

THE PERSONAL TOUCH

dp Brown of Detroit, Inc. pulls ahead of the competition with services like custom-designed belting and a CEO and president that make sales calls

By
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Product knowledge and customer service are typical mantras for small and mid-sized distributors, but dp Brown of Detroit, Inc. takes the concept to a higher plane by designing special conveyor belt solutions and dispatching company executives to troubleshoot problems.

CEO Bill Murlick says conveyor belt fabrication has played a major role in the company's growth from about \$3.5 million in sales in 1993 to \$12.2 million last year. The staff has doubled over the past two years and last month the company moved its crowded offices and overflowing warehouse and fabrication shop to a new 30,000 square-foot headquarters.

"The biggest thing is knowing what you are selling and being able to apply it," Murlick says. "I want customers to have me in their auto dial systems. We're diverse enough to have the expertise to help."

In addition to skill, dp Brown has the commitment to offer 24-hour assistance to customers. Even company president Matt Murlick, Bill's son, takes after-hours calls during busy nights and when employees have vacation time.

"Even though I'm not first on the list, I get up in the middle of the night at least once a week to take care of my customers," Matt Murlick says.

During the past decade, dp Brown has built on a foundation of automotive customers to include such disparate industries as sand and gravel, agriculture, recycling and energy and the OEM market. Besides fabrication and a round-the-clock rescue crew, a wide product offering also fuels the company's growth.

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Bill Murlick (top), CEO of dp Brown of Detroit, Inc., and his son Matt Murlick, company president

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A solid base

When Bill Murlick and his former partner took over dp Brown in 1981, he says the company wasn't in good shape but they saw a great opportunity. After more than 14 years as a patternmaker at a General Motors foundry in Saginaw, Murlick knew the automotive market from the inside out.

The team split in 1991, leaving Murlick with the Wyandotte and Saginaw branches. Six months later, Murlick closed Wyandotte and chose Westland for a headquarters. Matt Murlick joined the firm as a salesman in 1990, and his responsibilities grew with the company's success. In addition to his son, Bill Murlick also credits his dedicated and experienced staff-some of whom started with the company before he took over as owner-with building up the company's reputation.

Winning a contract with DaimlerChrysler Corp. in the early 1990s to supply belting to more than 50 North American plants was a major turning point for the company. Murlick says the blanket agreement put dp Brown on the map and was an enormous task involving in-plant surveys and stocking hundreds of products.

"If there was new equipment, we asked to be brought into the plant to learn about it," Murlick says. "Sometimes we made suggestions. It was a huge thing to undertake based on our size at that point."

The DaimlerChrysler deal tested dp Brown's flexibility, and when the automaker switched to a regionalized purchasing system, the distributorship's response was equally nimble. Today, dp Brown is a tier two DaimlerChrysler supplier working through other distributors in Michigan, Illinois and Missouri.

"Overnight we had to deal with different entities and competitors in the same customer base," Murlick says. "We sell the same products [as the tier one suppliers] in a lot of cases."

dp Brown is also a tier two supplier for Ford and sells specialty items like conveyors and machine parts to General Motors.

Hands-on solutions

Providing parts to the Big Three is a game many distributors in the Great Lakes region excel at, but dp Brown also succeeds by making products customers can't find anywhere else. Fabrication has been a dp Brown calling card for about five years, and during this time, the Murlick's have invested hundreds of thousands of dollars in equipment upgrades. The company also recently hired an engineer with CAD/CAM experience to offer even more know-how.

"The gadgets and gadgets add value," Bill Murlick says. "It just puts us into a different market."

Matt Murlick says fabricating products helps dp Brown internally because it can maintain control over lead times and quality and externally because customers value the service.

"Whether it's fabricating or vulcanizing, more and more companies have fewer people in their facilities to do the work," Murlick says. "That's where a full service distributor is most successful."

Sterling Heights, Mich.-based DCT, Inc. is a prime example of a customer that needs more than on-time delivery. DCT turned to dp Brown about a year ago during development of a mechanically laced timing belt. Michael Bleau, DCT's director of marketing and sales, says dp Brown was the only company willing to help fabricate and test the patent-pending product.

"It says a lot that they were willing to try something that other folks in their arena said wouldn't work," Bleau says. "They stuck with us until we made it work."

Another ongoing project involves creating customized slings for two DaimlerChrysler plants. Additionally, dp Brown has stepped into the manufacturing fray with a niche business of forging specialized chains. dp Brown purchased Starline Conveyor Chain, Inc. after it went belly up in 1999 in part because the product line is critical for some customers. Since then, the Murlick's have been overcoming quality problems that cropped up during Starline's demise.

"It's a limited area but people that use it swear by it," Bill Murlick says. "They used to swear at it."

Strength in numbers

The fabrication and manufacturing services are a part of a grand scheme to offer an array of products to a variety of customers. Bill Murlick recalls an early business lesson during his days with his former partner: GM was one of the company's major customers, and when the auto manufacturer pulled the contract, the distributorship scrambled to fill the void. Murlick says he vowed never to repeat the same mistake. The younger Murlick says having customers in different industries prevents seasonal dips in sales.



To serve its approximately 1,400 active accounts, dp Brown stocks about 3,800 non-belt related items in addition to more than 1,200 rolls of belt for a wide spectrum of applications. Although many distributors believe keeping inventory levels low improves cash flow, one of dp Brown's competitive advantages is holding extra inventory for immediate sale.

"We get calls from other distributors," Bill Murlick says. "They know we stock heavily."

A diverse product offering and a solid base of

customers gave dp Brown enough stability to jump at the opportunity to open a Grand Rapids branch in January 1999, around the time Industrial Belting & Supply, Inc. of Grand Rapids closed its doors. The two Murlick's hired five of Industrial Belting's former employees and the branch quickly turned a profit.

"We were able to pick up our fair share of the [Grand Rapids] business," Bill Murlick says. "It took very little transitional training and it gave us new opportunities in that area."

Suppliers also appreciate that dp Brown sells a wide breadth of product. Took Coder, vice president of sales for TB Woods, Inc. of Chambersburg, Penn., commends dp Brown's

commitment to the manufacturing firm's entire line. TB Woods sells mechanical and electronic products including drives and couplings.

"They support both mechanical and electronic products," Coder says. "Some distributors seem to be better at one or the other and they're good at both. They make inventory investments, train people, give you the support and don't nickel and dime you with any competitor that walks in the door."

Another supplier, Bill Harvey, president and owner of Conveyor Components, Inc. in Albemarle, N.C., expresses similar sentiments. Harvey says dp Brown will support one supplier "to the nth degree" rather than work with 10 that sell the same commodity.

"If it takes a while for their salesguys to learn the product, they stay at it," Harvey says. "They're very focused on the segment of the industry they want to attack."

Top-notch service

Another part of dp Brown's game plan is to ensure sales reps know their products. Dennis Balogh, the company's vice president of sales, says reps sometimes do installations. Bill Murlick agrees, noting that customers love to see salespeople—including himself and Matt—get their hands dirty. And it's not uncommon for Matt Murlick to go on jobs with the company's belt vulcanization mobile unit.

The two Murlick's also keep their product and industry knowledge fresh by maintaining their own accounts. The junior Murlick sells more than \$3 million worth of product annually and the senior Murlick takes in about \$1 million.

"I've always said there's only one way you can know the heartbeat of customers and that's to be out on the road and be in contact," Murlick says. "As long as I'm in the business, I'll be out on the street [selling]."

Employees at one of Bill Murlick's larger accounts, the Greater Detroit Resource Recovery Facility, appreciate the personal touch. The waste-to-energy plant is owned by the Greater Detroit Resource Recovery Authority and operated by Michigan Waste Energy, a division of New York City-based Ogden Corp. Purchasing manager Rick Hatfield says Murlick is attentive enough to catch duplicate orders and extremely responsive to the company's business needs.

"He's understanding that it's a power plant," Hatfield says. "When we say emergency, we mean it's an emergency."

Dave Gloer, the facility business manager, says dp Brown quickly produced the paperwork enabling the plant to get tax refunds from the state when it applied for tax-exempt status a few years ago.

"He was one of the first responders," Gloer says. "We had several vendors who refused to cooperate. From a big-picture perspective, he's one of our better vendors. We look at price, delivery and service. He's a solid supplier and well-organized."

Matt Murlick hopes the late hours, fabrication and responsiveness increase the company's stature and market share in Michigan, and in the future, in Northern Ohio.

"I would like to see us become more of a household name so that when companies need something in a hurry, they think of dp Brown," Murlick says.

Energetic Solutions Provide Powerful Results

As a Michigan-based company, dp Brown of Detroit earns its fair share of the automotive-related market, but its problem-solving penchant also receives kudos from the high-maintenance energy supply sector. Maintaining close supplier relationships helps the company get jobs done quickly and right.

About five years ago, Bill Murlick helped the Greater Detroit Resource Recovery Facility redesign its shredder feed conveyors with troughing conveyors instead of flat belts with flexible sidewalls. The waste-to-energy plant is owned by the Greater Detroit Resource Recovery Authority and operated by Michigan Waste Energy, a division of New York City-based Ogden Corp. In the former system, belts would frequently shift off track or the sidewalls would rip. Murlick would replace about two belts a year for each of the six conveyors.

"Due to his recommendations on the processing side, it went from the belts going down once a day to never going down," Hatfield says.

Making the system more functional for Michigan Waste Energy led to a loss in about \$150,000 per year in sales for dp Brown, but also contributed to an exponential increase in goodwill and other business. For example, Peter Stevens, the process plant supervisor, has recommended Murlick to three out-of-state Ogden Energy plants since meeting him in the early 1990s.

"He's helpful [enough] to suggest new and better ways [to do things] even if it doesn't mean as much money in his pocket," Stevens says.

Complementing dp Brown's service to energy firms is its close ties with suppliers. Bill Harvey, president and owner of Conveyor Components, Inc. of Albemarle, N.C., was impressed with dp Brown's decision to involve his company when solving a crisis at a Grand Rapids-area power plant.

Harvey says dp Brown asked CCI to build a conveyor pulley the same day and arranged transportation through a freight company. The manufacturer typically supplies rock quarries, coal mines, paper mills and steel mills. Yet because dp Brown executives had already taken the time to meet CCI's inside sales, engineering and shipping personnel and build strong relationships, CCI was eager to take on the challenge.

"This power company had never even heard of us," Harvey says. "Not many people would take the initiative to take a new supplier into a public utility like that. So many distributors take the path of least resistance and go with the pulley that's on the drawing."