

# Ritchie Engineering Knows the **COLOR of SUCCESS**

## Yellow Jacket products lead the industry

The red, blue, and yellow colors on the displays and packaging of Yellow Jacket products certainly stand out among the rows of products you find at the local supply house. While the products' distinctive colors may attract attention, it's the quality and the customer support that inspire such loyalty to Yellow Jacket, making it the leading brand of air conditioning and refrigeration tools in the country.

The company behind the Yellow Jacket brand is Ritchie Engineering Company Inc. Jack Ritchie started his Bloomington, MN-based company in 1946 as a manufacturers' representative organization. Less than four years later, Jack Ritchie's company began manufacturing hoses. In 1950, they trademarked the hose as the Yellow Jacket Charging Hose.

As Yellow Jacket's reputation for quality hoses grew, the company expanded. It began manufacturing test and charging manifolds in the 1960s; in the 1970s, it added vacuum pumps and tubing tools to the product line. The company has also secured its reputation in South America, Canada, and Europe. Its European presence was solidified last year when Ritchie Engineering opened a distribution center in Scotland to service customers in more than 30 European countries.

Jack Ritchie's sons now run their late father's manufacturing company. Steve Ritchie headed up the operations until the beginning of

2005, when Tom Ritchie became president. Tom is responsible for the day-to-day operations, while Steve focuses on product development. While the first names may



**Brian Flynn, Vice President of Sales and Tom Ritchie, President of Ritchie Engineering Company, Inc. with a rack of the original YELLOW JACKET charging hose.**

change, the overall philosophy of the company remains the same, according to Brian Flynn, vice president of HVACR and Auto Sales for Ritchie Engineering. "Supply quality products at a competitive price and allow the distributor to make a fair margin," he says.

The company views customer education as working hand in hand with its role as manufac-

turer. Knowing how to select, install, and repair HVACR systems begins and ends with the right tools. It's a critical component of the process for the contractor, and Ritchie Engineering continually develops new ways to reach its distributors and contractors so they can remain successful and grow their businesses.

Ritchie Engineering conducted a telephone survey of its distributor customers and contractors last year, reinforcing the company's education-oriented approach. The survey, conducted by an independent firm, found that knowledgeable customer service was the most important factor for the wholesaler when working with a manufacturer. It was also the most common response among contractors. "That's where the education comes in," Flynn says. "Ritchie Engineering prides itself on being a company willing to provide this type of education to both the wholesaler and contractor."

The education runs through all levels of the company, ensuring that everyone keeps informed of everything, from new Yellow Jacket products to changes in HVACR standards. That is, anything that will affect distributors and contractors. The company holds a weekly information session called the Ritchie School. Guided by the engineering staff, it provides an opportunity for the customer service manager to share the latest information with Ritchie Engineering's customer service representatives and the



**Brian Flynn reviews POS options with Sari Graham, Commercial Inside Sales at Minnesota Air in Bloomington, MN.**

engineering staff. It's also an opportunity for the customer service reps to share any feedback they're getting from Ritchie Engineering customers about product and service issues.

When a distributor or contractor calls Ritchie Engineering,

they're going to hear a human voice on the line, not an automated attendant. It's something the company takes pride in, Flynn says. It also means the company's customer service representatives have to know what they're talking about. "The customer service representatives are prepared to answer what a contractor or wholesaler is asking," Flynn says.

In the field, Ritchie Engineering relies on a team of experienced manufacturers' representatives to stay in contact with distributors. They, too, receive regular updates on Yellow Jacket products that they will share with the distributors. A popular educational tool is Ritchie Engineering's Counter Days and Vacuum Pump

Days. They invite contractors to stop by a distributor and bring in a vacuum pump for an oil change. The reps will discuss new Yellow Jacket products and share tips on maintaining their equipment.

For contractors who can't make it to a Ritchie Engineering event, the company makes sure it stays in touch with them. One of its most effective tools is the *Yellow Jacket News Journal*, a newsletter mailed to contractors three times a year. Unlike some company newsletters that are essentially advertisements for their products, Ritchie Engineering's newsletter is a true resource for the contractor. For example, the Fall/Winter 2004 edition featured articles on preventative maintenance for vacuum pumps, starting vacuum pumps in cold weather, and guidelines on

**NEW lightweight for handling ease, fast for productivity**

# **YELLOW JACKET®**

**Streamlined Aluminum Charging Manifolds**

**NEW TITAN™ 2- and 4-Valve Test and Charging Manifold**



**NEW BRUTE II™ 4-Valve Test and Charging Manifold**

- 3/8" bores throughout for faster flow

The first forged aluminum manifolds in the industry are lightweight for handling ease but with durability for rugged use.

The new streamlined BRUTE II™ Manifold continues to provide faster flow than any conventional manifold. And the new TITAN™ Manifold is even more compact but still with fast flow.

Both new units feature:

- Large, easy-to-read 3-1/8" (80mm) steel case gauges with bold numbers, color-coding, 1% accuracy (Class 1)
- Exclusive 100-mesh filtering to help keep out particles and extend seat life



Visit [yellowjacket.com/db](http://yellowjacket.com/db) for details and a **FREE** subscription to the **YELLOW JACKET News Journal**, or call 952-943-1333.

**Ritchie®**  
ENGINEERING COMPANY INC.  
[yellowjacket.com/db](http://yellowjacket.com/db)

how and where to install refrigerant-monitoring sensors. The newsletters have become essential reading for contractors.

Ritchie Engineering's distributors can work with the company to have their logos imprinted on the newsletters to directly target distributors' customers. Using the distributors' mailing lists, Ritchie Engineering sends its newsletters from a bonded mail house. "Among the many trends we're seeing are requests by the wholesalers to help them with educational pieces for the contractors," Flynn says. The newsletter is a win-win situation for both the manufacturer and the distributor: Ritchie Engineering reaches contractors directly with its products and distributors, with their imprint on the newsletter, thereby linking them to a quality manufacturer.

Knowing that its blue, red, and yellow packaging is so recognizable to contractors, Ritchie Engineering recently expanded its point-of-sale materials for distributors. One of the hottest sales pieces, reports Flynn, are its pegboard and slat wall display kits. "This program is going super for us," he says. The displays provide a one-stop wall for Yellow Jacket products, brochures, and flyers. "When I walk into a distributor, I can see our product right away. The yellow, blue, and red really stands out," Flynn says.

Ritchie Engineering is also beefing up its Web presence. Distributors have requested that the website feature more product information, and the company has responded. MSDS sheets, how-to tips in an array of categories as well as catalogs, point-of-sale materials, and contact information are available in an easy-to-use format ([www.yellowjacket.com](http://www.yellowjacket.com)). Distributors can expect more changes ahead. "We're talking about portals for wholesalers to fulfill requests for what they need without having to call," Flynn says.

While Ritchie Engineering is always looking to streamline its operations, Flynn says it will not aban-

## BEST PRACTICE

**Definition and Example:** We use both quantitative and qualitative data to support our distribution strategy. Example: For quantitative data, we use independent, stand-alone surveys with documented business purposes and follow-up "mini" surveys in between. We continually talk to and probe for similar information from wholesalers, contractors, and agents to formulate the qualitative data with a formal meeting at the end of each year. A rep council is also in place to provide ongoing information.

**Significance:** It helps us to educate the distributor on what is important to the contractor from our perspective, and it helps us to determine what tools we need to provide to help them be successful.

**Benefits:** Our product offerings have a more targeted focus, and our marketing materials become more beneficial to the

reader. Our agents have primary data to support their sales strategies.

**Procedure:** We conduct in-depth telephone surveys by a trained group of independent market research professionals every two to three years. Subjects include both wholesalers and contractors. Marketing promotions that go out during the year ask similar (but fewer) questions to keep the feedback coming and to note when a "blip" might occur on the radar screen.

**People Involved:**

- Independent Research Firms
- Wholesalers
- Contractors
- Sales Agents
- Sales
- Marketing
- Advertising Agencies

**Timing:**

- Major surveys once every 2-3 years
- Follow-up "mini" surveys 1-2 times per year

**Cost:**

- Hard costs:
  1. Payment to the research firm for time, materials, analysis, and reports
  2. Any hard copy materials that we produce to support the findings
  3. Business reply costs to get the responses returned
  4. Travel into territories to get face-to-face responses
- Soft costs:
  1. Time from the participants and those doing the planning

**Other Considerations:** Are there other projects going on that require the use of the customers' time? Are there other initiatives at this moment? Are there other ways to get this primary information? Are you ready to react to the information once received?

**Contact:** Brian Flynn, VP of Sales, at 952/943-1300; fax: 952/943-1605; [bflynn@yellowjacket.com](mailto:bflynn@yellowjacket.com)

don the personal contact that it enjoys with its distributors and contractor customers. "It's important for us to listen to people," Flynn says. Because Ritchie Engineering is a privately owned company with few layers of management, the company responds quickly. "If a decision needs to be made, somebody will yell into somebody else's office, and within 15 or 20 minutes, we'll make that decision and move on," Flynn says. "It doesn't take a meeting to decide that we need to have another meeting."

Ritchie Engineering Yellow Jacket products are staples at trade shows held regionally, nationally, and internationally, allowing company representatives to interact with customers. Flynn also visits with Ritchie Engineering's top distributors to see their operations. All of this means a lot of travel time, but Flynn says it's an opportunity to get real distributors' feedback. "Whether it's a national HARDI meeting or a local meeting, most of the people I meet with have been around for

---

years, and they know what they're doing," he says. "If we listen to them, we will know what we have to do and where we have to go."

Customers have come to know first-hand how accessible Ritchie Engineering really is, according to Flynn. It's not uncommon for customers to call Ritchie Engineering with a question and find that they're talking to one of the owners. "They've always been very accessible, as I am," Flynn says. Within the industry, the company reputation is one of integrity. Some of its manufacturers' reps have been representing the company for more than 30 years, according to Flynn. "Quality pays," he says. "In a competitive market, service, brand recognition, and a relationship with a solid company that stands by its products are what wholesalers should be looking for."

While Ritchie Engineering certainly has a proud past, it's a company that looks ahead to new challenges. Last year, the company consolidated its operations by moving the Ritchie Engineering Recovery Division from Indiana to a second facility next to its Minnesota headquarters. They made the move to expand its

scope of products and services, and increase its overall focus on customer service. Recognizing its growing presence in Europe, the company opened its distribution center in Scotland. It handles stocking, order processing, shipping, and returns and repairs for selected items for customers in more than 30 countries.

The company continues to introduce new products to the market. In the past two years, a minimum of 25 new products have been introduced annually. "We are also constantly upgrading all of our products," Flynn says. "It's an ongoing process with us." Recent

new products include an electronic manometer that features a continuous display of measured positive or negative pressure; an oil-less refrigerant recovery system with automatic subcooling for hot work environments; heated sensor and a combustible gas detectors; and a new line of forged aluminum manifolds, the TITAN™ and the BRUTE™ II.

Understanding the competitive pressures faced by distributors, Ritchie Engineering made a commitment three years ago to ship every order within 48 hours. The

company is meeting that commitment on more than 90 percent of its orders, according to Flynn. To accomplish this, the company revamped its computer system, hired more people, and increased its inventory. "We're also working long days," Flynn adds.

The results have been worth it. Ritchie Engineering remains an industry leader because its people put in the time to make reliable products that work right the first time. No distributor wants to sell a contractor a hose or vacuum pump that is faulty or requires ongoing maintenance. That's why Yellow Jacket products set the standard in the industry. The products work, and Ritchie Engineering is there with customer service, education, and technical support.



*Michael Maynard is a business writer in Providence, RI, who writes frequently on*

*HVACR, architecture, and construction issues. Contact him at [michael.maynard@lycos.com](mailto:michael.maynard@lycos.com).*