

Travis Stirewalt, Vice President
CoatingDepot.com
5001 Trailwater Drive
Nashville, TN 37013
615/641-7988
E-mail: travis@coatingdepot.com



Online Purchasing Methods

Much can be said about the last seven years of Internet growth, and how it has affected our industry. We have evolved from a couple of rarely visited billboards and expanded phone directories to both sourcing and purchasing finishing goods and services on line.

As most people know, the finishing industry does not lend itself well to some types of e-commerce. Don't get me wrong. There are some great e-commerce sites in our industry that do very well, but the products bought through these sites are usually basic commodities or metals that do not include proprietary chemicals. That said, there are supplier companies that manufacture proprietary cleaning and plating chemicals that have done a fabulous job creating online ordering systems for approved (existing) customers.

The Equipment Market

One area that is nearly impossible to associate with e-commerce is the equipment marketplace. Sure, there are some very standard pieces of equipment, but for the most part, we are a custom-built industry. Everyone has their own time-tested way of plating their parts, and this requires the custom developing of equipment and plating lines, and all of the accessories involved to achieve this process. Try doing that with e-commerce.

E-commerce is an excellent means for streamlined purchasing for shops, as long as the product is straightforward and generally purchased from a known supplier.

The Internet is loaded with ways to make the life of a shop manager or purchasing manager easier. In past years, the only things available for "shopping" would have been print directories that are published by several magazines in the industry. Shops that use these directories must contact suppliers individually. Although these lists are developed with great detail, there are many companies that do not make it

into the directories. Maybe the companies are not readily known, or for some reason, do not meet the directory guidelines. This includes local distributors that account for a large number of companies that service shops on a regular basis. The Internet is loaded with all types of additional and supplemental directories. Some general Internet searching can turn up some pretty amazing results.

RFQ Sites

Another online service available to shops is the request-for-quote (RFQ) based sites. Many of you have heard about RFQ services as they relate to the shop-manufacturer relationship. In this type of model, manufacturers place an RFQ for someone to finish their parts, and competing shops reply with bids on the work.

This same type of online service is now available in a supplier-shop relationship, as well. These sites allow shops to ask for anything—such as anodes, equipment and proprietary chemicals—and suppliers will respond with quotes or questions regarding the item the shop needs to purchase. You can then make a decision on the supplier you wish to purchase from, or talk with them further and go off-line to complete the business. RFQ services do not typically handle e-commerce, because there are so many details involved with the sale.

The major benefit to the RFQ model is that you can easily meet a variety of suppliers at one time, and get varying types of ideas and technology behind every RFQ. Just as each shop has a slightly different and fine-tuned way of plating, each supplier has its own "black magic," terminology, classifications, packaging, or other ways to define and sell its own chemicals, equipment or supplies. In addition, you go off-line to complete the transaction with the supplier of choice through traditional purchasing methods, such as the purchase order or billing method.

Both e-commerce and RFQ models have their place in our industry. Who knows what 2002 holds in its deck of Internet cards for the finishing industry? But, as we develop better websites and progress with technology, we will always be bettering our industry, as well as the way we do business. It might be that, in the 21st Century, opportunity may not just knock, it will probably e-mail, too.

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