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★ **PM's** ★

2023
Rep of the Year
Herkowski,
Stickler & Associates

— ★ —



2023 PLUMBING & MECHANICAL MANUFACTURERS' REP OF THE YEAR: HERKOWSKI STICKLER & ASSOCIATES

HSA focuses on growing its business through strong relationships.

BY NICOLE KRAWCKE



Joe Herkowski and Steve Stickler merged their rep businesses to create HSA in 2013. Today, the firm has nabbed the honor of PM's 2023 Rep of the Year.

The plumbing industry has seen lots of fast-paced changes in recent years. Between the COVID-19 pandemic, supply chain issues, material price increases and the vast consolidations in the mergers and acquisitions markets, those who can't keep up and stay relevant, fall behind.

That certainly is not the case for Herkowski Stickler & Associates (HSA). The rep agency has managed the difficult feat of enhancing its reputation beyond just being a sales agency through its dedication to building trustworthy relationships, relentless focus on training and continued investment in its people and new technologies. That's why HSA has been named *Plumbing & Mechanical's* 2023 Manufacturers' Rep of the Year.



HSA's Bradford White trailer helps the rep agency provide technical product training on the road.

LONG HISTORY

Now a third-generation family business, Stickler & Associates was founded in 1931 by Byron Stickler.

"My grandfather started the business in 1931, and I always joke it was a great year to start a business in the Great Depression," says Steve Stickler, owner of HSA. "My father took over the company in 1974, then I took over from him in 2008."

Herkowski Sales, another family business, was formed in 1985 by Pete Herkowski who was tired of being on the road as a national sales manager. His son, Joe Herkowski, owner of HSA, started in the business in 2001 and took over the business in 2008. When the unique opportunity to join forces presented itself Herkowski and Stickler merged their businesses on Jan. 1, 2013.

"We had the opportunity to merge our businesses in Wisconsin, and to open an office in Chicago, which was a brand new market for both of us," Herkowski explains. "So we merged our businesses and opened in Chicago all in the same year."

"Joe and I spent most of 2012 together in clandestine places to discuss putting this together," Stickler adds. "The big opportunity for both of us was not only becoming hopefully a strong rep agency in the State of Wisconsin, but going into Chicagoland. I always remember Joe pulling out the map, saying, 'Hey, Milwaukee, Green Bay and Appleton, Wisconsin are an hour and a half to two hours away.' That circle also showed Chicago, and that was how he sold me on it."

Today, Herkowski Stickler & Associates has two locations in Milwaukee and Bensenville, Illinois. The company has 39 employees between the two offices. Both locations have warehouses boasting over 25,000 square feet of products ready to ship. HSA's line card also boasts some big industry names, including Bradford White, Laars, Bradley Corp., Charlotte Pipe & Foundry, Gerber, JR Smith, Oatey, Murdock, T&S Brass and more.



HSA also places a high priority on training its own staff, often sending team members to manufacturer trainings.

EMBRACING CHANGE

The 2013 merger to create HSA was just the tip of the iceberg when it comes to changes within the company. Prior to merging with Stickler, Herkowski Sales merged with Miller Sales in Illinois in 2012. Then HSA acquired Riddile Associates in 2014, and Deery-Pardue & Associates in 2021. Both firms were located in Illinois. Finally, in 2022, HSA opened a service center at its Wisconsin location.

“We’ve had quite a few mergers and acquisitions of previously successful rep agencies that for whatever reason didn’t want to stay in business anymore — so we have a pretty unique group that has come together,” Herkowski says.

HSA’s many changes don’t end in the M&A arena either, as the company has experienced quite a few revisions to its line card over the years. Stickler’s family business had represented Elkay from 1934 up until last year when the Zurn-Elkay merger took place. Today, the company’s longest served line is Bradley Corp. The firm has also been busy vetting and adding new lines to both of its locations.

“Steve and I went down this road of really making sure we have the right principal partners behind us that share our core values of believing in people and believing in the customer,” Herkowski says. “We want them to share the same ethics, if you will. We have a vetting process on that front with a manufacturer, then secondly, we look at if their product fits in with what we’re trying to do.”

Brian Baxter, general manager of HSA, worked for Miller Sales before it was acquired by Herkowski & Associates, so he’s been with HSA since it was created.

“We’ve got a great group of people — we have a lot of fun working together,” he says. “When you hire a single person at a time, it’s easier to train them and bring them into the HSA culture, but when you bring in eight people at a time because you merged with a company, that’s a challenge. But I think we’ve done very well in bringing those people in and making them part of the team. There’s been a lot of excitement because we’ve gone through a lot of changes in a short period of time. There’s always something happening

around here. Steve called me last week regarding this award and said, 'I've got some big news for you.' I joked with him that he can't start a conversation off by telling me that."

Baxter notes that with all the line card changes the company has seen, it speaks to HSA's culture that there hasn't been any employee turnover.

"We had some people who really knew some of those lines inside and out, and whenever you have turnover in lines, you worry about turnover in people — we have not lost a single person," he says. "I think that speaks well of our culture."

Herkowski notes that all of the consolidation within the industry has presented the largest challenge for the rep firm.

"Things like being let go from being an Elkay rep after 90 years — that's a challenge — but those are things we cannot control," Herkowski says. "We are focusing on the things we can control, which is continuing to deliver value in training and taking care of our people. I think we've done those things and made it through probably the toughest consolidation the industry's seen on the plumbing side in a long time. We focus on our relationships and the people."

"It's the classic death, taxes and change — it's all inevitable," Stickler adds. "I personally don't think the consolidation trend is going to stop — it's going to continue. It's in every part of the industry — rep firms, wholesalers, manufacturers and even contractors. There are these large groups out there buying individual contractors up. There's going to be more to come."



HSA provides product training inside Bradley Corp.'s BradVan.

RELATIONSHIPS ARE THE KEY TO SUCCESS

HSA's relationships with plumbing and HVAC contractors and design and specifying engineers are extremely important to the company, Stickler explains.

Matt Brennan, co-president of Milwaukee-based mechanical contractor JM Brennan, has worked with HSA — in all its variations — for the past 31 years.

"We're a third-generation family business — my grandfather, then my father and now my brother and I," Brennan says. "My dad dealt with Steve Stickler's dad, and my dad dealt with Pete Herkowski when it was Herkowski Sales. We've worked with both the Herkowskis and Sticklers and HSA forever. They bring very quality products and a lot of product knowledge that, as a contractor, you don't always know what is the best solution for your customer. the best product. They provide a lot of thoughtful help in selecting equipment for projects and a lot of education on the latest and greatest products out there."

Brennan says his employees have attended training at HSA, but the rep firm has also conducted training sessions at the contractor's facilities as well. "They've also taken us to some of their manufacturers so we could see firsthand how the products are made, and how we can install and service it better.

"HSA helps us be a better contractor by bringing the latest and greatest equipment and materials so we're not lagging behind the latest market trends," he adds. "They're very proactive in bringing us information. They're our first go-to reps on the plumbing side that we ever deal with. And they represent some of the best products. They're great guys to deal with. They've been fantastic throughout the years. And, really, it's been a great partnership."

Greg Jones, CEO of Madison, Wisconsin-based mechanical contractor Dave Jones, part of the Forgewell Building Group, also worked with Herkowski and Stickler before the HSA merger.

"Life and business are all about relationships," Jones says. "We have developed close friendships with them that ultimately benefit both parties. Both sides know that we can reach out to each other at any time and have open, honest conversations with each other. This sense of trust and honesty between us has been the foundation of our relationship.

"HSA has always done a great job with bringing new and innovative products to our attention that they believe could help our business," he continues. "They understand our strengths and weaknesses and present solutions to the challenges that we may be facing. If there is a new product out on the market that could save installation time without sacrificing quality, they bring it to our attention. Everyone in the construction industry understands that labor will continue to be the #1 challenge for all of our businesses for years to come. It's crucial that we have partners such as HSA that are consistently researching new products and holding us accountable to not stay stagnant because 'that's the way we've always done it.' I appreciate what they do for our business, but I also appreciate our friendship and relationship outside of work. I think of them first as a friend and second as a manufacturer's rep. We care about each other's business but we also care about each other as individuals."

HSA employees pride themselves in knowing the lines they represent inside and out, something their manufacturer partners appreciate.

"Steve, Joe and the entire team are a pleasure to work with," says **Mark Whittington**, executive vice president of sales, Bradley Corp. "They make their manufacturing partners feel like part of their organization and the attention they give to our customers is second to none. They run a first-class company with a first-class team. They are respected in our industry, and their results each year speak for themselves. What sets them apart, they are friends as much as they are our representative.

"They understand our brand as well as anyone and I would say that is likely the same for all the brands they represent," he continues. "They take the time to train their team, and it shows in the market. They are not afraid or rolling up their sleeves and getting into the market to troubleshoot and resolve issues. That takes experience, and HSA has that!"

Oatey Co. Vice President of Sales — Wholesale Patrick Aquino notes that there is frequent interaction between the HSA team and the Oatey team.

“We have created good synergies and synced up the proper business units on both sides to work together in the trenches,” Aquino says. “Steve Stickler and Joe Herkowski have built more than a manufacturing rep agency. They have built a winning team with a strong brand and have created opportunities for their employees. HSA is a family run business and they treat their employees as such. This resonates well with Oatey, as it is one of our core principles. HSA represents Oatey and themselves with class and dignity. Steve and Joe’s team pride themselves on doing the right thing and leading by good principles. I cannot be prouder and happier for the entire HSA Team. Congratulations and well deserved, cheers!”

Barrett Morris, president Acorn Engineering and Jay R Smith, also states that Morris Group International (MGI) and Herkowski Stickler & Associates (HSA) have formed a remarkable bond over the past few years, “rooted in shared values and a can-do spirit.”

“What started with Jay R Smith drains has blossomed into a partnership that encompasses most of the products manufactured by MGI, including Murdock filtered bottle fillers & drinking fountains,” Morris explains. “The relationship with Joe, Steve, and the team feels like it’s been around forever, like good friends who just click. HSA, like MGI, is a generational agency with a true entrepreneurial spirit. With their technical expertise and warehouses in Chicago and Milwaukee, HSA’s support of the engineers, contractors and wholesalers they serve is unmatched. With the ability to do hands-on demonstrations, the engineering community can better understand how a product is installed by the contractor. They have earned the trust of their customers and they have the inventory to keep jobs running on time! It is a simple but effective formula — do what you say you are going to do!”

Morris adds that MGI is proud to have the HSA team take its products to market.

“MGI believes that HSA is positioned for generations to come, just like MGI with new generations shaping the future of business,” he says. “The two companies share a special bond, built on trust and shared values, which has made our partnership a great success!”



HSA offers both in-house and on-site training in the form of lunch and learns, product training on manufacturer lines, custom-tailored training sessions, NUPI certification training and CEUs.

ALWAYS BE TRAINING

Whether it's HSA's own staff or its contractor or engineering partners, the rep firm places a high priority on training.

"As important as our industry relationships are, as we move forward, it's also important to continue to deliver value on technical training," Herkowski explains. "We've really doubled down on training. For us, it's about delivering value at the contractor, wholesaler and engineering facility level. Steve and I firmly believe that the training aspect of that is a huge value proposition of what we bring to the table."

HSA offers both in-house and on-site training in the form of lunch and learns, product training on manufacturer lines, custom-tailored training sessions, NUPIC certification training and CEUs. The firm has a Bradford White trailer and will occasionally use the Bradley BradVan for onsite trainings as well.

Herkowski notes that HSA also recently launched the training portion of its website, something the team is really excited about. The site pulls from HSA's manufacturer partner websites so customers can access information easily from one place.

Additionally HSA's Hot Water Technical Solutions Group — a team of five HSA employees (two inside and three outside trainers made up of three master plumbers) — was added in May. The Hot Water Technical Solutions Team will not only offer training, but design assist, project equipment estimation, product allocation and delivery coordination, pre-installation walk-through, start-up, P.M. scheduling and technical support on Bradford White and Laars products. The goal is to help HSA provide its customers with start-to-finish hands-on customer service for all their hot water needs.

"We're very flexible," Stickler adds. "We want to be available to do anything for a contractor, distributor, or whoever is looking for training. They can come to us or we'll come to you, we'll do it at a place in the middle, whatever it is, we just want to get that training done. It's very important to us."

Keeping up with new technology

Herkowski and Stickler are also no strangers to investing in new technologies to help HSA be more efficient.

"Rep Fabric, our CRM system, and ISQuote, our quotation software connect and talk to each other to help us do our jobs better," Stickler explains. "Granted, there's a lot of people investing in technology now, but I believe we're at a level where we're really starting to hum. We're investing in our business to be better — we want the best and the latest, greatest things so we can communicate more efficiently. The world is traveling at a 100 miles an hour, so we have to keep up."

"We invested in cloud-based technology as well," Herkowski adds. "We'll continue to invest in people, technology and ultimately being able to deliver the value again to the contractor, engineer and wholesaler."

Baxter notes Herkowski and Stickler never hesitate to invest money in technology.

"I'm a spreadsheet nerd myself — one of my coworkers bought me a coffee mug that says, 'This calls for a good spreadsheet,'" Baxter says. "I love that we're always trying something new, whether it's sales management software or something else. We try it, but if we find something better, we switch. There's never any hesitation to try the latest and newest, and make sure we're getting the best information."

PLANNING FOR THE FUTURE

While the majority of the plumbing industry is struggling with labor shortages, HSA has managed to retain its employees.

"We're seeing labor wars everywhere right now — we're watching the battle down on the border between Uline and Amazon," Stickler notes. "They put up billboards announcing a \$3,000 hiring bonus and \$26.99 an hour. Yes, finding labor is difficult, but the challenges can be met. We've got plans in place for our tenured employees that we want to retain. We want to be sure they retire with us. Then we have a group we call the second level of succession — some younger guys working their way up to buying the company."

"Steve and I have been on the cutting edge of this," Herkowski adds. "We've bucked what was happening in the marketplace with a lot of different things, whether it's enhancing PTO and paid time off for our associates so they can have a good work-life balance or offering better health insurance. We're proud to cover 100% of our employee premiums, and we have never changed that since we've been in business. And for us, the proof is in the pudding. We have not had turnover in our company even through the toughest times. We've all been through a lot — wage inflation, COVID-19 — Steve and I are very proud that our associates are all still in place."

Herkowski acknowledges it's still a challenge to continue to bring in younger associates and build them to replace the retiring workforce. "Having a succession plan in a small company not only at the ownership level, but with our sales associates is always and will continue to be a challenge."

In terms of ownership succession, Herkowski will purchase Stickler's stock in the company to become the sole owner for five to 10 years before the next group of leaders emerges to purchase his stock.

"I'm going to steal one of my Lombardi quotes, 'We relentlessly chase perfection because in the process, we will catch excellence,'" Stickler says. "That's exactly what we try to do every day here."

Photos courtesy of HSA.

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