

Distribution MATTERS

SUMMER 2017

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NBMDA
North American Building Material Distribution Association

FROM Distributors to Consultants: INDUSTRY CONTINUES TO EVOLVE

An Interview with Michael Donnelly, Incoming NBMDA President

BY LEAH WHEELER

Michael Donnelly is a 25-year industry veteran and a passionate advocate for the industrial distribution industry. S&P talked with Donnelly about his career, the challenges facing the industry today, the impact of technology, the value of membership in the NBMDA and what the future holds for the building products distribution industry.

- Q.** Tell me about your background in the building products distribution industry? How did you get into the business and why did you decide to build a career with Metro Hardwoods?
- A.** I was recruited to join the Metro Hardwoods team in 2001. I joined as sales manager for Metro's Sioux Falls, South Dakota, branch, and I've worn various hats over the years. I am currently general manager of Metro's Sioux Falls and Omaha branches.
- Q.** Can you say a little about Metro Hardwoods, what drew you to the company, and what distinguishes Metro in its service areas?
- A.** "Authentic" is the word I would use to describe Metro. This is an organization that is passionate about serving customers, about maintaining quality vendor relationships and about the integrity of its management structure. That integrity permeates everything we do. We know that the real power of this company sits at the bottom of the org chart with our front-line people. Those of us in management understand that our job is to serve staff with excellence and facilitate what they need to do their jobs so that they can serve our customers with excellence. This means we make sure people are trained, respected, listened to, and that they have the tools they need to do their jobs.





Q. Can you talk about your involvement with the NBMDA?

A. I've been involved with the organization for 16 years. I served on the steering committee for three years, the executive board for four years, and this year I'm privileged to serve as president-elect of the group.

In my opinion, the members of the NBMDA represent the very best of our industry. These are knowledgeable, experienced industry leaders. You can trust and rely on other members when you need to discuss a problem or resolve an issue, and it offers many opportunities to network, build friendships, learn best practices and engage in experiential and tactical exchanges.

Q. What do you see as some of the big challenges facing the industry today?

A. Staying relevant to the next generation of manufacturers and customers is an ongoing challenge. We need to know our customers at a deep level, to look at our operations critically and be open to making system changes when necessary. It means we have to continually educate ourselves and stay current with technology. Talent is another big issue. I think our youth are not exposed to the potential of this business, and so they don't have the opportunity to consider it as a career. It's interesting, though. Young people say they want jobs that are meaningful and that bring them social engagement. Working with customers, helping them to be successful and profitable is so rewarding. We have to do a better job of recruiting young people, of creating an environment where industrial distribution is appealing to millennials.

Q. What sets a top distributor apart from the rest of the field?

A. Today's industry leaders understand that their job is to do everything possible to serve the small and large businesses who are their customers, to help them succeed and be profitable. It's not about selling product. It's a consultancy role, not a transactional one.

When a sales person calls on a customer, the most important thing they can do is ask high quality open ended questions and then shut up and listen. Don't ask what they want to buy. Ask what they see in the market. Walk through the shop with them, listen, observe, learn.

Once we understand a customer's business, we can advise them on ways to be more efficient, to eliminate invisible costs. We can stock products that coincide with their production and educate them about new products, best practices, possible alternatives, etc.

Q. How has the industry changed in recent years?

A. Obviously, technology has had a huge impact on the business. Today, you can access the entire warehouse on your cell phone

instantaneously. It has affected our operations, too, by making them more efficient, more real-time.

I think, too, the paradigm of the industrial distribution industry has shifted from selling products to embracing a consultative role. If our purpose is serving and helping customers produce profits, we will never be obsolete.

Q. What is the most important thing you would say to your peers in the industry?

A. First, I'd say "thank you" to the industry, to my peers and especially to Metro Hardwoods. I am proud to be a small part of this company, the NBMDA and the community of members. I believe it's incumbent on members of the NBMDA to carry our vision to those distributors who are not yet members.

For me, being in this industry for 25 years has been amazing. It's brought me friendships, satisfaction, and enabled me to have influence on some tremendous projects.

There is great honor at Metro Hardwoods and in this industry. Helping our customers flourish is the primary purpose of our entire team. We don't sell to move product out of the warehouse; we sell to increase our customers' profitability.

Q. What would you say to someone who is considering a career in the industrial distribution industry?

A. There is no industry with more potential to grow and prosper, personally and professionally. If you're looking for an industry you can impact, there is no better place than industrial distribution. We need young energy, new ideas, new ways to share our vision and to communicate that vision with customers. This is a place where you build a really great career. **s&p**

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Distributor Roundtable 2017

The NBMDA Steering Committee comprises top industry leaders across the nation, both suppliers and distributors. A group of distributors who serve on the committee participated in a roundtable discussion with *Surface & Panel* and shared their perspectives on a range of topics, including changes and trends in the market, how the role of industrial distributors is evolving, the impact of technology and the value of membership in NBMDA.

BY LEAH WHEELER

Products, Service, Speed: Scott Armstrong, Product Manager, Würth Wood Group



"The value that we provide our customers starts with the products we carry," said Scott Armstrong of Würth Wood Group, headquartered in Charlotte, North Carolina. "We have the brands that customers want coupled with an excellent service platform."

"More and more, it's about speed," he said. "Customers want what they want in real time – and they want value added to it. Our job is to make our customers successful, and having the right inventory and a finely tuned service platform does just that."

Würth Wood Group's service platform includes 19 local warehouses that are strategically located in metro areas within the company's service footprint.

Armstrong noted that much has changed during his 20-plus years with Würth Wood Group. One big change he discussed is the shift from being essentially a supply house to a resource for customers.

"When customers come to us with a problem, it's our job to help them solve it. We function in a consultancy role, and if we can help our customers succeed, then we have done our job well." ●

Deeper Relationships: Andy Wernick, President, Industrial Plywood

"Today, as distributors, we are more involved with our customers than ever before," said Andy Wernick, president of Industrial Plywood, based in Reading, Pennsylvania. "It's a deeper, more multi-dimensional relationship, and not just a buy-and-sell transaction. We have to know our customers intimately and be more involved in their day-to-day business."

"It still comes down to the basic fundamentals of customer service, though," he added. "And those are service, quality, consistency and appreciation. We can never forget that a customer has a choice and can go somewhere else if they're not satisfied. That was understood in this company when it was founded in 1951, and it remains true today."

Wernick underscored the value of membership in the NBMDA.

"NBMDA is a terrific organization. As a member, I can talk candidly with peers who are not my direct competitors about issues we all face and concerns we all share. Some problems are unique to a specific region or a particular aspect of the business, but others are pretty universal, such as transportation, workers compensation and employee health care."

"It's a great organization, a place to learn best practices, pick up new ideas and form solid friendships." ●

Next-Day Delivery: Emily Vella, Marketing Director, Atlantic Plywood



Emily Vella, marketing director of Woburn, Massachusetts-based Atlantic Plywood, commented on the rapid pace at which the business operates today.

"Next-day delivery is extremely important to our customers," she said.

"We are able to provide next-day delivery on products like laminate, solid surface, hardware and abrasives. By consolidating most of our inventory of these products into our Albany HUB location, we can average a fill rate of around 92 percent to 94 percent and deliver to most customers the next day."

She noted that ubiquitous information sharing is affecting the industry, as well.

"People are sharing more information and in different ways, such as via the internet and social media. In B2B sales, the majority of the buying process happens before a sales rep even sets foot in the customer's shop."

"At the same time, we are asked to do more and be more than just a company that sells things," she added. "Customers look to our product specialists as a resource to provide solutions for their projects." ●





Just-In-Time Delivery:
Harry Leadbetter,
Sales and Marketing
Manager, Metro Hardwoods

“The breadth and depth of inventory we carry is a tremendous value for our

customers,” said Harry Leadbetter, sales and marketing manager of Metro Hardwoods. “It’s costly to store product from the standpoint of both financing and space, and customers don’t want it sitting on their floor until they’re ready to use it.

“The fact that we stock enough inventory and enough types of inventory for just-in-time delivery is a huge benefit for our customers.

“When I started in the industry 27 years ago, orders were typically delivered within three or four days. Now, if we get an order in by 4 p.m., it’s delivered the following day. Our cut-off time used to be 2:30, and when we extended it to 4 p.m., we saw an immediate increase in orders.”

More and more, tasks that were once handled by customers are taken on by distributors as a value-added service.

“Many customers order by the individual job. In certain cases, we even stack a delivery in the order that the customer’s machine will utilize the material to save the customer time and labor costs.”

Leadbetter concurred about the importance of consultant selling.

“Our sales people have degrees in wood technology and a deep understanding of what customers are looking for. Oftentimes, it’s a matter of interpreting their needs or coming up with solutions or educating them about alternatives that can increase their yields or save them time and money.” ●

The roundtable participants also commented on the impact of the growing global marketplace on the distribution industry.

SCOTT ARMSTRONG: “Foreign suppliers are not new in the industry, and working with international producers is not a big change for Wurth Wood Group. It is a global market, and it has been for many years.”

ANDY WERNICK: “International suppliers mean there is more product on the market at cheaper prices. We see imports from China, India, Vietnam, Spain, Mexico and Canada. Often, these foreign suppliers are not constrained by regulations and requirements such as health care costs, higher wages, workers comp and other insurances, and so they can easily undercut domestic suppliers. As distributors, we are caught in sort of a ‘Catch-22’ by the dynamics of the market. Of course, we want to be loyal and support our longtime U.S. suppliers, but our customers want the best pricing they can get.”

EMILY VELLA: “We have the global market at our fingertips and are now able to offer our customers almost unlimited product choices. This forces us as distributors to make quick decisions about purchasing, stocking and selling the right items to grow our business.”

HARRY LEADBETTER: “It’s true that imports can undercut and make it really tough for domestic suppliers. We are not as affected as people on the coasts because of our location in Minnesota, but the increasingly global nature of the industry is something we all have to take into consideration.” **s&p**

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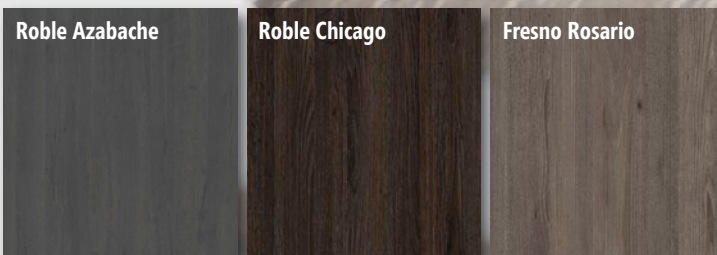
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Supplier Roundtable

BY SCOTT ANGUS

What makes a good supply-chain partner in the building materials world of 2017?

Suppliers and distributors depend on each other. Innovative, high-quality products don't find their way to end users without effective distributors, and distributors can't build strong relationships with customers unless they consistently deliver products that do the job effectively and efficiently. To explore the critical relationship between suppliers and distributors, Surface & Panel asked supplier members of NBMDA's steering committee to offer their thoughts on the key traits of successful distributors.

Passion for Success

Craig Francisco, SVP Countertop Division, VT Industries



The distribution supply chain continues to evolve as the pace of change increases throughout the building materials industry.

We look for partners that have a passion for success. It's critical that we align with their strategic values, commitment to service and desire to invest in the continuous improvement of their employees.

Once we have established alignment, we strive for a high level of ongoing communication. We need to hear what's working and understand areas we can improve to make the relationship stronger for long-term success. ●

Similar Beliefs

Jeff DeFinney, National Sales Manager, Far East American



A good distribution partner is one who sees the value in building a personal relationship. If we are not able to share similar beliefs on the most basic levels, it is going to be a struggle when one company feels like their needs are not getting met.

It must be give and take, not take and take. It isn't a coincidence that the most successful companies we sell are also the ones that see the relationship as a two-way street. They want us to be profitable just as much as we want them to be profitable.

With similar philosophies, trust and transparency are allowed to expand, which further strengthens the bond. ●

The Right Feel

Jeff Winters, Sales Manager, North America, Kessebohmer

At Kessebohmer, we look for key attributes in our distributors to ensure they will present and sell our products professionally.

Among them:

- Sizable warehouse(s) local to areas they service best.
- Inventories of the majority of our products.
- The right number of outside and inside sales reps.
- A willingness to give us the time to properly training their sales force in and out.
- An avenue to promote current and new products.
- A management team that we can work with to create individual programs.



- A willingness to share sales and other information along with our information so both of us can understand each other's business.
- Open communication with their customers, who are also our customers.
- Knowledge and understanding of our cabinet hardware market.
- An established business model to service residential construction customers.
- A view that this as a partnership and that we are not just another supplier.

And after all that, it has to feel right for both companies to enter into an agreement. We've had discussions with some companies and decided, after all was said and done, that either the timing or the fit wasn't right for both to be successful, and we've then respectfully walked away. ●

Strong Online Presence

Steve Brant, Western Sales Manager, Blum

A few years ago, I highlighted the critical importance of our distributors' financial stability as well as the importance of a stable workforce. While those elements remain critical, having distributors that embrace and invest in their online presence is now equally important.

Cabinet shops want an entire suite of e-services from distributors and manufacturers, starting with a website that is clear, convenient and easy to navigate. In addition, more and more customers want to be able to easily place their orders online.

Amazon sets the gold standard with online ordering, and our customers want the buying experience from distributors to be on par with Amazon.

Once our customers purchase products, they look for online post-purchase support documentation and installation information in the form of animations, illustrations and video tutorials. The ease and simplicity of returning products are also key to ensure a

positive online shopping experience.

Strong services behind the technology are no less important. Our distributors' logistics, inventory management and billing platforms must work seamlessly to support their customers' online expectations.

At Blum, we are very fortunate to have many distributors embracing and investing in technology to continue to enhance their customers' research and buying experience. ●



Top-Down Support


Clete Massi, National Sales Manager, Knape & Vogt

The distributor-manufacturer relationship is constantly changing. The demand on distributors and their outside sales territory managers to focus on high value, high margin product lines is ever increasing.

We look for channel partners that see the value in a manufacturer that provides brand recognition, excellent support and extraordinary customer service.

Distribution sales reps must manage their time between multiple product lines. Spending an entire day in the car with a rep may not maximize the effort for either party. Rather, we look to focus on specific needs for targeted customers through set appointments and action planning. This builds confidence with both the distributor rep and the end user/customer. It also gives us an opportunity to address any issues that may be out there, answer questions, help resolve customers' problems, educate and discuss plans and goals.

At the same time, it's important that management sends a top-down message that validates those kinds of efforts and shows the importance of the products through their investment of time and resources in things such as training and product knowledge, inventory management and infrastructure. **s&p**



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Growth AND More GROWTH

Forecast Shows Positive Housing Market Will Continue Into 2018

BY JIM LEUTE

Several big-picture economic indicators suggest a growth trend will continue through 2017 and into 2018, positive news for distributors of wood panel products, surfacing materials, cabinet hardware, finishes and flooring.

That's the takeaway from the latest economic report prepared for the North American Building Material Distribution Association and the North American Association of Floor Covering Distributors.

ITR Economics, a leading economic consulting and forecasting firm, prepared the quarterly report released in April.

It found that the US macroeconomy is on the upside of the business cycle and that rising macroeconomic leading indicators suggest the growth trend will continue through this year and into next.

The report said the US economy, as measured by Gross Domestic Product and industrial production, is accelerating. Consumers are benefitting from wage growth of 3.2

percent, higher employment and low interest rates.

"Consumers are spending money on discretionary items, such as traveling and eating out," the report said. "We expect consumer strength to drive accelerating growth in retail sales in the majority of 2017 and drive overall acceleration in the US economy."

One area in particular that will benefit from the strengthening consumer is the housing market, a particular area of interest to both NBMDA and NAFCD members.

In March, the Federal Reserve raised its benchmark interest rate, a move that indicated the Fed doesn't share the optimism of stock market investors and some business executives that economic growth is gaining speed. Instead, it believes the US economy is expanding at a much more moderate pace.

In previous reports, consultants said rising interest rates will be an incentive for home buyers to act in 2017 to take advantage of lower rates.

That belief is based on data focused on two areas of particular interest to NBMDA and NAFCD members: housing starts and existing home sales.

HOUSING STARTS

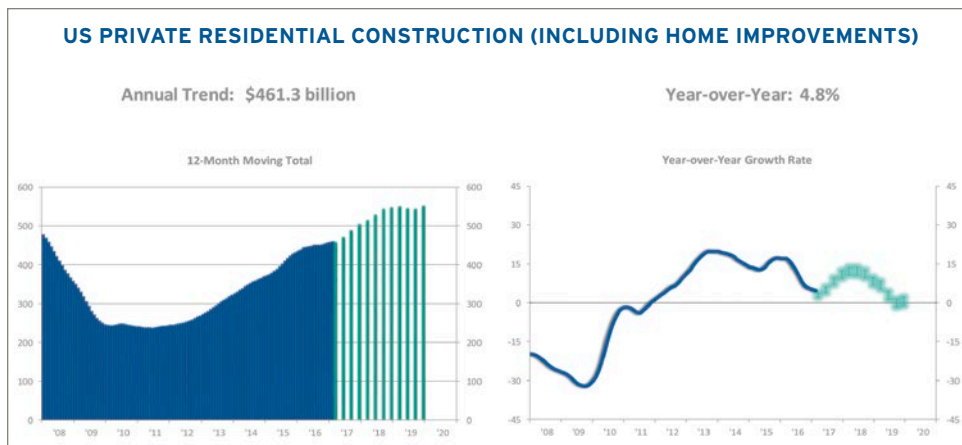
US private residential construction is expected to increase 11 percent in 2017, 8.5 percent in 2018 and a mere 0.7 percent in 2019, according to the ITR report.

Through February, residential construction, including home improvements, totaled \$461.3 billion, the highest level in almost nine years.

The decline in the latter half of 2018 and into 2019 will be the result of expected increases in interest rates. Any recession in the construction sector, however, should be relatively minor because remodeling activity is likely to increase as new construction declines, according to the report.

South region housing starts are in an accelerating growth phase. The quarterly growth rate is an ITR indicator that signals further growth, at least in the near term. Permits are generally accelerating in the Carolinas, while permits in Texas are slightly below year-ago levels but are showing signs of recovery.

West region housing starts are up 8 percent year-over-year. While starts ticked down in recent months, they remain in an overall accelerating growth trend. California permits, which account for one-third of the region, were down 6.2 percent in the first quarter of 2017. Washington, Colorado and Utah offer better growth prospects. In those three states, permit growth is in double digits,



Commercial Construction Continues to Cruise

In its economic report to the North American Building Material Distribution Association and the North American Association of Floor Covering Distributors, ITR Economics also drilled down on other sectors of the US construction economy.

COMMERCIAL BUILDING CONSTRUCTION

ITR's overall outlook for the industry calls for a 14.5 percent increase in 2017, a 13.8 percent jump in 2018 and a 1.9 percent uptick in 2019.

Construction during the 12 months through February totaled \$72.6 billion, up 11.1 percent compared to one year ago.

ITR made an upward revision in its forecast because of faster-than-expected growth in the warehouse component of construction. Up nearly 24 percent over the year-ago level, warehouse construction is not only the fastest growing component of commercial construction, but also one of the best performing segments of the overall non-residential construction sector. ITR pegged much of that growth to consumer preference for online shopping and the need for distribution centers.

FURNITURE AND KITCHEN CABINETS

The outlook for the industry is a 0.4 percent increase in 2017, 1 percent growth in 2018 and a decline of 2.6 percent in 2019.

ITR said expansion in housing starts into mid-2018 will support growth in production as the demand for furniture and cabinets increases.

Higher interest rates and inflation in 2019 will contribute to the pullback expected for production as the demand for new houses and renovations will decrease.

ITR's advice?

"Build your brand in order to gain market share during the upcoming growth period and the 2019 weakness."

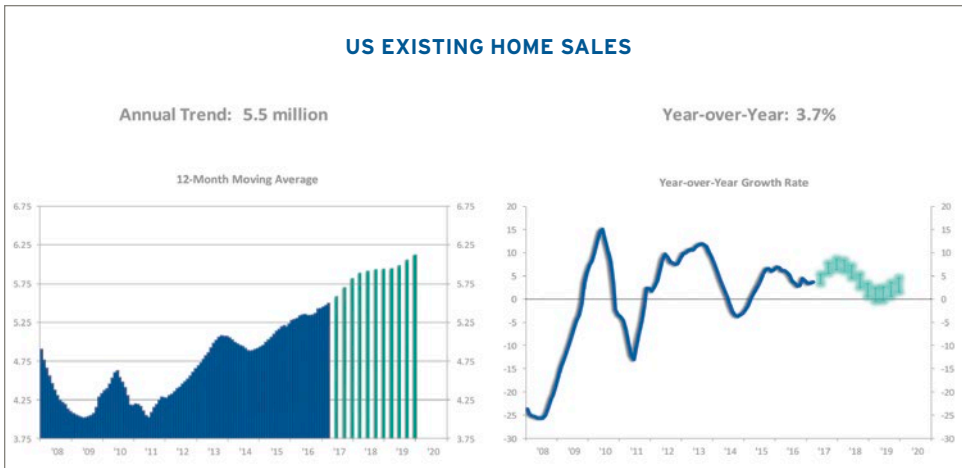
VENEER, PLYWOOD AND ENGINEERED WOOD

ITR's outlook calls for growth in 2017 and 2018 of 4.1 percent and 1.1 percent, respectively, followed by a dip of 0.6 percent in 2019.

Production through March was up 3.5 percent and will generally rise into mid-2018 along with housing starts.

A recent announcement of a tariff on Canada softwood imports to the US is likely to encourage growth in US production, ITR said.

"This is a positive for the US industry, but it will increase the cost of building homes in the US," the report said. "Make sure you have adequate access to lumber, as robust demand and the impact of the tariff may lead to supply disruptions." ■



primarily because of diversified economies and growing populations.

Midwest housing starts are up 15.1 percent through March. Modest growth in the first quarter of this year, however, has tempered the region into what ITR calls a slower growth phase. Some of the slower growth can be attributed to a nearly 41 percent drop in North Dakota permits attributed to weaknesses in the oil and gas industry. Permits in several states in the region – Iowa, Minnesota, Michigan – are expanding at a double-digit pace.

Northeast region housing starts are declining. Internal trends, however, indicate that a transition to recovery is likely in the near-term. Permits in New York, the largest market, are down 47 percent. That's due in large part to a New York tax break that caused housing starts to surge into 2016. New York permits, however, were up nearly 77 percent in March, a sign that the difficult year-over-year comparison is coming to an end.

In general, the ITR report indicates areas of opportunity.

"New residential housing activity is expanding," the report said. "US single unit housing starts during the 12 months through March were up 6.3 percent, but the pace of the rise is decelerating."

Still, ITR said data from the National Association of Home Builders suggests that single unit starts will pick up at least through the rest of this year.

EXISTING HOME SALES

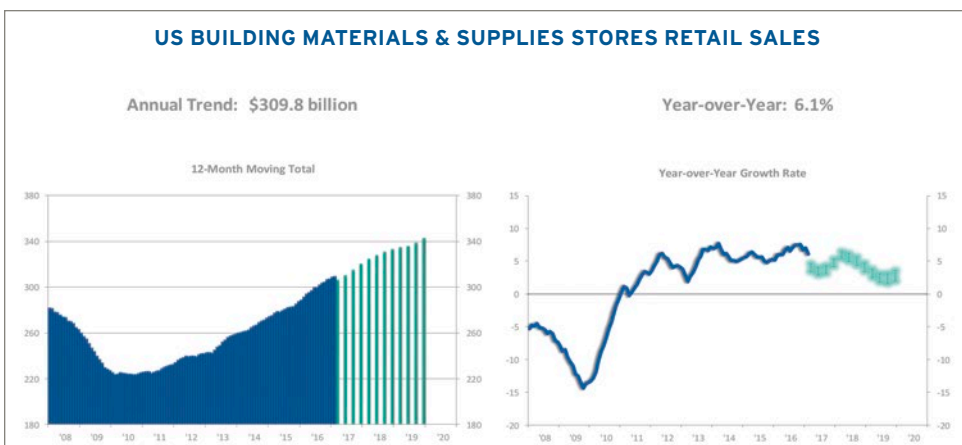
The outlook for 2017 is a 7.6 percent increase in the total number of homes sold.

That's followed by more moderate growth of 2 percent in 2018 and 3.1 percent in 2019.

Existing home sales during the 12 months through March totaled 5.5 million units, up 3.7 percent from a year ago.

"Home sales will generally rise through the end of 2019," the report said.

CONTINUED ON PAGE 14 >



The housing market is expected to expand because of stronger consumers, the report said. While interest rates are rising, they're still near historic lows.

Low interest rates are expected to combine with a strong labor market that's experiencing real wage gains that should give consumers the ability to buy homes.

"This will drive the demand in housing starts and home sales into early 2018," the report said. "Home sales will grow in 2018, albeit at a slower pace as rising interest rates and inflation sap consumers' purchasing power."

ITR'S ADVICE

The report said NBMDA and NAFCD members should prepare for a good year in the US macroeconomy and the construction industry by ensuring they have adequate capital and labor available to avoid capacity constraints.

"The overall industrial side of the economy is expected to expand into late 2018," the report said.

As evidence, ITR points toward growth in orders for non-defense capital goods, improving capital expenditure plans and a recovery in orders for commodity-dependent products.

"All of this supports the housing market through mid-2018," the ITR consultants conclude. "Be prepared for growth in US industrial production into late 2018 by making sure you have adequate capital and labor." **s&p**

Indicators Cover Broad Spectrum

As the basis for its economic report to the North American Building Material Distribution Association and the North American Association of Floor Covering Distributors, ITR Economics considered several leading indicators.

Here are a few used in its April 2017 report:

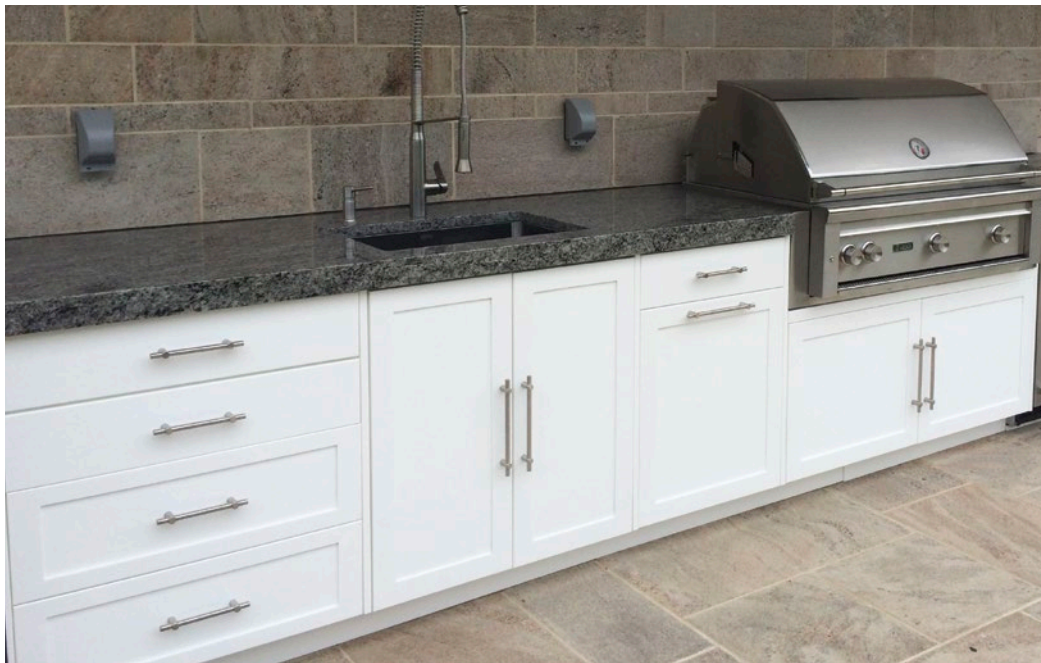
HOUSING STARTS: Housing starts will accelerate imminently, suggesting upward movement for the US economy through 2017.

CONSUMER EXPECTATIONS INDEX: Consumer expectations are virtually even with the year-ago level. Expect a cyclical rise in consumer confidence to support rising retail sales into the second half of this year.

US TOTAL INDUSTRY CAPACITY UTILIZATION RATE: The utilization rate's generally rising trend signals that US industrial production will rise into at least late 2017.

US LEADING INDICATOR: This indicator rose further in March, suggesting upward momentum for the economy into late 2017.

PURCHASING MANAGERS INDEX: Despite a tick down in March, the overall rise in the S&P 500 is a positive sign for the general economy. ■



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Why NBMDA Attracts the Industry's Top Distributors

Executive Director Kevin Gammonley Discusses NBMDA's Value in the Surfacing Supply Chain

Kevin Gammonley, executive vice president of the NBMDA (the North American Building Material Distribution Association), has worked closely with executives from some of the industry's leading distribution and manufacturing companies during his 25 years as an association management professional.

NBMDA's mission is to develop and promote the effectiveness of distribution processes to improve member profitability and growth. The association represents the leading wholesale distributors of wood panels, surfacing materials, cabinet hardware, finishes and related products. Membership comprises distributors and manufacturers that serve independent building material and kitchen/bath dealers, as well as production companies involved in cabinetry, architectural woodwork, stock woodwork, store fixtures, solid surface fabricating and plastics fabricating. Distributor members operate more than 900 distribution centers throughout the U.S. and Canada and have a collective purchasing power of more than \$15 billion.

"Our goal is to help make distributors a stronger component of the supply chain, to help them be more efficient, productive and profitable," Gammonley said. "We do this in a variety of ways: through education and training; dissemination of benchmarking data; introduction to new supply chain technologies; and by facilitating exchange and communication about best practices, value-added customer service and current and upcoming channel trends."

Membership in NBMDA allows distributors to keep their fingers on the pulse of the industry, learn how to upgrade their services and concentrate on their local markets while still maintaining strong connections to peers from across the country. Participation in the organization allows distributors to learn from each other and to compare their operations against the best in the business.

Distributor members are generous with their time and ideas. Members regularly stay in contact with their peers to brainstorm ideas and visit each other's facilities to learn about successful processes or new technologies.

"Our value proposition is built around enhancing the wholesale distribution process," Gammonley said. "As distributors help to pull products through the supply chain, NBMDA addresses trends and best practices related to their relationships upstream with manufacturers and also downstream with customers and purchase influencers, such as architects and designers who spec, develop and stimulate demand."

One of the organization's strengths is that it attracts the most successful and innovative distribution companies in the industry.

"We continually look for ways to enhance this component of the supply chain, connect distributors with the supplier base, including current and potential future suppliers, and provide forums for relationships to strengthen," Gammonley said. "It goes beyond simply networking and encompasses the exchange and sharing of information at all levels of the distributorship covering topics such as sales, marketing, inventory management, warehousing, credit and financial management and much more."



Membership in NBMDA enables distributors to align with top-tier suppliers through the group's events and networking functions. Associate membership in the NBMDA is a cost-effective, efficient means for manufacturers to get introduced to distribution decision-makers and learn about their challenges and opportunities while staying connected to the distributor community.

As a result, they are able to develop and provide products ahead of the need and before the products become commoditized, Gammonley said. The value derived from these connections also benefits architects, designers and end-users because they can align themselves with top distributors and tap into the knowledge, training,

technologies, products and best practices that are available.

Gammonley praised the caliber of the organization's members.

"The members of NBMDA are leaders of their own companies and communities, as well as marketplace leaders," he said. "They are an impressive group of people, hard-working, forward-leaning, and they have a real service orientation. They want to make the channel stronger and give back to the industry."

"Many of our members represent family-owned companies that have achieved market leadership and success through vision and persistence. What has made them successful in their businesses is what makes the NBMDA strong."

It's an exciting time for the building material and woodworking distribution channels, Gammonley noted.

"Macro trends such as globalization, environmental regulations, advances in technology and innovative new marketing strategies using social media are having huge impacts on the channel and industry overall."

The good news is that NBMDA offers many ways for distributors to stay connected to their peers, service providers, trading partners, industry thought leaders and experts on distribution management and strategy. The group also provides resources, such as branch management education, sales training and leadership development, as well as social media training.

New in 2017, the association is helping its members connect with the surface fabricator community by partnering with the International Surface Fabricators Association (ISFA) on regional fabricator meetings. Hosted by distributors, these meetings are designed to provide a forum for owners and senior executives from fabricating firms to learn from each other on how to grow their businesses.

"NBMDA is excited to help bring best practices and education down the supply chain to our distributor's customers," Gammonley said.

In November 2017, NBMDA will partner with the North American Association of Floor Covering Distributors (NAFCD) to host its seventh joint NBMDA + NAFCD Annual Convention & Tabletop Networking Forum in Colorado Springs, Colo. At this unique event, the supply chain for both countertop and flooring surfacing come together for networking and education. To learn more, visit www.distributorconvention.org **s&p**



North American Building Material Distribution Association

North American Building Material Distribution Association Serves the Unique Needs of Wholesale Distributors

NBMDA ... An organization dedicated to supporting the leading wholesale distribution firms who serve the woodworking and kitchen and bath industries.

NBMDA members operate from 800+ distribution centers located throughout the United States and Canada.

NBMDA distributors primarily handle:

- **Board & Panel Products**
- **Decorative Surfaces**
- **Hardware**
- **Production Supplies
including Adhesives, Coatings & Finishes**

NBMDA distributors support the unique needs of:

- **Cabinet & Case Goods Manufacturers**
- **Fabricators**
- **Kitchen & Bath Retailers**
- **Architects & Designers**

NBMDA provides distributors and their suppliers with:

- **Facilitated opportunities to strengthen their trading partner relationships**
- **Education and training across the spectrum of distribution management topics**
- **Insights into the leading trends and best practices that impact distributor productivity and profitability**