



EFI Systems Group Changes With The Times



Left to right: Ralph Kosir, Bob Shearer, Dave Carpenter, Ray Leroux and Frank Albonese are the partners in EFI Systems Group.

There's an occasional news segment on one of the major television networks in the United States, where a reporter travels to a strange town, enters a phone booth and runs his finger down the page in the phonebook. When he stops, he dials the name his finger is pointing to. The theory here is that everyone has a story. This is also true with MANA's Online Directory. A similar, though electronic exercise, brings us to the entry for EFI Systems Group in Ontario, Canada.

A brief history of the firm, found on its web page (www.efi-systemsgroup.com), educates us accordingly: "EFI Systems Group was formed in January of 1998, as a result of the partnering of Enviro-Mech Systems Limited and The Fanco Group, to serve the heating, ventilating and air conditioning (HVAC) industry. Both Enviro-Mech and Fanco had long histories of serving the HVAC industry in Southern Ontario. Since the formation of EFI Systems Group, the partnership continues to grow in the interest of better serving the HVAC industry. Since most of our sales representatives are professional engineers, EFI Systems Group has the capability of not only supplying products, but offering application and installation expertise second to none in the industry."

But if that was all there was to EFI Systems' Group story, the theory that everyone and everything has a story that was outlined above would hardly hold water. A conversation with one of EFI's partners lends credence to that theory, and illustrates how professional competitors can combine their different business cultures to better serve the marketplace.

While Dave Carpenter, one of

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EFI's partners, maintains that the career path he set out for himself years ago didn't necessarily have him following a course to be a rep, he looks back on the nearly 30-year experience with a great deal of satisfaction. According to Carpenter, he began his career right out of school in 1976 when he joined Canadian Blower and Forge Company. "They had a program where recent college graduates were placed into a sales office to learn the business," he explains. "I was fortunate to get into an independent rep's office. Over time, and after a succession of several different managers buying out previous managers, I eventually became a partner in the agency. I did that until about 1994 when Canadian Blower and Forge, which was part of Buffalo Forge, was bought out by another company. That was when we dropped that line and began repping other companies. All together, we took on four major lines that virtually covered the same products we previously represented.

"Looking back I'd say that we were all fairly worried about what we were doing. There we were saying goodbye to lines that we had a 15- to 20-year history with, while at the same time moving from being a strictly commissioned rep to one that bought and sold products. We had to come up with a lot of investment to cover

our financing. Then we faced the challenge of selling a new line of products to our existing customers. Since our older line still had a lot of acceptance, it was a little bit like asking them to say goodbye to their Chevrolet and take on a Hyundai. By and large, more than 70 percent of our customers stayed with us. That was certainly a testament to the work we had done over the years building relationships in the field."

Change Prepared for the Future

He continues that looking back on the experience, "We made all the right decisions. We knew that to prepare for the future we had to make a change, and that's exactly what we did."

Another change came in 1998 when Carpenter's agency merged with another competitive agency in the territory. According to Carpenter, the merger came about largely because "there were a couple of products that both agencies represented. The principals never really policed the territory and let us fight out the margins. It turned out that our agency had a strong fan line but was weak in air handling. We merged with an agency that was weak in fans but very strong in air handling. We were good competi-

tive friends over the years and as a result of good chemistry between us, a merger made sense.”

The result was EFI Systems Group. In addition to Carpenter, other partners are the managing partner Bob Shearer, Frank Albonese, Ray Leroux and Ralph Kosir. In addition to the Etobicoke office, EFI has offices in Hamilton and Cambridge, Ontario.

The good chemistry that Carpenter spoke about that helped create an environment favorable to the merger, continues to this day. Along with that good chemistry, however, came two completely different business cultures that had to mesh in order to make

the merger work. And mesh it has, according to Carpenter.

“From the very beginning of the merger,” he explains, “we were faced with the challenge of making two entirely different cultures work. I’d say that my agency was more freewheeling. We’d work up a job on the back of a napkin. As a matter of fact, I once got a \$3½ million order based on the information I put on just one sheet of paper. The agency we merged with was very much oriented toward planning and figuring out things ahead of time. We simply managed to blend the two together. Obviously we needed more structure and they needed

to loosen up a bit. We got all of our people to work together. It was maybe three years before things began to operate as smoothly as we would like. Perhaps things would have been different if the joining of the two agencies was one agency purchasing another vs. the merger that took place. Looking back, however, we have no regrets concerning the experience. When you’re working with five partners, each of whom brings something valuable to the table, decisions might take a little longer. But we don’t make any snap decisions that might adversely affect the agency and its principals.”

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