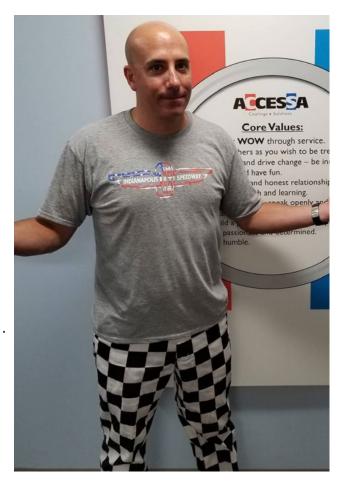
#CONSULTANCY

Spring/Summer 2019

ADJUST TO CHANGE AT BREAKNECK SPEED





LEAD LIKE A DRIVER

By Vince Todd, Jr., Vice President, Principal

When it's May in Indy, it's hard not to have a one-track mind — pun intended. But the upcoming 103rd running of the Indianapolis 500 also presents an opportunity to talk leadership, which happens at every level of every business, including Accessa.

What do many Fortune 500 CEOs and IndyCar drivers have in common? Both have the dynamic capabilities of sensing, seizing and reconfiguring. These skills have an impact on each person's strategic direction, which in turn leads to better performance. Which applied skills allow them to make the right decisions at the right time? The answer lies in the way they acquire and process information. In other words, their cognitive abilities.

As it turns out, cognitive capabilities are not just inborn skills. They can be learned, practiced and honed over time. Why are these capabilities important and why focus on them now? We live in an era where managers across industries grapple with continuous change on an ongoing basis. According to innovation consulting firm Innosight, we have entered "a stretch of accelerating change in which lifespans of big companies are getting shorter than ever."

Given this reality, it isn't just leaders at the top of organizations who are responsible for being hyper-alert to and acting on changes in their environment. Cognitive capabilities equip managers at all levels to not only deal with rapid change, but also proactively engineer and respond to shifts in their external and internal contexts.

Lou Gerstner, former Chairman and CEO of IBM said, "I think that my leadership style is to get people to fear staying in place, to fear not changing." In today's workplace, this would certainly serve one well. The abilities to develop and work according to a strategy, make smart decisions quickly, multitask, etc., all set you up for environments experiencing more and more change.

Let's face it, driving an IndyCar isn't like driving the Family Truckster (sorry Chevy). Racecar drivers constantly have to absorb and interpret information regarding what is going on around them on the track, as well as in their own car. They aren't merely driving. (If you haven't before, take a look at everything on an IndyCar steering wheel.)

Drivers are constantly strategizing, and then executing a tactical plan over and over while making multiple adjustments to the car itself. Inside the car, drivers are monitoring information, working to adjust the car's handling as the race progresses, occasionally switching fuel maps to either increase fuel mileage or power, all while planning how to get around the car in front of them or hold off the one behind them. On top of that, they have to make many of these adjustments and decisions while reacting to situations on the track in less than the blink of an eye.

Leaders at every level in our company have the opportunity to be better. As you get ready for the Indy 500 on May 26, consider how better cognitive skills can improve you and your team's performance.

"Racing is a motivating force for me, something that I relate back into my business every day. It's that you never get ahead. I mean, it's a continuing challenge and I guess that's what I like about it."

 Roger Penske, former driver and most successful owner in the Indianapolis 500, Los Angeles Times (1988)

MEET OUR NEW HIRES



BEN ARCHER-PATTERSON

Ben joined the Accessa team as a Purchasing & Investory Management Associate in April 2019. He, his wife and three daughters live in Pittsboro, Ind., where NASCAR driver leff Gordon was raised.



DYLLON PIPER

The Accessa team welcomed Dyllon Piper to our Arthur, Ill., office on April 29, 2019 as a Lab Technician/Production Associate. Dyllon hails from Bethany, Ill., where he still calls home, and has a 1½-year-old daughter and a German Shepard.

ACCESSA IS GROWING

Do you know someone who could be a good fit to join the Accessa team? We are on a hiring spree. Please visit **accessa.com/news** for details on the following open positions:



ACCESSA MANAGEMENT TRAINEE

Candidates can bring little work experience to this position, but must have a high aptitude, strong ethic, and willingness to learn "on the job" through Accessa's structured training program.

SALES MANAGER – INDUSTRIAL WOOD COATINGS

Directs the sales of Accessa's wood coating products to its customers, which includes establishing sales territories as well as setting objectives and key results (OKRs).

COATINGS CONSULTANT (CENTRAL/SOUTHERN INDIANA & NORTHERN KENTUCKY)

Responsible for maintaining existing sales and growing the business through the cultivation of new customers in an ethical and professional manner.

WAREHOUSE ASSOCIATE (DENVER)

Responsible for production/warehouse duties as part of Accessa's goal to manufacture and distribute high quality industrial paint products in an efficient, safe manner.

LAB & COLOR TECHNICIAN / PRODUCTION ASSOCIATE (CENTRAL ILLINOIS)

Responsible for ensuring the quality of Accessa products to the customer with consistent, positive results.

LAB TECHNICIAN & COLOR SPECIALIST (ELKHART, INDIANA)

Responsible for ensuring the quality of Accessa products to the customer with consistent, positive results.

COMMUNITY OUTREACH







The featured speaker for this year's gala was Sean Swarner, a world-record mountain climber, speaker and author, and two-time cancer survivor.

IN THE FIGHT AGAINST CANCER

Cancer has touched many of us in the Accessa family very personally. As such, the cancer cause has been a long-time focus of Accessa's charitable efforts.

We have been a long-time supporter of the Heroes Foundation, founded 19 years ago by our own Vince Todd, Jr., and his wife, Cindy, following his bout with cancer. The mission of the Heroes Foundation is to provide meaningful support to cancer patients, education to promote cancer prevention and resources to advance research for a cure.

The organization held its annual fundraising gala, An Evening With Heroes, in January. Eight Accessa team members, their spouses and special guests participated in the charitable event to give, learn and connect to the cause more deeply. Accessa is proud to support the cancer community in Indiana, and beyond.

If you would like to learn more or get involved, visit HeroesFoundation.org or contact Vince Todd, Jr.



Vince Todd, Jr. (Accessa and the Heroes Foundation) with Monica and Les Yoder (Accessa).



Anna Wells (The Brookfield Group) with Vince Todd (Accessa).



QUALITY CAN BE YOUR DIFFERENTIATOR

Having a quality mindset and making sure quality extends to every part of any company can increase efficiency, customer success and revenues. The management consultants at McKinsey & Company report:

"Fundamentally, quality is about meeting or exceeding customer expectations: every day, every shipment, year after year. That's where the true value is."

Accessa is inside our customers' facilities on a daily basis. Spotting a company that makes quality a top priority across the board is pretty easy. There is a level of organization, attention to detail, cleanliness and pride in these places that you don't see on every manufacturing facility floor or front office. These companies also happen to be some of our most successful customers. It's not by accident.

Let's take a look at how attention to quality can impact a range of areas to help Accessa customers be more successful.

MULTIFACETED PRODUCT QUALITY

Your product is, perhaps, the most obvious place to start a conversation about quality. If you have a shoddy or even status-quo end product, your business can suffer in the short and long term. In our experience, when customers commit to manufacturing high-quality products, they are essentially investing time and money to keep current

customers and attract new ones. This is a major reason we carry high-quality coatings and chemicals.

True product quality is multilayered. Products are typically made up of a substrate and raw materials such as hardware, mechanism parts and coatings. Companies buy parts and pieces from various vendors and partners. To measure the quality of the finished product, you have to consider the quality of each element of its makeup.

Particular just to coatings, factors such as durability, ability to protect the substrate, and resistance to chemicals come into the equation, in addition to aesthetic qualities. Additional aspects are at play when you analyze other raw materials. Of course, if you aren't an expert on the parts of your product or don't have an expert to guide you, weighing the pros and cons of raw materials can muddy the buying-decision process. Oftentimes, customers default to price to be the decisive factor, which might be the easiest way, but it's often not the best way.

THREE REAL-WORLD EXAMPLES

1. For several years, we have had frequent quality-related discussions with customers in the wood coatings industry around the choice between conversion varnishes and polyurethane coatings. Conversion varnishes emit formaldehyde for up to 20+ days after application, but they typically are less expensive than polys. But as consumers become more savvy to

environmental hazards, poly continues to gain ground (it doesn't emit formaldehyde). This feature is a major factor in evaluating its quality.

2. When the Accessa team is evaluating coating choices like these with customers, keeping quality at the top of our priority list helps us make expert recommendations for short-term and long-term business success. Sometimes a less expensive coating can provide the level of quality we need to attain. In other situations, a customer might purchase a more costly option to ensure they achieve a higher level of quality. It's rarely an "either/or" decision.

The same is true with metal coatings. Think about polyurethane, enamel and epoxy coatings. Now consider where the end product will be used. Will it be exposed to sun, heat and rain? Does it need to retain its fresh luster for years to come? If our customers deliver a product that fails to deliver on its promise of high quality after a month or year, how will that affect their relationship with their customer, and with us?

If our customer tends to approach customers in a more transactional manner than a relational one, the disappointed end user is likely to consider other vendors before they even have a chance to manage the issue. Overall product quality starts with what goes into it, which can quickly trickle down to one's ability to retain customer relationships.

3. To further illustrate the importance of product quality as it relates to profit margin, let's look at a chemical products example. A job shop tasked with cleaning and painting metal parts relies on an inexpensive, two-in-one cleaner/coater product. When a shipment of metal coated with a wax-based rust preventive (RP) comes into the shop and is put through the pretreatment line, the cheaper cleaner/coater may not be able to sufficiently remove the RP. Or if a shop's baths aren't being heated high enough (in an effort to keep gas fuel costs lower), they may not be removing all of the RP. As a result of these choices, dried powder coating can flake off the metal due to lack of adhesion.

The shop now has a massive rework project on its hands. It falls behind its promised deadline, and the customer is not happy. Time and money are wasted, and the shop is scrambling to replace revenue this unhappy customer might have brought in before the mistake. Even if other elements of the manufacturer's process had been perfect, the lack of attention to chemical quality in the cleaning and coating products prevented the shop from executing a successful job.

STARBUCKS: ALIGN QUALITY WITH YOUR BRAND PROMISE

When Starbucks announced its plans in 2017 to open a new location on Chicago's Magnificent Mile in 2019, it was not just another retail store. It was a Starbucks Reserve Roastery, an interactive four-story, 43,000-square-foot space, luxuriously appointed and staffed, and featuring specialty drinks and signature cocktails.

Such an elevated brand promise requires the same level of quality from top to bottom. In this case, coatings supplied by Accessa were chosen to beautify and protect many of its wooden features and furniture.

Starbucks has grown into a symbol of product consistency and quality across 29,865 locations around the world. Quality control around coffee beans, flavorings and food products has to be rigorous, but the rigor can't end with the obvious consumables. Its bustling storefronts must stand up to nearly constant impact from coffee-swilling customers. If the people who designed and built Starbucks stores chose furniture, equipment and technology based on what they've always used or what had the lowest price tag, business would not be booming. The infrastructure and aesthetics simply could not tolerate the human impact. Likewise, if they purchased the most expensive options, assuming they were the highest quality, they would likely burn through their money too fast. Instead, they factor in cost while keeping quality a top priority.

For companies large and small — from Starbucks to your local dry cleaner — living up to what their brand is promising to deliver is necessary to survival. If sales and marketing teams are talking about world-class products, you better manufacture world-class products or adjust their expectations. Quality alignment is key.

LOOK BEYOND THE SPEC SHEET

Of course, choosing the most expensive product available is not the answer. Vendors selling essentially the same coating or chemical can charge vastly different prices. In many cases, and most often in our industry, detailed specifications guide buyers to the product or product range they need. These specifications are put in place to achieve the necessary level of product quality and performance. There is no need to purchase a coating with a Class A rating when you really only need a Class B.

However, when Accessa customers are in a position to weigh the pros and cons between two different products with the same specs, they should be encouraged to consider quality beyond what they see on a spec sheet. What is their experience with or the reputation of the product manufacturer? What is the level of customer service and responsiveness behind each product? What kind of technical support would they have with each product? If one product is vastly different in cost from the other, why is that the case?

DEMAND QUALITY FROM VENDORS

When you make purchasing decisions, having choices is critical. As a distributor of hundreds of products from multiple vendors, Accessa can hold manufacturers accountable and offer customers options. This way of doing business is necessary to achieve the level of quality we demand at Accessa. The same should be true when it comes to your purchase of any raw material, product, substrate or technology. Businesses that demand choice and ask the hard questions are setting a foundation to have more efficient, effective internal processes, and build longer-lasting buying relationships with customers.

ANALYZE FINISHING SYSTEMS/APPLICATION

To use quality to your full advantage, it must also be part of your operations. This includes your finishing or application systems. Because Accessa serves a range of customers, and our consultants are often hands-on in their facilities, we are able to help diagnose inefficiencies and find ways to increase operations quality related to coatings and chemicals systems. Likewise, trusted partners in matters related to areas such as equipment, waste disposal, energy usage, inventory and logistics can be invaluable to increasing any company's overall quality.

A common challenge we run into is finding the most efficient balance between coatings costs and labor. For example, we have talked to people who use less-expensive, lower-solids coatings who end up putting three or four coats on their substrate instead of using a more robust coating and getting the job done in one or two coats. These people tend to be fixated on cost per gallon. Applied cost analysis should certainly be considered.

To analyze these kinds of issues on the electrostatic coatings side, we look at rates of transfer efficiency — essentially how much paint is actually adhering to the metal during the application — combined with the aforementioned factors, to formulate an applied cost. It can be eye opening for a lot of Purchasing personnel. In the long run, cost per gallon might not be better. The type of gun in use and other equipment

in your systems play just as important a role in determining value as the coating does.

INVEST IN SYSTEMS QUALITY

It all comes down to a capital outlay. Manufacturers of any size with fixed assets such as equipment yield more efficiencies and more throughput by investing in quality. This approach leads to higher profits in the end.

This sort of investment is one you likely will need to plan for — it's not going to be a small purchase up front. We get it! Accessa is currently investing in new color-dispensing equipment that will yield increased color matching accuracy. We have also recently deployed equipment to tint larger volumes of colors more quickly and efficiently. These are changes that will increase our overall quality, so we can extend that to our customers.

On the customer side, we can help identify if potential investments in equipment or systems are smart business moves — and support overall quality. For example, a customer was recently weighing whether his company should move to a non-phosphate system. The switch would require changes to tanks and other equipment, which would be painful in the short term. The savings on gas bills and other areas, though, would likely make the tough transition well worth it. As a partner, we can help walk customers through those options and opportunities.

In a similar vein, customers should also examine how efficient their drying process is. Is air drying time slowing down throughput? Is forced drying in ovens driving up energy costs unnecessarily? All of these elements are part of the quality equation.

INTERNALIZE A QUALITY MINDSET

Our team at Accessa understands that our products are market leaders in their respective categories. We preach continuously about this, and the need to back that up with the same level of quality service and support. Setting up a team to adopt a quality mindset is more than printing a banner that says "Top Quality." At Accessa, it stems from the professional and competitive mindset of our ownership and management team, and trickles down to become a point of pride throughout the company. It is a mindset to be proud of.

Use our quality mindset to your advantage. As a partner to you, Accessa can help identify and support your quality goals. Please get in touch to learn more.



ACCESSA'S HITSOL LINE

HitSol HSC2101

Accessa's HitSol HSC2101 is a concentrated, non-foaming metal cleaner with built-in corrosion protection. HitSol HSC2101 will quickly remove machining lubriants, shop soils, and grease. The film left on un-rinsed ferrous metal parts will protect against corrosion during indoor storage. Petroleum soils will separate from the cleaning solution for easy removal at the surface. HitSol HSC2101 is mild to the skin and conforms with the discharge requirements of most municipalities. The non-foaming characteristics make HitSol HSC2101 appropriate for use in re-circulating spray washers or in immersion tanks. DEA, phosphate, and EDTA free.



ACCESSA'S PERFECTION ELECTROSTATIC PAINT

InviraThane DTM

A low-VOC, HAPs-free, two-component acrylic urethane that was specifically designed for direct-to-metal application. InviraThane DTM offers excellent color and gloss retention as well as very good scratch, mar, and chip resistance. InviraThane DTM is an excellent coating for the OEM marketplace looking to increase the longevity of their products in the field through coatings performance.

ICA

ICA's LA310

ICA's LA310 is an economical, user-friendly, transparent monocomponent water-based topcoat with good distension, body, remarkable elasticity and exterior resistance.

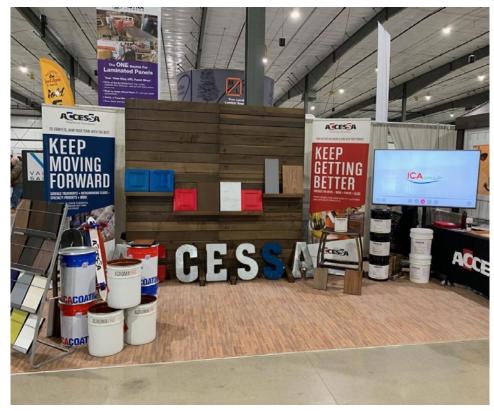
SALES & MARKETING

MAKING TRACKS & CONNECTIONS

Accessa representatives enjoyed meeting current and potential customers, as well as complimentary vendors, during two trade shows earlier this year.

The February Mt. Hope Showcase in Millersburg, Ohio, featured vendors of all types, including heavy equipment and rolling stock, sawmill, logging and pallet shop equipment, woodworking and construction equipment, antique tools and collectibles, and more.

At the Midwest Tool Expo and Auction in Shipshewana, Indiana, Accessa was among 300+ businesses, customers and people specializing in woodworking, carpentry and construction. The January event featured tool sales, informative seminars and exciting auctions.



If you have considered attending one of these shows, contact us to hear about our experience and the value it brings to our business.

ACCESSA IN THE FIELD



CHICAGO: STARBUCKS ROASTERY

On Chicago's Magnificent Mile, a brand-new Starbucks Reserve Roastery will include many wood features finished with coatings from Accessa. The interactive four-story, 43,000-square-foot space is set to open in 2019. Only a handful of these premium storefronts have been built. You can find them in Seattle, Shanghai, New York and Milan.

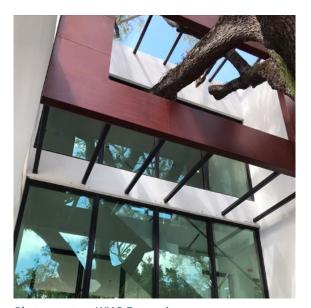
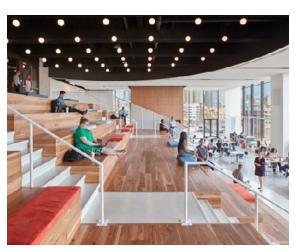


Photo courtesy WJAB Enterprises



FLORIDA: PERFECTION ELECTROSTATIC PAINT AT WORK

A customer recently published photos of Perfection Electrostatic Paint by Accessa on work done in Coral Gables, Fla. The project was based on the manufacture and installation of an iron structure with an innovative design adjusted to the facade of a house to accommodate branches of existing trees. The structure must withstand the strong sun and salt of the Florida coast, so the team decided to protect the iron surface with high-quality products to prevent oxidation. The first coating was PEP's Epoxy Glaze Primer. "This product offers excellent adhesion, hardness and flexibility," a rep said. Second, Futurac by Perfection Electrostatic Paint was applied, which is a two-component acrylic urethane paint for strength and durability.

CHICAGO: MCDONALD'S CENTRAL OFFICE

An Accessa customer supplied woodwork to the building of the new McDonald's headquarters in Chicago in 2018. The architects of the project provided a project summary: "McDonald's envisioned a new central office that would speak to an increasingly urban and health-conscious culture. Part corporate headquarters, part cultural center, school and history museum, the new West Loop office illustrates the power of place to bring people together with a common purpose."

If you would like to see your project featured here, please email vtoddjr@accessa.com.