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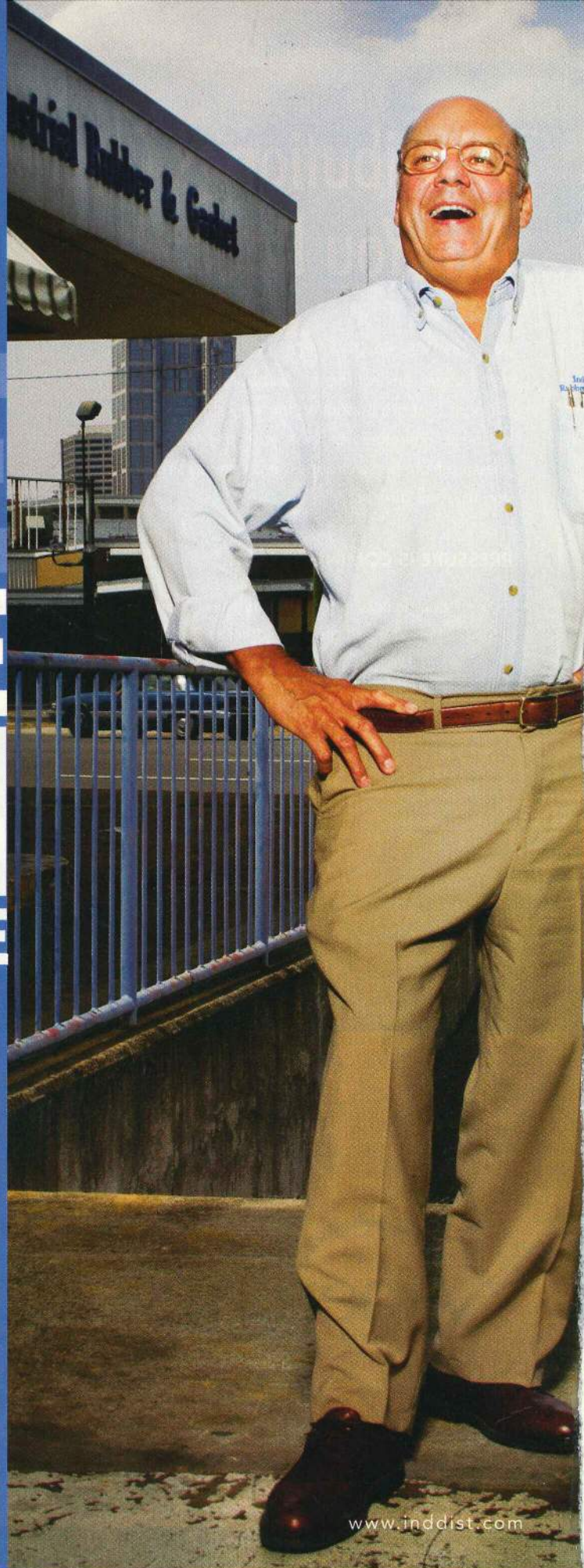
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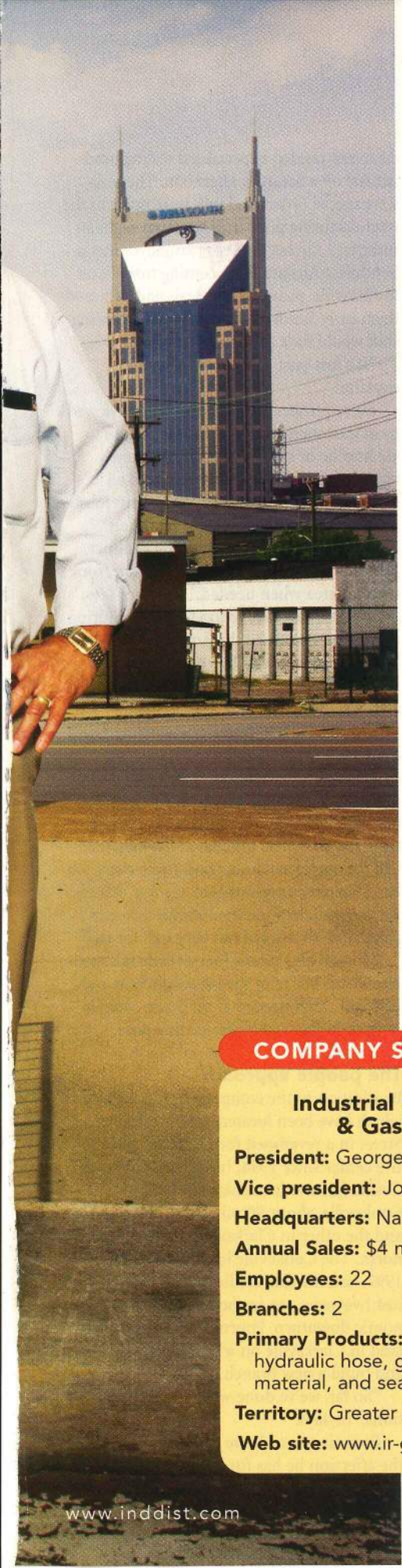
George Fournier, president,
Industrial Rubber & Gasket

THE MAINE MAN IN NASHVILLE

By Jack Keough, Editor

YOU
CAN TAKE
**GEORGE
FOURNIER**
AWAY FROM
MAINE, BUT
YOU CAN'T
TAKE AWAY
HIS DRIVE
TO SUCCEED
(OR HIS
ACCENT)





Fifteen years ago, some people in the Nashville business community snickered after learning that a new businessman had bought a bankrupt hose and rubber distributorship in the downtown area.

After all, they reasoned, George Fournier had no distribution experience, whatsoever. He also had no sales experience—and worse yet, no product knowledge. Some of those doomsayers predicted he'd be out of business in six months.

But those skeptics didn't know Fournier, who today presides over Industrial Rubber & Gasket, a distributorship that has grown in sales nearly every year, has 22 people on its payroll, and has opened two branches in the past several years.

No, they sure didn't know George Fournier.

The Maine connection

Fournier is one of nine brothers and sisters who grew up in a small town in Maine. And, yes, he did indeed attend elementary classes in the proverbial one-room schoolhouse. He went on to play football in high school, and at least one college recruiter was ready to offer him an athletic scholarship.

But at the end of his junior year, Fournier and his girlfriend, Joyce (now his wife), eloped. Fournier found himself working two jobs and going to high school at the same time.

"It wasn't an easy time," Fournier admits in his native Maine twang, which he hasn't lost despite his years in Nashville. "But I wasn't afraid to work. I never considered work a four-letter word."

He worked two jobs while attending classes at Northeastern University in Boston where he obtained degrees in industrial

engineering and mechanical engineering. Education in hand, he worked his way up through a series of high-level jobs at General Electric, Exxon, John Deere & Co., Case IH, and others. His employment took him to Nashville, where he became a plant manager, and he later accepted an assignment to turn around a struggling company in Memphis.

"The turnaround couldn't be done. I was out of work," Fournier says.

But adversity turned out to create opportunity.

"I always wanted to own my own company," he says. He met with business brokers, learned of a bankrupt hose distributorship for sale, and became interested primarily because "it was the only company I could afford."

Sitting at the family's dinner table, Fournier wrote a business plan for the new venture, and Joyce typed it up for the bank's loan officers. The financing was approved, and the husband-and-wife team became the new owners of the distributorship, then located at 415 5th Avenue South.

"Unlike some distributors, I didn't have a mentor or anyone I could learn directly from," he says. "But I was driven to succeed. It didn't matter how much hard work was involved."

Working together in a cramped 10-ft. by 10-ft. office, their desks literally touching each other, the Fourniers and three existing employees plunged into the task at hand. Fournier bought a computer system, learned all he could about hose, gaskets, sealing products and others, and hit the road selling.

"The previous owners had one customer that comprised 75 percent of their business. I wanted to get to as many new prospects as

COMPANY SNAPSHOT

Industrial Rubber & Gasket

President: George Fournier

Vice president: Joyce Fournier

Headquarters: Nashville, Tenn.

Annual Sales: \$4 million (approx.)

Employees: 22

Branches: 2

Primary Products: Industrial and hydraulic hose, gaskets, sheet material, and sealing products

Territory: Greater Nashville

Web site: www.ir-g.com

I could," he said.

Today, his company sells hydraulic and industrial hose, clamps, couplings, gaskets and other products to customers in a variety of industries, including food processing, construction and manufacturing.

Fournier joined the National Assn. of Hose & Accessories Distributors (now known as NAHAD—The Assn. for Hose & Accessories Distribution), went to their conventions, and spent many hours talking to manufacturers and distributors about industrial and hydraulic hose. At night, Fournier devoured manufacturer catalogs and proved to be a fast learner. Before long he was fabricating hose, cutting gaskets, and becoming well-versed in the products his company was carrying.

But Fournier wanted to learn more than products, so he sought ways to improve his managerial skills. He joined NAHAD's Executive Forum, in which a small group of non-competing CEOs meet to discuss a variety of issues confronting executives of hose distributorships. He says it's one of the best decisions he's ever made.

Joe Thompson, executive vice president of NAHAD, says Fournier often refers to the Executive Forum as "his board of directors." In addition, Fournier is now on NAHAD's board of directors.

"He's just a terrific addition," Thompson says, adding that Fournier offers a unique perspective because of his different business background.

Regardless of that background, it wasn't easy for Fournier to adapt to running his own company. As a new owner, he faced a variety of problems, particularly because many suppliers required payment on delivery due to the former company's prior financial difficulties. Fournier wouldn't buy from vendors that required COD; he worked with other suppliers to obtain credit, and many of them agreed, allowing him to grow his business.

Bill Martin, the national sales manager for Reelcraft, a long-time supplier to Industrial Rubber & Gasket, describes Fournier as a person who not only aggressively sells and promotes his products, but also has the reputation of being a man of his word.

"George tells it like it is," says Martin. "He's very candid and gives you the good as well as the bad. He offers great input, and he's a very valuable partner to us."

Echoing those comments is Frank Destro, vice president of sales and marketing for the Tuthill Coupling Group/Hansen Couplings,

which has been supplying products to Industrial Rubber & Gasket for eight years.

"George is one of the most forthright, direct, and honest people in the business," Destro says. "A few years ago there was a problem in our relationship, and George was very candid that things had to change or we would lose him as a customer. His input and that directness helped us to make our own company better. One of the most interesting things about George is that he totally values the relationship that he has with his employees, customers and suppliers."

Focus on the customer

As his business grew (and it has every year except for 1991), Fournier developed an approach that encouraged—demanded—teamwork from all his employees. His philosophy is to focus on employees first, suppliers second and customers third. The focus on teamwork allows him to go head-to-head with the competition, which is fierce in Nashville.

"A lot of people sell the same stuff we do, but we don't go to market with our products as commodities. We'll never have the lowest price. Service is where we excel and where we do the most for our customers," he says.

Mike Mazzafero, assistant maintenance manager for Advanced Composites, a plastic extrusion compounding facility and a long-time customer, agrees.

"Their service is just great," he says. "I can't praise them enough. They go beyond providing product, but also offer solutions. They're always there when you need them."

He says that Ken Norris, an outside sales representative for Industrial Rubber & Gasket, made three separate trips out to Advanced Composites in one day, delivering products and helping solve a machine problem.

"That's the type of service we get from them," Mazzafero says.

Fournier says his company strives to separate itself from the competition.

Telephones are answered by real people and not voicemail during regular business hours. If emergency calls are made to the company after hours, voicemail gives them the name of a contact and a telephone number. Callers are also advised that it will cost extra for a service person to be sent out to solve a problem. Employees, however, receive 60 percent of the extra money for going out in the evening, and the company receives the other 40 percent.

A few months ago, a machine tool

customer needed a specialized sealing product late on a Saturday afternoon. The seals were special orders and calls were made to the manufacturing plant in Texas. That night an Industrial Rubber & Gasket employee met a Southwest Airlines flight coming from Texas to Nashville, picked up the seals and delivered them early Sunday morning so the incoming shift would have the product on hand.

"It's just part of the job," Fournier explains.

Every prospective employee is interviewed by at least three or four other employees to see how he or she fits into the company's team approach toward business. And all employees are cross-trained on various jobs.

"Our inside people might be filling orders, cutting hose, or shipping product. But they all jump in and help out at a front counter area when needed," Fournier says.

A visitor saw that action first-hand during a late June visit when the front counter was busy with customers. Two employees, who were involved with other projects, immediately left their desks and went to assist.

"You never wait here," one customer said as he paid for his purchases.

"Doing many different things rather than just one job is great," says Kent Morgan, the only original employee still on the payroll since the Fourniers purchased the business. "All the employees know how to do every job here. No one is pigeonholed. George insists we know all the functions within the company. And it's worked out very well for us."

Morgan also recalls that outside salespeople, when they're in the office, pitch in and help out when needed at the front counter or back in the warehouse cutting hose.

The people approach

In addition to the company headquarters, which have been located at 601 Lafayette Street in a revamped former Sears automotive center since 1994, Industrial Rubber & Gasket has two branches—one in Cookeville, about 90 miles east of Nashville, and the other in Clarksville, about 50 miles north. The Cookeville location opened in 1997, and the Clarksville branch opened just two years ago in the midst of the economic downturn. Fournier recently bought land in Clarksville on which he will design and build a new branch office.

"So far, we've done well at both locations," he says.

Fournier's words are often tempered by the affection he has for his employees.

"OUR EMPLOYEES ARE THE COMPANY."

— George Fournier

"Our employees are the company," he says, stressing the word "are." He considers his employees partners, and he treats them well. For example, employees are paid a monthly bonus when goals are met. They are also paid for profits on a monthly basis. And in June and December, substantially larger profit sharing checks are cut for employees. As an added benefit, the December checks are given out at the company's annual Christmas party.

Fournier puts money into each employee's retirement account after they've been with the company for two full calendar years. Eighteen of his 22 employees are eligible for the pension, with the average employee having tenure of nine years.

Fournier's wife, Joyce, is responsible for accounts receivable, accounts payable, and payroll. Barbara Curley, a part-time assistant, helps her, as does Gloria Curry, who works full time.

"The four of us work in administration roles and offer support to the employees," Fournier says. The Fourniers' son, Mark, has just been promoted to general manager. A graduate of the University of Tennessee at Knoxville, Mark had been in the management-training program at a major retail chain before joining the company several years ago. Mark started in the warehouse, cutting hose, gaskets, stocking shelves, and shipping and receiving products, before he took on responsibilities on the administrative side of the business. He then moved into outside sales, where he racked up some impressive sales figures.

"This job just wasn't given to him," George Fournier explains. "He had to earn it and gain the respect from the other members of our team."

In his new role, Mark will be traveling with the company's outside salespeople on a regular basis.

Fournier treats his employees as an extension of his own family, says Tom Wells, director of sales/power transmission products for the industrial division of the Gates Corp.

"George is a unique individual," Wells says noting that he was the one who recommended that Fournier become a distributor for Gates many years ago. "When I first met George, I was impressed with his track record as a businessman. He had an entrepreneurial spark. We had a lot of faith in his ability to grow a business, and he certainly has."

Wells emphasizes that he has found Fournier to be a tough taskmaster.

"If we tell George he's up 35 percent with our line, he tells us he'll have to work harder because he thinks it should be 40 percent," Wells notes. "He's never satisfied, because he believes you can always do better."

And, Wells adds, Fournier is fiercely loyal to his suppliers and customers.

"He's told me more than once that, 'these are the people who have grown my business and these are the people I'm staying with,'" Wells says.

Fournier also focuses on his outside sales staff. They meet every Monday morning to turn in the previous week's expense account report, list who they called on the previous week, and say who they'll be calling on that week.

Fournier keeps a close watch on sales and profits. In his pocket, he carries a notebook that contains the names of all his employees and their hiring dates. And in the calendar portion of the notebook he has the sales figures for every day, dating back not only months, but years, starting May 1, 1989.

"At the end of the day, I want to know how much we sold, how much we have in stock and how much money we have in the bank," Fournier says.

He pays his supplier's bills promptly ("I don't like to owe anyone anything," he says), a fact confirmed by one of his suppliers.

And Fournier has no plans on retiring. "Why should I? I love this business," he says gesturing around his office. After returning from a recent vacation in his home state of Maine, Fournier was back in his office at 5:30 a.m. and he didn't leave until 10 o'clock that evening.

"We're doing well, but I know we can do better," he says, sounding more like a lobster boat captain from Maine than the president of a distributorship in Nashville. "Just wait and see."

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