Dealer's Notebook

J.E.S. Restaurant Equipment Finds Its Niche Online

By Stacy Ward, Managing Editor fedastacy@verizon.net

he first time Eric Smith stepped into his new warehouse he wondered how long it would take to fill it. After all, his company, J.E.S. Restaurant Equipment, was still fighting for deeper discounts and more prominent lines, a few years after transitioning from service company to full-blown traditional dealer. That was just one concern that weighed heavy on the shoulders of J.E.S.' co-owner and vice president. The market was another. As he put it, "you could make a decent living in Greenwood, S.C., but not necessarily a good living."

"A new kid on the block in this industry has a tough road to hoe," says Smith, who served as a plant superintendent for 21 years before starting his own service business with \$8,000 and a service truck and then later opening an E&S dealership. "Initially, we didn't have any discounts and it was difficult to compete but many credit applications later, many phone calls later and lots of hard work in the field, we're still here after 15 years."

In the process, J.E.S. has evolved from a company Smith ran in between service calls to a modest-sized distributor that now services a respectable number of independents, small chains and institutions, thus the need for the move to a new location on Highway 72 W five years ago. The aforementioned 14,000-square-foot warehouse came after J.E.S. sold enough equipment to build it.

"We've built our way into the industry slowly and surely," says the company V.P. "I know a lot of people who go out of business trying to live on back-end money. My Granddaddy used to own a little country store and he taught me about economics years ago. He told me 'if your out-go is more than your income, your upkeep is going to be your downfall. So everything we have here is



J.E.S. Owners Eric and Vivian Smith

Best Business Decision:

Implementing a new accounting system

"Talking me into investing in the system was a job," says Eric Smith, the Vice President of J.E.S. "I told Vivian (wife and partner) I had never spent so much money on anything I couldn't live in or drive but TRX has changed the way we do business."

"Prior to making the switch, we were using Quick Books for Accounting and AutoQuotes," adds Company President Vivian Smith, who pushed for the change. "The checks and balances in the software are wonderful. I know if we're making money; I know who lost money; I know who quoted the freight wrong last week and they better not do it this week."

paid for except the building. We don't overspend."

The "we" also refers to the other half of the leadership team—Smith's wife, Vivian, the president of the company. Prior to joining J.E.S., she served as the general manager for another distributor. Together, the two have more than 30 years of industry experience. Eric han-

dles the service department and contract work; her turf is inside sales, the e-commerce store and pampering longtime customers.

"A lot of husbands would say I couldn't work with my wife and a lot of wives would say the same thing about their husbands but we complement each other," says Smith. "When Vivian joined the business, I was finally able to get out of the truck, put away the fire hose and really focus on managing the business."

Time to pause and plan also led to the realization that J.E.S. had to aggressively pursue more business outside of the State to remain viable. The most practical solution, and as it turns out the best solution for J.E.S., was Internet Sales.

"Six months after launching the site, Vivian came to me and said we're going to need more warehouse space," says Eric, recounting the surprising takeoff of the e-commerce site.

At present, roughly 70 percent of J.E.S.' sales volume flows from the second floor, where a staff of six in-house salespeople mans its e-commerce site and blog "Now Ya Cookin." After launching

it in 2008, and investing a small fortune in web development, SEO work, Google gadgets and a new accounting/inventory system, the dealer's online presence netted a slew of new customers and, consequently, two consecutive years of record growth, says Vivian. Still, there are no illusions about the role Internet sales plays in

continued on page 37

Dealer's Notebook continued

the business. On a good day the margins it rakes in pales to the more profitable installation jobs Eric oversees.

"But for us it's all about the volume," says J.E.S.' president. "Without the volume, you can't get the discounts. This year we maxed out of most of our ice machine companies and our volume is 82 percent above last year—in some of our lines."

These days a great deal of her time is spent trying to figure out how a company of J.E.S.' stature can take advantage of the Internet's reach.

"When we first got online, I used to be terrible," she says. "I would stay up nights either thinking about how to execute an idea I'd researched or tracking the activity on our site."

Today, with the help of data collection software, she does the majority of her tracking during the day. She knows when someone visits the site. She knows their IP address, the URL requested by the user's browser and the words typed to get to J.E.S. (The instant messaging tool Chat box is her friend.)

"We are an Internet company," says Vivian. "I get at least 120 e-mails a day and my employees get a ton. The e-commerce business is not a cake walk. With Google, SEO, ad words, etc., there's a lot of knowledge to absorb and each individual company has to work their way through how to use it and benefit from it. A company our size is going to use it differently than a company making \$50 million a year."

One thing is for certain, regardless of its size the operation on the second floor looks official. Much like a buzzing call center, each of the company's inside sales reps either have a phone attached to an ear or a keyboard to their fingertips. And everyone, including Vivian, has one laptop and two monitors on their desk.

"Two monitors are wonderful," she says. "When you're helping a customer with an order over the phone, you can display the website on one screen while you're putting in an order and use the other screen to access any information that's helpful to

the customer. You can download product specs and look up pricing and shipping without jumping from one window to the next. It works great."

The goal is to make it as easy as possible to sell and sell often. Anyone interested in keeping score of the group's cumulative efforts can scroll down to the bottom right corner of the website. At last count, it had received 11,681,397 requests. But to track the individual progress of each DSR, Vivian requires everyone to keep a daily record of phone conversations, which are reviewed once a week in a private meeting. There are also cameras and speakers in the room so she can monitor the activity from her first-floor office.

"We discuss the leads they may have not followed up on and why we didn't get the order, in the event of a missed opportunity," she says of the weekly meetings. "There's a lot to keep track of; there's a lot to learn and absorb. We have to stay on top of the data to improve our content and better serve the customer."

