



Top: Machinery awaits repair outside the Porter Brothers service department. Bottom: Joe Porter, president and chief executive officer of Porter Brothers, Inc.

Porter Brothers, Inc.

Planned growth, computers and communication keep North Carolina distributorship's sales better than ever.



By Maureen Hrehocik Associate Editor

It all started back in 1949 with a company called the Carolina Chain Saw and Equipment Co., three employees and one product-McCulloch Chain Saws. Thirty-four years and a name change later, Porter Brothers, Inc. in Shelby, NC, an exclusively wholesale distributorship, does in excess of \$35 million annually, employs more than 120 people and represents such manufacturers as Jacobsen, Cushman, U.S.S. Fertilizer, Heckendorn, National, Turfco, Smithco, Mott, Snapper, Yazoo, Merry Tiller, Green Machine, Mc-Culloch, Koehring, Flymo, Topper, Carlton and Giant Vac.

Joseph M. Porter is president and chief executive officer of the company. His brother, Paul, is chairman of the board. W. Robert Porter, now deceased, founded the company. His brother, James, served as vice president until his death in 1979. It is Joe Porter, though, who is in the office on a daily basis carrying out the affairs of the company. He prefers people to call him "Joe" and delegates with a quiet authority and soft-spoken manner. He travels once a week, 50 weeks a year in the field to "get a pulse" on Porter Brothers distributorship is divided into two areas: power tool (which is a wholesale operation and accounts for approximately 74 percent of business) and the turf division (products are sold directly to the user, mainly golf courses, making up the other approximately

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what's happening. Communication—to his customers and to his employees—is important to Joe Porter.

Porter Brothers is now a publicly-held company, owned by the RSI Corporation. Porter Brothers 1982 sales provided 44 percent of the parent company's total revenues. Sales for 1983 are projected to be the best yet for the company with only the chain saw and portable heater businesses lagging. 26 percent). Each area has a little more than 2,000 accounts. Chemicals and fertilizers are sold to turf customers only.

"We're a one-stop shopping center for a turf customer and for a dealer," Porter says.

The company's success is mirrored on the walls of its modest, but expansive, 8-acre Shelby headquarters. Various awards from almost every manufacturer line its walls, including the prestigious Jacobsen Golden Reel Award. The company has been named for several years to the Jacobsen Golden Reel Club and at this year's GCSAA show in Atlanta was a repeat winner of the Professor Jake Award for outstanding distributor service.

The company distributes in an area that covers North and South Carolina, Virginia, West Virginia and east Tennessee.

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"We have enough geographic area," Porter explains, "Now we are trying to increase the market share in the area we're in. The market was getting mature in the power tool division in the southeast, so we moved into other territories. The southeast became one of the fastest growing recreation areas. When I was growing up, golf was for professional people, not the working man. That has changed."

National Golf Foundation statistics show North Carolina has 398 golfing facilities and 424 courses, ranking about 12th in the country in number of courses.

It is Porter Brothers continuing philosophy of "planned growth" that spawned the first decision to expand in the mid-50s.

"We knew that having one product (McCulloch Chain Saws) was limiting and that it was a seasonal product. We decided on planned growth. With our customer base we also decided lawn and garden equipment would be more compatible.

The Merry Tiller brand was added in 1953 and then Snapper followed in 1954 (which today, is Porter Brothers largest vendor.) In 1961 Jacobsen asked the company to take on turf products, originating the turf division.

By the mid-50's, the company had outgrown its Quonset hut-like facilities and moved in 1954. It again outgrew its facility and moved to a third (and present) location, which, with warehouse space, encompasses 108,000square-feet on eight acres. The company owns another 19-acre tract with a warehouse about two miles away.

Porter says the company is selective when choosing dealers.

"Our basis for success is keeping a good customer base," Porter explains. "We don't like to overcrowd. We make a selective appointment of dealers. They have to meet certain standards such a physical facilities, finances and buy minimum quantities."

To ensure a long-term relationship with his suppliers, Porter considers the venture a two-way street. "We must represent his entire product line. We want compatible products, not competing."

With more and more new products flooding the market, and with manufacturers coming out with similar products, this is sometimes a difficult area for distributors to handle.

"This (competing product lines) is a major problem. There are so many products and so many manufacturers making competing products, it's sometimes difficult to get an acceptable share of the market. We'd like to cherry-pick products, but we have to be fair. For example, Merry Tiller is a standard among tillers. Snapper, which we also represent, came out with an almost identical model of tiller. It makes it difficult. We're all trying to grow profitably."

"Service is a key aspect of our company," Porter continued. "We don't sell anything in cartons in the turf division. It is unpacked, inspected and shipped ready to go."

The company provides service through its dealers who are trained at Porter Brothers Field service representatives calling on customers every week.

"We conduct regular service clinics," Porter said. "We schedule calls on dealers regularly. We also solicit service business in the winter when the grass isn't growing." The Power Tool and Turf divisions have separate sales staffs; 12 in turf and 14 in power tool. The salesmen live within the area they service. The company also has a small retail outlet for the convenience of those living in Cleveland County (North Carolina), but, according to Porter, he would like to get out of retail.

Porter Brothers. also conducts service/user clinics with assistance from the various manufacturers.

Another, more direct way of service that Porter Brothers provides is toll-free numbers to the company for sales orders and questions answered by sales people who can give on-the-spot answers.

The company is entirely on-line with a computer system that allows sales people to tell the customer immediately the availability of the item they want.

"We try to plan ahead and use all systems available," Porter said.

Porter uses market research and attributes it to much of the company's success.

Customers appreciate thoroughness. We try to make it easy for you to do business with Porter Brothers."

Porter is very proud of his advertising and marketing program. According to him, this area is where a distributor "earns his stripes."

"We are marketing people," he says simply. "Delivery is important, but so is follow-up."

Porter uses marketing research and attributes it to much of the company's success. "More companies should use it," he says. Lack of adequate management did some dealers in."

"We're not experts in advertising, so we employed an agency in the '50s. "We advertise regionally, the manufacturer does it nationally, and we leave it up to the dealers to do it locally."

Advertising is used as an incencontinued on page 98 tive with dealers.

Porter Brothers uses all media, but especially television because it is more effective in demonstrating how a piece of equipment works.

The company has also devised a PACE program, Promotional Advertising with Consumer Emphasis, that outlines numerous ways an individually-tailored advertising program can help each manufacturer.

"The key is to be innovative, use research and advertising and conduct on-going training programs. We're very promotion-minded and advertising-minded."

Porter sees the consumer now spending money, but demanding more value for that money.



"The parts business has definitely picked up," he says.

Porter says the American manufacturers are realizing the impact of imports in this country.

"For years, U.S. manufacturers were making an inferior product and foreigners got a foothold in the market. It started in the auto and electronics market and has now moved into the outdoor power equipment market. The U.S. is accepting it has a quality problem and is starting to try to correct it. The customer saw he could buy a better mousetrap elsewhere and did. The U.S. has got everything it takes to be a leader in this market. And in this cycle, manufacturers are recognizing the importance of a good, strong distributor. Manufacturers are offering better products, better selection and consumers have regained some confidence."

And while the economy is boosting his business, the geographical location of Porter Brothers is another "plus."

"There's been a diversification in manufacturing in North Carolina," Porter said. "When I was growing up, it was an agricultural and textile market. Now it's gotten to be one of the leading financial centers. Our educational system has also improved which bodes well for the future."

Porter grew up on a farm in Cleveland County in what he considers a rather "industrious" family atmosphere. He inherited his father's desire to be an entrepreneur. After a high school education, Joe Porter became an accountant for an automobile agency. His older brothers had been in sales and equipment. "I'd make the poorest salesman in the world," he confesses. Even though his management style was different than his brothers' he decided to join the company in 1951 and became president in 1975. He and his wife, Bea, whom he affectionately calls "mama", have been married 36 years and have two daughters and two grandchildren.

Porter is an avid golfer and was a founding member of the Outdoor Power Equipment Distributors Association.

"It's been a good 61 years," he says with a smile." **WTT**