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Celebrating its
60th anniversary,
Munch's Supply
keeps a keen focus on
future opportunities

**Munch's
Supply**



Munch's Supply: 60 Years of Building Relationships & Building a Business

As Munch's Supply celebrates its 60th anniversary this year, the business is looking back at its success, while keeping a keen focus on the opportunities that lay ahead. These dual themes, honoring the past while still looking forward, have made this family-owned enterprise so successful as an HVAC wholesale distributor.

Bob Munch, the CEO of Munch's Supply and the third generation to run the business, understands the rich legacy started by his grandfather in 1956. He and his staff have a goal to build relationships with every customer interaction – always staying high-touch in today's high-tech world. "There's a real responsibility that goes along with having your name on the side of the building," he says. "Making sure that customers experience the Munch difference is just in our DNA."

Munch's grandfather, Willard Munch, started the business in Chicago's south suburbs because he identified two needs. As an electrician, Willard saw an

Bob Munch Sr. works in the family garage turned warehouse in this early photo.





The talented Munch team takes time for fun at the annual company picnic in 2015.

opening for a local source of electrical supplies for himself and his fellow electricians. As a husband and a father, he wanted to give his family a better life. Side jobs turned into a supply business that ultimately became a family affair. “My grandfather was abundantly adept at identifying a need and figuring out how to fill it,” Munch says.

Willard’s electrical supply business soon added plumbing, appliances and finally in 1970, heating, ventilation and air conditioning. In 1995 the company decided to sell off the other lines and focus solely on HVAC. This decision proved pivotal in setting the company’s future growth trajectory. Munch credits the ongoing success first and foremost to the strong relationships it enjoys with its employees, customers and vendors. “The key to it all has always been the people,” Munch says.

As Munch’s celebrates its 60th anniversary in 2016, company-wide celebrations have been held. “It’s been fun to get together and share stories with the staff, many of whom have spent 20, 25 or 30 years working for

us. We recognize and appreciate how rare that is in today’s world.”

Having long-time employees as part of the Munch’s Supply family speaks to the culture. Munch notes there are second generations of employees who now work for the company. The same is true for customers. “In many cases, sons or daughters have taken over a business or

are now playing a primary role. We can certainly relate to that,” Munch says.

Munch’s Supply, headquartered southwest of Chicago in suburban New Lenox, serves its Illinois and Northwest Indiana customers out of eight locations including a newly opened branch in Hobart, Indiana. In addition, in 2015, the company acquired

Munch’s Supply at a Glance

Founder:	Willard Munch
CEO:	Bob Munch
Senior leadership:	Keith Kramer, President, Illinois/Indiana Scott Miller, President, Michigan Gus Backer, CFO Tim Schaedig, Vice President, Operations
Locations:	11
Number of employees:	270
Major lines/brands:	American Standard, Trane, Ameristar, Advanced Distributor Products, Lukjan, Hart & Cooley Inc. (A-D Ven), Research Products Corporation, Rheem, Spacepak, Reznor (A-D Vend), Diversitech (A-D Ven), Honeywell (A-D Ven), Navien Inc., E.C.R. International Inc.



Bob Munch reviews deliveries with Hillside Branch Manager Roger Garcia.

three stores in Michigan from Ingersoll Rand (the company that owns the Trane and American Standard brands). The opening of the Indiana branch will mark the first time the company has a physical footprint in all three states.

As the business has expanded to 11 branches and more than 270 employees, Munch says it has kept serving customers top of mind. He continually challenges staff to always treat the customers as they would want to be treated. This “golden-rule” philosophy keeps the company memorable in a competitive landscape. Standard Munch services include a one-hour, will-call guarantee, seven-day-a-week, on-demand delivery, local technical/commercial support, dealer training, full e-commerce capabilities and more.

As technology has evolved, Munch's Supply has taken full advantage to im-

pact its customer experience – from online invoices to 24/7 bill payment and order entry, and tech support. “We understand that customers need to be able to do business on their terms,” Munch says. “This is just one other way we meet their needs.”

People Come First

But customer service in the 21st century doesn't stop with technology. People always come first and at the heart of Munch's new hire process is the desire to ensure that they always hire and train employees who can deliver a great experience each and every time. “We've learned the key to a high-performing employee has more to do with their approach to customer service rather than their HVAC knowledge. In our hiring process, we identify candidates with strong customer ser-

vice skills and then put them through a great internal training program to help them learn the business,” Munch says.

Customer service is what distinguishes his company from competitors. Instead of worrying about the competition, he says, he focuses the company's efforts on what they can control. “Whether it be the high level of inventory, the training and education of our staff, the standards that we hold our operations to or flexible on-time delivery, one-stop shopping or the quality and accuracy of the work we perform,” he says.

Training is an area in which Munch's Supply has invested significant resources. Most recently, the company built a training center adjacent to its Hillside branch, which is centrally located for the entire Chicago market. “We designed it to be the best,” Munch

says of the 6,000-sq.ft. location. It includes a state-of-the-art classroom with high-tech AV equipment and a hands-on lab with more than a dozen pieces of live-fire equipment for interactive training and trouble-shooting.

Subject matter at classes includes sales, marketing and technical training taught by Munch's staff, representatives from vendors or third-party trainers. A robust course catalog allows customers to decide which classes are right for them and their teams. Participation has been strong as contractors seek to gain an edge in all aspects of their business.

Today, while the vast majority of its business is in the residential market, the commercial segment continues to show healthy growth. Munch is excited about this segment of the marketplace and points to an experienced in-house commercial department and a robust inventory investment.

Based on the seasonal nature of the business, balancing the amount of inventory on hand is always a challenge. With an experienced purchasing staff that takes a strategic approach to inventory management, the branches are able to keep products on the shelves and give the customers the peace of mind that they'll get what they need when they need it. "This is an area where our 60 years of experience give us a real advantage over our competition," Munch says.

With that type of history, clearly it's no surprise that the company was named the first American Standard distributor in 1988 and, over the years, has developed a track record of performance and awards with the brand.

Building and sustaining partnerships with manufacturers such as Ingersoll Rand has been key in the company's long history of success. "I think it helps that we have a track record of high performance, but ultimately it is trust that sustains the relationship," Munch says. "Our almost 30 years with IR has developed a high level of trust. When you combine that trust with the respect we have for IR and the fact that they are

people we enjoy doing business with, the result is a relationship that flourishes."

Because relationships remain central to the HVAC wholesale distribution business, Munch's Supply is well-suited to thrive as the industry continues to evolve. Willard Munch grew the business on the relationships he cultivated, starting with his peers in the electrical business. "It started with my grandfather's desire to own his own business,

then my father's desire to build on that dream," Munch says. "None of that happens without the right team in place that shares that vision and we are fortunate to have the best staff in the industry."



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Best Practices



Giving back to local communities through its annual food drive is anticipated company wide.

Paying it Forward

While Munch's Supply has accomplished many great things in the past 60 years, the company is proudest of the work it has done alongside its staff, vendors and customers to support two worthy causes: St. Jude Children's Research Hospital and local food pantries.

Based in Memphis, Tennessee, St. Jude's is a hospital whose mission is to treat and ultimately defeat pediatric cancer and other deadly diseases. No child is ever denied treatment based on race, religion or a family's ability to pay.

Munch's Supply is thrilled to support this extraordinary work and join Trane in its third year of national sponsorship. As a company, Munch's Supply raised more than \$10,000 for this worthwhile cause through participation in the St. Jude



Walk/Run to End Childhood Cancer, employee raffles and collection boxes at its branches.

Closer to home, Munch's Supply also runs a company-wide food drive each fall. Each branch selects a food pantry in its local community and all monies and items collected are donated directly to the food pantry. In 2015, this included more than 6,000 items and \$8,000 in cash.

In conjunction with the food drive, Munch's Supply also sponsors a company-wide, themed cook-off where amateur Munch chefs compete for bragging rights while local food pantries receive all monies raised from the cover charge from attendees and onsite raffles.

These events are highlights of each year and Munch's Supply is thrilled to say that participation (and donations) continue to increase annually.



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