

## NETPLUS MEMBER SUCCESS STORY

# MC Tool & Safety and Ergodyne Experience 212% Growth

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**MC Tool & Safety and Ergodyne's** success with a Growth Plus sales plan was recognized with the Growth Plus Best in Class award at the 2018 Annual Meeting.

MC Tool & Safety is a safety product and industrial equipment distributor serving the Twin Cities and surrounding areas in Minnesota. They sell hand tools, power tools, drill bits, blades and more, as well as safety equipment and PPE. Safety makes up about half the distributor's sales. Safety equipment supplier Ergodyne is just down the road in St. Paul, Minn.

### THE PLAN

MC Tool & Safety had sold some glove lines and winter gear from Ergodyne, but Ergodyne was not a primary supplier until they embarked on the Growth Plus plan. They started simply, focusing on seasonal cooling products such as towels, neck shades and bandanas. Owner Erika Scherman used the partnering opportunity with Ergodyne to dive more deeply into safety as a category, identifying new opportunities and strengthening the distributor's position in key areas.

To grow sales together, they chose the following activities:

- **Sales kits.** Ergodyne provided samples and marketing materials for MC Tool & Safety's sales team. "They give us the tools to go and sell the new products that maybe our customers aren't used to us selling or haven't seen before," Scherman says. Ergodyne's Terri Kerg

says this was important: "Our products are very much touch and feel," she says. "Our customers want to know how they're going to work before they commit."

- **Product and collateral for store displays.** Ergodyne provided demo products and marketing materials for MC Tool & Safety to use at their branch.
- **Participation in local customer events.** Ergodyne participated in open houses at the distributor's location, interacting with both customers and MC Tool & Safety's team to showcase the supplier's products.

### RESULTS

MC Tool & Safety and Ergodyne experienced 212% sales growth. Scherman estimates a quarter of that was conversion revenue, with the remaining 75% representing new growth, such as the sale of higher-end gloves and eyewear, to existing and new customers. They also offer logoed workwear through their partnership with Ergodyne, which has provided upsell opportunities. As a result of the partnership, MC Tool & Safety consolidated much of their safety offering to Ergodyne.

### WHAT WORKED

#### **Location, location, location**

Because of their proximity, Ergodyne and MC

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Tool & Safety were able to serve the end-user more quickly and efficiently, leading to increased sales and satisfaction from the top to the bottom of the supply chain. Service was a priority for both, and communication between the two organizations was also strong.

### **Brand alignment**

"They offer a range of products, so if we have a customer looking for higher quality we can provide that," Scherman says. "We consider ourselves a niche distributor, so sometimes our level of service can command a little bit higher quality product and a better price."

### **Starting small**

Both companies recommend starting small with a Growth Plus initiative, both with the number of activities and product categories, and overall. "I think it's easy to get excited about it and plan for five or six of these Growth Plus events with suppliers," says Kerg. "I really think if you just focus on one or two every year, that it's good. A second year in a Growth Plus program is a little bit easier to manage than that first year, so you can keep the Growth Plus going with past partners, but as you look forward add one or two at a time."

### **Training**

Ergodyne conducted training at their site and at the distributor's location to get the distributor's team familiar with their products. Kerg recommends Growth Plus partners prioritize training if they want to drive sales. "If it's a really technical product, make sure the sales teams have the training they need to fully understand the product because if they don't understand it, they're not going to be successful in selling it," she says.

### **Tracking progress**

Kerg tracked progress toward sales goals each quarter. "If you're checking in at least quarterly, and you're off track a little bit, you can figure out what's going wrong and whether you need to

change tactics," she says. She used this data to drive conversations, as well, during their regular check-ins. Scherman wasn't afraid to reach out. "If they had questions, they would call, which is a measure of success because you know you're getting attention on those items," Kerg says.

### **Working with NetPlus**

Kerg says she leveraged the resources in the NetPlus office to make the most of the Growth Plus planning process. "Zach Brado was such an awesome resource to use," she says. "If I had any questions that I wasn't sure of, I would call him before I went ahead and pursued anything. Just to make sure I was going down the right path."

### **Measuring Success**

Scherman and Kerg say that having a plan in place, and sharing and tracking it makes it more likely to succeed. "NetPlus's tools provide you a roadmap to making things happen," Scherman says. The 212% growth is a testament to the partners' commitment.

The two companies are building on the success of their Growth Plus plan in 2019, when they will be adding another product category. ■