



# epaCUBE

Manufacturing Distribution Case Study



**Customer:** Hanes Supply, Inc.  
**Website:** hanessupply.com  
**Customer Size:** 7 Locations  
**Location:** Buffalo, New York  
**Industry:** Rigging and Heavy Lifting  
**Manufacturing Distribution Partner:** epaCUBE  
**Partner Website:** epacube.com

***“You're getting a tool. You're getting visibility to your own data. You're developing a price matrix based on your whole historical sales. So, adoption is relatively easy, and depending on your pricing culture, this is very adaptable.”***

### Profile:

Hanes Supply is a sling and below-the-hook lifting device manufacturer and a construction and industrial supplier serving construction companies across the globe. HSI is headquartered in Buffalo, NY, with six more locations in northeastern U.S.

- EpaCUBE Price Optimization
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For more information about epaCUBE Price Optimization solutions, contact: [sales@epacube.com](mailto:sales@epacube.com)



## Hanes Supply, Inc. Increases Margins, Gains Data Visibility with epaCUBE Price Optimization

*“epaCUBE gave us the tool to...see our own data and say, 'This customer is an exception. They're not really a volume customer. They're more of a relationship customer.' We were able to make a lot of tweaks based on the tool and being able to see your own data,”*

Eric Kuras, Inside Sales Manager, Hanes Supply

### Background

Hanes Supply, Inc. is a rigging and heavy lifting industry leader. The company specializes in manufacturing American-made slings and custom-engineered below-the-hook lifting devices, serving construction industries worldwide. As a "one-stop-shop" for lifting solutions and construction supplies, HSI offers an extensive line of power and hand tools, safety supplies, fall protection systems, and personal protective equipment (PPE).

Founded in 1930, HSI maintains a steadfast commitment to deliver superior customer service and quality in every aspect of its business, with a goal of continuous improvement.

The lack of a solid pricing structure caused issues for Hanes team members and customers. It also impacted profit margins. To address these concerns, the company's leadership knew they needed to implement a pricing system that gave them competitive consistency.

### Pricing Disparities Caused Customer Complaints

Pricing was noncontrolled. So, Hanes sales reps set their own prices, and they were all over the board. When customers called for pricing, they got different prices from different team members. This was frustrating, and customers complained.

Hanes was also launching a B2B website portal to showcase products, driving the need for a competitive pricing system even more.

"If a customer is going to be logging into a website seeing a breadth of products, you can't just say, 'Call for a price,' on every product," said Derek Litwin, VP of Information Technology at Hanes Supply. "So, we knew we needed to implement a pricing structure."

### 'Last Price Paid' Instruction for New Employees Caused Margin Erosion

Hanes originally used a basic list price system with four levels "that didn't really mean anything," said Eric Kuras, Inside Sales Manager at Hanes Supply.

New Hanes employees didn't receive solid pricing instruction during training. So, when they asked how to price certain items, the simple answer was often, "Pick the last price paid."

Lacking specific pricing guidance and and relying on this baseless strategy put new Hanes team members at a disadvantage. As company costs increased, using outdated prices also caused margin erosion.

"I think that's really what led us towards coming up with some pricing optimization," Kuras explained.

### Weighing Options

Hanes explored pricing options and rejected two other pricing systems before choosing epaCUBE. The lack of data visibility and more of a hands-off solution from competitors were deal breakers.

***By comparison, epaCUBE's transparent pricing structure was a decisive advantage.***

"You see all your data, and you can slice and dice it however you want, and there are proposed targets," said Litwin. "So, there was just much more visibility as to why we're doing the things we're doing."

Litwin added that adoption was an even more important criterion for a potential pricing system. Showing team members at all levels of the company that epaCUBE's pricing recommendations came from analyzing two years of historical sales data instead of "thin air" from some invisible algorithm was an essential part of getting their buy-in.

Showing the sales team how the prices are based on the sales revenue they created also highlighted how their work correlated with the new pricing optimization process. It also gave them a stake in it.

With management and the sales force onboard, partnering with epaCUBE was an obvious choice.

## Solution

### Flexibility Topped Multiple epaCUBE Benefits

Flexibility was the number one reason Hanes Supply adopted the epaCUBE system in 2018.

Early on, Hanes Supply President, Bill Hanes, had reservations that the system might price them out of the market.

That's why Kuras and Litwin both liked how the software allowed them to override price recommendations and make fast changes if necessary.

For example, if there was a volume purchase or a competitive issue, they could easily adjust pricing to meet those particular circumstances — and the epaCUBE system delivered.

"We needed to be able to go in and make swift moves, change our pricing structures on certain products or customers with a snap of our fingers," Kuras explained. "What's so nice on my end is I'd be able to run a new job, pull up current data, compare it to what we historically had in our system or where we were at, and then revise that. And just like that, we're back to today's price."

**Data transparency, data cleanup and accuracy, and epaCUBE's strong support team were also huge benefits.**

### Expert Advice

Kuras and Litwin rolled the pricing system out with hands-on support from the epaCUBE team.

Sr. Director of Professional Services at epaCUBE, Sharon Newlin, offered valuable and insightful guidance born from years of industry experience. She was also a former HSI customer, making daily interactions smooth and easy.

"Having people advise us that are in our arena with distribution and specifically construction and construction supply chain distribution is certainly a benefit," Litwin said.

### Implementation was Worth the Effort

The epaCUBE system enabled Hanes Supply to classify their customers into four categories and then by industry type. Kuras said the implementation process was worth it. Plus, epaCUBE's intuitive tool and team support made things easier.

"It's kind of like necessary work, right?" Kuras said. "Because if you're talking about developing a pricing matrix, you need to have good data, you need to have customer and product segmentations, and I think the other solutions would probably recommend that we do the same kind of analysis."

He added: "epaCUBE gave us the tool to... see our own data and say, 'Oh, no, that's wrong. That shouldn't be in that class.' Or 'This customer is an exception. They're not really a volume customer. They're more of a relationship customer.' Or 'They're in the wrong industry type. So, let's switch this around. They're skewing the data this way.' So, we were able to make a lot of tweaks based on the tool and being able to see your own data."

## Results

### ROI and Margin Dollar Increases

After five years of using the ePO, Hanes Supply has earned impressive ROI and margin dollar increases. In 2022, they earned an ROI of 10.3X, tracking 13,183 price records. They also created 4.6% more margin dollars on those price records, and have generated 11% more

margin dollars on the same price record metrics so far in 2023.

### Saving Time and Boosting Efficiency

Before epaCUBE, Hanes Supply sales staff would come up with sales prices based on internet searches, past sales, and what customers thought was a "good" price.

"Gone are the extended hold times while our sales team would scamper to get a good price on products," Kuras said.

He also said epaCUBE's software helps speed up the time it takes staff to get customers what they need — both online and in-store.

"Our walk-in customers experience quicker order transactions since our counter associates do not have to research pricing," he said.

### A Wonderful Tool with Ongoing Support

Beyond notable financial returns from using epaCUBE's system, Litwin said he is beyond pleased with the tool itself and the epaCUBE team's ongoing support since they started implementing it in 2018.

"The epaCUBE team is great to work with, and the tool provides a lot of visibility," Litwin said. "There's been updates and changes along the way that helped us digest the data better and slice and dice it better. It's a very good product. Wonderful!"

Kuras said he is duly impressed with the software's adaptability, transparency, and long-term relationship with the epaCUBE team.

"You allow us to show anyone in our organization data that they can understand, and that's a big thing," Kuras said, "They can look at that and understand what's there without having to be an epaCUBE pro. And finally, we're still going strong, still having our check ins and ideas, and it's great!"

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