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*Patrick (L) and Mark Flesch, Gordon Flesch Company*

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ENX Magazine  
PO Box 2240 Suite 729  
Toluca Lake,  
CA 91610-0240 USA

tel: 818-505-0022  
fax: 818-505-9972  
email: [enx@pacbell.net](mailto:enx@pacbell.net)  
[www.enxmag.com](http://www.enxmag.com)



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# Third Generation of Family Leadership at Gordon Flesch Company Honors Past, Sets Sights on Future

Patrick Flesch remembers that special feeling he had while climbing into his car, fresh off his first copier sale of a \$2,000 Sharp unit to a small construction company in Oak Brook, Illinois. That sense of satisfaction that accompanied closing the deal was more than enough to whet his appetite and project a future in the office technology space.

Sure, he was the son of Tom Flesch, the top executive at

Gordon Flesch Company (GFC) of Madison, Wisconsin. But a career in the family business wasn't preordained. The checklist for family members included getting a college degree and working three years outside of the company (Flesch started at CDW). But perhaps the greatest prerequisite for the job was passion. And after working in virtually every aspect of the business while growing up, including prospecting for the local rep, delivering machines off the truck and filling toner orders, Flesch knew his professional heart was in the right place.

The 2019 campaign represents his first full year as president of GFC, having been elevated to a top executive position (along with brother/COO Mark) late last year. He has taken the reins of a 63-year-old business founded by his grandfather, Gordon, who first hung his shingle as a typewriter company. Backed by a strategic relationship with Canon that has flourished since the 1980s, GFC has grown to \$160 million in annual revenue, exclusively through organic growth.

The third generation of leadership assumes the helm at an exciting juncture in the company's history. GFC has expanded well beyond MFPs into areas such as managed print and managed IT (including cybersecurity), enterprise content management, cloud services, apps (including the new AskGordy), software and integrated solutions. And while its most recent expansions into

Indianapolis and Appleton, Wisconsin, were wholly organic, the dealer now has its sights on acquiring existing companies to complement its Midwest footprint.

We sat down with Patrick Flesch to learn more about how GFC will continue looking toward the future with innovative technology offerings while maintaining the core Midwest values and ethics this family dynasty have long embodied.

## How is business so far in 2019?

**FLESCH:** Our fiscal year, which wraps up Sept. 30, got off to a great start. We typically have a little bit of a lull rolling into October and November, but they were really good months. Then we hit a bit of a slump and had a horrible winter. In the Midwest, we had some 40-below temperatures, which didn't help. But we rebounded nicely with strong months in May and June. We're on a roll right now and we're bullish on the rest of the year. I see us finishing with pretty strong growth numbers compared to 2018.

Growth in the print world is difficult. The MSRP of equipment is going down year over year, so you have to sell that many more boxes in order to outpace your previous performance. For instance, this year we've sold 700 more units than we did last year. Our hardware has climbed as a result of that, but not incrementally the way one might think based on that volume of units sold.

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Gordon Flesch Company President Patrick Flesch addresses attendees at a Technology Summit, held at Lambeau Field, home of the NFL's Green Bay Packers

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Employee members of the Gordon Flesch Foundation (shown from left): Dan Mercer, Cheryl Halverson, Jeff Peters, Scott Sherman, Matt Freymiller, Tim Ryan and Jackie Shultz

### What does GFC pride itself on?

**FLESCH:** We hear the term customer experience being tossed around a lot. Customer service has long been a calling card of Gordon Flesch. Our customers and prospects know that they can always find a lower price somewhere else, but if they want the best in breed in regards to service performance by a vendor, that's when we shine the most. Our level of professionalism is really strong. We carry ourselves a certain way. We have a certain way in which we conduct business; the ethics that we bring into play are second to none. That reputation that has been built over time.

**Late last year, the company announced your promotion to president and Mark to COO. How do you plan to put your signature on the company while maintaining the core principles that have enabled GFC to prosper for more than 60 years?**

**FLESCH:** Given the success we've had over the last 60 years, Mark and I didn't want to come in and make changes right away or make unnecessary changes. There are certain things that Mark and I are focused on—modernizing our buildings and modernizing our technology internally so that we can

project ourselves as a true technology company. We recently renovated and built a production demo/customer experience center here in Madison that we're really proud of, complete with state-of-the-art equipment. We've installed a new audio-visual system throughout the company for video conferencing. It was a big investment that will certainly go a long way toward enhancing our image as a forward-leading technology player. We're working on developing mobile apps for customers to utilize. We're starting to implement some forward-thinking, cutting edge items. At the same time, we're focusing on what got us here, which is what Gordy and the second generation of Tom, John and Bill were able to put together. We're not losing sight of our core competencies and are continuing to focus there as well.

**Cybersecurity has become a focal point under your managed IT platform, which included the hiring of former Continuum expert Chera Pupi as a sales manager for GFConsulting. What are your objectives in this area?**

**FLESCH:** It's a huge topic right now, especially in the IT space. It's the number-one thing on decision makers'

minds. Recognizing that influence, we made the shift to a dedicated sales force last year. Part of that was bringing Chera on board from Continuum. She's been a home-run hire for us. We're also able to lean on our partnership with Continuum to ramp up that security offering. We've had many conversations with them about new products and services around security that they're bringing to the table, and how we can sell them to current and prospective clients. They've really worked closely with us in putting together great programs to execute on it. We're going to implement a strategy for all Gordon Flesch IT customers to commit to a basic-level security package. It is important that we be on the same page with clients when it comes to cybersecurity; otherwise, we probably aren't a good fit to do business together. We'll be rolling that out later this fall and we hope to have all of our customers converted over to a basic cybersecurity platform, at minimum, by Jan. 1, 2020. This is above and beyond antivirus and firewall protection.

**Last summer, GFC unveiled the AskGordy virtual assistant built on the IBM Watson A.I. platform. Talk about the role it plays in leveraging ECM data.**

**FLESCH:** We acquired a company in 2015 called Cambridge Connections. It's basically our think tank, the R&D arm of the company. It's led by Mike Adams, a very intelligent guy who has excellent relationships at IBM and other large players in the IT space. He was really the driving force behind AskGordy, our first release from the Cambridge Group. What it allows customers to do is point their



Gordon Flesch Company technicians hard at work on a printing device

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For each of the past three years, Gordon Flesch Co. has held Tech Summits at various sporting arenas, including Lambeau Field, Wrigley Field and Nationwide Arena

unstructured data, which they have situated in enterprise content management systems, and leverage the power of IBM Watson by pointing those documents to IBM Watson. It's a natural language processing software through which users can ask questions of the repository. That gets digested through IBM Watson, and IBM comes back with relevant topics and results that are based on what they perceive as the intent of the question. It's not a keyword search. IBM Watson is able to take that question and search the relevant data that it "thinks" would be applicable to what you're trying to figure out. It's all in real time and can be accessed through a mobile app at your voice command, be it iOS or Android.

AskGordy enhances a clients' ECM systems. If they're not using a document management software platform, this won't have any value. But if they do have their data in an ECM platform, then it can be a very powerful tool. We're talking to current clients about these capabilities and we're close on a couple proof of concept orders. We're also in discussions with IBM about having its ECM salesforce selling AskGordy as an add-on to FileNet, IBM's ECM system. That's our long-term hope. They're playing in the Fortune 500 space every day, and we think this application has much more attractiveness in the enterprise space.

**What has enabled GFC to become the nation's leading independent Canon dealer? What are some of the factors in your success?**

**FLESCH:** This relationship really got rolling in the 1980s and 1990s. Canon would come to market with a machine that would basically sell itself, offering the features and technology that no other manufacturer could match. We had exclusivity in some of those markets, so we were the only option if the customer wanted to buy this cutting-edge technology. It was a beautiful thing for us and we were able to capitalize on it. Over the years, Canon continued to put out great products that are competitively

priced and the most reliable in the industry. When you add in our strong service organization, it's really a powerful combination. We've been the top volume dealer for Canon five years in a row. It's a tremendous partnership.

**Talk about the role that organic growth has played in the GFC's success story. What are some of your strengths in this regard?**

**FLESCH:** We still refer to Appleton and Indianapolis as our emerging markets, because we went into them organically. But they've really been wonderful growth engines for us. If we had not made those moves, our top-line revenue would look a whole lot different today. The other piece is the GFC Consulting Group, which encompasses our ECM sales team, our managed services sales team and the Cambridge folks. It's not so much expanding into new markets as it is adding more products and services for our customers to consume.

**What was your biggest challenge in the past year?**

**FLESCH:** Internally, we had some sales realignment. We used to have our traditional print sales folks selling IT services and ECM, and they brought in specialists to help drive those opportunities. We took that away from them because we wanted them to double down and focus on hardware as their



Attendees at a Wrigley Field Tech Summit learn more about Gordon Flesch Company's wares  
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*John and Jeanie Flesch unveil Bucky Badger, the official mascot for the University of Wisconsin-Madison, prior to a parade in 2018*

craft. It was a big investment on our part to build up dedicated sales forces on both the ECM and managed IT sides. These kinds of changes always present challenges. Chera has done a great job in building her team up, and now we're at full capacity. We've really incubated the managed IT and ECM group and added some dedicated sales people who really know that technology, and it seems to be working well. In hindsight, it was definitely the right decision and we have a lot more horsepower going forward.

**The GFC Foundation has donated roughly \$2 million since its inception, and your parents have pledged a Family Welcome Center at Wisconsin-Eau Claire. Can you talk about the importance of corporate philanthropy?**

**FLESCH:** It all started with Gordy. He had a true belief that we all need to be involved in the communities where we work and live. He felt we needed to give back to those communities who have been so good to us and our families. That philosophy carried over to the second generation, and now Mark and I feel strongly about that concept, as well. Our charitable foundation is made up solely of GFC sales people, service technicians,

administrative folks and executives who sit down and look at all the applications and make selections as a group. In each market, we'll support five to six different entities. Delivering those checks and seeing the great work these organizations do in the community is amazing. Our foundation members really enjoy being a part of those presentations. I think it brings our employees closer together and it means a lot for them to know how much we give back.

**What are your goals for the next 12-18 months?**

**FLESCH:** I think we're going to be focused more on the inorganic growth space, pursuing some of those opportunities where there might be a good synergy for us to acquire a dealership. We'll also be focusing on the consulting group. The managed IT services business has the ability to really propel our company from a revenue and identity standpoint, underscoring that we're not just a copier player anymore. We really are a business technology provider.

**How do you view the industry changing in the future, and what are you doing to adapt?**

**FLESCH:** Given the deals we're seeing, particularly the Staples-DEX merger, you wonder if this industry is going to move more into an e-commerce-type of arrangement in which the buyer acquires products over the web versus having interaction with the reseller or sales rep in order to acquire the technology. But I think we're a long way from that. Implementing that technology is still complex in a way that requires the dealer to be involved to assist with the process. But it's something we have to keep our eye on. We're doing some work in the background as a defensive play, so if that shift does get momentum, we will be able to pivot and adapt to meet customer needs. It's important to be equipped with a great security offering, and we have that covered both on the print side and through Continuum for managed IT. But you never know with this industry. You have to be nimble, you have to keep up to date and educating yourself, which we try to do.

**What do you like most about your job? What is your least-favorite aspect?**

**FLESCH:** Definitely the people within our company. In our culture, we don't care that much about titles or rank. We just want to take really good care of our customers and be successful and win in the marketplace. I think we have a great attitude from top to bottom as it relates to how we handle customers and interact with each other. We have fun at work. Sure, it's a job and we need to get things done, but we have a good



*The Gordon Flesch Company family keeps growing, with David and Mary Eickhorn introducing baby Dex*



*Customer service is a pillar of Gordon Flesch Company's value proposition, as employees take in-bound service calls at the Technology Logistics Center in Madison, Wisconsin*

time doing it and we try to enjoy the successes, celebrate those wins and work together to improve. When we do lose, we try to figure out why. I also enjoy getting in front of customers and being part of those relationships. It's getting

more difficult to make time for that, but managers and reps know that's what I enjoy. They do a nice job of bringing me into opportunities in which we can spend time with customers and build those relationships.

Conversely, I hate losing deals. I'm not as involved intimately as I was with my previous role, but I still am a sales person at heart. If we're ever involved in a larger opportunity and we come up short, that always stings. I think I dislike losing more than I enjoy winning. You celebrate a win, then go out and find the next one. But the losses stick with you.

#### Outside of work, what do you do for fun?

**FLESCH:** I love spending time with my family. We have three boys—ages 8, 6 and 2. Chasing them around is a lot of fun, and during the summer it's all about the swim team, basketball camps, soccer camps. I just enjoy watching them compete and play sports. We love to travel and try to go up to northern Wisconsin a few times every summer. Day trips always make for a great time. Golf is another passion of mine. Between work, family and golf, there's really not a lot of free time to do anything else. ♦



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