

MARKETS UPDATE SUPPLEMENT P. 2

Hill & Markes

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is Nick is responsible for product data on the website," he says. In Jan/San, it's imperative you have related items mapped — you have to make sure you have appropriate lids linked to the appropriate cup. A towel dispenser needs related towels. Nick mapped almost 3,000 items on the website. It makes it very easy for us to grow the new revenue. On a daily basis, he's optimizing and mapping product data on our website."

Why make the online push in the first place? "If we're able to leverage the e-commerce platform, the solutions that we've embraced, that's going to shift orders from our sales reps, who can instead of focus on order taking, they can focus on new business acquisition," says Powers. "They can focus on making sure that they're going after the right target at the right time, instead of needing to take orders from customers who could be placing those orders online."

Another advantage is the way it frees up customer service, he adds. "We can eliminate the order entry in customer service and really focus on customer service providing excellent customer service," Powers says. "Being proactive. Maybe a bid is coming up for renewal.

A customer service rep can now find the time to reach out to key customers: 'How is everything going? Are you happy with everything? How is your driver? Are we meeting your needs?' So, the underlying benefit of our website is it saves time and increases operational efficiencies throughout the organization."

Going Mobile

Powers is pumped about the next e-commerce venture for the company, a Hill & Markes mobile app. It will have a barcode scanner so that customers can go into their storage room, scan an item that needs replenishing, and get it automatically replaced through the app. "I'm really excited about having a mobile app that allows for them to open it up, click on Hill & Markes and place and order or scan their order on the fly," he says, adding that the company is aiming for a Q4 or early 2020 launch.

While Hill & Markes does not disclose revenue numbers, Powers says the website accounted for close to \$250,000 in new revenue in the last year alone. "Customers are now starting to add new items to their cart because of our website. It's easy to browse. It's easy to use. So, the fact that we've increased revenue from new items on our website, I'm really proud of it," he says.

Calculation of MDM Inflation Index for May 2019								
		BLS	BLS	BLS	Weighted		%	%
		Price	Price	Price	%	Indices	Change	Change
		Indices	Indices	Indices	Sales	May '19	May '19	May '19
		May '19	Apr '19	May '19	Weight	(1)X(4)	Apr '19	May '18
1136	Abr. Prod.	620.7	621.3	612.4	19.1	118.56	-0.10	1.36
1135	Cutting Tools	533.6	533.1	517.6	18.9	100.85	0.10	3.09
1145	Power Trans.	868.5	867.6	844.8	15.4	133.75	0.11	2.81
1081	Fasteners	560.6	563.1	523.4	9.0	50.46	-0.43	7.12
1149.01	Valves, etc.	1061.9	1073.5	1022.6	7.6	80.70	-1.08	3.84
1132	Power Tools	395.2	395.2	390.2	6.5	25.69	0.00	1.31
1144	Mat. Handling	645.1	644.2	624.7	6.2	39.99	0.13	3.26
0713.03	Belting	953.1	927.7	927.0	6.1	58.14	2.74	2.81
1042	Hand Tools	832.0	825.8	801.6	8.1	67.39	0.74	3.78
108	Misc. Metal	506.2	506.2	486.5	3.1	15.69	0.00	4.06
	"New" May Index	361.1	May Inflation Index		691.23		0.16	3.11
	"New" April Index	360.6	April Inflation Index			690.10		
			May 2018 Inflation Index			670.37		

New index reflects 1977-100 base other #: 1967 To convert multiply by .52247