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EW's 2023 ELECTRICAL PYRAMID

*How to Scope Out the
Competition in Your
Local Market. Read
more on pg. 14*





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Making the right connections

Checking In on 2023

The health of the overall U.S. economy this year has surprised even the most optimistic forecasters.

Baseball fans re-evaluate the fortunes of their teams at the All-Star break in mid-July around when they have played half of their 162-game schedule. Electrical marketers often do the same with the sales forecasts for their companies after the 2Q 2023 numbers come in.

Electrical Wholesaling forecasted +4.6% growth for 2023 in the Nov. 2023 Market Planning Guide, a number that may end up being a bit low, considering the surprising strong health of the overall U.S. economy.

Forecasting in the electrical market is tricky this year. Although the U.S. economy has managed to avoid falling into the anticipated recession, some key segments of the construction market are still soft and concerns linger with lead times and higher prices. The 2023 construction market is particularly hard to forecast because of all the mega-projects starting up that obscure issues in other segments of the market.

“Construction starts are oscillating — up one month and down the next,” said Richard Branch, chief economist for Dodge Construction Network in the press release. “The presence, or absence, of mega-projects is a key influencer in this trend. Nevertheless, high interest rates and tightening lending standards are leading to uncertainty among owners and developers, also creating hesitation among stakeholders, leading them to carefully assess whether projects will break ground. These conditions will persist through the remainder of the year.”

By Jim Lucy, Editor-In-Chief

EW's editors also like to factor in the quarterly results of the economic survey we do with the Vertical Research Partners (VRP) investment research firm. The 2Q 2023 survey says electrical equipment sales grew +5.5% in Q2 on +4.1% volume growth and +1.4% of price.



VRP analysts said in the report, “In recent quarters, we had been hearing some rumblings that rising interest rates were beginning to take a bite out of commercial construction activity, but the tone this quarter was more optimistic as this has yet to come to fruition. Last quarter, we picked up on some slowing at OEM customers being reflected in orders and we heard echoes of this again.

“Stimulus-related investment does appear to be trickling through, with EV charging activity notable in several geographies. MRO activity again appeared to be broadly robust across a variety of industries including pulp and paper, steel, auto and tire. Energy investments are driving solid activity in the U.S. Gulf Coast.”

Although market conditions have been surprisingly good so far this year, there's no guarantee they will persist all year. Sweeping defaults on commercial bank loans are a potential powder keg because of the lack of demand for new office space related to the remote officing trend. And the lack of new homes or existing home inventory for new home buyers and comparatively high mortgage rates could eventually cripple the residential building market.

My best guess is that as long as we don't run into one of the Black Swans DISC's Chris Sokoll writes about in his article on page 28, the electrical market will avoid any real economic calamities and finish the year in tolerable shape.

FROM THE FIELD

Respondents to the *EW/Vertical Research Partners* had some interesting comments on market conditions in the 2Q 2023 electrical market:

“Large gear orders entered last year have been shipping.”

“Finally invoicing bigger gear projects we wrote last year that have been sitting in our backlog.”

“Pricing on pipe/wire is down 25% to 30% from last year.”

“Burning through backlog.”

“Activity remains steady, down from prior months.”

“OEM segment overbought in 2022. That inventory needs to cycle through.”

“Storeroom business picking up, projects are ongoing.”

“Material shortages are the latest headache.”

“Price increases slowing down a bit.”

“Clear trends around electric vehicle charging build-out.”



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NJ's Ocean 1 Offshore Wind Farm Gets Final Federal Approval

The Department of the Interior's Bureau of Ocean Energy Management has approved the plan for construction and operations of Ørsted's Ocean Wind 1 project offshore New Jersey. The project will include the construction of up to 98 wind turbines and up to three offshore substations within its lease area.

While the subsea cable tends to be purchased directly from wire and cable manufacturers and European offshore wind farm specialists will handle much of the offshore installation of the turbines, local electric utilities, contractors, distributors and reps should get a shot at the onshore connections to the electrical grid and the construction of staging areas at ports.

Located about 13 nautical miles southeast of Atlantic City, the project will have an estimated capacity of 1,100 megawatts — capable of powering over 380,000 homes — and is expected to create more than 3,000 jobs through development and a three-year construction cycle.

According to the press release from the Bureau of Ocean Energy Management, the announcement marks the Biden-Harris administration's third approval of a commercial-scale, offshore wind energy project in the United States, joining the Vineyard

Wind project offshore Massachusetts and the South Fork Wind project offshore Rhode Island and New York, both now under construction and being built by union labor. These projects represent significant progress toward the Administration's goals of developing 30 gigawatts of clean, renewable offshore wind energy by the year 2030, while protecting biodiversity and multiple uses of the ocean.

An Ørsted press release quoted New Jersey's Governor Phil Murphy: "The announcement of Ocean Wind 1's Record of Decision represents a pivotal inflection point not just for Ørsted, but for New Jersey's nation-leading offshore wind industry as a whole. By preparing to begin onshore construction this fall, Ocean Wind 1 will help bring New Jersey one crucial step closer to achieving a 100% clean energy economy by 2035 and 11,000 MW of offshore wind power by 2040.

"Just as importantly, as we continue to cultivate burgeoning new industries while confronting the worsening climate crisis, our state's first offshore wind project will generate thousands of good-paying union jobs and considerable environmental benefits for generations to come."

NONRESIDENTIAL CONSTRUCTION MARKET BOUNCES BACK IN MAY

Total construction starts rose +8% in May to a seasonally adjusted annual rate of \$1.1 trillion, according to Dodge Construction Network. Nonresidential starts rebounded following the decline in April, improving +8% thanks to a sizeable gain in manufacturing starts. Nonbuilding starts improved by +24%, while residential lost -4%.

On a year-to-date basis through May, total construction starts were -6% below the first five months of 2022. Residential starts were down -25%, nonresidential starts were -1% lower, and nonbuilding starts gained +25%. For the 12 months ending May 2023, total construction starts were +9% higher than the 12 months ending May 2022. Nonbuilding starts were +30% higher, while nonresidential building starts gained +26%. However, on a 12-month rolling basis, residential starts posted a -15% decline.

"May's data is another sign that the construction sector is slowly splitting in two," said Richard Branch, chief economist for Dodge Construction Network, in the press release. "Public dollars are flooding into the manufacturing and infrastructure sectors, leading to significant growth over the last year. Meanwhile, the mostly private sectors of the building market like offices, multi-family and retail are struggling under the weight of higher interest rates, tightening lending standards and declining demand. The second half of the year is shaping up to be a challenging

one. But, the insulation provided by manufacturing and infrastructure starts will stabilize the industry and lead to modest overall growth."

Nonresidential. Nonresidential building starts rose +8% in May to a seasonally adjusted annual rate of \$412 billion. The driving force behind the increase was manufacturing starts, which more than doubled in May. Commercial starts tumbled -20% in May due to a sharp pullback in office and retail starts, while hotel starts moved higher. Institutional starts fell just -1% in May with education starts falling, but healthcare increasing. On a year-to-date basis through May, total nonresidential starts were -1% lower than that of 2022. Institutional starts gained +12%. Meanwhile, manufacturing starts were -11% lower, and commercial starts were down -7%.

For the 12 months ending May 2023, total nonresidential building starts were +26% higher than the 12 months ending May 2022. Manufacturing starts were +72% higher, institutional starts improved +22%, and commercial starts gained +12%.

The largest nonresidential building projects to break ground in May were the \$1.9-billion Steel Dynamics aluminum plant in Columbus, MS; the \$1.9-billion Eli Lilly & Co facility in Indianapolis, IN; and the \$1.5-billion Ford Ohio EV plant in Sheffield, OH.

Graybar Buys Baltimore's Shepherd Electric Supply

Graybar Electric Supply, St. Louis, has completed the acquisition of Shepherd Electric Supply, Baltimore, MD. Shepherd Electric Supply serves construction, commercial, industrial and government customers. The company was founded in 1892 and operates five locations in Maryland, Virginia and the District of Columbia. Last year, Shepherd ranked 13th in Baltimore Business Journal's largest private companies list and was voted as one of *Baltimore Sun's* Top Workplaces. The company also ranked 34th on *EW's* 2023 Top 150 Electrical Distributors list. As a subsidiary of Graybar, the company will continue to operate under the Shepherd Electric Supply name with the same leadership team, employees, and suppliers.

Over the past year, Graybar also acquired Valin Corp., San Jose, CA; Walker Industrial Products, an automation distributor based in Newtown, CT; New England Drives & Controls, an automation distributor based in Southington, CT (through its Shingle & Gibb business); and CX Connexion, Buffalo Grove, IL.

EMCOR Buys Wisconsin-Based Energy Service Firm

EMCOR Group, Norwalk, CT, plans to acquire ECM Holding Group, Inc. (ECM), a national energy efficiency specialty services firm, in an all-cash transaction. Terms of the transaction were not disclosed.

Founded in 2009 and headquartered in Oshkosh, WI, ECM is a national provider of energy efficiency retrofit services, with specific business units dedicated to offering a variety of HVAC, lighting, water, weatherization and airflow management solutions. With 2023 estimated revenues of \$60 million, ECM's turn-key energy conservation solutions are delivered with third party-reviewed energy projections, professional project management and a comprehensive measurement and verification program.

Mike Bordes, president, and CEO of EMCOR Building Services said in the press release, "ECM further strengthens EMCOR's position in energy efficiency specialty services and expands our nationwide bundled energy conservation and sustainability solutions portfolio. Additionally, the leadership team of ECM brings a wealth of experience in serving ESCOs (energy services companies) to EMCOR, including deep relationships with some of the nation's largest commercial and industrial companies. Furthermore, ECM's ability to identify, validate and self-implement multiple energy conservation measures offers a streamlined and replicable approach for our customers to achieve their sustainability goals."

EW NEWS ANALYSIS

Sonepar Buys Billows in Philadelphia Metro

Sonepar, Charleston, SC, announced that its U.S. subsidiary, Cooper Electric, has entered into an agreement to acquire Billows Electric Supply. A family-owned business since 1950, Billows Electric offers a full line of electrical products and services to its customers. Operating in the Philadelphia, southern Jersey and Wilmington, DE, metropolitan markets, Billows Electric joins Sonepar with 19 branch locations and over 285 associates. The company is ranked #52 on *EW's* 2023 Top 150 Distributors ranking.

"This combination is especially exciting as Billows will be able to leverage Sonepar's investment in Cooper Electric's state-of-the-art automated distribution center in providing best in class services for our customers throughout Billows' market," said Rob Taylor, president of Sonepar North America, in the press release.

Over the past year, Sonepar or one of its operating companies acquired Butler's Electric Supply, Wilmington, NC; NEDCO Supply, Las Vegas; HOLT Electrical Supply, St. Louis, MO; Aztec Electrical Supply, Concord, Ontario; Rockingham Electrical Supply Co., Newington, NH; PEPCO, Eastlake, OH; Basin-River Electrical Supply Plaquemine, LA; and Advance Electrical & Industrial Supply, Norcross, GA.

Rexel Acquires Dutch HVAC Distributor

Rexel plans to acquire Wasco, a large distributors of HVAC products and services in the Netherlands. Founded in 1970 and owned by Gilde Equity Management, Wasco operates 35 branches and two distribution centers in the Netherlands, and generated sales of €540 million (approximately \$575 million).

The acquisition will allow Rexel to benefit from energy-transition related opportunities. Those markets include HVAC in the case of Wasco, but also photovoltaic solutions, industrial automation or EV charging solutions. These markets are driven by corporate agendas to reduce their emissions, as well as government incentive plans. Rexel has already developed a successful HVAC business in countries where heating is traditionally electric, such as France.

VITAL STATISTICS

CONSTRUCTION

New Construction Put-in-Place (\$ billions, SAAR)

	May '23 ₂	Apr '22 ₂	Mo. % Change	May '22	YTY % Change
Total Construction	1,925.6	1,909.0	0.9	1,880.9	2.4
Total Private Construction	1,513.2	1,497.2	1.1	1,513.7	0
Residential	857.4	839.4	2.2	969.6	-11.6
New single family	371.3	365.1	1.7	495.1	-25
New multifamily	127.7	127.7	-0.1	106.1	20.4
Nonresidential	655.8	657.8	-0.3	544.1	20.5
Lodging	22.8	22.8	0.1	18.5	23.1
Office	82.4	81.9	0.7	77.3	6.7
Commercial	119.7	121.9	-1.8	114.3	4.7
Health care	47.9	48.9	-2.1	43.1	11
Educational	21.4	21.7	-1.2	18.8	13.9
Religious	2.9	3.1	-6.7	3.1	-4.7
Amusement and recreation	15.0	15.1	-0.7	16.5	-8.8
Transportation	19.4	19.1	1.7	16.7	16.1
Communication	24.2	24.3	-0.2	24.1	0.3
Power	103.3	104.1	-0.8	100.0	3.3
Electric	84.2	84.9	-0.8	79.7	5.7
Manufacturing	193.9	192.0	1	109.6	76.9
Public Construction (\$ billions) ₂	412.4	411.8	0.1	367.2	12.3
Residential	10.2	10.1	1.1	9.4	8.3
Nonresidential	402.2	401.7	0.1	357.7	12.4
Office	13.5	13.7	-1.7	13.4	1.1
Commercial	4.9	5.0	-1.8	4.0	23.3
Health care	12.9	12.8	1	11.3	14.4
Educational	87.7	87.7	0	82.9	5.9
Public safety	12.4	11.9	4.3	11.5	7.6
Amusement and recreation	15.4	15.3	1	13.2	16.9
Transportation	43.4	43.7	-0.8	40.6	6.7
Power	12.4	12.1	2.7	9.0	37.1
Highway and street	124.6	125.1	-0.4	109.1	14.2
Sewage and waste disposal	37.2	36.8	1.1	30.8	21
Water supply	25.0	24.4	2.6	21.7	15.3
Conservation and development	11.8	12.2	-3.8	9.1	29.7

	Jun '23 ₁	May '23 ₂	Mo. % Change	Jun '22	YTY % Change
Housing Starts (SAAR)					
Total (thousands of units)	1,434	1,559	-8.0%	1,561	-8.1%
Single-family (thousands of units)	935	1,005	-7.0%	1,010	-7.4%
Multi-family (thousands)	482	545	-11.6%	543	-11.2%

EMPLOYMENT WAGE & PRICE STATISTICS

	Mo.	Latest Month	Mo. % Change	Year ago	YTY % Change
Employment, Electrical Contractors (thousands) ₄	MAY	1032.5	-0.1	965.4	7.0
Hourly wage, Electrical Contractors (\$) ₄	MAY	36.28	0.7	32.03	13.3
Copper prices (cents per pound)	JUN	379.61	1.3	439.80	-13.7

INDUSTRIAL MARKET

	Mo.	Latest Month	Mo. % Change	Year ago	YTY % Change
Electrical Mfrs' Shipments (\$ millions)	MAY	4,577	0.6	3,636	25.9
Electrical Mfrs' Inventories (\$ millions SA)	MAY	9,629	0.3	7,106	35.5
Electrical Mfrs' Inventory-to-Shipments ratio	MAY	2.104	-0.3	1.954	7.6
Electrical Mfrs' New Orders (\$ millions SA)	MAY	4,648	0.9	3,988	16.5
Machine Tool Orders (\$ millions)	MAY	362.77	10.0	476.95	-23.9
Industrial Capacity Utilization (percent, SA)	JUN	77.97	-0.4 pts.	476.95	-23.9 pts.

Footnotes: 1 - preliminary; 2 - revised; 3 - includes residential improvements; Z - less than 0.005 percent; SA - seasonally adjusted; SAAR - seasonally adjusted annual rate. **Sources:** Construction Put-in-Place statistics - Department of Commerce; Housing starts - Department of Commerce's Census Bureau; Electrical contractor employment numbers and hourly wage - Department of Labor; Copper prices - *Metals Week*; Electrical manufacturers' shipment data - Department of Commerce; Machine Tool Orders - Association for Manufacturing Technology; Industrial Capacity Utilization - Federal Reserve Board; and Purchasing Managers Index - Institute for Supply Management.

Note: Additional economic data relevant to the electrical industry is available on a bi-weekly basis by subscribing to *Electrical Marketing* newsletter. For subscription information see www.electricalmarketing.com.

NEMA's June EBCI Jumps 10 Points

Rebounding from its post-lockdown low of 40 points in May, the current conditions component leapt 10 points to a score of 50 points in June. At 50 points, the current component suggests unchanged conditions compared to the prior month, which is unsurprising since 86% of respondents reported "unchanged" conditions in June.

The ElectroIndustry Business Conditions Index (EBCI) is a monthly survey of senior executives at electrical manufacturers published by the National Electrical Manufacturers Association (NEMA), Rosslyn, VA. Any score over the 50-point level indicates a greater number of panelists see conditions improving than see them deteriorating.

Comments largely reflected the quantitative measure, with some supporting the sense of status quo, along with a sprinkling of positive sentiment such as "new orders steady," mixed with less upbeat assessments such as, "Some slowdown continues in commercial and residential segments."

For the first time since February, the future conditions gauge moved above 50 points, signaling growth expected in the six-months ahead period. The nearly seven-point increase in the forward-looking component, from 46.7 points previously to 53.6 points in June, was led by a bump in the share of panel members who indicated that they anticipated seeing "better" conditions, with more than one-third reporting that expectation. Although comments offered notes of caution, including some concern about election year effects on the economy, improvements in inventories, as well as strength in sectors such as utilities, data centers, semiconductors and LNG provided notes of optimism.

Electrical manufacturers' shipment and new orders are both tracking strongly through May. While both indicators increased less than 1% in May from April, they enjoyed year-over-year increases of +25.9% and +16.9%, respectively. Shipments stood at \$4,577 billion in May and new orders rose to \$4,648 billion for the month. **EW**

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ELLIOTT ELECTRIC SUPPLY FORMS BOARD OF DIRECTORS



Elliott Electric Supply's new board of directors met on June 22. (Left-right) Chris Petty, Phil Hale, Doug Blevins, Bill Elliott, Greg Fitzgerald, Rusty Rust and Robert Flores.

Elliott Electric Supply, Nacogdoches, TX, introduced a new board of directors that reflects their focus on internally-directed management of the business. Elliott managers make up six of the seven board members. Rusty Rust, president of Commercial Bank of Texas, is the only non-employee. Robert Flores was elected chairman, and Bill Elliott was elected president. The remaining four board members are Phil Hale, Doug Blevins, Greg Fitzgerald and Chris Petty.

Among other business, Blevins, Rust and Elliott were appointed to a search committee to identify a replacement for Elliott. With more than 50 years invested in the company, Bill feels his age dictates the need for a younger person in his role. He will remain with the company until the new president is comfortable in their position. Local management with centralized support has allowed Elliott Electric Supply to achieve phenomenal growth with no debt. They believe this board of directors understands the business and will create additional opportunities for success.

"Even though Elliott Electric has always been open to new ideas and discussion, we now have an outstanding opportunity to inject diverse perspectives and opinions into a focused, decision-making process," Bill Elliott said in the press release. "It's impressive to realize that the people included in this board who will lead our company have over 200 years of collective experience in the electrical industry."

Started in Nacogdoches, TX in 1972, Elliott Electric Supply hosts over 170 locations in 11 states, with annual sales exceeding \$2 billion. They are ranked 8th largest electrical distributor in the nation by *Electrical Wholesaling* in the June 2023 edition.

Elliott, the company's founder, was NAED's 2009 Arthur W. Hooper Achievement Award recipient, which is presented to an individual who has an exceptional career in distribution and has had a positive impact on NAED and the industry. Rust has served as the president of Commercial Bank of Texas since 2013. He is also the 134th chairman of the Texas Bankers Association, the nation's largest state bankers association.

Flores is Elliott Electric Supply's chief financial officer, and has been with Elliott for 38 years. He oversees the Credit, Accounts Payable, and Legal departments. Hale is the company's chief information officer and has been with the company for 36 years. Hale is responsible for a team of software developers, web and app developers and employee helpdesk troubleshooting.

Blevins, Fitzgerald and Petty are regional managers who oversee large portions of the company's business. Blevins has been with Elliott Electric Supply for 37 years and is responsible for 29 stores in the Dallas/Fort Worth Metroplex. Fitzgerald has been with the company for 33 years and has 20 branches in Houston, TX; Atlanta, GA and Nashville, TN. Petty has been with Elliott for 30 years with 32 locations in Austin, TX; San Antonio, TX; McAllen, TX; Phoenix, AZ and Denver, CO.

Sonepar Signs Partnership with U.S. Army to Provide Veterans with Employment Opportunities

Sonepar, Charleston, SC, is now part of the United States Army Partnership for Your Success (PaYS) Program, a partnership between the U.S. Army and companies to provide veterans with employment opportunities after their service in the Army. Designed to help soldiers prepare for a civilian career, the program connects soldiers with employers who understand the skills, discipline and work ethic that military service members bring to a business. This program is part of a long-term U.S. Army effort to help service members forge professional relationships with businesses and encourage businesses to look to the Army as a strategic talent pool.

“We recognize the valuable skills and experience that our veterans bring to the workforce,” said Rob Taylor, president of Sonepar North America, in the press release. “We are proud to partner with the PaYS program and commit to employing more soldiers who have served our country.”

Chris Miles, Military and Veteran Relations Manager for Sonepar, said in the release, “We hire members of the



military community because it is the right thing to do, and they make great associates. We have a strong military employee resource group at Sonepar. There are over 190 job specialties in the U.S. Army, where military personnel gain experience in fields ranging from IT and engineering to human resources, finance, logistics and more. Bottom line: hiring members of the military community is good for business, and we are honored to partner with PaYS.”

Sonepar has formed more than 25 military partnerships to date with organizations like P3 Private Public Partnership with the U.S. Army Reserves, Work for Warriors with the U.S. National Guard and Hiring Our Heroes with the U.S. Chamber of Commerce Foundation. Sonepar has sent company representatives to over 140 veteran recruiting events in the last 15 months, resulting in a significant uptick in military hires.

DSG Breaks Ground for New Branch in Eau Claire, WI



Dakota Supply Group (DSG), Plymouth, MN, had the groundbreaking ceremony for its new facility in Eau Claire, WI, on May 16. The location, DSG’s fifth location in Wisconsin, is scheduled to open in the fall of 2023.

Situated at 3413 Truax Court in Eau Claire, the new 30,000-sq-ft facility

boasts a strategic location with convenient access from Hwy 312/North Crossing and Hwy 12/North Clairemont Ave. DSG has been serving customers in Eau Claire for several years, and the location’s expanded range of services will cater to electrical, plumbing, on-site sewer, water and well needs, as well as HVAC

and telecommunications requirements in the area’s growing industries.

The groundbreaking ceremony was attended by a number of local guests, including Luke Hanson, executive director of the Eau Claire Area Economic Development Corporation; Mark Lewis Dylan Schmidt from General Contractor CFBSI; Bill Johnson, developer from Choice-Commercial; David Minor, president & CEO and Kaylynn Winegar of the Eau Claire Area Chamber of Commerce; Christina Thrun, executive officer of the Chippewa Valley Home Builders Association, along with DSG’s executive and regional leadership team.

INDUSTRY EVENTS

August 23-24, 2023

ELECTRICAL BOARD OF MISSOURI & ILLINOIS ELECTRICAL EXPO

St. Charles, MO

www.electricalboard.org

September 18-20, 2023

IDEA EBIZ

Nashville, TN; IDEA

www.idea4industry.com

September 30-October 2, 2023

NECA SHOW

Philadelphia; National Electrical
Contractor Association (NECA)

www.necashow.org

October 3-5, 2023

NAED LEAD CONFERENCE

Denver; www.naed.org

October 18-20, 2023

AD ELECTRICAL NORTH AMERICAN MEETING

Dallas; Affiliated Distributors

www.adhq.org

November 6-8, 2023

NAED EASTERN CONFERENCE

Marco Island, FL; www.naed.org

November 8-9, 2023

NEMA ANNUAL MEETING

Manalapan, FL;

www.nema.org

January 15-17, 2024

NAED WESTERN CONFERENCE

Austin, TX;

www.naed.org

Jan. 30- Feb. 2, 2024

NEMRA ANNUAL CONFERENCE

Las Vegas, National Electrical Manufacturers
Representatives Association (NEMRA);

www.nemra.org



City Electric Supply Opens Second Location in West Virginia

City Electric Supply (CES), Dallas, opened a location in Petersburg, WV. CES Petersburg West Virginia will serve new customers in the market and help existing branches and customers as the second location in West Virginia. Servicing one big loop in West Virginia, the CES Cumberland branch in Maryland is the next closest location to Petersburg in West Virginia, which has been servicing a big loop in the bordering state. This loop includes areas of Keyser, Petersburg, Moorefield and Romney.

“Day- to-day, CES Cumberland was putting 160 miles on the delivery van servicing a giant loop of areas in West Virginia,” said Scotty Pratt CES district manager. “This location will help fill a gap for our customers, and CES can meet new ones in the area as well.”

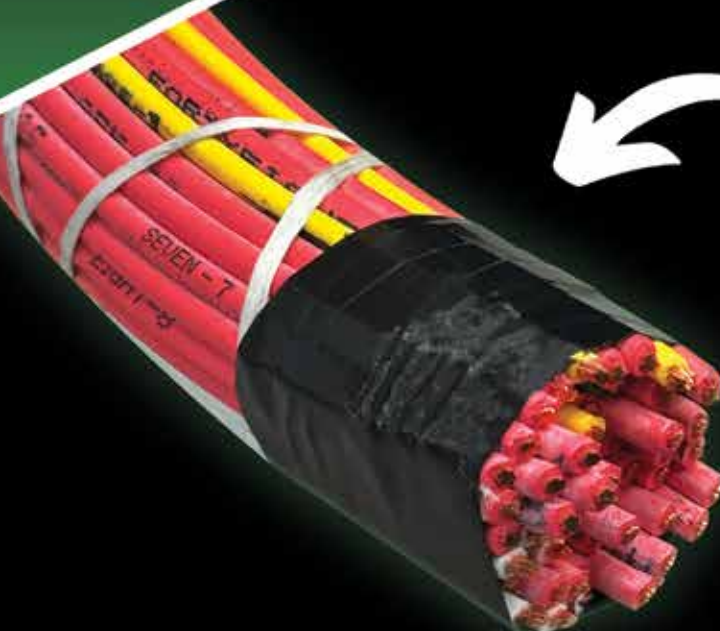
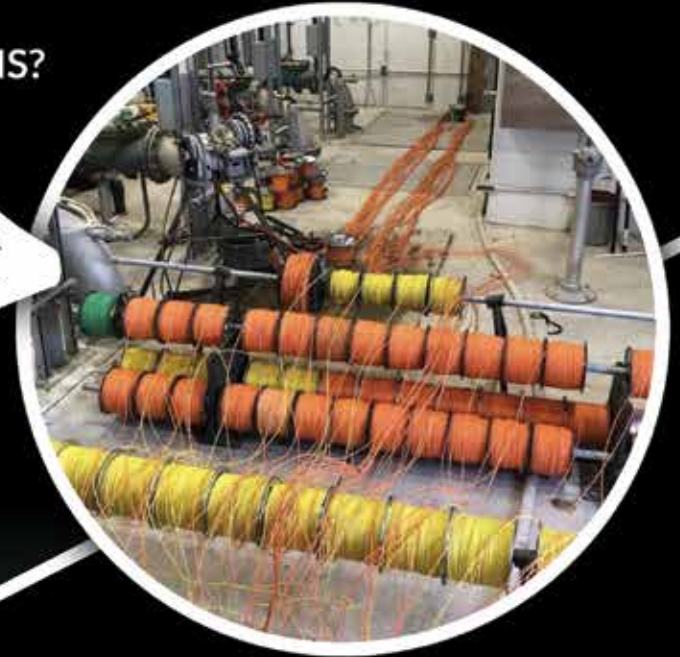
CES spent almost a year getting this store prepped and ready to open with the help of a long-time customer. Pratt was searching the Petersburg area in hopes of establishing a new company location, and his customer and friends for over 20 years at D&T Builders suggested the warehouse where the new CES branch is now located. “Our contracting friends with D&T Builders are the ones that told us about this location being available. They did the renovation for us as well and fit us in their busy schedule to help us get this location open,” said Pratt in the press release.

D&T Builders Co-Owner Marc Dolly was on site nearly every day, making sure everything went smoothly for the buildout process. Co-owner Homer Tinney has worked with Pratt for over two decades in the industry and informed him about the warehouse being for sale.

“They inherited an empty shell of a building, so it was an entire renovation job. I’ve known Scotty for years. When he said he was looking for a place to open a CES branch in Petersburg, I knew this building was available,” said Tinney in the press release. “We added offices, a breakroom and a bathroom, then added the division wall for the warehouse. Everything fell into place really well, and we are glad we could help them get this location ready to open.”

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2023 ELECTRICAL PYRAMID

EW's 2023 Electrical Pyramid can help you analyze how changes in the industry's channels of distribution will create new opportunities and challenges for your company.

When *Electrical Wholesaling's* editors get to work on their annual update of the Electrical Pyramid, it gives us a chance to analyze the competitive landscape in the electrical market and see if any new online or brick-and-mortar competitors are taking an interest in the electrical business.

Despite intense competition from online competitors like Amazon Business, big-box stores like Home Depot and Lowe's and hybrid distributors like W.W. Grainger and Fastenal that sell millions of dollars in electrical supplies as part of their much broader portfolios of products, full-line electrical wholesalers remain the primary channel of distribution for most electrical products sold to electrical contractors, facility maintenance personnel and other end users and by our estimates will sell at least \$140 billion in electrical supplies this year.

Over the past two years, *EW's* editors have seen four important trends that will either reshape some key channels in the electrical market or will eventually offer vast sales opportunities to many of the existing channels of distribution or spark the creation of some new channels to the market: a surge in the acquisition of larger regional distributors by one of the national or super-regional

chains; the consolidation of the channel for industrial automation products; the emergence of EV charging stations as a major market opportunity; and the expansion and hardening of the U.S. electrical grid. Let's look at each of them.

MERGERS PICK UP SPEED

Over the past two years, the electrical market has been reshaped by an extraordinary number of acquisitions of large regional distributors that in many cases were leading sources of supply in their local market. According to *EW's* count, since Jan. 2022 at least 15 distributors ranked in the magazine's Top 150 ranking were acquired. The two most recent acquisitions from that list were Graybar's purchase of Shepherd Electric Supply, #34 in *EW's* Top 150 and Baltimore's largest independently owned electrical supply house, and Rexel's purchase of Buckles-Smith, Santa Clara, CA.

Mergers and acquisitions can change the dynamics of a local market for competing distributors because the acquiring company may bring in additional resources and invest in inventory, personnel, new branches or facility expansion. On the flip side, when an independent, family-owned business is acquired, sometimes the business loses the personal touch and local market insight that made them a strong contender, or loses key salespeople or other employees that decide to move onto

another local company because of the change in ownership.

CHAINS BUILD INVEST IN INDUSTRIAL AUTOMATION

With the exception of direct sellers like *automationdirect.com*, most wholesalers serving this market segment were either automation specialists, independent distributors with a freestanding automation department, or one of the national chains. Many of the automation specialists are members of the Association for High Technology Distribution (AHTD).

The products industrial automation distributors carry have drastically evolved over the years from electromechanical controls, sensors and related equipment to semiconductor-based smart nodes on the factory floor that can be remotely programmed, controlled and updated. Because of the sophistication of these products, distributors in this market invest in automation specialists with engineering degrees and on-site training facilities for product training.

Consolidation has been a major factor in the industrial automation channel, particularly with Rockwell Automation/Allen-Bradley distributors. Most recently, Rexel USA, Dallas, acquired two Rockwell distributors — Horizon Solutions, Rochester, NY, in July 2022, and Winkle Electric, Youngstown, OH, earlier this year. These purchases followed up on Rexel's 2021

By Jim Lucy, Editor-in-Chief

* Rexel, WESCO, Graybar, CED and Sonepar; 2022 sales estimate

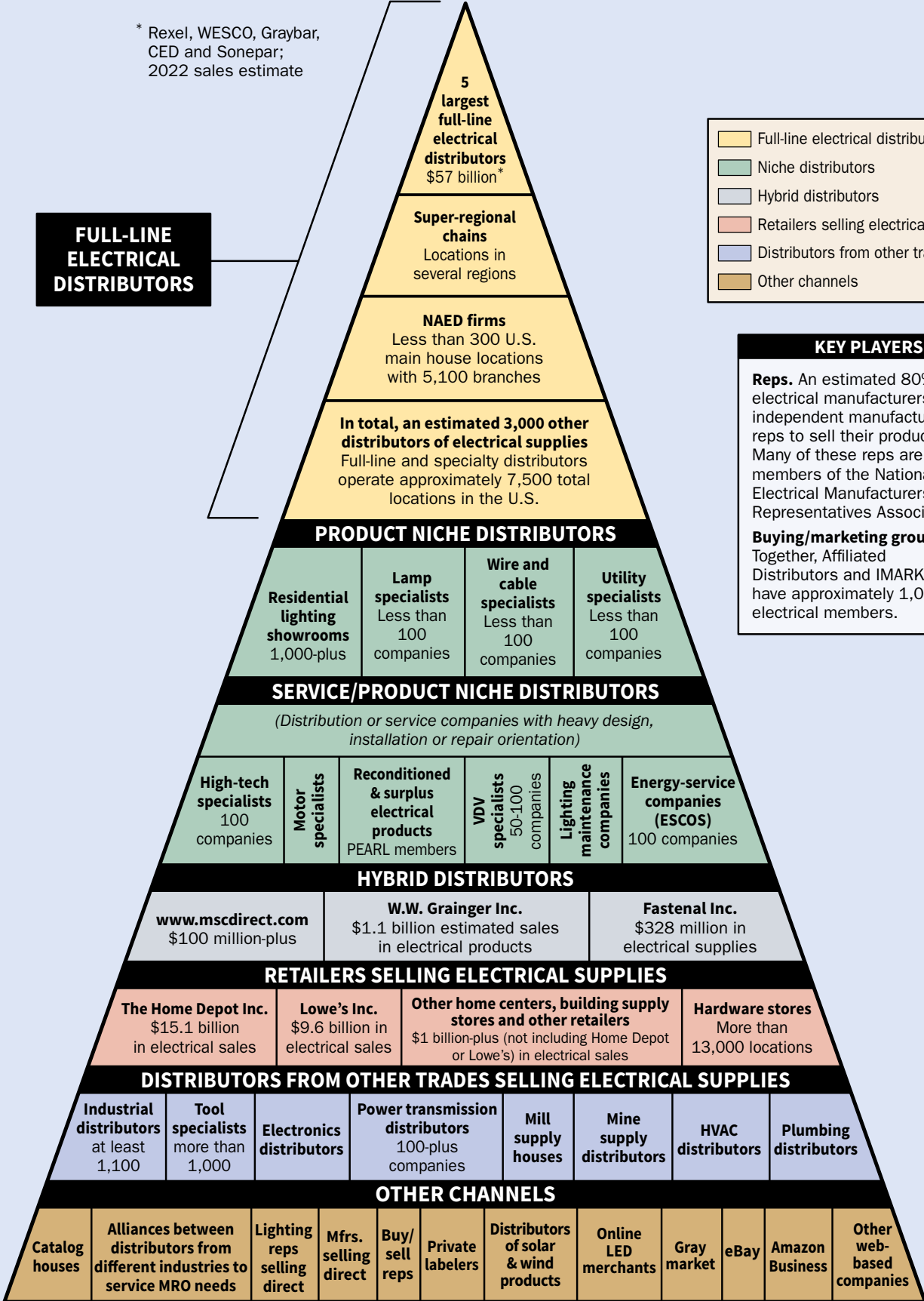
FULL-LINE ELECTRICAL DISTRIBUTORS

- Full-line electrical distributors
- Niche distributors
- Hybrid distributors
- Retailers selling electrical supplies
- Distributors from other trades
- Other channels

KEY PLAYERS

Reps. An estimated 80% of all electrical manufacturers use independent manufacturers' reps to sell their products. Many of these reps are members of the National Electrical Manufacturers Representatives Association.

Buying/marketing groups. Together, Affiliated Distributors and IMARK Group have approximately 1,000 electrical members.



acquisition of Mayer Electric Supply, Birmingham, AL, a full-line distributor with a well-established factory automation business. According to a post about Rexel's acquisition of Horizon Solutions and commentary on Rockwell Automation's distribution strategy by David Gordon on www.electricaltrends.com, Rockwell Automation now has 24 distributors, and reportedly would like to eventually pare down its distribution network to 14 companies.

Graybar Electric Co., St. Louis, MO, has also used acquisitions to grow its automation business over the years, most recently with its 2021 acquisitions of Stevens Engineering, South San Francisco, CA, and Shingle & Gibb Automation, Moorestown, NJ. It also acquired Advantage Industrial Automation, Duluth, GA, in 2015 and Commonwealth Controls Corp., Richmond, VA, in 2001.

And you can't dig too deep into the factory automation business without bumping into McNaughton-McKay, Madison Heights, MI, the largest independent distributor of Rockwell Automation and Allen-Bradley products. Over the past five years, the company acquired two large Texas distributors of automation products, The Reynolds Co., Fort Worth, TX, and Mid-Coast Electric Supply, San Antonio, TX (through Reynolds), as well as Caniff Electric Supply, Hamtramck, MI, a contractor-oriented wholesaler, in 2021.

We also saw a sizeable merger in 2022 when French Gerleman, St. Louis, MO, and IAC Solutions, Memphis, TN, merged to form Agilex Solutions, now ranked as #50 on *Electrical Wholesaling's* 2023 Top 150 listing with a \$250-million company employing more than 375 people in 13 branches across six states.

It will be interesting to see if M&As continue at the current rate in the channel for industrial automation products, and in particular with Rockwell Automation distributors. Acquisitions always have a ripple effect across local markets that impacts end user and other buying influences, independent reps and vendors of related industrial products. But because of the size of many of



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Lowe's recently added to its MVPS Business Tools and now offers online quoting, a volume savings program, quick re-ordering for frequently purchased items and order tracking.

the Rockwell Automation distributors making the acquisitions, the impact can loom even larger. If you are in the automation niche, use the strategic planning tools discussed in this article to analyze the impact of any acquisitions of automation distributors in your local market.

ELECTRIC VEHICLES WILL DRIVE NEW SALES

With electrical contractors certain to be the primary installers for EV chargers, electrical distributors would appear to be in prime position for this market. One potential new source of competition in this emerging business opportunity could be hybrid companies that perform the role of a distributor and installer in the EV market, not unlike some ESCOs (energy-service companies), or the dealer arrangements in the solar market.

The electrical market's largest distribution & switchgear companies are making big-time investments in electric vehicle (EV) charging stations, but some other electrical manufacturers also now sell EV charging equipment. If you haven't yet started stocking electric vehicle charging equipment, check out what manufacturers like ABB, Eaton, Espen Technology, Leviton, LEDVANCE, Schneider Electric and Siemens offer in this market and research the product offerings of EV charger specialists like

Charge Point, EV Box and WallBox.

When asked about the market opportunities that looked most promising in the next year or two, 46% of *EW* Top 150 respondents chose EV charging stations for commercial, retail or municipal applications. They were less optimistic about EV charging stations for residential applications.

EXPANSION AND HARDENING OF THE U.S. ELECTRICAL GRID

The utility market has always been an interesting niche in the electrical market because it can be a large and profitable business for some companies, foreign territory for many commercial/industrial distributors, or a primary market focus, which is the case for a relatively small number of utility specialists. Sales of utility products through electrical distributors will grow in the near future because of federal funding from the U.S. infrastructure bill, the growth of utility-scale renewables and increased cybersecurity spending to protect the grids against online attacks.

According to *Electrical Marketing* newsletter's 2022 electrical sales potential estimates, utility products account for an estimated 2.9% of all product sales through electrical distributors and in 2022 will total an estimated \$3.7

billion. This sales estimate just covers pole-line hardware and related utility products and doesn't take into account the market potential of electrical products needed for utility-scale solar fields or wind farms, such as switchgear and related distribution equipment, wire and cable, grounding equipment, lugs and termination or products needed for the construction of natural gas-powered utility plants, a fast-growing segment of the utility industry.

Full-line distributors see a fair amount of competition from utility product specialists. Many of these companies (as well as some full-line electrical distributors) are members of the North American Association of Utility Distributors (NAAUD). NAAUD has 13 distributor members that together do \$2.6 billion in annual transmission and distribution sales; operate 230 locations; and have a total of \$440 million in inventory of utility products. NAAUD members share inventory in storm emergencies, a service that typically accounts for a significant share of their business.

WESCO Distribution, Sonepar's OneSource Supply Solutions and Irby Utility businesses and Border States Electric Supply are the largest full-line distributors with a major focus on the utility market who are NAAUD members. Other NAAUD members in *EW's* Top 150 ranking include Brownstone Electric Supply Co., Brownstone, IN; Electric Supply Inc., Tampa, FL; Power Line Supply Co., Reed City, MI; and Tri-State Utility Products, Marietta, GA. Graybar Electric Co. is also a major player in this market and has been selling utility products for more than 100 years.

To get a sense of the size of the market opportunity in utility-scale renewables, get to know two very large players in this game: NextEra Energy, which says it's the largest generator of wind and solar energy in the world and a world leader in battery storage, and Quanta Services, a Houston-based electrical contractor with approximately \$17 billion in 2022 revenues that specializes in utility grid renovation and construction and renewables.

Quanta Services got 74% of 2022 revenues from utilities and renewable energy developers. The company expects massive investment in both new transmission lines and additional capacity to accommodate the installation of EV charging stations. On *www.quantaservices.com*, the company refers to a study by Americans for a Clean Energy Grid that says from 2022 to 2042 there will be an investment of \$240 billion to replace and upgrade 96,000 circuit miles of transmission lines.

BUILDING YOUR OWN ELECTRICAL PYRAMID

The consolidation of the industrial automation market, sales opportunities in EV charging equipment and growth in the electric utility market are three of the biggest changes and opportunities in the market channels covered by *Electrical Wholesaling's* Electrical Pyramid. While *EW's* 2023 Electrical Pyramid is a snapshot of the electrical market as a whole, it can also be used as a tool to analyze the channels of distribution in your geographic market of choice. You can also use it to look at other channels, such as online merchants, product specialists other distributors from other industries that also sell electrical products. So, get out your magic markers and whiteboards and start drawing your own electrical pyramids.

One other key thought to remember before you dig into the valuable exercise of building your own electrical pyramid: Remember that there really isn't any right or wrong combination of channels of distribution. *EW's* Electrical Pyramid is in some ways more like a kaleidoscope than a snapshot of the electrical channel, in that the bricks in it shift on a product-by-product or market-by-market basis.

For instance, a manufacturer that wants to grow in the New York-New Jersey metro area may have entirely different Electrical Pyramids for New York City, New Jersey and Long Island because the channels of distribution and local buying influences can be very different. And the bricks in the pyramid that a local electrical distributor will

build to analyze his competition for a slice of that same market will look different from that manufacturer's pyramid.

The Electrical Pyramid is going to be much more valuable if you build your own and customize it to your own unique market needs. But like lots of things, the devil is in the details. It's a fun exercise, so don't be afraid. Here's how to get started.

Schedule at least a half-day. Invite your management team and best strategic thinkers to this session. If you can do it off-site in a conference room, all the better, but if time or budget don't allow it, find a quiet room in your building where you can spread things out a bit.

Bring the right equipment. If you are leading the discussion and are a white-board type of guy or gal, you will have fun with this assignment. Bring ample erasable markers — you will be building an Electrical Pyramid brick-by-brick and will be thinking on the fly. Or, if you aren't into white boards, get hold of a large roll of newsprint from an art supply or craft store and bring along a handful of markers.

Other resources include laptops, fast internet access, copies of this article; and sticky notes. The analysis in this article will provide a high-altitude overview of the various channels (bricks) in each tier of the pyramid.

Your job in this exercise is to bring this analysis down to ground level for the market area under discussion, and identify all the key players in it.

If you want to get creative and make it a fun hands-on exercise, you may even want to try bringing along some large wooden building blocks, and Legos or Duplo bricks. Assign the person in the room with the most artistic talent with the job of inscribing each brick with the channel of distribution under discussion.

Assign one person to be the "scribe." If you are going with the building block idea, you have your man or woman. But make sure you have someone who is copying down all the ideas sure to be flying around the room.

Build your pyramid level-by-level, starting with full-line distributors.

Here's where you will need a copy of *Electrical Wholesaling's* Electrical Pyramid illustration. You may find it easiest to start at the top with full-line electrical distributors and work your way down through the seven tiers shown in the illustration. The rest of this article will walk you through each tier:

- Full-line electrical distributors
- Product niche distributors
- Service/product niche distributors
- Hybrid distributors
- Big box stores
- Retailers selling electrical supplies
- Distributors from other trades selling electrical supplies
- Other channels
- Web-based companies

If you are a distributor, go around the room and start listing all competitors. Group them by national chain, regional chain or local independent. If you are an electrical manufacturer or independent manufacturers' rep, do the same thing, but you may want to group them by the amount of business you do, don't do or want to do with them. Depending on the type of analysis you are doing, you may also want to pencil in which buying/marketing groups the distributors are in, if any.

And don't forget to factor in the huge role independent reps play in any local market. Depending on your position in the market (distributor, rep, manufacturer, consultant, etc.) you may or may not want to list and profile all of the independent manufacturers' reps in the market, and possibly the factory-employed field salespeople who cover the market as well.

You may find that creating an Electrical Pyramid leads to the creation of a "customer pyramid," where you analyze your market's key accounts by size, type of company, market focus, the level of service required and how they buy product.

And remember psychologist Abraham Maslow's "hierarchy of needs" pyramid from that Psychology 101 class, which illustrated our basic need for food,

water, shelter, companionship, respect, etc.? You could draw up a customer's "hierarchy of needs," where you illustrate the importance of price, delivery, education, return policy, etc. And don't forget to check out *Electrical Wholesaling's* Customer Pyramid at www.ewweb.com.

Okay, now the hard work starts. Compiling a list of distributors (or reps) in your market may unearth a few surprises and provide some valuable information. But to make this information really work for you, sketch out a profile for each of these companies and drill down to their strengths and weaknesses.

The basic company profile should include key management personnel; estimated sales volume; market share; and primary market focus. You also need to get answers from your assembled team to questions such as:

- "What value-added services does this company provide that we currently don't offer?"
- On the flip side, "Which services do we offer where we have a clear advantage?"
- Who are their biggest accounts?
- With which customers are they most vulnerable?
- How has this company's sales strategy changed because of the COVID-19 coronavirus?
- Have they developed any virtual sales or digital market strategies that we can borrow?

THE FIVE LARGEST FULL-LINE DISTRIBUTORS

WESCO, Sonepar, Graybar, CED and Rexel account for at least 40% of the market, and the Top 150 largest distributors account for an estimated 70% of total industry sales.

PRODUCT SPECIALISTS

Now move down to the next tier of the Electrical Pyramid. Go around the room and get people to brainstorm about all of the niche distributors in your market area that focus on a specific product category. The biggest product specialists typically include residential lighting, lamps, wire and cable and utility products. Others

include fuses, voice-data-video (VDV) products and utility supplies. You may be surprised by how many product specialists in your market area compete with you on a few product lines. Depending on how in-depth you want to go with your analysis, you may or may not want to develop company profiles for each of these product specialists.

SERVICE OR SPECIALTY PRODUCT NICHE DISTRIBUTORS

Find out what ESCOs and lighting maintenance companies are doing in your market. Service/product niche distributors have a heavy emphasis on design, installation or repair. Although they sell electrical supplies, product sales may not be their primary function. These companies focus on providing a complete service solution to their customers.

Pay special attention to ESCOs, which provide the most sophisticated package of design, financing, technical assistance, audit and, in some cases, installation services in the energy market. The sale of electrical products is a relatively small piece of the overall package of products and services that ESCOs provide. ESCOs occasionally need for distributors to provide local warehousing support and logistics for their lighting retrofit projects.

The National Association of Energy Service Companies (NAESCO), Washington, DC, offers some good insight into the world of ESCOs at www.naesco.org.

You should also pencil in lighting-maintenance companies into this tier of your pyramid. These companies, which typically have contracts for the maintenance and retrofit of lighting systems in stores, parking lots and other retail or commercial facilities and are often NALMCO members, are emerging as skilled players in the energy game, as discussed earlier.

HYBRID DISTRIBUTORS

Don't overlook Grainger and Fastenal. Grainger and Fastenal are tough to categorize because they don't carry a full line



Tesla's decision to open up its nationwide charging network of Superchargers to other EV manufacturers may have an impact on the other competing EV charging equipment manufacturers.

of electrical products. But they are competitors to full-line distributors because of their intense focus on the industrial MRO and facility maintenance markets, rock-solid balance sheets and progressive internal operations. Electrical products, lighting and motors account for 8% of Grainger's \$15.3 billion in U.S. sales. But there's plenty of other products for the factory floor or construction site that you can find on www.grainger.com or in its branches, and in total Grainger sells more than \$1 billion in electrical supplies and related products of interest to electrical. Add in Grainger's sheer size, willingness to invest in its e-business capabilities, distribution network and branch infrastructure and you can see why the company is a formidable competitor. If you have a Grainger branch in your neighborhood, add a brick to your pyramid for them.

By some measures, Fastenal may be a peripheral player in the electrical market. But with almost 4.7% of its \$6.9 billion in sales (\$328.1 million) in electrical products and 1,509 branches in the United States, you need to keep an eye on them. Add another brick to your pyramid for them.

Another hybrid distributor to watch for is MSC Industrial Supply, Melville, NY, with \$3.7 billion in MRO supply

sales through 50 locations in the United States. The company has 1.9 million SKUs in its e-commerce channels and if you estimate that MSC has the same percentage in electrical products as Grainger and Fastenal, its electrical sales are about \$150 million.

BIG BOX STORES

Home Depot does an estimated \$15.1 billion in electrical and lighting sales and Lowe's does an estimated \$9.6 billion in these products. While electrical supplies account for roughly 9% of a home center's total revenues, over 4% of that figure is in lighting, which typically is largely residential and may not be of as much interest.

Roughly 50% of Home Depot's \$151.2 billion in 2022 revenues come from professional contractors. The company offers its Pro Xtra app to professionals so they can track in-store and online purchase and savings through the Perks program.

The company is also intent on growing in the MRO marketplace and in 2020 acquired HD Supply, a national distributor of MRO products to multi-family, hospitality, healthcare and government housing facilities, among others. The company's MRO business sells products primarily through a professional sales

force, its e-commerce platforms and print catalogs.

Lowe's has historically had a bigger focus on do-it-yourselfers than contractor, and it gets 20% to 25% of its \$96.3 billion in annual revenues from contractors. However, over the two years, Lowe's has invested in its Pro operation to go after the contractor segments. Last year, the company rolled out several new features in its stores for professional customers, including dedicated checkout stations for pros, and the Pro Zone for grab-and-go convenience. In April the company added to its MVPS Business Tools and now offers online quoting, a volume savings program, quick re-ordering for frequently purchased items and order tracking.

HARDWARE STORES & CO-OPS

There are more than 13,000 hardware stores in the United States, according to a research report at www.ibisworld.com. Many of these independently owned and operated stores are members of one of the hardware industry's three largest buying cooperatives — Ace Hardware, True Value and Do It Best. If you take the total combined sales data of each of these co-ops and use that 8% electrical/lighting multiplier from home centers, members sell an estimated \$2.1 billion in electrical supplies. Ace Hardware, with 5,600-plus stores and \$1.6 billion in estimated electrical sales is the largest, followed by Do It Best, which specializes in hardware, lumber and building supplies. Do It Best tallied \$5.5 billion in 2022 sales and an estimated \$440 million in electrical supplies. True Value, with 5,600 locally owned hardware stores in all 50 states and 70 countries and an estimated \$120 million-plus in electrical sales is also a major player.

DISTRIBUTORS FROM OTHER TRADES SELLING ELECTRICAL SUPPLIES

That distributor down the street may be a competitor. When you have at least 1,000 industrial distributors, 1,000 tool specialist distributors, perhaps
(Continued on page 30)

Industrial Market 101

Federal incentives for the construction of U.S.-based factories and a surge of construction in plants that will manufacture electric vehicles and EV batteries are creating major sales opportunities for the industry. Part 1 of two parts.

From the largest industrial conglomerate in smokestack America to the smallest machine shop in an industrial park a market exists for electrical supplies that accounts for an estimated 32% of all sales through electrical distributors. According to *Electrical Wholesaling* magazine's 2023 Market Planning Guide, this market will account for approximately \$35 billion in sales through electrical distributors when you count in all the MRO, OEM and factory automation applications for industrial products.

When people think of the industrial market, too often they just think of massive industrial plants — assembly lines building sport utility vehicles; steel plants with huge vats pouring molten steel into forms; or colossal factories cranking out the products that fill the shelves of every Main Street shop or big-box retailer. But a huge portion of the industrial market is in the smaller but more numerous manufacturers that produce products built into other products — the seat covers for that SUV; the machinery that mashes and molds that steel into other products; the packaging for those items on a store's shelves; and for zillions of other types of products or businesses. Thousands of smaller customers exist in a broad array of industries, including pulp, paper and timber; chemical manufacturing; refinery operations; bottling; packaging; machine-tool building; food processing; military and aerospace products; and heavy industrial and construction equipment.

These industries have an enormous appetite for electrical products such as lighting equipment; wire and cable; fittings; connectors; terminals; conduit



and wiring systems; motors and motor controls; hazardous locations equipment; sensors; WiFi network equipment; programmable logic controllers (PLCs); circuit breakers and fuses; switchgear; voice/data/video (VDV) products; power conditioning equipment; signaling equipment; building management systems; machine-vision systems; bar coding equipment; and electricians' supplies.

Don't forget some of the new-generation products such as IoT-enabled sensors that monitor manufacturing lines, lighting, WiFi networks, HVAC systems and related building automation networks; LED lighting systems; the products needed for on-site energy generation systems like standby generators, photovoltaic (PV) panels; and natural gas or cogeneration-fueled turbines that produce energy off of the public power grid. Check out the illustration on pages 21-22 to see how these products might fit into a typical industrial application

— and provide a sales opportunity for your company.

Selling a package of products ranging from tiny wire terminals to towering motor control centers and the latest in wireless technology, as well as stocking and talking knowledgeably about the hundreds of related products, is not an easy task. This article provides an overview of the industrial market for newcomers to the electrical wholesaling business, as well as for industry veterans who want to brush up on the basic trends shaping this market or discover new strategies for scaring up industrial sales opportunities.

While the electrical systems are often much larger in industrial facilities than in the commercial market, with a few notable exceptions such as PLCs, industrial sensors and hazardous locations equipment, the products used in the industrial market are in the same basic product families as those used in commercial applications.

By Jim Lucy, Editor-in-Chief

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Enerlites' revamped look embodies its mission to provide users with more **CONTROL**, help users take **CHARGE** on simplifying life, and furthers opportunities to **CONNECT** with others. An updated catalog, redesigned packaging, and an array of innovative products and solutions launching in 2023.

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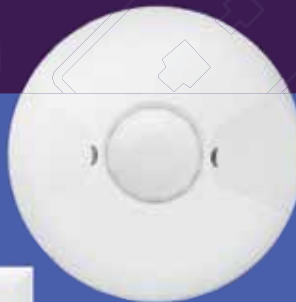
FAN SPEED
& DIMMERS



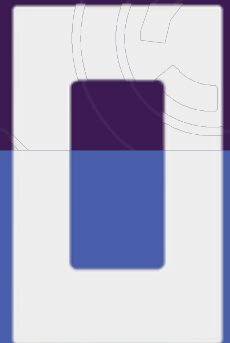
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COVERS



SENSORS



WALL
PLATES



HOME
AUTOMATION



TIMERS



WIRING
DEVICES



FLOOR
BOXES



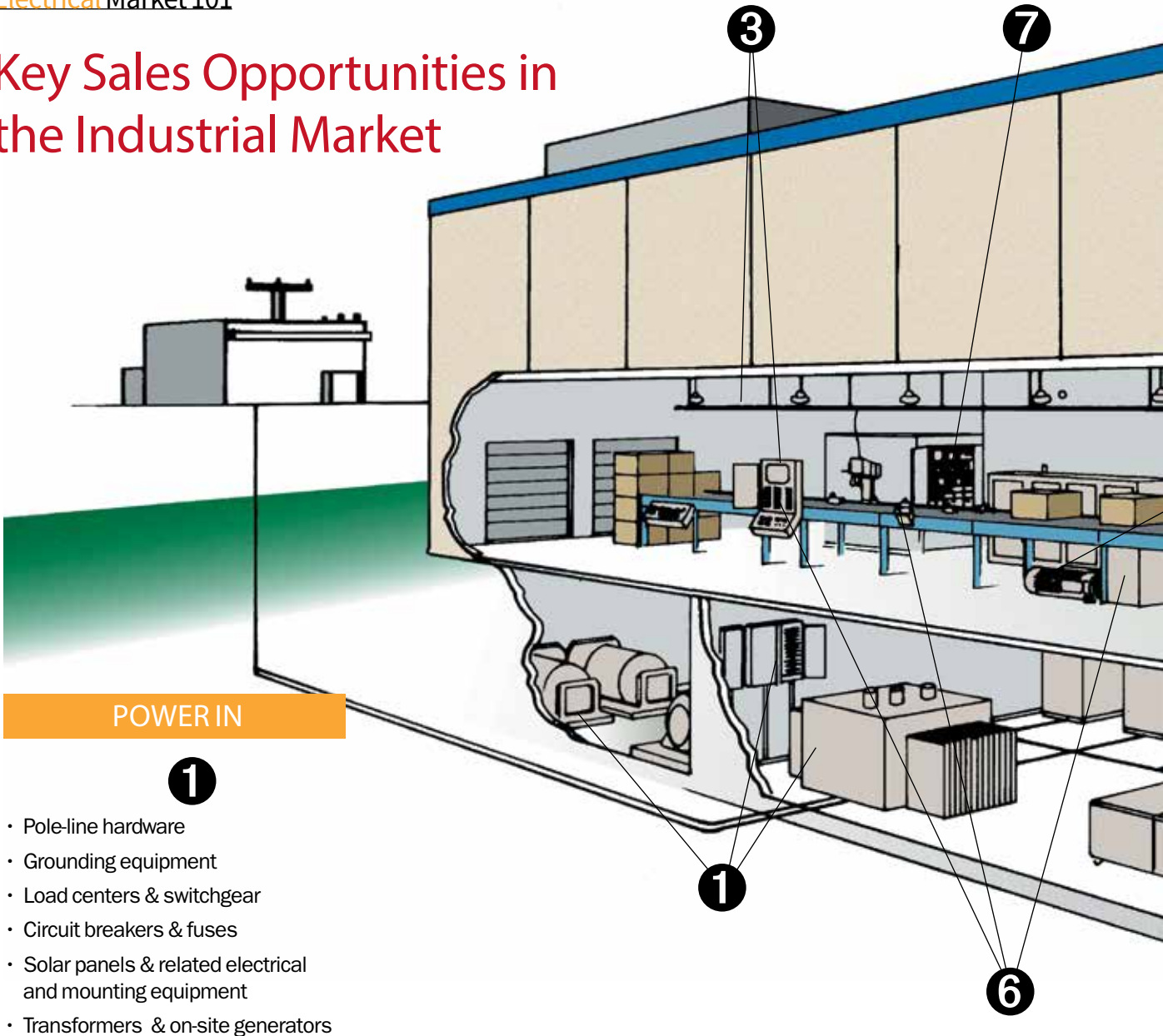
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Key Sales Opportunities in the Industrial Market



POWER IN

1

- Pole-line hardware
- Grounding equipment
- Load centers & switchgear
- Circuit breakers & fuses
- Solar panels & related electrical and mounting equipment
- Transformers & on-site generators

CURRENT CARRIERS

2

- Wire & cable
- Bus duct & related equipment
- Lugs
- Connectors
- Terminals
- Wiring devices
- Portable cord
- GFCI equipment

PROTECT & DIRECT

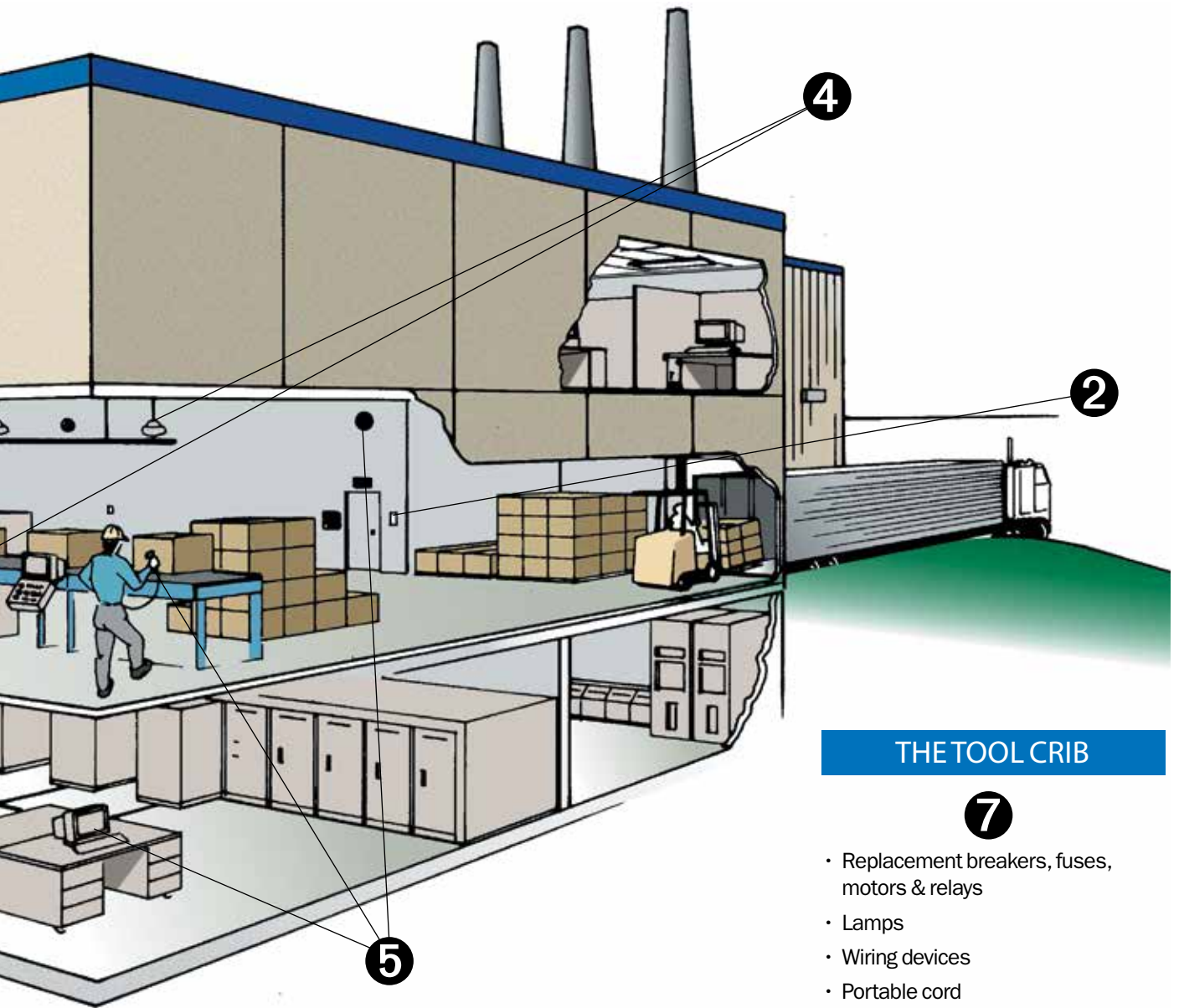
3

- Conduit
- Conduit fittings
- Cable tray & related equipment
- Boxes
- Enclosures
- Explosionproof equipment
- Engraved signage for control stations

THE ELECTRICAL LOADS

4

- Motors
- Industrial fans, heaters & blowers
- LED lighting systems
- Ballasts
- Lighting fixtures
- Reflectors
- Lighting controls
- Exit lighting
- Outdoor lighting



THE TOOL CRIB

7

- Replacement breakers, fuses, motors & relays
- Lamps
- Wiring devices
- Portable cord
- Screws, nuts & bolts
- Signs

COMPUTERS & COMMUNICATIONS

5

- Voice/data cabling & related supplies
- Fire alarm & intercom
- Signaling equipment
- UPS systems
- Surge suppressors
- Bar coding equipment
- Building management systems

INDUSTRIAL CONTROLS

6

- Programmable logic controllers
- Motor controls
- Motor control centers
- Variable-frequency drives
- Relays & pushbuttons
- Proximity sensors & photo eyes
- IoT-enabled sensors
- Pilot lights

TOOLS OF THE TRADE

8

- Hand tools & power tools
- Multimeters
- Benders
- Cable-pulling lubricant
- OSHA lockout/tagout devices
- Gloves, hard hats & work clothing
- Electrical tape, wire markers, fasteners & cable ties
- Light meters

INDUSTRIAL PROJECTS PROGRESS REPORT THROUGH 2Q 2023

Contract Value (\$ Millions)	Project	City, State	Project Type	Status	Source
5,300	Port Arthur LNG plant	Port Arthur, TX	Industrial/LNG	Broke ground May 2023	Dodge Construction Network
3,500	Honda EV battery plant	Jeffersonville, OH	Industrial/ EV battery	Broke ground February 2023	Dodge Construction Network
2,100	Toyota Battery Manufacturing North Carolina factory	Greensboro, NC	Industrial/ EV battery	Additional construction to existing project	www.enr.com
1,900	Eli Lilly & Co. plant	Indianapolis, IN	Industrial/ Pharmaceutical	Broke ground May 2023	Dodge Construction Network
1,900	Steel Dynamics aluminum plant	Columbus, MS	Industrial	Broke ground May 2023	Dodge Construction Network
1,500	Ford Ohio EV plant	Sheffield, OH	Industrial/Auto	Broke ground May 2023	Dodge Construction Network
1,200	Hanwha Qcells solar manufacturing plant	Cartersville, GA	Industrial/Solar	Broke ground April 2023	Dodge Construction Network
1,002	General Motors assembly plant	Flint, MI	Industrial/Auto	Plans announced June 2023	General Motors
780	BASF MDI chemical plant	Geismar, LA	Industrial/ Chemicals	Broke ground March 2023	Dodge Construction Network
650	Group 14 battery plant	Moses Lake, WA	Industrial/ Battery plant	Broke ground April 2023	Dodge Construction Network
632	General Motors assembly plant	Fort Wayne, IN	Industrial/Auto	Plans announced June 2023	General Motors
542	Eagle LNG export facility	Jacksonville, FL	Industrial/LNG	Broke ground April 2023	Dodge Construction Network
500	Apex-1 Sustainable Lithium-Ion battery plant	Hopkinsville, KY	Industrial/ EV battery	Broke ground February 2023	Dodge Construction Network
500	General Motors assembly plant	Arlington, TX	Industrial/Auto	Plans announced June 2023	General Motors

Electrical products designed for industrial applications often are a bit brawnier than their brethren in the commercial world, but that’s usually a function of the size of the electrical system and the sometimes-atrocious living conditions they must endure. Electrical products in industrial applications are tortured with extreme heat or cold, oily mists, corrosive liquids or gases, water, dust and grime, or potentially explosive environments. That’s why industrial electrical products and systems must be carefully protected with the proper wiring systems, enclosures, junction boxes, or, in the case of wire and cable, tough insulation.

One thing about the industrial market has held true over the years — when it’s strong, business can be very, very good for the electrical wholesaling industry. But when your industrial customers are suffering from a dearth of demand for their products and they are not building new production lines or refurbishing existing facilities, business is tough. Over

the past few years, the U.S. industrial market has been one of the busiest areas of the entire construction market because of the trend toward onshoring factories and the construction of new factories for electric vehicles and EV batteries (see chart on this page).

The industrial market is a huge part of the U.S. economy, and in some areas of the country it’s doing particularly well, such as in areas where auto manufacturers are building new factories for electric vehicles of ICE (internal combustion engine) vehicles or renovating existing facilities. And when the auto industry is expanding, it also creates sales opportunities in feeder industries. Along with the auto plants themselves, you have hundreds of companies manufacturing equipment for new cars, including tires, seats, headlamps, sound systems and a gazillion other OEM products.

Construction data from the U.S. Census Bureau points toward huge growth in the factories that produce equipment for the computer, electronic and electrical

industries. Through May, spending in these areas is up +234.5% to \$112.4 billion according to U.S. Census data.

Dodge Data & Analytics says some major federal legislation has stimulated much of this growth and encouraged manufacturers to invest in the United States. “The CHIPS Act, passed in 2022, supports an increase in the number of semiconductor plants (or fabs) within the U.S. to counteract the growing influence of China in this market, according to the company’s Mid-Year 2023 Construction Outlook. “Also, the Inflation Reduction Act of 2022 (IRA) provides funding to improve supply chains and bolster new investment in domestic manufacturing. These two pieces of legislation will keep manufacturing construction starts well above historic norms this year.”

Part 2 of *EW’s* Industrial Market 101 report will explore the key trends shaping this market and look at some of the key economic indicators that measure the health of this business segment. **EW**

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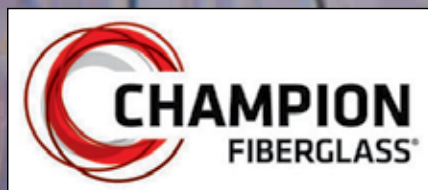
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CHANGING SALES CULTURE

CHECK OUT THESE TIPS FOR BUILDING A PROACTIVE SALES CULTURE.

I recently had dinner with a senior executive at a global distributor who is an expert in revolutionizing his business.

We discussed how distributors who shift their sales culture from taking orders to proactive selling increased sales by at least 8% per rep, and how many distributors are hesitant to do that. He believes some distributors don't want to change how they sell because they fear their sales reps.

Who could blame a distributor for feeling like their sales reps have all the power? After all, they own customer relationships, and nothing's stopping them from taking those customers with them if they leave.

But when a distributor fears their reps, the result is compounding disarray:

- Compensation plans become misaligned with company objectives because sales reps aren't incentivized to expand wallet share by pitching customers on new product categories.

- Institutional knowledge goes undocumented because sales reps don't have to track their notes, activity and information in a centralized system like a CRM.

- Online stores languish because sales reps see e-commerce as competition rather than a way to leverage more customer insights to grow the business.

This distributor exec gets his sales reps to be proactive because of his company's culture of customer centricity and mutual trust. He uses these values in his day-to-day decision-making and employee coaching. Once he set this cultural groundwork, he implemented new compensation plans and role responsibilities.

Those not aligned culturally were let go or left of their own accord. But everyone else thrived, and so did the business. The departure of a few reps led to some customer churn. But revenue and growth didn't suffer. That's because a culture that



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prioritizes the customer is resilient and poised for long-term success.

DO YOUR REPS WANT TO SELL?

Many sales reps don't want to be too sales-y. Trying to convince someone to spend money on something is uncomfortable, so they avoid that discomfort by becoming order-takers. And order-taking can take on many forms: If your field reps just bring their customers donuts and ask if they need anything, they're order-takers. If your inside sales reps just call around to "check in" occasionally, they're order-takers.

If your sales reps aren't engaging in open-ended consultative discovery conversations with customers or offering tailored recommendations, you're leaving money on the table. So, what does it mean to be a proactive and consultative sales rep? A proactive rep will review what's going on with the account before a call to learn how the customer's current numbers compare to last year; spot sales declines in any particular categories or new order patterns;

and develop wallet expansion strategies.

AI technology can help identify these opportunities, but the rest of it is rooted in culture. And culture starts from the top.

HOW TO BUILD A CULTURE OF PROACTIVE SALES

To start a revolution, which is what the distributor exec did, you need to have clearly defined values you can point to. Don't be vague or wishy-washy because it's too easy for your reps to skirt your supposed values and keep doing the same old, same old. And you also need to demonstrate those values. Every time you interact with your team or with a customer, you should make a concerted effort to incorporate one or more of your chosen values into the interaction.

Following are some values that can help any distributor change their sales culture to be more proactive.

CUSTOMER-CENTRICITY

This requires placing the customer at the center of all decision-making and focusing

By Benj Cohen

on understanding their needs, goals and pain points.

Empathy. Show genuine concern for customers and try to help them overcome their pain points.

Adaptability. Embrace change and stay agile to respond to evolving customer needs and market conditions.

Innovation. Seek new and creative ways to solve customer problems and improve the overall customer experience.

Mutual trust. Managers must build mutual trust so people follow leadership in critical situations. For a culture change to “take,” leadership must embrace and embody the changes. Proactive selling should be seen as a company-wide commitment. Reps must know they are evaluated on their ability to be consultative sellers rather than reps who wait for customers to approach them with their needs.

CULTURE CHANGE IS HARD

Distributors who disrupt the status quo and transform their sales culture,

expecting sales reps to act as sales consultants, see remarkable results. MSC, for example, went from having a “100% reactive” customer service team to generating \$15K in upsell/cross-sell revenue per rep per year— 20 times more than what they were doing before. CEO Erik Gershwin set the tone by instilling customer-centric values and facilitated the change by giving CSRs AI-powered tools to help them make timely, relevant recommendations.

Industrial distributor R.S. Hughes did the same, arming all teams with AI to proactively suggest recommendations through calls, e-mails or in-person interactions. As a result, the company’s 175 inside sales reps became much more proactive, and they collectively make recommendations to 10,000 customers monthly.

Increasing customer retention by just 1% per year over a decade can lead to a +20% increase in annual earnings. The occasional box of donuts might lead to an increase in customer retention, but


it isn’t scalable and it’s an easy tactic for a competitor to replicate. A much more defensible, revenue-generating approach is to help the customer with their business by forming a deep understanding of their needs and being able to predict those needs. Being a trusted advisor to a company makes you irreplaceable.

Pinpointing an account’s needs and making tailored recommendations to meet them can help grow midsize accounts by up to 20% and increase your gross profit through higher-margin accounts.

If you create a proactive sales culture, you may lose a few reps and a handful of customers with them. But the reps who stay will generate more revenue. You’ll be able to sell more to your existing customers because you’ll have consultants who will be actively spotting wallet-share gaps and categories where purchasing is starting to slip, and be able to step in before a customer churns. Your reps will trust you, and you’ll be able to trust them. And fear won’t even enter the equation. **EW**

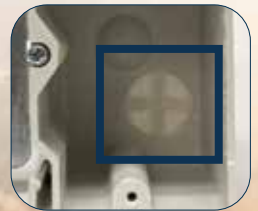
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Preparing for a Black Swan Event

While Black Swan events are tough to anticipate, you can do several things to prepare your company for these unforeseen calamities.

Black Swan events are rare and unpredictable happenings that have a severe impact on various systems, including economies. Coined by former options trader Nassim Nicholas Taleb in his 2007 book *The Black Swan*, these events have three key characteristics:

1. They are highly improbable.
2. They have a massive impact.
3. In hindsight, they seem predictable.

HOW BLACK SWAN EVENTS CAN IMPACT THE ELECTRICAL MARKET

One thing is certain: Black Swan events will continue to occur. When it comes to the electrical economy, Black Swan events

By Christian Sokoll

can disrupt distributors, manufacturers and contractors in significant ways. Recent examples of Black Swan events that shook the electrical economy and forced changes in the way we do business are the global financial crisis (2007-08), when the collapse of the subprime mortgage market in the United States triggered a worldwide financial crisis. The COVID-19 pandemic (2019-current) continues to have far-reaching consequences on many sectors including the electrical economy.

Military actions like the invasion of Ukraine (2022-present), and the impacts of the 9-11 terrorist attacks on the World Trade Center and the Pentagon (2001) are still felt today. Environmental change is causing severe weather events that can be considered

Black Swans, often on a more localized basis, with frequently devastating consequences. These disruptions and others have affected our electrical economy in a variety of ways.

SUPPLY CHAIN DISRUPTION

Black Swan events can disrupt global supply chains, causing delays or interruptions in the delivery of electrical components and equipment. For example, natural disasters such as earthquakes or hurricanes can damage manufacturing facilities and transportation infrastructure, leading to a shortage of electrical products. This disruption can affect distributors' ability to source and distribute products, as well as disrupt manufacturers' production capabilities.

MARKET VOLATILITY AND POLITICAL UNCERTAINTY

Black Swan events often trigger extreme market volatility, which can have financial implications for all stakeholders in the electrical economy. For instance, stock markets may experience sharp declines, affecting the valuation of electrical manufacturing companies and distributors as well as copper and other raw materials. The uncertainty associated with Black Swan events can lead to fluctuations in demand and investment decisions, impacting the financial stability and growth prospects of these businesses.

DECREASED DEMAND

Depending on the nature of the Black Swan event, there may be a significant decrease in demand for electrical products and services. For example, during economic recessions or widespread crises, consumer and business spending often decline, leading to reduced demand for new electrical installations or upgrades. This decrease in demand can negatively impact manufacturers, distributors and contractors, resulting in reduced revenue and potentially layoffs or business closures.

SHIFT IN PRIORITIES

Black Swan events can cause a shift in priorities and resource allocation. For instance, in the aftermath of a natural disaster, governments and organizations might prioritize rebuilding infrastructure, such as roads, bridges and housing, over electrical projects. This shift in priorities can lead to delayed or canceled projects, impacting manufacturers, distributors and contractors who were relying on those projects for business opportunities.

REGULATORY CHANGES

Black Swan events can trigger changes in regulations and policies, which can have significant implications for the electrical industry. Governments might introduce new safety standards or regulations to mitigate risks associated with specific events, such as stricter building codes

after a major earthquake. Manufacturers, distributors and contractors would need to adapt their operations, products and services to comply with these new regulations, potentially requiring additional investments and adjustments — which would benefit the electrical industry.

INCREASED FOCUS ON RESILIENCE

Black Swan events often highlight vulnerabilities within the electrical infrastructure and the need for increased resilience. Governments and organizations may invest more in improving the resilience of electrical systems, such as upgrading transmission and distribution networks or implementing backup power solutions. This increased focus on resilience can create new business opportunities for manufacturers, distributors and contractors specialized in providing resilient solutions.

It's important to note that the specific impact of Black Swan events can vary depending on the nature of the event, the region affected and the overall resilience of the electrical economy. Different stakeholders may experience varying degrees of disruption and recovery based on their preparedness, adaptability and ability to access resources.

PREPARING YOUR COMPANY FOR A BLACK SWAN EVENT

Preparing for Black Swan events is inherently challenging due to their unpredictable nature. However, certain steps can be taken to enhance preparedness and resilience.

#1. Scenario planning. Engage in scenario planning exercises and brainstorming to identify potential Black Swan events and their possible impacts. This allows organizations and individuals to develop contingency plans and strategies for various scenarios.

#2. Diversification. Diversify investments, resources and operations to reduce vulnerability to a single point of failure. This can involve spreading investments across different sectors, diversifying supply chains and having backup systems in place.

#3. Risk assessment and mitigation. Conduct thorough risk assessments to identify vulnerabilities and implement measures to mitigate them. This can include strengthening cybersecurity, ensuring robust emergency response plans and implementing effective risk management practices.

#4. Building resilience. Foster a culture of resilience by promoting adaptability, flexibility and agility. This can involve training employees to handle unexpected situations, promoting innovative thinking, and establishing effective communication channels.

#5. Collaborative networks. Build strong relationships and networks with stakeholders, including government agencies, industry peers and community organizations. Collaborative efforts can enhance information sharing, resource pooling and coordinated responses during a crisis.

#6. Continuous learning and monitoring. Stay informed about emerging trends, technological advancements and potential risks. Regularly review and update preparedness plans based on new information and lessons learned from past events.

#7. Financial preparedness. Maintain adequate financial reserves and insurance coverage to withstand the financial impact of Black Swan events. This can provide a buffer during times of economic disruption and aid in the recovery process.

While it's impossible to fully predict or prevent Black Swan events, these proactive measures can help individuals and organizations be more resilient, adaptive and better prepared to navigate the uncertainties and challenges that may arise. Understanding your market is crucial to withstanding unpredictable events. DISC Corp. can help you prepare and strategize by defining your current market and meshing with your scenarios. **EW**

Christian Sokoll is president of DISC Corp., Houston, the electrical market's leading provider of sales forecasts and related market data. He can be reached at chris@disccorp.com.

(Continued from page 19)

100 specialists in power transmission products in the United States, you know some electrical sales are flowing through these often-overlooked channels. If you have any of these types of distributors in your market, as well as distributors of electronics components, HVAC equipment, plumbing supplies or other specialty distributors, they may be worth further study to see what kinds of electrical products they might be stocking.

It makes sense to get to know the distributors from other trades in your local market area. In a sense, you are in the same business but are just shipping different stuff in the boxes. Find some non-competing distributors from other trades and compare best practices in sales, warehousing, delivery, e-business and operations. You may also want to consider joining the National Association of Wholesaler-Distributors (NAW), Washington, DC (www.naw.org), which provides some terrific venues for networking with distributors from other

trades and an insider's perspective on legislative issues of interest to distribution firms.

OTHER CHANNELS

Always changing but always growing. Any single brick in this level of the *EW* Electrical Pyramid may or may not account for a ton of electrical sales in your market. This level of the Pyramid may be toughest to track because it's where the new and potentially competing channels of distribution first start out.

Do you have any reps in the spec-grade lighting niche selling direct? Pencil them in. And if solar is growing in your market area, find out who is selling the photovoltaic (PV) equipment. It might be a small PV contractor who is also a dealer for a limited number of lines.

Another hotly debated sales channel is the manufacturers selling direct. Outside of providing large quantities of wire and cable for massive projects in the utility market; gigantic turnkey switchgear or automation projects; spec-grade lighting packages; and now LED lighting

solutions, this historically hasn't been a widespread issue in the mainstream electrical wholesaling industry.

ONLINE MERCHANTS

Depending on your market position, these bricks in the pyramid may be changing the fastest. The most obvious bricks here include www.amazonbusiness.com, www.ebay.com and online LED merchants. While Amazon Business doesn't break out sales by individual product category, a post at www.digitalcommerce360.com said its sales were \$35 billion in 2022. Colin Sebastian, an investment analyst with R.W. Baird, expects revenues for Amazon Business to grow to \$80 billion by 2025.

SUMMARY

After you build your own Electrical Pyramid, check out www.ewweb.com for more information that *EW's* editors have posted on some of the fastest-growing alternative channels of distribution over the years. Just type "electrical pyramid" into the search engine. **EW**

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This index is a service to our readers. Every effort is made to maintain accuracy, but *Electrical Wholesaling* cannot assume responsibility for errors or omissions.

OmniCable (Westchester, PA): Dot Family Holdings (DFH), Mt. Sterling, IL, owner of OmniCable, since 2019, announced that **Greg Lampert** has retired from his role as CEO of OmniCable and that OmniCable's current vice chairman, **Jeff Siegfried**, will step in as interim CEO effective immediately. Siegfried co-founded the company and previously served as CEO and chairman. Lampert was with the business for seven years before moving into the CEO role following the acquisition.

DFH specializes in distribution-related opportunities and is focused exclusively on acquiring leading middle-market distribution companies with a special interest in master/two-step distribution and any national distribution models. Other DFH companies include Houston Wire and Cable, Grabber Construction Products, Reliable Parts and Pet Food Experts.

In other OmniCable news, the company launched a new Communications Business Unit and hired **David Bemoras** as its president. He will be responsible for leading the business unit and growing the low-voltage and communications products business with distributors.



Bemoras

Bemoras founded GNWC Wire Cable & Network Products in 1983, where he grew the business from the ground up, taking a single operation and expanding its product suite to one of the fastest-growing distribution companies nationwide. In 1997, he partnered with private equity and Communications Supply, and was part of the executive leadership team that executed an industry consolidation acquisition strategy that created a national \$750-million distribution business. In 2006, Communications Supply was sold to Wesco International.

SKYX Platforms Corp. (Miami): **David Pamer**, a lighting industry veteran and former executive VP-Sales for Kichler Lighting, has joined SKYX Platforms Corp. as president, Wholesale and Retail Channels. SKYX markets the Sky-Receptacle, SkyPlug, SkyPlug Smart and other smart plugs and receptacles to simplify the safe installation and control of lighting fixtures, fans and other devices.



Pamer

In his new capacity at SKYX Platforms, Pamer will lead SKYX growth initiatives as well as organizational

development in the retail, wholesale and end user channels such as home builders and architects, specifiers channels, electrical distribution, e-commerce, home center and lighting showrooms. Prior to joining SKYX, David spent 25 years with Kichler Lighting.

Champion Fiberglass (Houston): **Scott Patchan** has been promoted to VP of Sales & Marketing. He has been with Champion Fiberglass for over a decade and has over 30 years of experience in the construction, manufacturing and distribution industries.



Patchan

Graybar Electric Co. (St. Louis):

Christopher Burrow is now VP – Acquisitions, Financial Planning & Analysis (FP&A). He has more than 24 years of experience in accounting, financial planning and strategy. Burrow currently serves as Graybar's director of Financial Planning and Analysis, a position he has held for nearly four years.

Hammond Power Solutions Inc. (HPS) (Guelph, Ontario): Adrian Thomas was appointed CEO, replacing **Bill Hammond** who will assume the position of executive chairman after 22 years as CEO. Thomas will also be appointed to HPS' board of directors.

Thomas has more than 20 years of expertise in the electrical and automation industry. Throughout his career, he has held key positions at companies including General Electric (GE), TMEIC and most recently Schneider Electric. Adrian's experience has included

OBITUARY

Sam Zell, the famed investor, entrepreneur and former chairman of Anixter International, passed away on May 18 at the age of 81. A press release from Equity family of the companies where he was chairman, said during his 60-year-career he launched and grew hundreds of companies and that he was most widely recognized for his critical role in creating the modern real estate investment trust (REIT), which today is a more than \$4 trillion industry.

The Equity press release said he served as chairman of Anixter International Inc., the global provider of wire and cable products, for 34 years and stewarded the sale of the company to WESCO in 2020 for \$4.5 billion.

several senior executive roles in Canada at both GE and Schneider Electric.

EiKO (Olathe, KS): **Lynnette Schaeffer** was promoted to senior director of Marketing and Training and is now responsible for all aspects of marketing, training and education for distribution partners, customers, end users, agents and others in the Industrial and Commercial channel. A 25-year-veteran of the lighting industry, Schaeffer started her career in lighting with Van Meter Industrial. After seven years in the distribution market she joined Philips Lighting in 2005.



Schaeffer

Rexel USA (Dallas): **Jordan Lomheim** will be succeeding **Wes Smith** as Rexel USA's senior VP and chief strategy officer. He will be focused on leading the company's corporate strategy and growth initiatives, including leading its M&A efforts. Smith has transitioned to a new role as senior advisor to the Rexel USA CEO as he prepares to retire in June 2024.



Lomheim

Lomheim most recently served as a director of Corporate Strategy and M&A at Celanese Corp. where he was an M&A leader, created business intelligence and analytical capabilities, and developed business strategies.

In Smith's new role, he will maintain a key role in strategy and M&A efforts as well as industry leadership, which includes him fulfilling his five-year commitment to the National Association of Electrical Distributors (NAED).

Independent Electric Supply (IES) (Somerville, MA): The company made several executive changes to accelerate growth in its New England market. **Bob Trolander** has been named senior VP - Sales and Marketing and is now a member of the executive committee. He joined the company in 2016 as VP-Sales and is currently VP-Marketing and Business Development.



Trolander

Jeff Cronin has been named senior vice president-Operations and Purchasing and member of the executive committee.

Joan McNamara has been named senior vice president-Commercial Lighting and member of the executive committee. She joined Independent Electric Supply in 2000 and helped develop the company's commercial lighting department.

Orbit Industries (Dallas): **Peter Sanguinet** is the new factory sales representative serving north Texas. He has experience in customer service, sales and in construction as an irrigation contractor.



Sanguinet

Facility Solutions Group (FSG) (Austin TX): **John Ancona** was appointed COO of Facility Services, according to a FSG LinkedIn post. In this newly created role, he will lead FSG's existing facility services business. He brings over 20 years of experience to FSG from both business-to-business and direct-to-consumer field services organizations.

REP NEWS

Synergy Electrical Sales has been appointed as the new representative for Signify's professional luminaires and lighting control systems in the Philadelphia market. Synergy now supports C&I projects with the following brands: Interact, Color Kinetics, Philips Dynalite and the Genlyte Solutions portfolio, which includes Chloride, Day-Brite, Ledalite and Lightolier for indoor applications and Gardco, Hadco, Lumec and Stonco for outdoor applications. Synergy has represented Signify's Philips lamps and Advance ballasts since 2021.

JD Martin, Houston, recently announced that one of its operating companies, **Schell Martin**, has expanded its partnership with Leviton in two additional markets — south Louisiana and southern Mississippi. George O'Neil, a seasoned electrical industry veteran, will bring his product knowledge and expertise to the expansion as he supports the effort. O'Neil is shifting from his 37-year career at Leviton into a newly created role at Schell. With the current expansion, JD Martin and the firm's operating companies represent Leviton in four states — Texas, Colorado, Louisiana and Mississippi.

2023 ELECTRICAL SALES FORECASTS

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