



# Mohawk Messenger

Summer 2001

Mohawk Mfg. & Supply Co. Niles, IL

(800) 323-7652

## The Bus Stop

### Proud of its past, Mohawk looks ahead

Mohawk celebrated its 43rd anniversary this April.

A 43-year anniversary isn't normally met with fanfare or self-congratulation, but allow us to indulge. We're proud of how we've built our reputation in the transit and coach industries as a reliable, forward-thinking source for replacement parts.

This past year at Mohawk was one of transition, a process that has continued into this year.

As most of you know, longtime Executive Vice President Tom Brown died after a short illness at the start of 2000. He left some pretty big shoes to fill, to say the least. And of course, this being a family-run business, our loss was more than just a

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# Mohawk to open new HQ



Mohawk recently moved into this building at 7200 N. Oak Park Ave., (above). This building, also in Niles, Ill., is Mohawk's new headquarters, replacing the 7354 N. Caldwell Ave. location that Mohawk called home for more than 20 years.

**A**nticipating the needs and demands of a growing customer base, Mohawk moved into a more spacious headquarters in Niles, Ill.

The new building at 7200 N. Oak Park Ave. is just a block away from Mohawk's old Caldwell Ave. location. Mohawk had been on Caldwell Ave. since September 1980, when it moved from a smaller building in Morton Grove, Ill.

"We wanted it to be

in a location as ideal as our facility on Caldwell Ave.," company president John Brown said. "It was just our luck that we were able to buy a building a block away."

Mohawk finished the move June 4 thanks to its employees planning the intricacies of the move and putting in the hours to complete it.

Because of the proximity of the two buildings, Mohawk did not have to completely shut down while moving. During the move, Mohawk handled bids, or-

ders and customer service requests with almost the same swiftness customers are accustomed to.

Mohawk's dedicated and experienced staff also remained completely intact after the move. Of course, with the extra office space, Mohawk now has the room to add onto its staff to serve more customers.

The Oak Park Ave. building has a 90,000 square-foot warehouse, nearly double the size

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Quality

Service

Value

## Want a chance at free Mohawk apparel? Here's how:

We want to thank you for reading issue No. 1 of *Mohawk Messenger*, so here's a chance for a nice reward.

When you call an order in to one of our customer service representatives, simply give them the answer to these questions:

1. What is Mohawk's new address?
2. What town was Mohawk in before it moved to Niles, Ill.?
3. How far away is Mohawk's new facility from its old one?

These answers can be found in this issue.

If your order is faxed, include the answer

(where we can find it easily) on the order or on the cover sheet. We will send you one item of Mohawk apparel, depending on the size of your order:

- \$500 and up: a Mohawk hat.
- \$1,500 and up: a Mohawk golf shirt.
- \$3,500 and up: a Mohawk windbreaker.
- \$5,000 and up: a Mohawk fleece pullover.

This offer is valid until July 31, 2001. Each account is limited to one item of merchandise during this promotion.

## Building: Mohawk plans first move since 1980

of the facility Mohawk occupied. This will give Mohawk the opportunity to increase its inventory and keep up with new trends as they emerge throughout the bus industry.

"We now have the space to accommodate our growing list of customers and provide them with the quality, service and value that all of our customers are accustomed to," Brown said.

Mohawk's building also includes 30,000 square feet of more office and warehouse space. For now, Mohawk will lease it. But this extra space gives Mohawk room to grow even more.

All correspondence should be addressed to Mohawk at 7200 N. Oak Park Ave., Niles, IL 60714. Mohawk's phone numbers will remain the same.

Voice: (847) 647-9350

Toll Free: (800) 323-7652

## Bus Stop: Mohawk future is here

loss of personnel.

Yet, we'd like to think we made it through the year pretty well. Our level of service and quality never wavered during the year, and we even began to look ahead.

President John Brown made a couple decisions that will undoubtedly allow us to grow without sacrificing the personal service, high quality and value you've become accustomed to.

In October, he hired Jay Carter as Vice President of Sales and Marketing.

Jay coordinates the salesmen and offers them support as their customers' needs grow.

The other decision was to move to a new location. Our 7354 N. Caldwell Ave. building has served us well for 21 years, but our 55,000 square feet is not enough. Our new building has

98,000 square feet and holds nearly double the office and warehouse space. Not only do we now have room to stock more parts, but we also have room for more employees to help us engineer more parts and provide increased personalized service.

As for this publication, it's a tool for us to talk to you and inform you of new Mohawk products and services, industry trends, and any other news we think will affect you.

We will publish quarterly, so look for Issue No. 2 in September.

If you have story ideas for future issues, or if you have a question that we could perhaps answer in our next issue, e-mail us at [tbrown@mohawkmfg.com](mailto:tbrown@mohawkmfg.com), fax us at 847-647-1499, or call me at 847-647-9350, ext. 228.

Thanks for reading.

# Control costs by controlling your inventory

*A longer version of this article appeared in Bus Tech, the bus industry maintenance newsletter. Reprinted with the permission of Friendship Publications.*

**P**art inventories are a necessary evil in the bus industry, but most bus and motorcoach operators have little or no controls in place to curb wasteful spending and unnecessarily high inventory levels.

Companies often end up wasting potential profit on parts that it did not need to stock or on too many parts. Every company can point to a pile of parts in the corner — or on the shelves — that are too good to throw away but are no longer needed. Those parts represent wasted money that could have been spent elsewhere.

Even the smallest companies can implement common sense strategies that *will* save money.

## Parts room organization

Many parts rooms are such a mess that no one really knows what is in stock and what is not.

A properly organized parts room is a must. It should never be cluttered or used as a storage spot for used parts.

All parts should be stored in a labeled parts box or bin, and in some type of order. The preferable method would be to store the stock in numerical order. Many bus manufacturers group their parts by systems and have a numbering system that corresponds to the system. In locations where there are multiple manufacturers, group parts in common systems and in numeric

order. If the inventory is set up in this way, space should be allotted at the end of each section for expansion. Adjustable shelves help ensure that space allotted is fully utilized.

## Maximum inventory level

The company should set a maximum dollar amount that is tied up in inventory, and it should base this level on how fast inventory moves off the shelf. A physical inventory — conducted at least yearly, but preferably quarterly — will determine if any growth has occurred.

During a physical inventory, determine if the usage on each part is appropriate and whether the part still can be used in the current fleet.

## Min/Max levels

Establishing Minimums and maximums (commonly called Min/Max) on each part in inventory will help determine when reordering is necessary. Min/max levels also force the shop manager to make a consistent determination of reordered quantities.

Writing the min/max for each parts box is an easy way to communicate to the mechanics about the desired quantity that needs to be on hand, so he can communicate to purchasing when parts levels dip.

## Inventory turnover rates

Many companies outside the bus industry set a time limit an item should sit on the shelf before it is used. Whether it is one year, six months, 90 days or 30 days, the standard should be consistent.

This procedure reduces parts rotting — like o-rings and seals — or becoming obsolete on the shelf.

Tracking the turnover rate is easily done with a computerized inventory and purchasing system.

## Warranties

Everyone remembers the bumper-to-bumper warranties that come with new buses but forget about the warranties that part suppliers offer. Warranties are often an inconvenience to track and recover. A goal

should be set for the amount of recovery through warranty to encourage and track whether or not the shop is following through with the process.

## Vendor Relations

Strong relationships with key vendors pay off in many ways.

Even a shop with a full-time parts person should limit the number of vendors it uses. The more business you give a vendor the more clout your company will carry. This leads to even better service, more warranty flexibility and better pricing.

## Faster shipping times

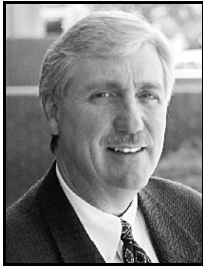
Thanks to priority delivery services like UPS, vendors can ship parts in one or two days.

Why carry a lot of inventory? Have your vendor carry the cost of the part and order it when you need it.

*Companies often end up wasting potential profit on parts that it did not need to stock or on too many parts.*

## Carter spearheads Mohawk's renewed sales, marketing effort

Mohawk reinforced its commitment to service and value when it added Jay Carter to its team and named him vice president of sales and marketing last October.



Jay Carter

Carter joined Mohawk aiming to boost Mohawk's market share while still maintaining its high standard of customer service.

Carter serves as support system for Mohawk's regional sales managers and coordinates their sales efforts with a reinvigorated marketing strategy.

"Jay's talents in customer service and sales will obviously help us as we grow over the next several years," said Mohawk president Jack Brown, one of the company's original regional salesmen.

Carter, who previously was a sales executive for techies.com, Executrain of Phoenix and General Foods, said that Mohawk's

reputation and commitment to customer satisfaction attracted him.

Carter has already refocused Mohawk's marketing strategy, which emphasizes Mohawk's impeccable quality, first-rate service and unbeatable value.

Like the sales managers, Carter spends considerable time on the road. He has already met with some of Mohawk's customers and has attended several bus conventions the last several months.



**Mohawk Messenger**

**MOHAWK MFG & SUPPLY CO.  
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### ***Inside:***

- Mohawk makes big move
- Carter joins sales staff
- Inventory control tips

