

FEBRUARY 2020

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2020 VISION
FOR AED

RON BARLET | PRESIDENT
BEJAC CORPORATION

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Bejac

Describing himself as a “forward-looker,” Ron Barlet, incoming chairman of the board of the 101-year-old Associated Equipment Distributors, intends to refocus the organization’s direction in 2020. During his term, he aspires to engage the emerging workforce simultaneously and re-energize the current – and particularly the aging – membership.

Barlet is president of Bejac Corporation and the recent vice chairman of the AED board. “I want to help push the focus on programs for the future,” he says. He intends to support programs designed by Brian McGuire, president, to motivate emerging leaders and youth, explaining his belief that the “younger crowd” not only want to work, but they want to work for a cause – and they are clamoring for training.

His son Kevin, Bejac’s Sacramento branch manager, is serving a two year term as chair of the AED Emerging Leaders Council. After meeting so many of these potential leaders, Barlet is extremely impressed with them. Nevertheless, Barlet believes that “too much negative publicity about youth” remains. He sees a different kind of young people – people who are eager to work and who want to be trained. “We need to be cognizant of that strong desire.”

Hoping to dispel the myth of the stereotypical millennial who doesn’t want to work, Barlet intends to direct efforts toward attraction, training and retention of employees. “We need to promote at job fairs and open houses. We need to do more high school visits. We need to push the vocations in schools.” He wants to convey to the younger audience that AED offers “great opportunities,” that working with equipment is a “great business” and that “great careers” await.

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RON BARLET



OK, BOOMER

At the other end of the spectrum, Barlet also proposes to re-energize longtime employees. “Techs come in, but when they get to a certain point or age ...” he drifts off, unable to capture the image of workers who become weary, jaded or disinterested over time.

He hopes to generate (or regenerate) excitement, enthusiasm and drive in older and experienced employees. It begins with defining the responsibilities of senior management and owners to continue to set goals and inspire employees. “I want everyone to stay engaged, to invest in themselves. They should never stop innovating.”

Reaching out to the younger and older segments of the population is part of a broader plan McGuire introduced that appeals to Barlet. “He created a diverse board: small business owners, women, ethnicities, younger people ...”

McGuire’s resolve for inclusiveness changed Barlet’s attitude about the board – and AED. He joined the executive committee in 2017 as vice president, moving up to senior vice president the following year before becoming vice chairman in 2019. “The first year on the AED Board, I was disenchanted. It was an old white man’s club,” he says. “It lacked diversity.”

It wasn’t the first time he was disgruntled about the association. His company, Bejac Group, became a member sometime in the 1990s when it took on distribution lines for the first time. “Previously, we were just a rental company,” he says. But in 2007-08, he “took a hiatus” from AED because he was “disappointed with the speakers, the information, the direction ... The economists were out of touch.”

When he was invited to join the board as an at-large director in 2013, he returned with a renewed spirit, explaining that:

“I decided I could complain, or I could be part of the solution.”

He continued up the ranks, becoming the western regional director in 2015 and then an executive board member in 2017.

Along the way, he participated in AED’s continuing education courses, including achieving Industrial Distribution certification from the Read Center at Texas A&M. “I kept learning to be a good leader,” he declares. He also learned about technology and how to apply it to business.

BACKGROUND, EDUCATION & TRAINING

AED’s new chairman never stops learning. After earning his bachelor’s degree in economics at the University of California, Irvine, the North Carolina native who grew up in SoCal took a job with Pacific Lighting Leasing (now Sempra Energy) in 1982, where he was a self-described “whiz kid” putting together multimillion-dollar deals and managing investments for high-powered heavyweights.

And yet, he was going to night school to get his MBA – as a “fallback position,” he confesses. “I liked what I was doing, but not the bureaucracy.”

Plans changed in 1985 when his father-in-law passed away, leaving a 30-year-old underground pipeline contracting business to a widow not prepared to manage it. The family had no succession plan in place, so the newly married Barlet stepped in to help liquidate the assets of the construction company and sell the remaining equipment.

“It was a different network,” he recalls. “Two types of people showed up: friends and vultures.” Fortunately, the friends outnumbered the rest. When a nearby contractor inquired about renting an excavator, Barlet agreed, unaware that, at the time, bare equipment rentals were uncommon in the industry.

That opened the floodgate. “Some suppliers, competitors and people we’d worked with showed up to help,” Barlet continues. “They gave us leads, so I hit the phones.” Six months later, they were generating revenue by selling equipment they knew they’d never use and by renting equipment.

Barlet’s leave of absence from his leasing job became permanent. The 24-year-old “hung up the suits and put on the Levis,” he says. His wife quit her career as a social worker to run the office alongside her mother, Carol. They were all-in.

Informally, Barlet continued his education, taking advantage of an offer by a retired mechanic to learn how to repair machinery. He learned how to drive a truck and got his Class A driver’s license, thanks to help from a truck driver who was renting space on the property.

*Thirty-five years later, Bejac Corporation has not only survived, but it has also grown into a **respected dealership** with 10 locations in California, Nevada and Arizona, and it has even branched out into new niche markets.*



ADAPTATION AND GROWTH

Founded in 1953, Bejac was a Southern California-based distributor of general equipment, with two locations. The recession in 2007-08 hit California – and Bejac – especially hard, Barlet believes, because it was so closely tied to the housing market. As other companies struggled or failed, he seized the opportunity to expand the company.

“Instead of investing money into buying out our competition, I simply took over the territories of the smaller lines that failed,” he explains. Soon, Bejac covered the state.

He didn’t stop there. With “some cash in the bank,” he added several equipment lines that were not traditionally sold by construction equipment dealers, but that fits well with the experience and knowledge of the staff.

“We found a need,” Barlet summarizes. “We found niche markets in demolition, forestry, trash, green waste and metal recycling.” These were neglected markets, but he confesses that California regulations benefited several of them: for example, green waste must be diverted from landfills – but, as he points out, “composting takes big equipment.”

Some of the expansion was a “happy coincidence” that evolved from being in the right place at the right time. When Bejac took over a Northern California dealership that sold forestry equipment, that market naturally got absorbed into their portfolio. But some of the expansion was the result of deliberate growth – targeting material-handling items, looking for opportunities, diving deeper to find products that go together.

Both initiatives, expanding geographically and adding lines in niche markets, were bold moves that led to Bejac tripling its revenue from 2007 and becoming a major supplier. “Now people come to us,” Barlet states. “That reinforces what we’re doing – continuing to look for other opportunities.”

EMULATING EXPERIENCES

In his new role, Barlet plans to incorporate many of the same tactics that made Bejac successful, such as expanding into new territory. The new chairman wants to include other industries: specifically, ag dealers. “The fundamental aspect is the equipment so that could be fire trucks or anything,” he muses. The dilemma is that, while they may be more powerful if they unite, not all groups want to be absorbed.

Recognizing the need to change how they handle political action, he aims to leverage the respect and influence AED has earned on the Hill in working on legislation to protect the interests of equipment dealers. However, as consolidation occurs, reducing membership to half what it was 20 years ago, with one-third the number of dealers despite higher revenue levels, he understands that AED will have to change.

One aspect of his position he does not intend to change is his habit of keeping his eyes wide open. That’s made easier by his custom of hitting the road to visit branches and customers. Another one of his goals as chairman is to “reach everybody.” “It’s easy to get stuck behind a computer,” he says,

“but quarterbacking from a chair doesn’t work for me. I like to get out in the field.”

In the field, he asks dealers and end-users about their business, their backlog and what they see in the market. Because he once worked in the field as a laborer and as a truck driver, he feels he can relate to them with genuine empathy and understanding.

In addition to gleaning a wealth of independent data about the industry, the equipment and the economy by meeting individually with Bejac customers and with AED members, Barlet has forged friendships, boosted morale and continued his education in the industry.

ANOTHER PATH

After a summer working as a laborer for Bejac when he was a teenager, he says he never thought he’d be in this business. “It’s hard, dirty work,” he chuckles, adding, “I only stayed so I didn’t look like a wimp to my girlfriend.”

That girlfriend, Peggy, became his wife 37 years ago. Together, they now have two children and three grandchildren. Looking back, he has no regrets about getting into the industry. “I could not have scripted my life any better. It was fate ... or someone looking over me.”

Upon further consideration, he acknowledges that Bejac and AED brought out the entrepreneur in him. His job as chairman is to do the same for AED members, with no looking back.