Yes, there’s no doubt about the fact the last few months have been filled with lemons. The far-reaching effects of the pandemic can neither be ignored nor minimized. The number of infections, the death of innocent people, the shut-down of the economy, the number of unemployed, the disruption to life as we knew it, means the world has changed.

And yet, in the dramatic change we’ve experienced, there are some positives. Families are spending time together. A parent who has spent years of traveling each week is now home getting reacquainted with his/her family. Yes, it’s an adjustment for everyone concerned but time around the dinner table together is time well spent.

FISA members are particularly fortunate in that we are “essential businesses” and we have been able to continue working. The speed of the technology transformation that has taken place is amazing. Faced with no choice, companies have learned to have a portion of the workforce work remotely. Sales people who used to be “on the road” are now working from home. Some of the technical innovations will be long-lasting and change the way we do business forever. There are new efficiencies and cost savings.

And yet, in the midst of multiple online connections, we miss in-person connections. While we are constantly in-touch electronically, we miss the actual touch of a handshake or a hug. We miss being able to gather in person for the 2020 FISA Annual Conference in September to create new business relationships, to strengthen existing relationships, and to renew friendships. In short, we miss connecting in-person and networking. So now is the time to make lemonade.

Let’s make lemonade by being creative and offering to help by sending your suggestions and offering your talents. Some of you are writers; some great with technology; some master communicators; some visionaries. We want your ideas because now is the year to “think out of the box”. The Board is only ten people, and we need your involvement. Together, we will make lemonade in 2020.
Dear FISA Members,

The past three plus months have been a major challenge for our nation, communities and families. Of utmost importance, I hope you and your loved ones have remained healthy and safe.

The Board of Directors has met numerous times through this period to gather insights about market conditions around the country as well as discuss the impact to the FISA organization relating to COVID-19. Broad level feedback included the following: many of the member companies implemented travel restrictions, project activity came to a halt with few exceptions, the aftermarket MRO business remained constant with some areas seeing growth. In most areas the return to work protocols are showing signs of increased activity but sales calls and customer requirements are slowing the sales call process.

Industry trade researchers indicate that the core markets serviced by the FISA membership show positive growth trends and will weather the COVID-19 storm better than other market verticals.

As an organization, FISA is working to adapt to a different year without an Annual Conference. The decision to cancel was not taken lightly and many factors ultimately forced the cancellation with the core emphasis being on the health and well-being of the members. We have heard from many that webinars are getting old and stale. In the coming weeks, we will be asking you how FISA can best serve during this period. We are continuing our partnership with the ITR quarterly newsletters, in addition, many companies have engaged with the alliantgroup after last year’s presentation in Lake Geneva. Since that time, alliantgroup has delivered $24.2 million in credits and incentives for 22 FISA members.

As we all return to office environments and our customers, we will adapt to the new normal. The recent survey results are published in this newsletter about some of the changes and differences that we are already seeing.

For those who have family member who have stepped up to answer the calls in our public safety or healthcare systems, our gratitude and thanks for all the hard work in keeping us safe!

Be Safe,

Jason Ryan

Now is the Time to Renew Your FISA Membership

July 1, 2020 is the date to renew your corporate membership in FISA.

Annual dues are only $775.00. You may renew by check, credit card, or online funds transfer. Your membership is a corporate membership – not for a single individual. We want to build our mailing list so if you are employed by a FISA member company and not getting communication from FISA, please send your email address to: stella@fisanet.org.

And what do you get in return for being a member, you may ask?

➤ Your FISA membership demonstrates you are dedicated to promoting distribution in serving hygienic industries. Through engagement in FISA, independent distributors and manufacturers work together for the benefit of their customers.

➤ FISA keeps up with trends, promotes camaraderie, provides education and offers you access to resources not available to an individual company.

Renew your membership and encourage other companies to discover the value of FISA membership. Invest in your future.
During these stressful months of dealing with COVID-19, staying in touch with the FISA membership is more important than ever. That’s why we started the FISA e-News in April. This short email communication brings you news on a personal level about members and gives you links to speakers and positive resources.

When we meet in person, many members say that learning more about different FISA members in casual conversation is a highlight of the meeting. Some would refer to that as networking. Participating in group activities in smaller groups gives you the chance to meet someone who shares your interests. Whether it’s playing golf, shooting sporting clays, sailing, hiking, kayaking or touring, you make connections with other FISA members. You share a laugh, you remember a mishap, you make a friend.

While the FISA e-News can’t replicate actually being with someone, we want it to cover the lighter side of life. Help us come up with ideas and things you’d like to know. Let’s celebrate milestones and recognize employees going above and beyond. Help us build the email list so that we reach more of your employees – not just the ones who regularly attend the Annual Conference. FISA is a family and FISA cares.

Want to learn how to promote your company and its capabilities within the FISA membership?

Ever wonder why the same companies are the ones mentioned irregularly in the FISA Distributor News? The answer is simple. Those are the companies who submit the news.

If you’ve never sent in any news about your company, we will be glad to help you write short press releases for the News & Views section of the quarterly FISA Distributor News.

It’s as simple as 1, 2, 3.

Email FISA the name of a new employee and what position she/he will have in your company. Attach a jpg photo of the person. Photo can be taken with a cell phone.

You might add a sentence saying indicating if the new employee has prior experience, or where he/she went to school. We do not have space to list every place the person formerly worked.

End with a sentence describing your company. XYZ company specializes in ______ in serving customers in the food, beverage and pharmaceutical industries. For more information, www.XYZ Company. com

PROMOTING DISTRIBUTION IS A TEAM EFFORT

Keep FISA growing by recruiting new distributor members.

FISA is focused on strengthening the distribution channel. It’s a win-win for all of us! If you are a FISA manufacturer and you have distributors who are not FISA members, please email their contact information to stella@fisanet.org.

YRC Freight is a leader in cross-border transportation between the U.S. and Canada. We offer a broad portfolio of solutions, including expedited and specialized services. Our seamless, asset-based network allows us to be a single-source, end-to-end provider for our customers. YRC Freight is completely security-compliant and certified, with special Border Ambassadors to ensure smooth, speedy border crossings.

Our team of experts is here for you and handle thousands of shipments between the two countries every day. That makes border crossings quick, efficient and painless.

- One Carrier, One Invoice
- 50 Dedicated Border Experts
- Over 20 Terminals in Canada
- Zero Handoffs or Hassles
- 95% direct coverage in Canada
- Online visibility of your shipment from door to door
- Most direct delivery points across Canada and the U.S.
- Broker Inclusive
- YRC Freight Border Ambassadors available 24/7 to ensure faster border clearance
- Online rate quotes, forms and door-to-door tracking
5 WAYS AI WEBSITES OUTSELL REGULAR E-COMMERCE

There’s a huge difference between having an e-commerce website that passively takes orders and having a smart e-commerce platform that actively generates sales. The past few months have illustrated that difference vividly.

In April, year-over-year e-commerce spending in the U.S. increased by 30%. But not all businesses with e-commerce sites saw those kinds of gains. A few exceptionally designed e-commerce platforms — Wayfair, Shopify, eBay, and Amazon — outperformed the rest.

Amazon is a great example of an active digital channel. When customers shop on Amazon, the website doesn’t just passively take orders, it actively uses AI to promote items the same way reps would make sales pitches. As more customers shop online, this difference is huge. During initial coronavirus disruption, Amazon saw $75 billion in Q1 sales, a permanently steepened growth curve, and predictions that Jeff Bezos will be the world’s first trillionaire by 2026. For distributors with passive websites we’ve seen practically the opposite: According to Jade West of the National Association of Wholesaler-Distributors, some distributors are down 20%, others are down 90%, but everyone is down at some level.

If distributors are going to compete in the new digital-first world, they’ll need to increase e-commerce performance. Luckily, the B2C companies listed above have established clear precedents for how to sell more online with active AI. Below are five proven strategies that distributors can use to transform their e-commerce platforms from order taking sites into order making sites.

1. Optimizing Search Results

One of the most overlooked ways to increase e-commerce revenue is to enhance search functionality. You want to make sure that when customers search for products, they’re truly being shown the most relevant results. This may sound like a simple and obvious goal, but it’s surprisingly hard to pull off.

Search engines crawl, index and rank products in order to return results. Top engines even use AI natural language processing tools to work around human spelling error and diction, and specially designed search relevancy optimization tools to show customers the products they are most likely to buy.

Also see: “A 3-Part Plan to Grow Business During the Coronavirus Crisis.”

Optimizing your search engine to create a path of least resistance is well worth it, however, as it will facilitate more customer purchases. For Amazon, optimized search brings in roughly $10 billion extra dollars annually (more than 3% of their revenue). Here’s the math. When a customer visits Amazon’s site, they have a 2% chance of making a purchase. But, if they use Amazon’s search engine, that chance leaps up to 12%, a 6X increase. In comparison, websites with less advanced search engines see less than a 3X increase when customers make searches. This suggests that Amazon’s AI-powered search engine generates $10 billion in revenue per year that would otherwise go unrealized. If you’re looking to boost your e-commerce revenue, using AI to optimize search results is a great place to start.

2. Facilitating Up-Sells

Once you’ve optimized search to help customers find products that they’re likely to buy, you can further increase revenue by nudging customers toward high-margin sales. This concept isn’t new to distributors; expert sales reps have helped customers buy the right products for decades. But, until recently, digital tools have been unable to mimic this process.

With AI, websites can gain a sort of sales intelligence and start executing active upsells. If you use an omnichannel AI vendor to attain this upsell feature, your website can even learn from your sales reps’ behavior to start offering customers upsells that are proven to work. With an AI up-sell feature, your website won’t just make sales. It will make the right sales.

3. Facilitating Cross-Sells

Once a customer has an item in their cart, the next way to increase sales is by encouraging cross-sells. Everyone knows the story of how McDonalds grew into an empire with the billion-dollar cross-selling question, “Would you like fries with that?” But for distributors, cross sells aren’t that easy.
Distributors maintain huge and complicated inventories that make impersonal up-sells all but impossible. Fries go well with basically any meal McDonald’s meal. Most products in a distributor’s inventory, however, only fit well for niche customers or situations. What distributors need is a way to make automated cross-sells based on each customer’s unique purchasing profile. That’s where AI comes in.

AI can automatically create personalized product pitches for every customer and encourage cross-sells as customers shop. It’s hard to put an exact value on AI-powered up-selling and cross-selling features. But, one way to think about the value that these tools add to a website is to think about the difference that a great sales rep can make. If you can see that active sales reps outperform passive reps by making expert products suggestions, up-sells and cross-sells, then these AI features are likely a great fit for you.

**4. Promoting Overstocked or Perishable Items**

Improving search and encouraging up-sells and cross-sells are good ways of driving profit by increasing revenue. However, in order to truly maximize profits, distributors must also find ways to minimize losses.

Perishable items can be a huge source of lost revenue for distributors. Overstocked items can create further losses by causing inventory problems and supply chain inefficiencies. With AI, however, distributors are now able to mitigate these kinds of unnecessary waste.

Also see: “AI is the First Technology to Create Exponential Value for Distributors.” AI-equipped distributors can enter lists of products they need to get rid of, or automatically set up programs that prioritize perishable items over durable products and overstocked items over understocked products. That way when a customer shops online, they will naturally be guided toward the items that you are more interested in selling.

**5. Promoting Private Label Items**

Distributors with private label items can also seriously consider using AI to increase sales. Selling private label items is particularly challenging because rules-based approaches tend not to work. Always recommending private label items may drive a short-term bump in revenue, but this approach can hurt business in the long run by upsetting customers and suppliers. When sales reps are talking to customers, they can ask questions and make judgement calls about when to recommend private label products. However, old-school websites have no such ability and treat all customers the same way.

Fortunately, we are now beginning to see a new era of smart websites that can analyze customer behavior and purchasing patterns to inform data-driven action. By bringing an AI backing to your website, you can choose to promote private label items when applicable. With these tools, you can feel comfortable knowing that you are always pursuing the course of action that is most likely to end in a sale.

AI-enhanced websites are a win-win. They make the customer shopping experience more personal and enjoyable, and make the distributor selling experience more accurate and profitable. As e-commerce becomes ever more important, distributors can embrace these five ways of creating an active digital selling experience.

Benj Cohen founded Proton.ai to help distributors harness cutting-edge artificial intelligence. He learned about distribution firsthand at Benco Dental, a business started by his great grandfather. Later, while studying Applied Math and Data Science at Harvard University, Cohen saw an opportunity to bring his two worlds together. He’s on a mission to supply distributors with the innovative technology they need to thrive in modern markets.

**Checking the Pulse in the Pandemic, continued from page 1...**

3. What has been something positive you’ve learned during the shutdown?

Responses fell into four major categories:

- Digital communications can be an effective tool for communication. This will lead to faster solutions and reduction of travel expenses.
- We can work from home on a limited basis, but value-added sellers must have customer interaction that is represented by more than a web-site.
- From a business standpoint, the fact that we can weather such a crisis. From the human standpoint, the concern people have shown for others.
- We can do this; business is strong.

4. Do you have a favorite webinar or speaker you would recommend?

- Deserie Musselman – Personal Leadership
- Sandler training sessions
- Ben Shapiro
- Max Lucado
- Mary Kelly
- ITR Economics, Brian & Alan Beaulieu
- Lou Holtz, Coach K

5. How do you think doing business will change in the future?

- Almost unanimous agreement that more of the workforce will work from home. Business travel will decrease from what it was pre-Covid and new technologies/existing technologies will be used to communicate.
- We’ll have to provide web-based selling as a complement to our current activity. Sense a theme?
- There will be more automation and robotics in the food/beverage/dairy industries as we try to reduce human contact with the processing and packaging of these products.
Member News & Views

The who, what, where, when and whys of the FISA membership.

How to Submit News

The Distributor News is published quarterly and the deadline for the next issue is September 1, 2020. Due to space limitations, we cannot print specific product information, but personnel changes, changes of address, expansions or other industry news is always of interest.

If you have a question, please call 336-274-6311.
Fax information to FISA at 336-691-1839 or mail to FISA at 1207 Sunset Drive, Greensboro, NC 27408.
Email: stella@fisanet.org

Oliver M. Dean, Inc.

Effective April 1, 2020, Daniel Eldon has been promoted to the position of President of Oliver M. Dean, Inc. Dan graduated from The Pennsylvania State University in 2013 and worked with Mars Chocolate for two years at which point he joined Oliver Dean in 2015 as a Sales Engineer in the Metro-NYC region. Since that time, he has very successfully established himself as a top sales contributor, developing a strong customer base in both existing and new accounts. He has also played an active role in leading the sales team and managing vendor relationships. In his new role, Dan’s responsibilities will grow to include additional involvement in general company operations. Rick Eldon will assume the position of CEO. Tony Fiore will continue as Executive Vice President. Lauryn Eldon will continue as Controller. Oliver Dean has served the sanitary/hygienic industry for over 100 years with engineered systems design, field installations, and equipment distribution throughout the Northeast.

M.G. Newell Corporation

Penny Vlahos has joined M.G. Newell as Director of Human Resources. Prior to joining M.G. Newell, Penny was a Director of Human Resources for Cambrex, a life sciences company that provides products and services for small molecule active pharmaceutical ingredients. Previously, she was the Senior Director of Human Resources for a consortium of pharmaceutical companies – PharmaCore, TransTech Pharma, and High Point Clinical Trials Center – engaged in manufacturing, research and development, and clinical trials. Penny holds a B.S. degree from High Point University.

Lighthouse Process Corp.

Lighthouse Process Corp. is pleased to announce that Kim Barron has joined their team as an Outside Sales Representative covering the North East. Kim has over 20 years of experience working with Food, Beverage and Personal Care customers. She has extensive product knowledge, hands on maintenance experience and troubleshooting skills. Kim has a passion for making sure customers receive unparalleled service and support.

SPX Flow

SPX FLOW is delighted to announce the following promotions and appointments to support its customers across the USA: Tom Donovan has been with SPX FLOW for 13 years and has been promoted to Eastern Regional Sales Manager for the APV Plate Heat Exchanger Brand. Previously National Sales Manager for Heat Exchangers for the HVAC industry, Tom’s new role will cover all industries in the Eastern Region. He has a B.S. degree in Engineering from the University of Massachusetts and over 35 years of experience in industry, including Mixers, Pumps, Valves and Heat Exchange. Dan Klein joins SPX FLOW as District Sales Manager, Food & Beverage (Sanitary), HVAC and Industrial sectors. Dan will be responsible for Florida, Georgia, Alabama and Mississippi. He has a B.S. degree in Chemical Engineering, with a minor in Biotechnology from the University of New York at Buffalo. He brings with him over 30 years of experience in industry, including Food & Beverage, Pharmaceutical, Cosmetic, Pulp & Paper and Oil & Gas industries, and in-depth technical knowledge. Karen Panek joins SPX FLOW to support customers as a Customer Experience Representative in its Delavan facility. Karen has many years of experience in customer service, previously working for healthcare products manufacturer, Stryker Sage and the technology solutions provider, CDW. She has a B.S. in Corporate Communications from the University of Central Missouri. Constance Robinson also joins the SPX FLOW team in the USA as a Customer Experience Representative. She has extensive experience in customer service, and prior to joining SPX FLOW spent 14 years at Edstrom Industries (Avidity Sciences). Based in Charlotte, North Carolina, SPX FLOW, Inc. (NYSE: FLOW) innovates with customers to help feed and enhance the world by designing, delivering and servicing high value process solutions at the heart of growing and sustaining our diverse communities. The company’s product offering is concentrated in process technologies that perform mixing, blending, fluid handling, separation, thermal heat transfer and other activities that are integral to processes performed across a wide variety of sanitary and industrial markets. SPX FLOW has approximately $1.5 billion in annual revenues with operations in more than 30 countries and sales in more than 140 countries. To learn more about SPX FLOW, please visit www.spxflow.com.

Ace Sanitary

Ace Sanitary is pleased to announce the expansion into a new physical location due to the
serves the food processing and beverage industry in several ways, including: Engineering and Installation of Process Systems, Inventory and Distribution of sanitary parts, and Service of Sanitary Equipment such as pumps, homogenizers, and plate and frame heat exchangers.

VNE

VNE is pleased to announce that Danny Cunningham is joining their company as Regional Sales Manager. Danny will be covering the Southeast Region of the US and will be responsible for maintaining a solid distribution network with sales strategies for continued growth. Danny brings sales and marketing experience to VNE with previous positions in the hospitality and educational markets. He attended Blessed Trinity Catholic High School in Roswell, GA and received a Bachelor’s of Business Administration Degree from Georgia College & State University in Milledgeville, GA.

Pentair

Arthur Hernandez joined the North American Food & Beverage team. He will support the growth of Pentair’s Food & Beverage brands in the South Central United States through the identification of strategic project opportunities and by building key client relationships in the dairy, brewing, food, beverage and bio-science industries. He will work closely with end users, A&E firms, distributors, OEM’s, and integrators representing Pentair’s Südmo valves, Haffmans’ quality control and carbon dioxide recovery products, and Pentair’s Beer Membrane Filtration systems. Steven is based from his field office in Seal Beach, CA. Steven Jacobsen has over 20 years of experience in sales and went to Francisco State University in San Francisco, CA. Thomas Russ has joined the company in Delavan as the Customer Service Supervisor supporting Food & Beverage NA and Clean Air Systems NA. Tom’s primary responsibility will be managing the customer service teams in the day-to-day customer assistance functions for both product lines, including order entry, customer resolutions, and project billing. Formerly with US Cellular for over eighteen years, Tom joins Pentair with experience in managing and developing employees in a high volume call center environment. He holds a degree in Business Management from Western Governors University. Tim Gorman retired from Pentair Südmo last month after 25+ years as Customer Service Manager.

New Age Industries

New Age Industries recently closed a deal to buy two building units at a location within seven miles of its southeastern

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Pennsylvania headquarters. The site will be used primarily to manufacture high purity tubing and molded assemblies for NewAge’s AdvantaPure® division, which supplies Single-Use fluid transfer systems to biopharm and pharmaceutical manufacturers. The purpose of the new location is two-fold. One reason is that demand for the company’s products is high, especially during this pandemic, and NewAge needs to ensure capacity to produce more inventory. The other reason is to maintain an additional manufacturing facility in case of any potential disruption at the main plant. The two building units consist of 46,000 sq. ft. of manufacturing space with an additional 3,000 sq. ft. of offices. The manufacturing area will house tubing extrusion machinery, injection molding presses, clean rooms for high purity product manufacturing and packaging, and quality inspection areas. Quality department personnel and department supervisors will use the office space. Renovations at the new location will begin this summer with additional remodeling extending into next year. NewAge anticipates moving in, testing and validating its manufacturing equipment during 2021. The company expects to double manufacturing capacity for its AdvantaFlex® TPE tubing in the short term, and long term, to triple capacity. Silicone tubing manufacturing capacity will also increase substantially.

In business since 1954, NewAge Industries manufactures plastic and rubber tubing in reinforced and unreinforced styles. NewAge is a solar powered, zero landfill organization committed to continually minimizing its environmental impact. The AdvantaPure® division of NewAge Industries is ISO 9001:2015 certified and specializes in high purity tubing, hose, Single-Use process tubing manifolds, BioClosure® container closure systems, and other molded components for the pharmaceutical, biopharm, biomedical, food, beverage and chemical industries.