting Tools
- DDI System
- CLC Work Gear
It’s customary to celebrate a 75th anniversary with a diamond.

At OIL-DRI we celebrate with a different mineral.

Thank you to our distributors for 75 years of continued support.
SAVE THE DATE
2016 NetPlus Alliance Annual Meeting

October 2-4, 2016
Hyatt Hill Country Resort, San Antonio, TX

Distributor registration opens April 1, 2016!
Stay tuned for more details and be sure to check your email.

Earn 25 Points Plus!
NetPlus is continuing to grow and diversify our product categories.

As distributors are looking for new products to offer their customers, suppliers are also seeking to expand from their traditional distributor base and dive into new markets.

MP Pumps is a perfect example of an industry leader looking for new opportunities. MP Pumps joins NetPlus, effective March 1st. MP Pumps Inc. has been providing high quality centrifugal pumps for over 70 years to the Industrial, Marine, Agricultural, Military and Transportation markets. Their brands include Flomax® self-priming pumps; Chemflo® stainless steel end suction pumps; and Tempuflo hot oil pumps. MP Pumps also provides a wide range of other products to meet your customer’s fluid handling needs. Even though MP Pump’s product line may be a bit “outside” of most of our core category business, their executive management team is eager to grow their business through industrial supplies distributors.

Cable Tie Express has been focused on providing exceptional service to their distributor customers for over 20 years. Their business model and recent merger with Bay State Cable Ties allows them to continue to provide exceptional service and competitive pricing to all sizes of distributors, as well as get competitive on large volume opportunities that arise. 90% of their product offering is USA made which means they can deliver the highest quality products at a highly competitive price. Check out the details of their program that kicks off March 1st, in the NetPlus distributor portal. Cable Tie Express offers an aggressive program for all NetPlus distributors. We’re excited to be partnered with Cable Tie Express as our first and only manufacturer in the cable tie and wire fastening category. In addition to the broad offering of cable ties, they also supply mounting products, wire connectors and heat shrink tubing.

In addition to these two new suppliers, we’re excited to announce two new product categories from a couple of long-time partner suppliers. Effective January 1, Intertape Polymer Group (IPG) is now offering a growth incentive for stretch films in addition to the legacy industrial tape program. If you sell bulk stretch films, give IPG a shot to convert the business. IPG has product specialists in the field that can help you evaluate your customer’s application and processes to deliver the most efficient solutions. The category can be very competitive and many times, your customer could save money by not only converting the brand, but by modifying the application processes.

We’re pleased to announce that Newell Rubbermaid is now including Lenox welded band saws in their NetPlus program portfolio effective January 1st. As everyone knows, Lenox is a longtime leader in the category. If you are currently not an authorized distributor for Lenox welded band saws, and are interested in becoming a distributor, please contact me or Paul Byrnes to discuss the opportunity in more detail.
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Dual Force Precision Machine Vises

Freight Policy:
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Pull through promotions with high impact flyers. Discounts are Palmgren generated and Distributor profit margins stay the same

Sales Support:
Factory trained Manufacturer reps throughout North America

Guaranteed Sale:
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Bosch’s Speed Clean™ DXS-series bits work in combination with an attached dust-extraction system to produce precise, clean holes. The unique geometry and hole dimensions of Speed Clean™ DXS-series bits were designed by Bosch and tested by Simpson Strong-Tie® for use with SET-uni2010 XP® and AT-uni2010 XP® adhesives*. This time-saving solution:

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*Always follow manufacturer installation instructions for proper anchor installation method.
I celebrated my second anniversary with NetPlus Alliance on January 5th. Wow two years already! The word ‘already’ fits perfectly as it does when describing most things in life that are challenging, action packed and rewarding. I have written many times about the importance of planning, and of course reviewing the plan is the final step of a plan, and the first step towards building your next plan. Here is a look back at some of the highlights of the first two years.

In my first newsletter I wrote about my excitement of continuing to work with industrial distributors and suppliers, by bringing them together. The NetPlus supplier programs offer special advantages to our distributor members. The more our distributors leverage these advantages, the stronger organizations they become. These programs provide quality products, relationships and increased financial rewards. Being part of the group provides the opportunity to easily gain the attention of the NetPlus suppliers.

One of the largest surprises to me was the variety of components of the 176 supplier programs. While there are common components, such as a base rebate for each program, the additional advantages can greatly increase the value to distributors. These advantages can include better pricing, reduced freight & minimum orders, co-op advertising, enhanced payment terms, and growth rebates. I learned quickly that I needed to review each supplier’s program in the distributor portal to fully understand the value. Today I would estimate that the benefits described above, add value to the program that is equal to the value of the rebate. Lesson learned!

To deliver increased activity between distributors and suppliers, we designed Annual meetings, Regional meetings, multi-supplier trainings, and single supplier trainings. Over the past two years Annual and Regional meetings have provided 3,850 individual tabletop meetings. The combination of multi-supplier and single supplier trainings provided 334 people with hands on training. All of those people now have a much deeper knowledge of various NetPlus suppliers.

We updated the reporting and reconciliation process this year, and the process took place almost entirely via the member portal. Plenty of behind the scene activities by the NetPlus team and great suggestions from our members have produced a much more accurate and timely reporting system. We have actually received compliments on the reconciliation process, and will continue to work to improve it and make it easier for you.

My position is to work with existing distributors and add the right type of new distributors. I spent almost 140 days blazing a trail to visit our distributors in order to better understand their business and how we can help them. We reviewed what we do together, the member portal, supplier programs, Points Plus and the rebate index. Originally, the portal felt like a task but that is the case with most electronic devices and programs. Once I understood the program, I wondered how I would ever be able to live without it. Many of the questions that distributors ask, I answer directly from the portal. Imagine that statement from a guy that had ‘sales’ in his title for 30 years.

In the past two years we have added 51 qualified NetPlus distributor members to the group.

All of the above has provided double-digit growth over the past few years and continues to outperform the industries we serve, as well as those that we compete against. Interestingly, members that have embraced these programs continue to outpace the double-digit growth NetPlus has experienced.

Just to be clear, I am in no way saying I did all of the above. The credit belongs to my fellow NetPlus associates and our supplier and distributor members who have embraced all of what has been delivered.

Wow it has been two years already!
Thank you to all who worked so diligently to complete their purchases reconciliation in our NetPlus member portal. Your attention to this task helps us to trim weeks off the rebate distribution timetable.

As we close the books on 2015, we are gearing up the NetPlus portal to help you plan and track your growth through 2016. With meaningful current year data in place by mid-April, the Points Plus information in the portal will be updated to show 2016 status. You will also notice that the tables on the Points Plus page have been modified to better define the path from Bronze status right up to Diamond. Keep in mind that, regardless of points earned, to obtain Diamond status you must attend the NetPlus Annual Meeting. The fact that attending the Annual Meeting gives you another 25 points is also to your advantage!

2016 Annual Meeting
Distributor registration opens on April 1st for the 2016 Annual Meeting in San Antonio, Texas October 2 – 4. Supplier registration will be closing shortly, so you will be able to log into the NetPlus portal to see a list of which suppliers are attending. You can also link to the registration page from the portal. While you are in there, check out the list of upcoming regional meetings and training events.

This year, after registering for the annual meeting, you can go immediately into the portal to rank the suppliers you wish to see. You may rank up to 25 suppliers, numbering from 1 to 25 – with 1 being the supplier you most wish to see. You will also be able to flag suppliers you do not need to see at this meeting. When ranking suppliers, you should consider suppliers you do not see on a regular basis, but who offer a real opportunity for growth. Look for new suppliers that make sense for your business and existing suppliers where a brief meeting may help to resolve a challenge or plan for greater engagement.

Late in August, you will have the opportunity to actually select many of your appointments – some are reserved so that you can be selected by companies that wish to meet with you. Keep following our emails and alerts, since appointment scheduling is on a first come, first served basis. Full instructions for the scheduling process will be published to attendees well ahead of the scheduling time.

Growth Plus Sales Planning Program
The Growth Plus module of the NetPlus portal can help you to create, implement and track a complete plan to grow your purchases with NetPlus suppliers. Any NetPlus distributor may log into the portal to create a Growth Plus plan for their company. Growth Plus facilitates the process of scheduling a planning event and inviting NetPlus suppliers to participate. Once you are engaged with one or more suppliers in a Growth Plus plan, you can create a Sales Planner for each supplier. Each Sales Planner is a living, collaborative document between your company and one supplier. Those of you who have used the Sales Planner in the past will notice that it has been repurposed for Growth Plus. Planning activities are better defined to create a clear path toward your sales goal. Charts are available to track your progress and show purchase history, and tools enable you to report on the progress of the sales plan and even rate the final result and the supplier you worked with.

Growth Plus and the Sales Planner are very flexible tools. We recognize that no one tool or process will meet the specific needs of every distributor – supplier relationship. We will continue to develop and implement solutions to help you to grow your business, and we value very much your input and suggestions.
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The Proof is in the Results!

Nitro-Max was extensively tested at several large end users across North America against several major competitor taps. These results are one example.

• Product: Drillco 2150N Spiral Point ANSI/ANSI Tap
• Machine: Haas VF3 Cat 40, Vertical
• Material: 1045 Steel
• Tapping Conditions: 60 SFM, Emulsion Coolant
• Hole Type: Through Hole

Our competitor’s tap was pulled after 631 holes and showed extreme wear. The 2150N Nitro-Max tap was pulled after 1,000 holes and showed only slight wear.

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