

WHOLESALE[®]

News of Plumbing • Heating • Cooling • Industrial Piping Distribution



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Editorial director

Celebrating 30 years in business this fall, United Pipe & Steel is experiencing continued growth, thanks to the dedication of its leadership and loyal, long-term employees.

Founder David Cohen, who had a background in the steel service center business, started the company in 1980 with just \$5,000 — literally all he had to invest. What he lacked in capital, he made up for in business sense. As a pioneer in master distribution, Cohen recognized that LTL shipments and competitive pricing was a niche to be filled among plumbing and heating wholesalers when it came to steel pipe. Throughout the years, the company has expanded this niche to include copper tube, copper linesets, plastic pipe, and has also launched a division servicing the electrical wholesale industry (see sidebar).

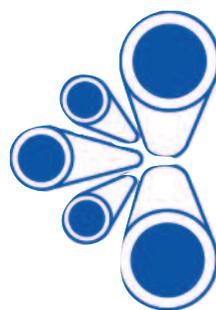
The business model Cohen developed for United Pipe & Steel has allowed wholesalers to remain competitive and dramatically reduce their inventory levels. Moreover, it has protected them from price volatility.

“Perhaps the most critical reason for our success over the past 30 years has been our laser-like focus on what

Now celebrating 30 years in business, United Pipe & Steel epitomizes the ‘American Dream.’ Founder David Cohen began the business with just a \$5,000 investment. But what he lacked in capital, he made up for in business acumen. The master distributor now offers a broad range of products, and its six distribution centers serve 27 states.

30 years in business

United Pipe & Steel capitalizes on strengths



United Pipe & Steel Corp.
The Industry Leader in Pipe Products Distribution

United Pipe & Steel's distribution centers stock a full range of pipe products:

Steel Pipe

- S10, S40, S80
- Plain End, T&C, TBE
- Black, Galvanized and bare
- Up to 8" in diameter

Copper Tube

- K, L, M, ACR, K-Oxy,

Refrigeration

- Copper Linesets

Plastics

- PVC – S40, S80
- Foam Core
- CPVC – CTS, S80
- ABS Foam Core

- S&D

- SDR

Conduit

- Metal Conduit
- PVC Conduit

Copper Wire

- Romex
- THHN

Strut

Threaded Rod

we do well – which is to deliver to customers high-quality commodity pipe products at the right price, on time every time,” Cohen explained. “From our customers’ perspective, our business model allows them to manage inventory with a great deal of financial discipline. Increased turns, reduced risk. This is what makes our business model durable in both good times and in during these more challenging times.”

“We developed a route system in each of the markets we service – meaning customers know exactly when they will receive inventory re-
(Turn to ‘People... page 2.)

'People do business with people' at United Pipe & Steel Corp.

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plenishment. We keep our stock levels high, so customers can keep their levels low, knowing we will be there every week to meet their needs. Every delivery is made on our own flat-bed truck, driven by a United Pipe & Steel employee. This means that our employees control the delivery process every step of the way, minimizing damage and maximizing customer satisfaction."

As the company's reputation spread, so did its footprint. After
(Turn to 'Hands down... page 3.)



Employees are pictured holding awards recognizing 10+ and 20+ years of dedicated service at United Pipe & Steel. They were presented these awards by owner David Cohen at the company's 30th Anniversary celebration. From l-r they are: Freddy Merida, Michael Foley, Lee Goldman, Joanne Frazier, David Cohen, Greg Leidner, Roy Garnes, Michael Blair, Nina Juel, Eric Foley and Teri Cole.

The people who make it happen

United Pipe & Steel's success can be traced to the dedication, hard work and loyalty of its people at all levels of the organization. When asked about some of the key members of United's team, general manager **Greg Leidner** was delighted to share his insights into their backgrounds and responsibilities.

- President **David Cohen** — "Since founding United Pipe & Steel 30 years ago, David is still one of the first to arrive each morning, and the last to leave every night. His tireless energy and dedication to excellence is infectious as he leads our 100+ employees. David is one of the nation's foremost leading experts in steel pipe, and is frequently asked for his market insights by industry insiders. But beyond that, David is the cornerstone of the company's can-do company culture."

- "Vice president of purchasing & inventory management **Michael Foley** has been with United for 25 years. Michael's role requires identifying and partnering with best-in-breed vendors in each of the many pipe categories the company offers. United Pipe provides manufacturers extremely broad distribution of their products, at a low cost-to-serve. In turn, United Pipe holds its vendors to extremely high standards of excellence — in terms of both product quality and fill rates. Michael has also been instrumental in leading United Pipe & Steel's expansion efforts, and continues to drive the company's strategic vision."

- "I [Leidner] joined United Pipe & Steel four years ago, working my way through the sales organization to my current role as general manager. Prior to joining the company, I received an MBA at the Sloan School at MIT. Additionally, my background includes four years of experience as an economist with Standard & Poor's, and five years

as a management consultant with a focus on strategy, marketing and operations with Digitas and the Boston Consulting Group. I now oversee Sales & Marketing, Finance, IT and Operations."

- "**Eric Foley** has been with United Pipe for 10+ years, and is the company's director of operations. Overseeing material flowing in and out of six distribution centers, a fleet of 25 tractor-trailers, and 50+ employees means that Eric's schedule is anything but predictable. He is truly a jack-of-all trades, and on any given day can be found helping negotiate lease agreements, conducting forklift training or welding a new picking rack."

- "Chief financial officer and director of human resources **Ruben Klein** is the newest member of the United Pipe & Steel senior management team, joining the company about six months ago following 25+ years in corporate banking. Ruben's focus has been on building the infrastructure and processes to support United Pipe & Steel's growth."

- "**Lee Goldman** is the company's director of IT, and has been leading IT strategy at United Pipe & Steel for 22 years. Lee joined the team at United Pipe & Steel from a career at AT&T and oversees all network and communications, as well as other strategic IT initiatives such as EDI. He has been instrumental in ensuring 100% uptime and for introducing efficiency-creating tools for the entire organization."

- "United Pipe & Steel's industry leading sales team is led by four key employees: **Michael Blair** (director of national sales), **Gerald Slattery** (director of steel pipe sales), **Jon Foley** (sales manager, Midwest), and **Corey Lowsky** (sales manager, East). This crew, along with the 25 sales representatives on their team, are responsible for

cultivating relationships, negotiating pricing, and ensuring maximum customer service."

Leidner went on to note that United Pipe & Steel has a number of very loyal long-time employees, and was happy to have the opportunity to praise them as well.

- "**Joanne Frazier** is the company's longest-tenured employee. Truth is, she's worked with David for over 35 years, dating back to their previous employer. Her role over the past 30 years has certainly evolved, as United Pipe grew from a start-up company to its current state. Today, Ms. Frazier focuses 90% of her time managing Accounts Receivable, and 20% of her time — like all United Pipe employees, Joanne works at well above 100% — helping out in various other areas of Finance, Accounting and Human Resources."

- "**Teri Cole** and **Evelyn Stone** have been with United Pipe & Steel for 20 and 21 years respectively, and currently work in our invoicing department. Both bring an institutional understanding of the infrastructure of our ERP system."

- "**Nina Juel** is the most senior sales person on the staff with 20 years of dedicated service. Ms. Juel's feisty and tenacious personality has wooed many a reluctant customer to give her an order, and her follow-up and follow-through have helped her cultivate an extremely loyal customer base for United Pipe & Steel."

- "Six members of the operations team have combined experience with United Pipe & Steel of over 70 years. Drivers **Richard "Red" Monagan**, **Dave Raven** and **Jeff Brandt** and warehouse personnel **Roy Garnes**, **Hector Riviera** and **Freddy Merida** have worked tirelessly throughout their careers to ensure that all orders are picked, packed, and delivered correctly."

'Hands-down tops in the pipe distribution industry'

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starting out as a regional master distributor for New England, United Pipe & Steel now services 27 states from six distribution centers — and general manager Greg Leidner noted that further expansion is likely in the near future. Most areas receive deliveries from United's trucks on a weekly basis, while major metropolitan areas such as Boston, New York City and Chicago are serviced twice a week.

"The advantage for customers is a tangible reduction in inventory days on hand required," Leidner noted. "Especially in these trying economic times, customers — whether on their own or under guidance from their creditors — are increasingly scruti-

"We believe strongly that businesses don't do business with businesses," Leidner said. "People do business with people. To ensure that personal connection, each of our customers is serviced both by a dedicated inside sales representative, and also a seasoned outside sales representative — all of whom are United employees.

"Our customers are demanding — always have been and always will be. But we are demanding of ourselves as well. We pride ourselves on knowing the commodities market better than anyone, and in being able to out-service our competitors. It's what our customers ask us to do, and we are able to deliver."

"Our industry continues to be old-fashioned in many ways, which is one of its most endearing qualities. As a result, we encourage our salespeople to talk live with customers whenever feasible. A relationship is not as easily built through e-mail as it is through face-to-face meetings or phone calls."

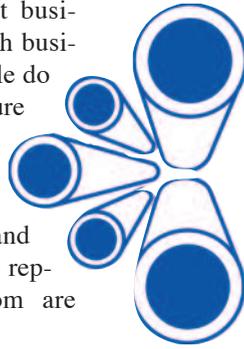
nizing inventory levels and turns. Our 'Just in Time' business model allows them to increase turns, and also minimize their risk of softening commodity prices. This is only possible if we have enough local inventory to ensure high fill rates to our customers."

Tried and true

United Pipe & Steel believes in the traditional approach when it comes to attracting — and retaining — customers. In their book, it all comes down to people, products and service.

Leidner went on to praise the United warehouse/delivery team for their dedication to customer service and support.

"Our people are hands-down tops in the pipe distribution industry," he said proudly. "Our director of operations and warehouse management teams maintain clean, well-organized facilities to ensure proper and safe conditions for picking and packing pipe. Our 25+ warehouse workers are efficient, knowledgeable, and dedicated. And our drivers are loyal, con-



United Pipe & Steel Corp.

The Industry Leader in Pipe Products Distribution

scientious workers who work tirelessly to ensure on-time deliveries and the secure transport of pipe."

When it comes to attracting new customers, United continues to stick with the "old-fashioned" methods that have served the company well for so many years.

"We start out by calling prospects on the phone to introduce ourselves and our capabilities," said Leidner. "We send out line cards and binders with price sheets. And we make visits and shake hands. We shake lots of hands every day, every month, every year."

While electronic technology is streamlining communication and many aspects of business operations, Leidner said that United really tries to find the right balance between these new methods and its tried-and-true approach.

"Let's face it — e-mail is quick and easy," he said. "You never get a busy signal, and it can certainly be an effective way to communicate. We have seen an increase in e-mail usage within our company for communication, and with customers as well as vendors.

"With that said, our industry continues to be old-fashioned in many

ways, which is one of its most endearing qualities. As a result, we encourage our salespeople to talk live with customers whenever feasible. A relationship is not as easily built through e-mail as it is through face-to-face meetings or phone calls."

United's traditional approach extends beyond its customers to employees and vendors as well. In fact, United Pipe & Steel's Corporate Vision Statement is:

We Are United

We are United with our Customers

We are United with our Vendors

We are United with our Employees.

"This approach is absolutely paramount to our success," Leidner explained. "If we are not partnering with all three constituents, we will lose relevance very quickly. By delivering value to our customers, vendors, and our employees, we keep our trucks moving each and every day.

"We want to thank our valued customers, vendors, and employees for helping make United Pipe & Steel the company it is today — we look forward to continuing to service the industry for another 30 years." ■

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