

# JM Industrial Supply Inc.

JM Industrial Supply is a Pekin based business that sells maintenance, repair and operations material to light and heavy manufacturing companies and other industrial markets. The company acts as a “hardware store” or mill supply house for the metals industry, especially large manufacturers. Most of the materials they sell are consumed in making industrial products. Ron Givens is the principal stockholder and company president and Dick Scovil is the general manager.

The company was founded in 1984 by J. M. Gruber and incorporated in 1988. Mr. Scovil bought the company in 1990. Mr. Givens purchased a majority interest in the company in 1999.

Upon retiring from the Peoria Police Department, Mr. Scovil looked for a business to purchase and decided on JM Industrial Supply. At the time, the company had five employees. Even though his experience with the police force gave him a good management background Mr. Scovil said, “it did not prepare me for running a small business. The industrial supply field is complicated and it took me about three years to really understand how the business worked and to be comfortable” as a small business owner. Despite the slow start the company grew and by the late 1990’s Mr. Scovil began thinking about his own retirement from the company and decided to seek a major investor.

Mr. Scovil had known Mr. Givens for more than 35 years because both had served on Peoria Police Department early in their careers. After leaving the force, Mr. Givens became involved in finance and insurance. In 1999 he was looking for a business opportunity, and a match was made.

With Mr. Givens’ major investment in the firm, the company would qualify as a Small Business Administration (SBA) Small Disadvantaged Business. This designation would open up new opportunities for the firm in the supplier diversity arena and make JM Industrial Supply a desirable trading partner.

Many corporations seek women or minority owned or small disadvantaged firms as trading partners because there are benefits both to the corporation and to the vendor. In doing business with the government, large corporations are given “evaluation credits” when they use small firms as subcontractors that qualify as Small Disadvantaged Businesses. Small Disadvantaged Businesses are also eligible for price evaluation adjustments of up to 10 percent when bidding on federal contracts in certain industries.

JM Industrial Supply wanted to take advantage of all the benefits of the SBA programs, and started learning about selling to the government. Mr. Givens and another staff member began attending seminars and workshops offered by the Illinois Central College Procurement Technical Assistance Center (PTAC) in Peoria. The Illinois Central College Procurement Technical Assistance Center is a member of the Illinois Small Business Development Center network sponsored by the Illinois Department of Commerce and Economic Opportunity, in partnership with the U. S. Small Business Administration.

The Illinois Central College PTAC, directed by Susan Gorman, assists businesses that want to sell to the government. The PTAC helps companies get the certifications they need and understand the government procurement process. PTAC’s provide general procurement counseling, access to bid specifications, identify government markets for a company’s products, and help in reviewing bid packages. Once a government contract is awarded, the PTAC can assist with contract administration.

According to Ms. Gorman, JM Industrial Supply received “hundreds of pricing histories and CAGE code reports through our state-wide Information Handling Service subscription provided by the Illinois Department of Commerce and Economic Opportunity. That key PTAC service has significantly helped JM Industrial and other small businesses to competitively bid and win government contracts.”

“The services we got from the PTAC have been invaluable” said Mr. Givens. “Susan and her staff do a marvelous job. There has never been a time when she could not help us or point us in the right direction. We got all the information we needed” he continued.

Mr. Givens said “it took about 18 months from the time we began to investigate selling to the government, until we got our first contract.” One person on the JM Industrial staff, Scott Squire, has taken on much of the responsibility of reviewing the

daily e-mail bid solicitations that arrive from government agencies. The firm plans to dedicate one staff member in the coming fiscal year to do nothing but respond to government solicitations.

With the upturn in the economy and increased government contracting, JM Industrial Supply expects its sales to increase to \$3 million in the coming fiscal year, and to add one new person to their staff bringing the total to eight.

A true believer that selling to the government can even out unpredictable sales cycles, and increase the bottom line, Mr. Givens is actively recruiting other area suppliers to utilize the services of the PTAC. Mr. Givens is currently Chair of the PTAC Advisory Committee, its local governing body.

The Illinois Central College Procurement Technical Assistance Center is a member of the Illinois Small Business Development Center Network, working in partnership with the Illinois Department of Commerce and Economic Opportunity's Small Business Development Center and the U.S. Small Business Administration.