

5. Preferred Pump: Partnering With Preferred

by Pat Lenius

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Vendors speak about their relationship with Preferred Pump.

Preferred Pump values its partnership with its vendors and manages its inventory to assist them, according to Tom Bowers, director of marketing/group manager.

"It's not unusual for us to take an extraordinary inventory position to help a vendor," he notes. "It's nothing for us to have \$1 million in inventory at any one of the 30 branches. You can't sell from an empty wagon. We are big believers in inventory."

Supply House Times contacted several vendors who work with Preferred Pump to get their perspective on the company. Here is what they said:

DeLancey Davis, vice president of sales, Western Hemisphere water systems, Franklin Electric:



"Franklin Electric has been doing business with Preferred Pump and its president, Randy Lyne, in one way, shape or form since its inception. Our relationship with Randy dates back to when he was working with pump OEMs (original equipment manufacturers).

"The greatest strengths of Preferred Pump are that it is extremely well managed, and it is very focused on its customers, its market, its employees and its vendor partners.

"Randy Lyne is a very bright, experienced, knowledgeable, hands-on owner and he has built an outstanding management team. Franklin Electric has benefited from its relationship with Preferred Pump by gaining its insight in the market and obtaining feedback from its people on how we can make our products better for our customers' applications. If you have your ears open, Preferred Pump can give you outstanding guidance and insight.

"Preferred Pump is confronted by many of the same challenges shared by our industry: to continue growing the water well industry and protect ground water resources. Preferred is also challenged to continue to meet the high standards it has set for itself and for its customers, employees and vendor partners. Preferred must continue to demand high quality, reliable products from its vendor partners as they face major changes in the manufacturing sector. Preferred Pump must continue to hold its vendors to high performance standards and to continue to promote and enhance professional opportunities for its customers by providing education and access to information and training that will help them grow their companies.

"The future looks very strong and bright for this dynamic company. It delivers a blend of leadership starting with the dynamism of Randy Lyne and the group he has assembled. It has been a very successful company and will continue as such. Preferred Pump is a winner."

Dennis Wierzbicki, vice president, Grundfos Pumps:



"I am often asked, what is it like to partner with Preferred, how do they fit in a distribution model, what are their strengths and when does it "not" make sense to work with them?"

"From a supplier's point of view, one thing you learn very quickly about working with Preferred is that they are very clear about who they are and maybe more importantly, who they are not. If they agree to take something on, they do it because they are focused and committed. I also appreciate the directness of their top management. They will give you

direct answers, but they also expect direct answers to their questions. If they commit to do something, it will get done, but, they expect that same level of commitment from their suppliers.

"Their management — from the top to their regional managers and their branch managers — knows the industry and they are well known in the industry. I believe they focus on hiring people who know the market and the products they promote.

"Preferred is one of the largest ground water specialty distributors in the United States. When looking to work with them, you have to take it branch by branch, region by region. If you just work with Preferred "assuming" you will get an overall U.S.-based approach, you are mistaken. Each supplier needs to work with each region and associated branches to assure success. "This is not a top-down managed company. Clearly goals, culture and a common marketing approach come from the corporate offices, but the execution and success will come from suppliers working day to day in the trenches with the region and branch people."

Mike Benet, Western regional manager for well products, CertainTeed Corp. (with his wife, Trudy)



"We have been doing business with Preferred Pump for about 14 years.

"The company's greatest strengths are that it is very aggressive and knows its markets very well; it is very in tune with its contractors' needs and does a good job of filling those needs.

"We have been very supportive of each other's business and have shared in each other's growth. Preferred Pump has expanded from three branches when I started calling on them to about 30 branches nationwide today. That has helped our numbers grow as well.

"The future looks bright for Preferred Pump. We continue to expand as Preferred expands. We are broadening our customer base. Preferred Pump continues to penetrate existing markets as it expands its distribution base. This is a business where to grow you have to take away from someone else. Preferred Pump is really good at doing that."