

## eBusiness in the Aftermarket: Making it Easier for Wholesalers to do Business with Emerson Climate Technologies™

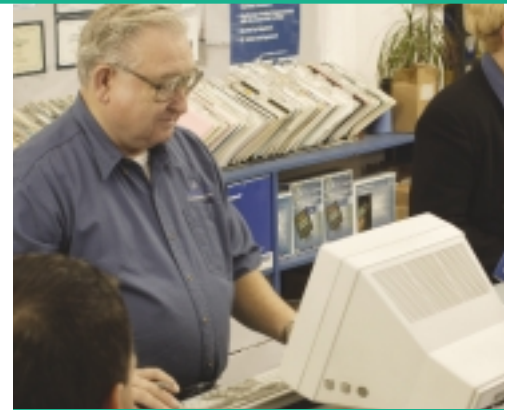
Shifting the business focus at Emerson Climate Technologies™ – from the engineering and manufacturing of components to creating and delivering system-wide solutions – requires putting a “solutions” distribution system in place as well. And that, in turn, has accelerated the move to an eBusiness environment at Distribution Services.

“We have to get wholesalers the right product at the right price at the right time with the right market information; an even greater challenge as the number of products increases along with full-line distribution,” says Mark Gibson, vice president and general manager of Emerson Climate Technologies Distribution Services. “The euphoria around the promise of an all-digital world has given way to the reality that this is hard work. But we now have the technology and resources in place to maximize the efficiencies and effectiveness that come with eBusiness.”

Today, a dedicated wholesaler portal is the primary means of communication with wholesalers. This portal is a critical source of information for individual wholesalers with customized content, segregated by wholesaler headquarters and branches. “The site has clearly and quantifiably demonstrated its value to our wholesalers,” according to Bob Labbett, vice president of marketing for Emerson Climate Technologies Distribution Services. “We have between 250 to 300 visits to the portal each day, and the 45 wholesalers who have been trained to use the site generated over \$20 million in sales in 2003.”

Emerson Climate has also enhanced the Online Product Information (OPI) site, with compressor and unit cross-reference information. OPI is more robust than ever with Copeland product super-session information for more than 10,000 products, some going back as far as 40 years. “Most recently, we added product selection and competitive cross-reference information for Emerson Climate Flow Controls and HVACR Motors,” Labbett noted. “So OPI now covers a full range of products used in the HVACR aftermarket. We’ve also linked OPI with EmersonClimateContractor.com to help contractors in their business.”

And speaking of contractors, “the online Critical Compressor Locator will play an increasingly important role in driving sales for wholesalers,” Gibson explains. The contractor tool provides 24/7 information to help find compressors not available in a local trading area. “As Emerson Climate Technologies calls on more end-users and expands initiatives to reach more contractors, it becomes even more important to address OEM and end-user concerns about the availability of low-volume products. With over 500 branches submitting weekly inventory, Emerson and its distribution partners have taken significant steps to alleviate those concerns.



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**Ron Vallan Jr.,  
Director of Marketing,  
Young Supply Company**

“Several thousand contractors are using the Critical Compressor Locator and OPI on a monthly basis, which demonstrates that contractors in our industry are embracing eBusiness tools that help in their day-to-day business,” says Labbett.

The next eBusiness step for Distribution Services will be to eliminate paper transactions. “In 2004, we’ll be automating four basic business transactions: purchase orders, advanced shipping notices, order acknowledgements and invoices,” Gibson says. The investment in a new data-mapping software package that allows interpretation of electronic data in multiple formats and then seamlessly integrates them is fueling this system-to-system communication. These new eBusiness tools are attracting the attention of Emerson Climate Technologies’ distribution partners, who recognize the value to their businesses.

C.C. Dickson Company, a full-line wholesaler providing HVACR parts and equipment from 108 branches throughout the Southeast, acknowledges that they were one of the first wholesalers to test the new eBusiness sites and tools. “We appreciate Distribution Services’ consultative approach, coming in to understand how we do business and then sharing its process improvement goals with us. The results are systems that are really efficient,” notes CEO Jack DeMao. “Our branches are placing orders electronically, which gets us our products faster and eliminates both unnecessary costs and errors. And the OPI site is fantastic. We train our people on OPI two nights each month so they can put their hands on the information they need for our customers immediately, without paging through three different books to find a specific product.”

At 42-year-old Progress Supply, its Cincinnati, Columbus and Dayton branches are all using the wholesaler portal to check stock availability and place orders with Distribution Services. “We get the information we need a lot faster,” says Technical Specialist Kim Ryan, “and our orders are processed more quickly too. We’re also able to download and print product information from OPI for our customers faster and easier.”

Ron Vallan Jr., director of marketing at Young Supply Company, with 73 years in the HVACR aftermarket business serving Michigan and Northern Ohio with 16 branches, echoes support for OPI. “A catalog is obsolete almost the minute it’s printed. It’s great to be able to check out the latest in compressor and condensing unit models online, with the technical information to support them right in front of you.”

“Transitioning to eBusiness tools, such as the wholesaler portal, OPI and Critical Compressor Locator, as well as to electronic transactions, will speed, simplify and, most important, enhance business operations between Emerson and wholesalers,” Labbett predicts. “An eBusiness environment saves time and money and helps eliminate error, and those benefits help us deliver on the Emerson Climate Technologies mission of becoming an organization that’s easy to do business with.”