



mdm market leaders

2016 TOP DISTRIBUTION COMPANIES

See full sector lists and sector trends analysis at
www.mdm.com/marketleaders

Top 40 Industrial Distributors

Average growth for the Top 40 Industrial Distributors was only 0.1 percent for 2015, primarily due to the continued drag from oil & gas. As a result, distributors are looking for new markets of opportunity to spark growth for 2016 and beyond.

- | | |
|---|---|
| 1. W.W. Grainger: \$10 billion | 21. BDI: \$750 million |
| 2. HD Supply: \$7.4 billion | 22. The United Distribution Group: N/A |
| 3. Airgas: \$5.3 billion | 23. Global Industrial: \$698 million |
| 4. Motion Industries: \$4.6 billion | 24. Turtle & Hughes: N/A |
| 5. MRC Global Corp.: \$4.5 billion | 25. SunSource: N/A |
| 6. The Fastenal Company: \$3.9 billion | 26. Wajax: \$529.5 million |
| 7. NOW Inc. (DistributionNOW): \$3 billion | 27. BlackHawk Industrial: \$430 million |
| 8. MSC Industrial Direct: \$2.9 billion | 28. SBP Holdings: \$364 million |
| 9. McMaster-Carr: N/A | 29. Gas And Supply Co.: N/A |
| 10. Winsupply: \$2.7 billion | 30. DGI Supply: N/A |
| 11. Applied Industrial Technologies: \$2.6 billion* | 31. FCX Performance: \$330.8 million |
| 12. Edgen Murray: N/A | 32. RS Hughes Co.: \$319.9 million |
| 13. Interline Brands: N/A | 33. AWC: \$319.2 million |
| 14. Wurth - Americas: \$1.7 billion | 34. Lawson Products: \$275.8 million |
| 15. Sonepar: N/A | 35. Hisco: \$267.6 million |
| 16. Wolseley Industrial Group: \$1.4 billion | 36. Ryan Herco Flow Solutions: N/A |
| 17. DXP Enterprises: \$1.25 billion | 37. OTP Industrial Solutions: N/A |
| 18. Kaman Distribution Group: \$1.2 billion | 38. Kimball Midwest: \$219 million |
| 19. F.W. Webb: \$960 million | 39. Hydradyne: N/A |
| 20. ERIKS North America: \$791 million | 40. Valin Corp.: \$166.5 million |

*Calendar year 2015

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-industrial-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

TOP DISTRIBUTORS 2016

Top 25 Electrical Distributors

While some electrical distributors notched double-digit growth in 2015, others were flat. Average revenue growth for the Top 25 electrical distributors was 3.4 percent, and the overall slow-growth environment has companies rethinking their value proposition as well as their position in the M&A pecking order.

- | | |
|---|---|
| 1. Sonepar North America: \$9.6 billion | 14. McNaughton-McKay Electric: N/A |
| 2. WESCO International: \$7.5 billion | 15. The Reynolds Company: N/A |
| 3. Graybar: \$6.1 billion | 16. State Electric Supply: N/A |
| 4. Rexel: \$5.6 billion | 17. North Coast Electric: \$475 million |
| 5. CED: N/A | 18. Turtle & Hughes: N/A |
| 6. Anixter International: \$4.8 billion | 19. Kendall Electric: N/A |
| 7. Border States Electric: N/A | 20. Summit Electric Supply: \$425.9 million |
| 8. Crescent Electric Supply: \$1.1 billion | 21. Wholesale Electric Supply Co. of Houston: N/A |
| 9. City Electric Supply: N/A | 22. Kirby Risk: N/A |
| 10. W.W. Grainger (electrical): \$997.3 million | 23. Van Meter: N/A |
| 11. Mayer Electric Supply: \$811 million | 24. Werner Electric Supply: N/A |
| 12. EIS: \$752 million | 25. Dakota Supply Group: N/A |
| 13. Elliot Electric Supply: \$742 million | |

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-electrical-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top 10 Power Transmission & Bearing Distributors

With more competition from both legitimate and counterfeit sources, power transmission and bearings distributors are looking online to reach new markets. But they still struggle to differentiate themselves from other online players, such as Amazon.

1. Motion Industries: \$4.6 billion
2. Applied Industrial Technologies: \$2.6 billion*
3. Kaman Distribution Group: \$1.2 billion
4. BDI: \$750 million
5. Wajax: \$529.5 million
6. W.W. Grainger (PT/motors): \$299.2 million
7. OTP Industrial Solutions: N/A
8. DXP Enterprises (PT/bearing): \$187.1 million
9. IBT Industrial Solutions: \$161.6 million
10. CB: N/A

**Calendar year 2015*

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-power-transmission-bearings-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.



Top 10 HVACR & Plumbing Distributors

Despite dozens of new regulations, distributors operating in the heating, ventilating, air conditioning, refrigeration and plumbing markets benefited from positive new and remodeling construction, with the top 10 companies averaging better than 7 percent revenue growth.

1. Ferguson Enterprises: \$13 billion
2. Watsco: \$4.1 billion
3. Hajoca: N/A
4. Winsupply: \$2.7 billion
5. Johnstone Supply: N/A
6. Interline Brands: N/A
7. W.W. Grainger (HVAC): \$1.4 billion
8. MORSCO: N/A
9. Wolseley Canada: \$1 billion
10. F.W. Webb: \$960 million

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-hvacr-plumbing-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

**TOP
DISTRIBUTORS
2016****Top 10 Building Materials &
Construction Distributors**

Consolidation drastically altered the industry's look in 2015, with deals among the largest distributors reshaping the competitive landscape. Solid construction end markets helped the Top 10 companies in this sector average 11.8 percent revenue growth.

1. Builders FirstSource: \$6.1 billion
 2. ABC Supply: \$5.9 billion
 3. Allied Building Products: \$2.52 billion
 4. Beacon Roofing Supply: \$2.51 billion
 5. 84 Lumber: \$2.5 billion
 6. US LBM Holdings: N/A
 7. BlueLinx Corp.: \$1.9 billion
 8. HD Supply White Cap: \$1.7 billion
 9. BMC Stock Holdings: \$1.6 billion
 10. (tie) L&W Supply: \$1.4 billion
- SRS Distribution: \$1.4 billion

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-building-materials-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.



Top 5 Electronics Distributors

Electronics distributors on the 2016 Market Leaders list averaged just 1.3 percent revenue growth last year, as the industry's tepid sales environment persists. But growth drivers exist, including the sector's early adoption of internet of things, which could see rampant growth in the distribution space.

1. Avnet: \$27.9 billion
2. Arrow Electronics: \$23.3 billion
3. Future Electronics: N/A
4. TTI Inc.: \$2 million
5. Digi-Key Corp.: N/A

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-electronics-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top Fasteners Distributors

The Fastener Distribution Industry's May index was 50.1, up for the third consecutive month but above the expansion threshold (50) for the first time in 2016, so while improvement is slow, it is happening for the sector. Instability of raw material pricing in China, however, means pricing increases are likely to occur.

Bisco Industries: \$140 million
Bossard America: \$171.2 million
Copper State Nut & Bolt: N/A
EFC International: N/A
Endries International (a Wolseley Industrial Group company): N/A
Kimball Midwest: \$219 million
KLX Inc.: \$1.6 billion
Lawson Products (fastening systems): \$57.9 million
McMaster-Carr: N/A
MSC Industrial Supply: \$2.9 billion
Optimas OE Solutions, LLC: N/A
The Fastenal Company (fasteners): \$1.5 billion
The Hillman Group: \$786.9 million
W.W. Grainger: \$10 billion
Wesco Aircraft: \$1.5 billion
Wurth - Americas: \$1.7 billion

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-fasteners-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top 10 Fluid Power Distributors

High-tech products are starting to make their way into a low-tech industry. As the internet of things expands, demand has increased for including sensors in more products and for different ways of packaging fluid power products.

1. Applied Industrial Technologies*: \$704.7 million
2. Motion Industries: \$650.5 million
3. SunSource: N/A
4. FCX Performance: \$330.8 million
5. W.W. Grainger: \$299.2 million
6. The Fastenal Company: \$278.6 million
7. Kaman Industrial Technologies: \$235.5 million
8. Hydradyne: N/A
9. Womack Machine Supply: \$147.5 million
10. Berendsen Fluid Power: N/A

**Calendar year 2015*

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-fluid-power-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.



Top Gases & Welding Equipment Distributors

Though Air Liquide's \$10.3 billion acquisition of Airgas will alter the sector, other consolidation narratives are taking shape, including companies looking to grow market share in the shadow of this behemoth deal and others buying assets that Air Liquide is shedding under FTC orders.

Praxair: \$10.8 billion
Airgas: \$5.3 billion
Gas And Supply Co.: N/A
Norco Inc.: N/A
Roberts Oxygen Company: N/A

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-gases-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.



Top 5 Hose & Accessories Distributors

Hose and hose accessories distributors are facing a market shift. Customers often perceive these products as commodities, and as a result, distributors often find themselves needing to provide more education on the differences between products.

1. United Distribution Group: N/A
2. SBP Holdings Inc. (Singer Equities): \$364 million
3. ERIKS North America: \$198 million
4. JGB Enterprises: \$120 million
5. Bridgestone HosePower: N/A

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-hose-accessories-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top 5 Industrial PVF Distributors

Oil and natural gas price volatility has taken a toll on industrial PVF distributors, with many reporting double-digit revenue declines in 2015. As a result, cost-control measures, including branch closures and layoffs, have become priorities.

1. MRC Global Corp.: \$4.5 billion
2. NOW Inc. (DistributionNOW): \$3 billion
3. Edgen Murray: N/A
4. Wolseley Industrial Group: \$1.4 billion
5. FloWorks International LLC: N/A

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-industrial-pipes-valves-fittings-pvf-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top Plastics Distributors

Plastics had a good rebound year in 2015, posting growth of 8 percent. As in many other sectors, M&A activity shook up the plastics industry, with private equity firms seeing plastics distributors as attractive targets.

1. Laird Plastics, div. of Blackfriars Corporation: N/A
2. SABIC Polymershapes, div. of SABIC: N/A
3. Piedmont Plastics: N/A
4. Total Plastics: N/A
5. Curbell Plastics: N/A
6. Professional Plastics: N/A
7. AIN Plastics, div. of ThyssenKrupp: N/A
8. Cope Plastics: N/A
9. E&T Plastics: N/A
10. Interstate Plastics: N/A

**Rankings based on estimates by Global Plastics Letter*

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-plastics-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top Safety Distributors

Consolidation continues to change the safety distribution competitive landscape, as does the continued focus on safety products as a target for product line expansion by non-safety distributors.

Airgas Safety: \$400 million

Arbill: N/A

Conney Safety Products (a division of WESCO Distribution): N/A

DXP Enterprises (safety): \$149.6 million

Mallory Safety & Supply: N/A

Northern Safety & Industrial: \$179 million

ORR Safety: N/A

Safety Today: N/A

Stauffer Glove And Safety: N/A

The Fastenal Company (safety): \$537.8 million

VWR International: \$4.3 billion

W.W. Grainger (safety & security): \$1.9 billion

Wise Safety & Environmental: N/A

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-safety-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

Top Jan-San Distributors

Distributors in other sectors are actively targeting jan-san as an area for growth, placing more pressure on jan-san specialists to provide more services, such as training, to differentiate themselves. More emphasis is also being placed on sharing those differentiators through marketing.

1. Veritiv Corp. (facility solutions): \$1.3 billion
2. Staples (facilities & breakroom): \$1 billion +
3. W.W. Grainger (jan-san): \$897.6 billion
4. Interline Brands: N/A
5. WAXIE Sanitary Supply: N/A

Other Regional Distributors

- DadePaper: N/A
- Dalco Enterprises: N/A
- EBP Supply Solutions: N/A
- The Fastenal Company (jan-san): \$290.2 million
- Hill & Markes: N/A
- HP Products, a Ferguson Enterprise: N/A
- KelSan: N/A
- Pollock Paper: N/A
- Strauss Paper: \$60 million
- WB Mason: N/A
- Western Paper Distributors: N/A

For additional information on each company and an overview of trends for this sector, go to:

mdm.com/2016-top-jan-san-distributors

Methodology Note: Unless otherwise noted revenues reflect the 2015 fiscal year. Revenues for all companies in this report are in U.S. dollars. For companies who report their data in other currencies, we converted their revenues to U.S. dollars using the exchange rate in place on the last day of that company's reported fiscal year to determine ranking. In the end, not every company was willing to provide us with revenue data for 2015, yet we deemed it important to include them anyway (e.g. McMaster-Carr, SunSource, etc.).

Copyright © 2016 by Gale Media, Inc. All rights reserved. Modern Distribution Management® and mdm® are registered trademarks of Gale Media, Inc. Material may not be reproduced in whole or in part in any form whatsoever without permission from the publisher. To request permission to copy, republish, or quote material, please call 303-443-5060.

MDM Premium Subscribers Get Exclusive Access to the 2016 Distribution Trends Special Issue

Articles featured in this special issue:

- Industry 'Muddling Along' in 2016
- Commentary: Are You Really Customer-Centric?
- Customer Engagement: Don't Be Amazon
- A Growing Competitive Threat
- Reduce HR Cost Pressure
- 5 Tips to Reduce the Cost of Employment
- Increase ROI from Existing Technology
- New Tech Disrupts Supply Chain
- Differentiate with Strategic Marketing
- Other Trends to Watch
- 2015 MDM Market Movers: Action Health and Paramont EO
- 2015 MDM Market Leaders Profile: SRS Distribution and Winsupply



"Trends and writing always on the mark. It's concise, well-written and keeps me a step ahead."

— JULIA KLEIN,
CEO, C.H. BRIGGS
CO.

MDM Premium subscriptions also include unlimited access to all the content on mdm.com and a new issue with objective and comprehensive content twice a month.

- 2 premium issues each month, sent right to your inbox
- In-depth, research-based trend analysis
- Case studies of successful distribution companies
- Public company financials and market moves
- Comprehensive M&A deal analysis
- Economic data and analysis, including the Quarterly Wholesale Pricing Trends Report
- More than 10 years of archives of best practices and trends in distribution
- Exclusive summaries of MDM webcasts and other programming
- Discounts on MDM Store resources, including the annual Economic Benchmarks for Wholesale Distribution

Subscribe today at www.mdm.com/subscribe