



POWER IT UP

A Career with BEW Electrical Distributors Ltd.





INDUSTRY OVERVIEW

1 Industry overview

1.1 Structure of the electrotechnical industry

Construction is big business. According to figures from the Office for National Statistics, it represents **8% of gross domestic product** and **10% of the UK workforce**. Ninety per cent of the industry is made up of small and medium-sized companies.

A quarter of construction work is for the public sector – that's government or local authorities – including infrastructure, and the rest is for private companies or individuals.

The construction industry is made up of almost 40 different supply chains – bricklayers, carpenters, plumbers, and so on. This book is about the supply chain for electricians. The supply chain is the channel for the flow of products from manufacture to use. The market for electrotechnical products for construction in the UK is worth about **£4bn**.

8%

construction sector
represents 8% of
GDP

An essential part of construction is the **electrotechnical supply chain** because electrotechnical products bring a modern building to life.

These products include the **cables** that bring electricity to the building and conduct it to different areas, and accessories that contain and protect them. **Switchgear and distribution products** control the flow of electricity, and **wiring accessories** help electricians connect cables to each other and to other products.

Lighting includes light sources – such as LEDs and fluorescent tubes – and light fittings – which are sometimes called fixtures. Modern lighting systems also demand sophisticated control systems.

Heating and ventilation products can be standalone plug-in appliances or built-in equipment, and can be controlled by an electronic system in response to signals from sensors.

Complete systems are available for **closed-circuit TV, fire protection and security**. A modern 'smart home' may require specialised devices and controls.



John Cameron, Unsplash

▲ *Going up: the construction sector depends on electrotechnical products distributed by wholesalers*

As well as all these products, a wholesaler may also stock **industrial controls**, components for **IT and data infrastructure** projects, **tools and fixings**, **workwear** and **personal protective equipment**.

You will learn more about these products in Part 3 of this book, starting on page 27.

1.1.1 The supply chain

In the electrotechnical sector, the supply chain has three principal links: the **manufacturer**, the **wholesaler** and the **contractor/installer**. There is also another important group: **specifiers** – people who design building systems and may specify products with particular characteristics. They will have a huge influence on the products chosen.

£4bn

annual market
for electrical
products

Manufacturers make the products; wholesalers (or distributors) buy them in large quantities at a discount and sell them on to contractors (or installers) at a higher price than they paid to purchase them.

A wholesaler sells products at a trade counter or on an e-commerce site on the internet. They also need to store these goods between the time they are bought and the time they are sold, so most will have a warehouse. Often this warehouse will be on the same site as the trade counter, so electrical contractors can buy what they want without waiting for stock to become available.

The wholesaler is the essential link in the chain between the manufacturer and the electrical contractor that fits the equipment for the end user.



▲ Face-to-face: the trade counter is where most contractors still buy the products they need

Trade associations

Each of the links in the supply chain is represented by one or more trade associations. These bodies are funded by businesses in the electrotechnical sector, and encourage collaboration between member companies; promote education and training; lobby governments, regulators and standards bodies; publish newsletters, websites and technical documents; hold events and present awards.

There are four principal manufacturers' associations. For makers of insulated metallic and fibre optic cables and accessories there is the **British Cables Association (BCA)**. It encompasses four product sectors: energy cables, supertension cables, communication cables and power accessories. It 'represents its members on relevant major policy issues to promote the interests of UK cables and associated businesses throughout Europe and the worldwide markets' and to provide services to contribute to the success of the UK cable systems industry.

BEAMA represents manufacturers of electrical infrastructure products and

systems, from electricity transmission and distribution to environmental systems and services in buildings. That description covers four sectors: heating and ventilation, building electrical systems, flexible energy systems and networks. The association has about 200 members.

GAMBICA is a trade association for instrumentation, control, automation and laboratory technology in the UK. Wholesalers are unlikely to encounter products from some of the more specialist manufacturers under the GAMBICA umbrella, but they will certainly encounter test and measurement tools and some industrial control products (see page 42).

For makers of lighting equipment, there is the **Lighting Industry Association (the LIA)**. Members benefit from the associations' work with legislators and access to market intelligence.

Recent developments in lighting technology mean there is a need for ongoing training of those in the sector, and the LIA has established the

LIA Academy. It also runs the LIA Laboratory for testing products.

Wholesalers in the UK are represented by the **Electrical Distributors' Association (EDA)**. Members can be wholesalers or affiliated manufacturers, solutions and service providers. Wholesaler members include large companies with a network of branches to single branch operations. The EDA organises networking events, training and apprenticeships, digital data services and publicity. It represents the sector in Europe.

Contractors and installers in England, Wales and Northern Ireland are represented by the **Electrical Contractors' Association (ECA)**. Its 3,000 members and associates include designers, consultants, specifiers, manufacturers, distributors and training providers.

In Scotland, contractors can join **Select**. It has 1,250 members and offers technical advice, health and safety guidance and employment information. It lobbies government and runs training services.



WHAT DO WHOLESALEERS DO?

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2.2 Activities of the wholesaler

Procurement

An essential role of the wholesaler is procurement. Without products to sell, a wholesaler would not have a business.

The procurement department ensures that stock is brought at the right price, and that the wholesaler has stock available for delivery to its customers on time.

Another crucial role of the procurement department is to ensure that suppliers meet all relevant quality standards – suppliers with poor standards will be avoided.

In the electrotechnical supply chain, the electrical wholesaler – or distributor – is the vital link between the product manufacturer and the contractor/installer or the user.

Wholesalers ensure the visibility of manufacturers by offering thousands of products from hundreds of companies at branches all over the country. Not only do wholesalers have branches where customers can buy products in person over the trade counter, they will also have an extensive delivery network.

Wholesalers are staffed by knowledgeable experts that can advise customers. They can even play a role in stimulating the introduction of new technologies by offering advice and promoting particular products.

They help their customers stay on the right side of the law by informing them of changes to standards and legislation, and steering them towards compliant products – that is, products that have been certified as complying with government standards.

Stock awareness is a vital part of the wholesaler's job, ensuring that products are available by monitoring sales and planning purchases from manufacturers.

In addition to their lines of supply from manufacturers, most wholesalers will also purchase some product from distributors. **Distributors** provide a fast delivery service, often next day, when the product lead time is critical and getting the product direct from the manufacturer is less practical.

Distributors can be specific to a particular product type – or group of product types – or have a more diverse product portfolio to cater for the wholesaler's needs.



The primary role of the wholesaler is to support its customers. This support can take many forms.

2.2.1 Product knowledge

Customers expect wholesalers to have a comprehensive knowledge of the products they sell. It gives them confidence that working with the wholesaler will add value to their businesses.

Wholesaler staff that understand their products will more easily understand what their customers need, and help them choose the right products for the job. If a particular product is in short supply, they can help them choose an alternative with confidence. Knowledgeable staff can also

offer extra products that the customer may not have thought of – or better or cheaper alternatives.

Trade counter staff should know about the latest changes to standards and legislation, and how they affect the products they sell. By staying abreast of these changes in the wider industry, the wholesaler will promote confidence among its customers, and potentially secure more sales.

2.2.2 Getting products to customers – logistics

Putting products in the hands of customers isn't always simply a matter of handing them over at the **trade counter**. A rapid and reliable **delivery** service is an essential part of a wholesaler's job. Alongside routine deliveries – often on the same day – wholesalers will often offer an **emergency service** if the absence of a product would delay a project.



Credit helps a project run smoothly

Working closely on a project with the customer helps develop trust and strengthen the relationship between the two parties. On larger projects, the wholesaler will often be familiar with the schedule, and ensure that products are delivered to site on time. They may hold stock specific to a project, ready to supply when it is needed.

The key to this is communication. A good relationship between wholesaler and customer will ensure a successful project outcome for the customer, and repeat business for the wholesaler. Contractors and installers depend on reliable suppliers for their businesses to thrive.

Many wholesalers have implemented **online systems** to let customers place orders whenever they want. These orders have to be processed and ready for collection or delivery – usually the following day.

2.2.3 Finance and credit

Another important aspect of the wholesaler/customer relationship is credit. Wholesalers will manage finance and extend credit to their customers. Cash flow on a construction project can be complex. The client usually pays its contractors in stages, so those contractors may not have cash at hand for products they will need in the next stage.

Wholesalers, meanwhile, are offered credit from their suppliers, so they are in a position to offer credit to their customers. As a critical link in the supply chain,

Tackling counterfeit products

When a contractor buys products from a reputable electrical wholesaler, they are helping to keep non-compliant and potentially dangerous goods out of the market.

By stocking only products that meet national and international standards and corresponding legislation, the wholesaler is acting as a gatekeeper with an important safety role.

For more about counterfeit products, turn to page 46.



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▲ Wise words: giving product advice is one of the wholesaler's key roles

the availability of credit at all stages will help a project run smoothly and finish in time.

Good handling of finances – not just supplying products – strengthens the relationships between everyone in the chain. A wholesaler's purchase and sales ledger staff are critical to this process.

2.2.4 Customer education

Electrotechnical equipment is changing all the time, and a contractor who is an expert on one product may not be just a few months later. Also, the electrotechnical equipment market is constantly changing, as standards and legislation change.

As the central link in the supply chain, wholesalers will often be involved in keeping their customers up to date on the latest developments. Wholesalers have to stay informed about the products they sell, and this puts them in an ideal position to communicate any changes to their customers.

Sometimes, an entirely new category of equipment comes onto the market. An example is electric vehicle chargers (EVCs). In recent years, the number of electric vehicles on the road has rocketed and, along with that, demand for charging equipment. As contractors were asked by their customers to fit charging points for their shiny new vehicles, the education of contractors about the technical and legislative requirements of EVCs became the job of the wholesaler.

Smart wholesalers promote these training activities as a customer resource.

2.2.5 Design services

Similarly, electrical contractors often need more than simply a product. They may need extra support and advice when it comes to fitting something as complex as a lighting, fire alarm or heating and ventilation system.

Wholesalers can work with manufacturers to provide the best possible design services for the contractor. Again, wholesalers are the essential link between the manufacturer and the contractor.

2.2.6 Staff training

If wholesaling staff are to fulfil their role as advisers to their customers, training is essential. The EDA is active in this area. It has a series of a dozen **Product Knowledge Modules** that cover topics from the principles of electricity to customer service through a range of products such as lighting, cables, heating and ventilation, and data infrastructure.

Roles at the wholesaler/distributor

- **Trade counter**
Serve customers face to face, offer advice and recommend training
- **Warehouse/drivers**
Store deliveries from manufacturers, pick customer orders, deliver to site
- **Internal sales**
Answer telephone calls, input orders, raise quotations
- **External sales** Visit customers, discuss up-and-coming projects, build relationships
- **Buyer** Raise purchase orders for manufacturers, ensure stock levels are maintained, forecast product sales
- **Admin, finance and IT** Raise invoices, follow up payments maintain computer systems
- **Branch manager**
Ensure branch runs effectively and efficiently, manage finance and credit
- **Apprentice** There are many opportunities in wholesaler branches

In smaller branches, individuals may perform multiple roles.

12

Product Knowledge
Modules from
the EDA





▲ Off the shelf: the warehouse team is responsible for picking customer orders for delivery to the customer's site

Armed with the knowledge in these modules, wholesalers who have studied them can better understand the needs of their customers and offer authoritative advice. (Key points from the modules are summarised starting on page 27.)

Apprenticeships are another opportunity to upskill by learning on the job. Apprentices can move into sales, management, marketing or design roles by studying for an apprenticeship and working in the role. Apprenticeships are available from level 2 to level 7 (equivalent to a degree).

2.2.7 Specialist Services

Many electrotechnical wholesalers offer their customers extra services such as the **calibration** of electrical test equipment; the opportunity to **hire** cable jacks, large crimping tools or specialist test instruments; and product **recycling**.

As part of the Waste Electrical and Electronic Equipment (WEEE) Regulations, all electrotechnical wholesalers must:

- Offer free take-back on WEEE.
- Accept, for free, WEEE from customers supplied with like-for-like products, whether this is done in store, online or by mail order.
- Retain a record of all WEEE taken back for at least four years.
- Provide customers access to written information on the service provided and what they should do with their WEEE.

Wholesalers with a sales area for electrical and electronic equipment greater than 400 square metres must also accept small WEEE for free from private household customers at their retail site or close to it without the requirement to purchase new electrical and electronic equipment.



Marshall-Tufflex Ltd

▲ Hitting the road: electrotechnical products are loaded up for delivery to wholesalers



A CAREER IN WHOLESALE

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4 A career in wholesaling

4.1 Entering the industry

Congratulations, you have gained a role at an electrotechnical wholesaler.

Probably not the job you dreamt of when you left school. Most people in the industry will say the same, they never woke up one morning and thought 'I want to be an electrotechnical wholesaler'. But interestingly, most have never left the industry. They have worked their way through a range of job roles to be branch or regional managers, directors and/or owners.

3

routes to a career in electrotechnical wholesaling

There are several ways to enter the wholesaling business (see diagram below). First, you can take an apprenticeship, this will open up a number of roles in the company you join, including dealing with customers at the trade counter, working in the warehouse and administration. Alternatively, if you have relevant experience in wholesaling or just in life, you could be directly recruited. The roles open to you will depend on the experience you have. Finally, graduates can join a wholesaler and may be fast-tracked into higher-level roles.

Whatever route you choose, you will have many opportunities to learn your craft and develop a career on the job.

Apprenticeships

- Warehouse
- Trade counter
- Administration
- Digital marketing
- Customer service

Direct recruitment

- With life experience
- With wholesaling experience
- Entry and higher level roles

On-the-job training

- Graduates
- Fast-track learning to assistant and branch manager
- In-house programmes
- On-the-job training
- Mentoring



4.4 EDA training awards

One of the principal activities of the EDA is training and education, and every year it acknowledges the efforts of managers who promote training and learners who have worked hard as apprentices or on improving their product knowledge.

The EDA's Training & Apprenticeship Programme is twofold: apprenticeships and the City & Guilds-accredited product knowledge programme of 12 modules.

In 2011 the EDA partnered with EDA Apprenticeships Plus to offer an apprenticeship service for the Associations' members and affiliates. The menu of services includes all recruitment, HR and mentoring support.

Each product knowledge module is a distance-learning training course, comprising a hard-copy textbook and a digital end-of-module assessment.

4.4.1 Investors in training

The EDA Investors in Training Awards acknowledge the support, commitment and leadership of managers in apprenticeships and the product knowledge programme.

The prosperity of the sector depends on the aptitude and performance of its people, so training and apprenticeships are central to the association's work.

4.4.2 Learning achievement

EDA Learning Achievement Awards are presented for outstanding performance in an apprenticeship or product knowledge training.

Winners are chosen based on the grades they achieved in Product Knowledge Module studies or in an apprenticeship.

EDA Learning Achievement Award winners come from the four corners of the UK and represent a broad spectrum of ages and seniorities. Some are already branch managers, though most are youngsters starting out in their careers.

Competition for an EDA Award is intense, with winners chosen from the thousands of employees at EDA member and affiliated member businesses.



▲ Be a winner: one of these splendid trophies could be yours if you excel as an EDA apprentice or in studying the EDA's Product Knowledge Modules



▲ Sky high: the Learning Achievement Awards winners receive their trophies at the Shangri-La hotel on the 34th floor of the Shard



▲ Winners all: Investors in Training Awards (top) and Learning Achievement Awards (above)