

## Nexstar Members Can Grow By Partnering With WinWholesale And The Win Group Of Companies

**Phil Smitherman, president and founder of Aux Mechanical in Alabama, says fellow Nexstar members can grow faster by taking a few lessons from the U.S. Navy, where he served for eight years.**

"The Navy runs ships with everything in sync because they keep systems in place," explained Smitherman, whose company provides residential and commercial plumbing, HVAC and electrical services out of Birmingham and Tuscaloosa, Alabama. "We do the same, and we keep it simple: We don't have systems we can't manage, and we make sure everyone understands."

"Everyone" includes the supplier partner Smitherman relies on for most orders: Noland Company in Birmingham, managed by Barry Lee. "Without Noland, we couldn't do what we do," Smitherman said.

Noland is part of WinWholesale Inc., a leading supplier of residential and commercial construction and industrial supplies and materials. WinWholesale has more than 550 wholesaling locations in 45 states and offers entrepreneurs the opportunity to own part of the local business. Collectively, WinWholesale is known as the Win Group

of Companies, a Nexstar strategic partner providing plumbing, HVAC and electrical products to Nexstar members.

### Systems + trust = partnership

Two of Smitherman's systems help him manage deliveries and payments. He expects Noland to label and drop deliveries in precise locations, at the front or rear of his building, based on order type. And he asks Noland to code tickets based on his two locations so he can pay invoices – in full – daily. "Noland is serious about taking care of us, and we are serious about taking care of them," he said.

His relationship with Noland is built on trust. "If we can't trust each other, we don't have a relationship," Smitherman said. "Every supplier can deliver the same 'box,' but the difference is the people who bring those boxes."

The people at Noland help Aux Mechanical create an experience so customers become "raving fans," Smitherman said. "We rely on Noland to have the products we need, so we don't accept back orders," he explained. "If I've ordered it, I have to have it; if Noland is out, they find it, because that's what we pay for. If I don't have it, I can't sell my service."

### Always accessible, willing to adjust

Nexstar member W. E. Brown relies on another member of the Win Group of Companies: Noland Company in Charlottesville, Virginia, managed by Ron Fisher.

W. E. Brown, a supplier of residential and commercial HVAC, electrical and plumbing services in central Virginia, has grown steadily the past three years, says President Jay Taggart. Part of that growth comes from new customers needing help after hours when their usual service provider is closed.

"If you can solve a customer's problem on the weekend, that makes an impression, and they are more likely to tell others about us," Taggart said.

W. E. Brown can get up to 30 after-hours calls a week, he said. Responding means having after-hours access to certain products, which W. E. Brown gets from Noland. "If we have an emergency, our Noland salesman opens up and gets product for us," Taggart said.

When replacing equipment, W. E. Brown doesn't assume what customers had is what they'll want again. "We explain what's available today to serve them over the long term," Taggart said.

Reach out to the strategic partner team with your questions!  
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**Right: Susan Tigner**  
Strategic Partner Manager

**Left: Janet Wopinski**  
Strategic Partner Assistant Manager

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Meeting those needs means having exactly the right products.

"Noland will adjust their inventory to what our customers want," he said. "They ask us, 'What can we stock for you?' and then bring it in. Not all supply houses do that. So we don't have to stock as much material here."

W. E. Brown also relies on Noland to help minimize a customer's inconvenience. "A customer without hot water wants it fixed today," Taggart said. "Noland keeps enough stock so our guys can get what they need the same day, and the customer can go on with their day."

When products change or new products launch, Noland informs W. E. Brown. "If A. O. Smith has a new water heater, Noland makes sure we know how it should be installed and taken care of," Taggart said. Training like this happens during early-morning sessions at W. E. Brown — arranged 100 percent by Noland.

"It's a convenience that lets me maximize my guys' time instead of sending them somewhere to be trained," Taggart said.

## Material handling is over-the-top service

President Ron Ainsworth of The Bosworth Company, another Nexstar member, said one of his top two suppliers is Midland Winnelson in Texas, another Win Group

company. Bosworth provides residential and commercial air conditioning, heating, air quality, plumbing and electrical services in the booming Permian Basin of western Texas.

to that. Material handling — and the efficiencies this allows us to achieve — is what I consider over-the-top service from Midland Winnelson, and the most important aspect of our relationship."

When Bosworth needs a special item to keep a job moving, "I'll say, 'Corey, we have to have this,' and he'll do all the research," Ainsworth said. "Midland Winnelson finds it and orders it, which keeps us off the phone so we can manage our projects and people."

That scenario happened recently with a special shower drain Bosworth's architect wanted for a custom residence. "In two days, Midland got us exactly what we needed," Ainsworth said.

## Local decision makers act fast

Operating each local company in the Win Group is a local decision maker like Barry Lee, who determines what's best for the business based on the local market.

"I don't have to get permission from anyone if I want to stock something," said Lee, who maintains relatively high inventory levels to meet the needs of Aux Mechanical and other customers. "I don't want Phil wondering if it will be there tomorrow. We've continued to raise our inventory over the last few years, and we've had the growth in sales to coincide with that."



Barry Lee (left), manager of Noland Company in Birmingham, Alabama, and Phil Smitherman, president of Aux Mechanical, review an order. Says Smitherman, "Without Noland, we couldn't do what we do."

(Photo by Missi Little, Aux Mechanical)

Ainsworth puts a high value on the material handling he gets from Midland Winnelson, where Corey Hall is president.

"If we need a large quantity of material for a mechanical contracting job, we could take bids and have it drop-shipped here — but then we'd have to stack it, stage it and take it to the job," Ainsworth explained. "Midland Winnelson will bring in all the material so we can get it as we need it, or they'll deliver to the job site as we need it. This saves us money in material handling, and there's a definite dollar value attached

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Lee said he often scouts for new items Smitherman might like and brings in a case for him to try. Some items may be new products with a Nexstar rebate, he said.

Conversely, when Smitherman finds a new product that catches his eye, he'll ask Lee to order it. That's why Aux Mechanical recently began selling surge suppressors for HVAC units – "and now we're moving 20 to 30 of these a month," Smitherman said.

Lee and Smitherman have a monthly check-in meeting to discuss business forecasts, future product promotions and staff changes. If a process can be improved, Smitherman discusses it with Lee, who takes action. A year ago, Lee assigned one person to manage Aux Mechanical's orders, which are large and frequent, and include a mix of plumbing and HVAC items.

"This individual now ensures the quality of our orders, and he has a direct line to me or my managers when he has questions," Smitherman said. "We're trying

to get out of the back-stock business, so there's very little room for error – and it's working flawlessly right now."

### Listening – and then acting

Business at Aux Mechanical is up 44 percent over last year, says Smitherman, who's challenged most by the increasing cost of doing business. Instead of continuously raising prices, however, he constantly looks for ways to be more efficient.


His systems help – but so will new technology. That's why he's partnering with his local Noland Company and WinWholesale as they develop a barcoding system that will allow Smitherman to replenish his truck stock through automatic online re-ordering, with material delivered the next day. The technology will eliminate the need for Smitherman to count inventory and hire a warehouse manager, he said.

"I want to keep less material on hand and do more real-time delivery," he said.

"Barcoding stock as it leaves the truck will make it so easy compared to counting."

### 'The relationship outweighs everything'

Taggart says contractors who are too price-sensitive with their suppliers ultimately sacrifice service – and won't grow their business.

"If the guy with the cheapest price takes two days to get you the product, is that really the cheapest price?" Taggart asked. "When you spread your business out to four or five suppliers, you can't create a relationship. Noland is very price-competitive, but the relationship we have built with them – and what it allows us to do for our customers – outweighs everything." 



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