



Podcast Transcript | *The Fix*

Date: October 16, 2023

Guests: HSA – Steve Herkowski & Steve Stickler

Run Time: 30:56

Questions or Feedback: thefix@oatey.com

[00:00:00] Katherine: Welcome to *The Fix*, the podcast made for the trades. Where we sit down with inspiring individuals across the trades to discuss their unique take on the industry, including career paths, job site stories, overcoming challenges, and everything in between. I'm your host, Katherine, a marketer here at Oatey with my co-host and friend Doug, one of Oatey's resident experts in all things trades. *The Fix* is more than a podcast. It's a community, a community built to support tradespeople and inspire the next generation of essential pros. Let's start the conversation. Welcome back to another episode of *The Fix*. Doug, we have two of the industry's best and recent award winners.

[00:00:54] Doug: Absolutely. I'm always excited. I don't know why, but I always am very excited because I learned something through every podcast. The success today, over 90 years of success. You would think a lot of companies do that.

[00:01:09] Katherine: Sure, sure.

[00:01:10] Doug: Try to do it in winters that reach 30 below zero. Average temperatures are roughly about 17 degrees Fahrenheit.

[00:01:18] Katherine: Sure.

[00:01:19] Doug: Then in the summer, I'm getting in over 90 degrees. What a temperature change. They're able to work with their plumbing contractors and their wholesalers to give them the right materials-

[00:01:30] Katherine: Absolutely.

[00:01:30] Doug: -to work in all those conditions. These two today, I'm telling you, just home runs. Home runs.

[00:01:36] Katherine: I love it. Welcome to, Joe Herkowski and Steve Stickler, from Herkowski Stickler & Associates based out of Wisconsin.

[00:01:45] Doug: Wisconsin.

[00:01:46] Katherine: In Illinois. Welcome guys.

[00:01:50] Steve: Good morning.

[00:01:50] Joe: Thank you. Good morning, and thanks for having us.

[00:01:52] Katherine: You got it. We're super excited and obviously, we have a great partnership with your agency and have for many years with Oatey. Wanted to dive right in. If you would both give me a little bit of introduction of who you are, that would be great, so our listeners can learn a little bit more. Steve, you want to kick us off?

[00:02:11] Steve: I thought we'd go alphabetically, but I'm happy-

[00:02:13] Katherine: Oh, look at that. I threw you for a loop.

[00:02:15] Steve: [crosstalk] back into the Herkowski Stickler. Steve Stickler, I've been doing this 43 years as a manufacturer's rep. My grandfather started our agency in 1931. We have a little bit of history. Living our life on a gamble of a 30-day contract has always been something to motivate us to get out and get the job done. Then my father took over the business in the '70s, and then I took it over in roughly mid-2000s, something like that.

[00:02:49] Katherine: Awesome.

[00:02:50] Steve: Love the industry, love the people. Once again, find examples right here of why I like to get up every morning and do this.

[00:02:59] Katherine: That's pretty cool.

[00:03:00] Doug: That's awesome.

[00:03:02] Katherine: All right, Joe, your turn.

[00:03:05] Joe: I started in 2001 after college and soccer ended up not being a career for me, so my father got me into selling plumbing systems, which is pretty cool. He started the business in 1985, and like I said, started in 2001 and then Steve and I got together in 2013. I've been doing this a long time. Same as what Steve said, just having the friendships and the partnerships is what keeps us going, and that's one of the unique part of our industries is the friendships that we formed and having fun along the way.

[00:03:36] Katherine: That's key, that fun along the way. We definitely need to have that for sure. As experienced business development professionals in the plumbing industry, what are some of the key trends or changes you have witnessed that have significantly impacted the field? Is there anything that you can think of or comes top of mind that has happened over the last, gosh, 10 years since you've been in the field?

[00:04:01] Steve: You want to start?

[00:04:01] Joe: Yes. I just embrace some change. It really has been real for us. It's been a journey for Steve and I, obviously putting two agencies together back in 2013 and merging different rep agencies since 2013. We were not in Chicago, so we boldly stepped into Chicago without being into that territory. Just really, I think the key there is just-- I know it sounds cliché, but now more than ever, just embracing the change of what's happening in the industry with MNA in the consolidation piece of it, has been crucial for us.

[00:04:40] Katherine: Sure.

[00:04:42] Joe: I think that's been really important for us as we sit here today and some of the successes we've had as a team has been trying to create that consistent message of embrace it and don't be afraid of it because it's going to happen regardless. I think that's still a consistent theme throughout our industry on all levels.

[00:05:00] Katherine: For sure, and especially with the pandemic changes happen even faster. What are maybe some of the things that you do to support your team or even plumbers in the industry to navigate through that change? Is it through technology, is it through communications, or what are some of the ways that you're really helping people move through? You're dead on. We've got to figure out ways to embrace it and also move forward.

[00:05:25] Joe: Communication, key word here. We use it all the time. It sounds like too much, but once again, we pounded into everyone's heads because technology helps that communication a lot. Much different than the carrier Pigeon or Tony Express. Fax machine was a big deal when I started-

[00:05:46] Katherine: Sure.

[00:05:46] Steve -in 1980. Now with all the things, sometimes it seems too fast, but the change is so rapid now. I used to think what a year's time was a-- Now it's six months, maybe even a quarter. That's where my C word I wanted to use, **[unintelligible 00:06:09]** the chain was consolidation. That's exactly what is a big part of him. We're a part of that, Oatey's a part of that. All manufacturers, contractors, distributors, everyone in consolidation is such a big word. I think that that the speed and the communication is what is allowing a lot of that to happen.

[00:06:30] Katherine: Sure.

[00:06:31] Joe: The pandemic-- like Steve said, communication's always been a buzzword in a lot of companies and corporations. Probably never more crucial than ever before. I think a lot of us learned that through COVID.

[00:06:42] Katherine: Sure.

[00:06:44] Joe: How we embrace that communication within technology, but also how important it was with our contractors. Actually I don't think we know those manufacturers and those manufacturers reps and wholesalers that really own the day on the communication through a period of time. I don't think any of us ever want to go back into because it was extremely challenging, and that word was all communication. Though it's used a lot, it truly is important in the companies that

have embraced it and really doubled and tripled down on communicating to the contractors and their partners or have won and are going to continue to win in our opinion.

[00:07:20] Katherine: That makes a lot of sense. Speaking a little bit more into that, let's talk about some of the challenges that the plumbing industry faces today, and how companies and organizations can work together to overcome. Obviously, you've thrown around the word partnership and we have a great partnership between our two organizations. How do we and others continue to work to bridge some of those challenges in our industry?

[00:07:46] Steve: I going back to the pandemic, one of the things that we, Joe and I really discovered was without those partnerships, we would've been lost. We don't have pity, but we just look out at some of these other people out there. Didn't have those relationships, I don't know how you would've gotten through it because you couldn't go see anybody. You had to make phone calls. Had to do some of the old rituals or whatever we used in the past. Without those relationships, we couldn't have done what we did because not so much in Illinois, Illinois kind of came to a bit of a standstill.

[00:08:19] Katherine: Sure.

[00:08:20] Steve: Wisconsin, we had a month down, we had large contractors selling there's 30%, 40% off, and then, all of a sudden, we became a necessary evil, if you will-

[00:08:33] Katherine: Sure.

[00:08:34] Steve: -a necessary positive thing and construction just went crazy. Thank God we had those partnerships and relationships with our customers, distribution contractors, even the architectural and engineering firms.

[00:08:51] Joe: I would still say even within our business, but in the contractor, two weeks ago, I was sitting with a group of contractors in Chicago from one of the associations. I think still for all of our businesses, again, for all channels, contractors, wholesale, and reps, succession planning is a huge piece and a concern for a lot of these companies.

[00:09:08] Katherine: Sure.

[00:09:09] Joe: I think it's pretty paramount where you see companies that have faltered. It has really come down to succession planning. That's been a big thing for Steve and I. We've listened to that message as it's been communicated, I think, throughout the industry for years. I think, again, those companies, whether manufacturers, reps, wholesalers, contractors, have embraced that. I believe are set up for long-term success. It was clear to me just sitting with a group of contractors in Chicago and that room was about 20 and it was all on succession planning. The different levels of answers you got, and the level of degree of what some people think about it.

I guess if you look at a challenge in the industry, I would say that is one, I think for all of our businesses and family-run businesses, which is why I think Steve and I have seen major companies coming in and buying some of these small to mid-sized contractors, big corporations because of the lack of succession planning and maybe some planning in advance. I guess that and then obviously still considering the consolidation of, again, all channels is a major challenge for all of us.

[00:10:13] Doug: What about the workforce? Do you guys have enough plumbers in your areas that you rep? Are you constantly assisting in the community events and things of that nature where you can say, "Hey, let's get people more interested in this?" Because we're finding throughout our podcast that there's a lot of people out there making those connections to try to keep the technician pool filled. But a lot of folks have that stigma, plumbers, and poop, and that's all they think about, but there's so many different layers. What about your job pool?

[00:10:52] Steve: We've been skilled labor in any of Sparky, HVAC, applying in the mechanical room, very difficult as it is with everywhere. I always use what we see on our border between Illinois and Wisconsin, which is you have Uline on one side of the street and Amazon is on the other side. They have billboards up just to try to attract people by sometimes pennies different and then they have basic funds that they'll give you when you start. If you stay for 30 days they'll pay you \$3,000 or \$2,500 or whatever. That's what the skilled labor is also fighting that. I don't know that it's here yet, but it seems like it's coming. The shortage is yes, we hear about it, but I don't think we see it as much as maybe the coast might or something.

[00:11:56] Joe: You can see it on job sites, I guess, Doug, it's something I think we've been talking about for now, it seems almost going on 5 to 10 years about the aging workforce in the trades. I remember sitting through a bunch of ASA presentations. I think a continual outreach on what we do within the union halls and to help them sell the unions and the trades is something that we like to do, and we have done quite a bit of that. You got to remember, from our standpoint now, we're trying to sell the manufacturing rep as a portion of the trade as well. I think that's something that we've been able to do. We have some master plumbers that just joined our staff.

[00:12:37] Katherine: Awesome.

[00:12:37] Joe: Three of them actually. It's really pretty cool from an angle of, "Hey, you can start in the trades and you can go do the tough work and learn." Then there's other career opportunities like this one, where you get to go sell and promote and teach and train. We're very big on supporting whatever we can to help the trades build their staff out and their labor out. Because it ultimately helps us as well, not only from the work, but we are also another opportunity for them in terms of a career, and the same thing with you all with manufacturing.

You look at Doug, like yourself, you're getting more and more guys that were in the field that are coming into these manufacturers or reps because training has become so crucial. I think a different way of looking at it for us is also to be able to promote our two businesses and the other career path that can come out of the trades. As opposed to just having to go get a four-year degree and then maybe getting hired at ODE or HSA or whatever manufacturing. That's just a different approach to it for us

and how we look at it, but we're certainly a little concerned about it, but we haven't felt those concerns at a job site level yet where jobs are getting delayed because of it.

[00:13:49] Doug: Sure. Now in the high schools in your areas and stuff like that, do they have vocational programs available for the kids?

[00:13:57] Joe: Yes. That's something they've done for years. They were doing it before this, so that maybe that's why we're a little bit less susceptible to it. It's still there, but it's a vocational and technical schools have always been very prominent, especially in Wisconsin area.

[00:14:17] Steve: I was talking to a plumber at the Plumbing Mechanical Contractors Association, an owner in Milwaukee. They drive big yellow trucks around here, and we were talking about this very subject, and it was funny. It was interesting from his standpoint. He had mentioned there's no shortage of young people he has come and knocking at his door-

[00:14:36] Katherine: That's great.

[00:14:37] Steve: -to come to work for them. I think a little bit some of it may be some news out there that it's definitely aging but to hear a major contractor owner say that there is a lot of young folks, but again, that ramp-up time to get them in the door to running a project doesn't take 30 days or 40 days. There's a time period there. I think that was refreshing to hear that an owner of a major contracting company is seeing that they're getting young talent coming in the door that want to go into the trade.

[00:15:08] Doug: Yes, that's very encouraging. Then one last question I have on this topic. Do you have a lot of interest of women in the trades in your area?

[00:15:19] Steve: Yes, we've definitely seen much. The job sites are a little more-- You have to be a little more politically correct on job sites.

[00:15:28] Katherine: Sure.

[00:15:28] Steve: The days of using, not granted. There's also too that there's some that are-- The ladies out there, they're a little more even tougher than the guy.

[00:15:42] Katherine: We know some.

[00:15:44] Joe: Right. It's been refreshing even in our organization. Katie, we have Penny, and Tara who work in our organization who now are outside sales. There's a stigma still a little bit attached, but all you got to do is prove yourself once and people have no problem with it. They start, they don't look at your gender as being important, you're just a person that's going to help me and support. On job sites too, there's no question, I've seen a lot more women on job sites than I ever have in my life.

[00:16:22] Katherine: That's great.

[00:16:22] Steve: Yes, it's pretty cool. I think, company, we got one here locally, Milwaukee Tool, where you see a lot of women on the job sites. Even for us, Steve and I have been very cognizant of maybe not just pigeonholing a woman into the showroom space because it seems like that's obviously more female-driven. The success we've had, we're pretty excited about it. We're still getting kicked off of some of it. Obviously, Katie's on the line here, but Tara, Penny, and Brendan, it's pretty impressive what they do within our agency and the contractors they embrace with daily.

[00:16:56] Doug: That's fantastic. You know what, I just thought of something too. Our regional Tracy is actually in your area, so we have a lady-

[00:17:05] Steve: Yes she is.

[00:17:06] Joe: -who is a regional sales manager, so that's very awesome.

[00:17:10] Steve: Transgender.

[laughter]

[00:17:13] Joe: She's a very sharp lady.

[00:17:14] Steve: She's a sparty too.

[laughter]

[00:17:18] Joe: My stepson played football for Michigan State, so we have some-- Even though I was a fan of Michigan State for a while, but I'm usually a Wisconsin guy, but I just wanted to talk to her just about that, of all the things, and she fits in great. She's already taken great leaps and bounds with our customer base. Now granted, she's had some experience too, which is excellent, with another manufacturer. She stepped in right away, and she's even helping us get better. We really appreciate that.

[00:17:52] Steve: We got to say, Oatey was a beneficiary of some consolidation in getting a very strong woman in the market with Kristen Allen, right?

[00:17:59] Doug: Right.

[00:17:59] Katherine: Sure.

[00:18:00] Doug: There wasn't anybody that we thought more highly of, and so we're really excited that she's on your team and that family business but there's just another example of a solid female in our industry. It's really cool to see.

[00:18:12] Joe: That's great.

[00:18:13] Katherine: For sure. Well, we talked a little bit about the lack of people getting into the trades. Obviously, you don't see that penetration necessarily in your marketplace. If you had someone who came to you and said, "Hey, I'm on the fence, I don't know what I want to do, but I'm thinking about a career in the trades." What would be your quick elevator pitch to them of why?

[00:18:38] Joe: Well, do you want to make money now, or do you want to wait and you want to pay off a big loan? There's a lot of positives to a college education, but with the trades, you have instant gratification. You go out there and work hard, you are going to make good money right now because of what we're all talking about here, the pay rates have definitely escalated. With that comes now you can build a family quickly and you don't have to worry about this big loan to pay off. That's the tact I would take.

[00:19:11] Steve: It's straight talk. I think at the end of the day, all of us need more of it. Steve and I had this conversation with our financial person yesterday with an HSA was what it costs for a four-year degree, and what that looks like, and what you're going to make on that job coming out and what you can expect. I have one example of my nephew. He's great. He's been in the trades and one of the benefits I think he's really seen is he's a little bit floated around in the different trades.

He's young, but he's been in the carpentry side, he's been in the electrical side, he has yet to be in the plumbing side, but I think there's other opportunities within the trades, within a building for people to expand and look to grow. Maybe you start with electrical and maybe you want to go into carpentry. I think the networking that you can provide on those job sites with the general contractors and the subs is pretty low. My nephew's a good example of that, and proud of him because he went that route and he's been successful because of it.

[00:20:06] Katherine: Yes, that's great. I love that approach too, because we talk a lot about in your career building your base. You're getting to do a lot of different things so you have an idea of what you want to do as you continue to age. I think going in as a general contractor, we try out some plumbing shadow under someone from electrical, figure out what you want to do, will allow you to then be well-rounded. We even have an ambassador who has a plumbing background but has turned general contractor for that very reason because he really liked a little bit of all of the elements and has been pretty successful with it. I think it's a great advice. Are there any-

[00:20:40] Joe: I say everyone should work retail too, because you never know what's going to walk in that door. You have to adapt to it. If you don't have that experience in your life, you're missing something. I still say it's one of the toughest things there is.

[00:20:57] Katherine: That was my first gig. I don't think you've worked retail.

[00:21:01] Doug: No, I've never been into retail. I've been-

[00:21:04] Katherine: You've been on the job sites building all the retail spaces.

[00:21:07] Doug: I build a lot, but I've been inside of the retail spaces before. I watch customers walk in holding this piece of pipe and whatever. They're asking someone who maybe was working in microwaves the week before, "Hey, can you give me one of these?"

[00:21:23] Katherine: Oh my gosh.

[00:21:24] Doug: Then you just feel so bad for both parties. [chuckles]

[00:21:26] Joe: Boy, good luck.

[00:21:28] Katherine: I love it. Are there any specific initiatives or programs that HSA has or implemented to support and give back to the community or industry that you guys could highlight?

[00:21:42] Joe: Yes. Well, if you-

[00:21:42] Steve: Oh, Katie Goodman, we going to allow you to unmute. Because Katie is a factor for us in terms of our embracing change, and we hired her. We're fortunate You guys were with Kristen to get Katie in some consolidation and change. Katie has helped Steve and I embrace HSA gives back, so Katie, I think-

[00:22:03] Katherine: That'd be great.

[00:22:04] Joe: -you can speak to that.

[00:22:06] Katie: Sure. We created a program called the HSA Gives back. We find volunteer opportunities within our communities that we work in and we live. Sometimes they even have to deal with our customers. That's how we had found our first opportunity. It worked out really well. We are also partnering with our manufacturers, our customers, our partners, to get them involved as well, to make a bigger impact in the things that we're working in. In January, we did the Chicago Food Depository, and some of our Illinois team and their family members, they went out and we packed 6,792 pounds of pinto beans.

[00:22:42] Katherine: Awesome.

[00:22:45] Katie: We were actually able to present them with a monetary donation from Joe and Steve, which was very nice. We sponsored 1500 meals. Then in June, we have some of our Wisconsin and Illinois team going out to Rockford. We're working on six Habitat for Humanity Houses. We've pulled in, some of our manufacturers are even donating some stuff that we can go ahead and have installed into those homes.

That's really, really a cool opportunity. August, we're going to be packing school supplies for kids in need in the Sheboygan School District. That's really exciting. Our plan and our goal is to kind of do one a quarter. At least four opportunities a year, then hopefully, they just grow and they get really big and we can make an impact in these communities.

[00:23:31] Katherine: That's awesome. I just think spectacular because it all starts. It starts in our neighborhood, starts in our home, starts in our communities, and that's how things grow. Well, if you have not reached out to us or if we have not donated, please let us know how we can. Because that's one of the things that we talked about, is we want to take action from each one of these podcasts. It does us all no good if we just sit here and talk and don't do the work that needs to support it. We're happy [crosstalk]

[00:23:57] Katie: Absolutely. Thank you.

[00:23:57] Doug: After listening to Katie, we might have to do a whole 30-minute podcast just with her.

[00:24:02] Katherine: I think so. Maybe. I think maybe we get Katie and Kristin Allen on together.

[00:24:06] Doug: Yes.

[00:24:06] Katherine: It'd be great.

[00:24:06] Doug: I felt some serious awesomeness there. Let me tell you.

[00:24:09] Katie: Well, we've worked together in the past.

[laughter]

[00:24:12] Katherine: Doug has a little side hustle he wants to do of Oatey Raw too. Maybe we have you on the Oatey Raw.

[00:24:18] Doug: I should actually start promoting this. I have an idea that I want to do a spinoff of the fix and do Oatey Raw, where we get a little deeper into just everyday plumbing stuff. I'll probably have to do it at night though because it might be a little bit risky there.

[00:24:34] Joe: Little bit?

[00:24:35] Steve: Yes.

[laughter]

[00:24:35] Katherine: I will not be the cohost of that one.

[00:24:38] Joe: Sponsored by Duck Butter.

[00:24:39] Doug: Yes.

[00:24:43] Katherine: I love it. Well, listen, before we part, I would love to hear from all three of you to give me your viewpoint and your thoughts and dreams for this industry. What would you love to see this industry continue to become in the next 10, 15, 20 years? I know that's a big one that I spun on you so whoever's ready can take it.

[00:25:07] Joe: From an industry standpoint just continuing to grow with bringing in new talent and youth into our companies is really important, I believe. Just doing what we're doing here today is something we probably wouldn't have done **[unintelligible 00:25:21]** them three years ago, five years ago. Our industry as a whole is fantastic. My father got me into this business saying, "You'll always have a job."

I always never really understood that. We're selling products that are needed. That's really important, right? In today's world, we will always have a place in the chain selling plumbing products and heating products. I think if we can just continue to get

that message, to get good youthful energy into our manufacturers and our rep agencies and our wholesalers that will just continue to grow all of our professions.

That's a big thing for me, its just to continue to promote the stability of our industry. I believe that's really important today when everyone's looking for stability in their lives. We can always say, though, we've dealt with some recessions, it's not been the same like selling a boat or something that you may or may not need ever. We've managed to get through those times. I think that's an important message to resonate while we continue to recruit new technology and new people into our plumbing heating industry.

[00:26:35] Katherine: Yes, for sure. Well said.

[00:26:38] Steve: I know Joe touched on it there, but it's one thing Joe brings up a lot that I guess wasn't lost on me. He speaks to it well about the right blend of lifestyle. Hard work, family, family first but hard work, then that family thing becomes even better. That's what I really think that people need to understand that there is for all the Gen Zers out there that there is a nice blend. There's great people here. You can find people that are, or companies that are family first, but you got to work hard to get that goal. I think that that is really what I as a 63-year-old and soon to retire, or 62, excuse me person that's what I tell people. This is one of the greatest industries I've met some of my best friends or customers.

[00:27:44] Katherine: Sure.

[00:27:45] Steve: Now I even have to correct myself sometime when I tell friends, say, "Well, I'm out with customers." "Well, no, I'm really out with friends." That's true.

[00:27:53] Katherine: Very true. Katie, do you want to close us out and give us your thoughts on your perspective for where you see this industry and your hopes and dreams for it?

[00:28:03] Katie: Well, I was one of the ones that started out in retail. Coming into plumbing industry was not where I thought I was going to end up. I will say it's been very amazing to come in and find my role and my spot as a woman in a male-driven industry, and seeing us all as women come in and do different parts. How do we make an impact? How do we think differently? What can we bring to the table here? I think the coolest thing is no matter how much this industry is changing, because it'll be 10 years that I've been in the industry. The relationships are really what matter. Even though things are consolidating and people are moving, they tend to like just move around in this plumbing industry.

[00:28:46] Katherine: Sure.

[00:28:46] Katie: You have these lifelong relationships with these people and can always reach out and everybody's always willing to help. I love that. The technology's growing. We're making podcasts, we're doing crazy marketing stuff. We've got TikToks, but you can still reach out and have that phone conversation. That old-school style, just good friendship. I hope to see that continue, which I know it will.

[00:29:10] Katherine: That's excellent. I love that. Well, we really appreciate you taking the time today to hop on with us, get to know all of you a little bit better, talk about our industry. Thank you so much.

[00:29:22] Doug: I just have to say, Joe and Steve, I appreciate you. I appreciate your organization, and I'm really thankful that you're part of our team. Katie, you also. [laughs]

[00:29:32] Katie: Thank you.

[00:29:34] Steve: We're so proud to be a part of the Oatey team. That's one thing. I know Mason hired us and one of the last comments I ever made, I can somewhat be a little full of myself at times, but I said, "Hey, Oatey is the best at what they do in our industry. We're the best at what we do in our industry. We should be together."

[00:29:55] Katherine: We are. That's great.

[00:29:56] Steve: It worked out. It's worked out exponentially well, and we continue to grow and look forward to more of that growth.

[00:30:05] Doug: That's awesome.

[00:30:07] Steve: Absolutely. Thanks, Doug.

[00:30:08] Doug: All right. Thank you, guys.

[00:30:12] Katherine: Thanks for joining us on this episode of *The Fix*. Be sure to follow us on your favorite podcast platform so you don't miss our next conversation dropping every Wednesday. If you have feedback about the show or a topic you'd like to see covered, send us an email at thefix@Oatey.com or give us a shout-out on social media we would love to connect with you. Don't forget, you can get your daily Fix by visiting Oatey.com. We'll catch you next time.

[music]