

Q&A: Chris Polek

A look at the heritage & focus of Polek & Polek

Compiled by: Brent Hoskins, Office Technology Magazine

In a letter to his parents dated July 15, 1974, John Polek stated: “When I decided to form the corporation, I initially wanted to call it Polek, Polek & Polek — for dad, myself and the boys. My attorney advised against, as did the printer [of the letterhead the letter was typed on] and advertising people. They all seemed to think it became too cumbersome and long. I think I agree with them. So, we settled for Polek & Polek.”

As it turns out, the company reflects the names of John Polek and his son, Chris Polek, who has served as president and CEO since 1999. Recently, Office Technology magazine had the opportunity to interview Chris about the heritage of the company, its focus today and his thoughts about the dealer channel.

OT: How did Polek & Polek get started? What is its product focus today?

Polek: Our beginnings go back to 1974. My father started this business out of his home. At the time I was 10 years old. When he first got started, on Saturday mornings before any other activities, he would have me and my brother go to the garage with a notepad and take inventory of all the merchandise stored there for his business.

I have the old Polek & Polek ledgers from 1974; there was no such thing as computers then. It is kind of a walk down memory lane to see some of the companies that we did business with in the beginning. Looking at the first page, our revenue in the first month was \$579.63. My dad was a “one-person army” in the business for quite a number of years until he brought on some employees.

Today, our main business is high-quality, compatible alternatives [toner, parts and supplies] for dealers. A lot of dealers turn to us when they are looking to reduce their expenses or find alternative ways to be more competitive. The independent dealer community is the main community



that we serve; I would say it is 99% of our business.

OT: At what point did you start working full-time for the company alongside your father? What led to your decision to follow in his footsteps?

Polek: When my father formed the company and named it Polek & Polek, it sounded pretty cool to me to have a company with your family name on it. Early on, when I was quite young, I had little jobs in the company. When I got older and was in school, I worked summers. In fact, I worked many summers as a teenager, through

high school and even into college. I had the opportunity to work in just about every aspect of the business, whether it was in the warehouse, working in the front office doing accounting, helping with customer service or helping with sales.

In 1983, I went to one of the NOMDA [now BTA] shows, which gave me exposure to working at the Polek & Polek booth and seeing how a trade show works. The next year when I was 20, my father told me: “OK, now it’s your responsibility. Ship everything to the show, fly out there early and get everything set up for our booth.” So, I learned how to do a lot of those things early on and was given more responsibility than would typically be given to a person of my age.

Since I had a lot of opportunities like that, working in just about every aspect of the business, I decided: “This could be a fit for me. I can see me working here long term.” However, when I graduated from college, I interviewed in other companies for sales positions. My father told me: “I don’t think it’s a good idea for you to come right out of college and come into the business. You should probably go work for some other companies and get some experience. There are probably different things that they do at bigger companies that are not done in smaller companies like ours. So, you can learn from them.”

After working for another company in New Jersey for a

little over a year, I took a job in California. I was there for about six months when my father flew out to see me from a NOMDA show in Las Vegas. He said: "I know I told you to get some experience working outside the family business, but I've had some people leave the company and made some other changes and I really need you to come back and help me out." So, I agreed to do that. It was 1988. I have been back here ever since. I have actually now worked at Polek & Polek longer than my father did — and he founded the company. That is a tough statement for me to wrap my head around.

OT: Compatible cartridges are a key part of your product offering. How has that part of your business evolved through the years?

Polek: When we first got into the toner business in about 1979 or 1980, toner would just come in small bottles. You would screw off the cap and, in the machine, lift open a door and pour the toner in; that was it. It was very simple; not that bad and it was not that expensive to sell under those conditions.

Dealers who have been in the industry for a long time probably remember a company called Saxon. They went bankrupt in the early 1980s and, fortunately, we had an alternative source for producing compatible toners. We were kind of the savior to the dealers at that point since they could not buy from Saxon anymore.

We could not keep enough toner in stock. We did not have enough room in the small warehouse we had at that time. We were not a big operation at that point, so we used to take boxes of toners and stack them on the inside of our employees' office walls. When the stacks in our offices were depleted, everybody knew that another delivery of toner was arriving soon.

Today, we have compatible toner for many MFP brands, such as Konica Minolta, Kyocera, Ricoh and Sharp. Actually, if you go to our site, www.polek.com, there is a product tab that will show you some of our newer products. And, with the e-commerce side of everything that we sell, the site ranks our top-selling products.

OT: In its promotions, Polek & Polek states: "Did you know: When your company has a net profit of 6% and is able to save \$60K in expenses, then that's the same as generating \$1 million in revenue?" With that statement in mind, how do you share that message with dealer prospects interested in your compatible products?

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Polek: I came up with a chart that dealers can use to determine what reduced expenses equate to in terms of revenue. I took the time to put together this resource because of what I have seen in business; we have seen our fair share of economic upturns and downturns, going through recessions, etc. When talking with the owners of independent dealerships, the thought is: When you go through economic down-

turns, you just sell more. Dealers say: "We'll try and sell our way out of it." That's one strategy. However, there is no guarantee that will work.

So, I came up with this resource to show dealers that you can reduce expenses and, depending on what profit level your business is at, reducing expenses is almost the same as generating that many dollars in revenue. A lot of people have said: "I never really thought of it that way." The point is that when you reduce your expenses during economic downturns, you increase your profits. This is a good strategy even when dealers have diversified their offerings and are seeing growth in those areas. However, on the print side of their businesses, they are seeing a decline. That is where this resource I have developed is very helpful to dealers. Because, even if your business is flat or declining on the print side, when you can make it more profitable, it is as if it is growing. (Email cjpolek@polek.com to receive the chart.)

OT: Given the many changes in the industry in recent years, what are your thoughts regarding the dealer channel today and in the years to come?

Polek: I think that there is always going to be some level of print around. There is no doubt that the volume has declined. Going back in time, print was the only thing independent dealers needed to focus on. Today, they need to get into other areas to help diversify the ways they can help the entire office, not just the print side of the office. These new areas of diversification take a lot of hard work. It is not easy.

Looking at the OEMs and their support of the dealer channel, I think Sharp is doing a particularly good job at helping dealers with this transition. It has been very open to showing dealers: "When you go into an office, here are all the different areas that you can handle." It is showing dealers where the profit is — "This is what you can do." It is giving them real-world examples. ■

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