

Company: Hill Threaded Products Inc.
Industry: Fasteners and Industrial Supplies
Locations: Bakersfield, CA
Employees: 24
Website: hillthreaded.com



Vending Case Study

Since 1981, Hill Threaded Products has sold industrial supplies, tools, PPE and safety equipment to all industries including food processors, oil and gas companies, manufacturers, and service and repair shops. They take pride in their ability to provide professional support in several areas including vendor-managed inventory and round-the-clock emergency service to keep their customers up and running — day or night.

Hill Threaded had experience working with other vending machine providers in the past but was looking for an easy-to-use vending solution at a more reasonable price point. The machine they had purchased through another provider to vend MRO supplies was expensive and they quickly realized the machine could not provide them with the flexibility they needed to make necessary changes and modifications to the stocked items.

Solution

Hill Threaded began working with 1sourcevend in 2015 and has enjoyed the flexibility of both the vending machines and inventory control software. Initially, the company began vending through the coil machines, but that quickly expanded to using locker machines to ensure availability of tools for multiple shift customers, while another expanded to safety and cleaning supplies as well as fastener and tool parts.

According to the distributor, the machines are user friendly and training is simple. "I like the [industrial vending] machine because it gives us control at the local level. It allows us to reconfigure the machine electronically for reports and put virtually any item the customer wants in the machine. And the cost was about half of the other machine," said Hill. "It's dependable, durable, and gets the job done."

The company has experienced tremendous results with the partnership and is looking forward to an ongoing vending solution partnership. Hill Threaded has placed 12 helix coil machines and four locker machines at customers' locations and they are on track to place an additional two coil-locker combo units.

Benefits

Increased Visibility

Hill Threaded reported customers are thrilled about their increased visibility into inventory items due to 1sourcevend's robust tracking capability. The machines and software help their customers track usage right down to the job or the user, helping them plan for budgeting and future purchasing. "We're able to automate the reports to meet their needs, whether they want weekly or quarterly reports," Hill said.

Improved Accountability

One customer of Hill Threaded had previous experience with a vending provider and was on the fence about reintroducing vending to their facility. They were struggling to manage inventory items required for production. Through inventory control software offered by 1sourcevend, Hill Threaded was able to provide the customer point-of-use accountability. With this up-to-the-minute tracking and reporting, the customer discovered employees had been hoarding the supplies they needed for fear of running out. Once the vending machine from 1sourcevend was installed and employees could see that mission-critical items would be in stock, they were able to cut their usage in half, while production rates steadily climbed.

Increased Customer Spend

Hill Threaded experienced increased spend once customers saw the benefits of 1sourcevend's vending machines and inventory control software. Hill Threaded was able to gain new business in product categories they didn't have access to previously. "We have one customer that [now] has five coil machines and one locker unit. We were selling them a lot of nuts and bolts, but vending opened up options for us to provide all of their safety and PPE supplies," said Hill.


Hill Threaded has also gained additional business in tool sales. One of their larger customers was looking to gain better control of their tool inventory because they run three shifts with five different levels of users. They agreed to place two side-by-side lockers at their facility in exchange for the commitment to purchase any replacement tools from the distributor.

Improved Safety Compliance

In addition to helping Hill Threaded gain new customer spend in areas like safety and PPE, vending has also helped their customers achieve better safety compliance. Customers are thrilled because safety-related items remain well-stocked in the machines and the end-user has access to any personal protective equipment they need to perform their job safely and in compliance with regulations.

Ease of Modification

The coil vending machines from 1sourcevend are versatile and easy to configure to a customer's changing needs. Hill Threaded will often go directly to the customers and obtain samples of all the products



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*Dale Hill
President
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they want to vend and customize the coil machines accordingly. “The machines from 1sourcevend are so easy to use that if someone needs something changed on their machine, one of our technicians can go onsite, make the changes and it’s done,” said Hill.

Hill Threaded can easily modify the coil machines to fit a variety of item sizes and shapes, allowing them to offer custom vend packs to their customers as well. This enables them to take bulk items, such as earplugs that may come in a box of 200, and break them down to vend smaller amounts. “The ease of modification with 1sourcevend allows us to provide our customers with exactly what they need. That is huge for us,” Hill said. “It’s additional value we can bring to the customer.”

Increased Customer Stickiness

The company has experienced increased customer stickiness since placing the machines and have been able to develop deeper relationships with their customers as a result. Of customers’ reactions to vending says Hill, “They realize we’re not just giving them a machine to control inventory. We’re on their team, we want them to succeed. I may pay for the machine to help my customer. The goodwill that produces; you can’t put a price tag on that.”

Results

Hill Threaded reported 10 to 20% increases in sales with customers using vending solutions. Hill Threaded recommends 1sourcevend to other distributors looking to create deeper relationships with customers and gain a competitive edge against the bigger competition. “We’re a relatively small company with one branch and we’re competing with multilevel, multinational companies that have 100 times the assets that we do,” said Hill. “But our technical knowledge combined with 1sourcevend’s vending solutions allow us to react faster than our competitors.”

Hill Threaded has also been able to create a smarter inventory program based on customer usage and reduce inventory items in their stocking locations since partnering with 1sourcevend.



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About 1sourcevend

1sourcevend was founded by the owner of an industrial distribution business. 1sourcevend’s vending solutions, which include powerful, user-friendly inventory control software, are ideal for distributors seeking a simple, flexible and affordable inventory management option for their customers. As Hill Threaded demonstrates, industrial vending solutions solve many inventory tracking and stocking issues for end-users across all industries.

Learn more and request a demo at 1sourcevend.com.