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STRATEGY

Beyond Supply: How Distributors Can Add Value as an Information Hub Amid Tariff Turmoil

By Mike Hockett

Even without robust technology or staffing resources, you can still boost relationships by providing clarity when it's needed most. **Click for web version with original graphics**

As we've covered on MDM since early February, the slew of tariff policy news updates out of the Trump administration is challenging to keep up with. At least a handful of times already in the past two months, we've reported on a major update to a tariffs measure, only to have to update or rewrite it later that day when the situation changed.

I could spend time laying out the current situation of what product category and nation is being taxed what amount for their exports to the U.S., but it would be futile as the situation would undoubtedly significantly change within days or weeks.

Amid all of the whiplash and confusion in these Trump 2.0 tariffs, you, your supplier partners and customers are craving clarity — something hard to come by in the new normal of VUCA (volatility, uncertainty, complexity and ambiguity) since the COVID-19 pandemic. You and them want clarity on supply chain impacts, pricing impacts, inventory and more.

Here, let's dive into how you can your company as a reliable source of timely information in a time when it's needed more than ever.

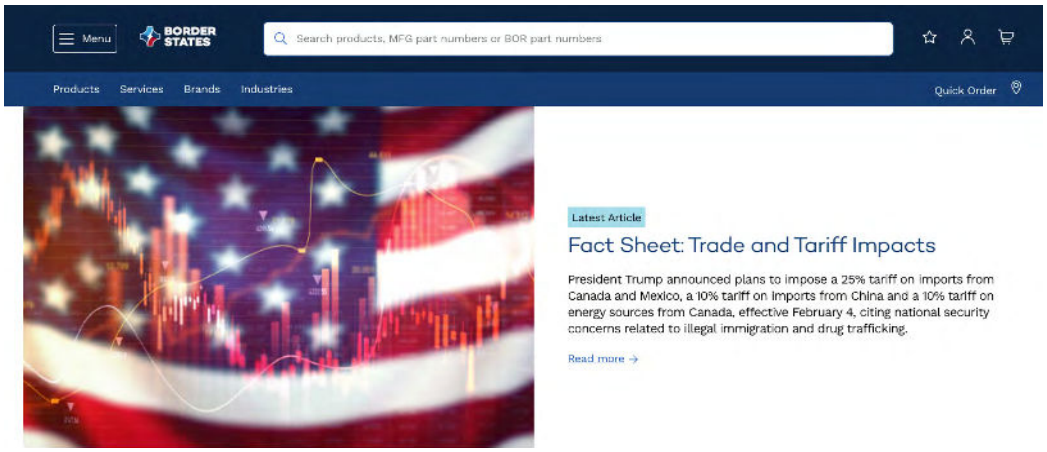
The supply chain chaos that came out of the pandemic illustrated the distribution sector's need for information dashboards. A 2022 Baird-MDM Survey of 400+ distributors and manufacturers asked respondents to pick one tool that would make their operations easier, and the most popular choice was demand forecasting dashboards. If we asked that same question right now, we very well might get the same result.

Some distributors of scale may be able to offer such dashboards to their suppliers and customers, but odds are, you're not one of them — given that most of this industry is comprised of small- to mid-sized firms and independents.

If you're in that latter cohort, here's what you can do.

Offer a Tariffs Resource Page

You and others at your distributorship likely have a wealth of knowledge of how certain market fluctuations or major disruptions are likely to impact demand, pricing and inventory. Why not get those insights in front of your customers and suppliers in an easily accessible way?



The simplest method for this is in the form of a company webpage where you can post blogs or news briefs that cover "now that this has happened, here's the likely impact". Of course, no one can predict the future, but given your experience with tariffs in Trump 1.0 and what you went through with COVID, this isn't your first rodeo. You and others on your team likely have muscle memory from dealing with those major developments. Extensive entries aren't needed. Even just a few hundred words here and there that shed light on what you're keeping an eye on would be appreciated by your customer and supplier network.

There's one distributor that I think does this better than perhaps any other: Border States.

Since well before Trump 2.0, the electrical supplies distributor has constantly kept its network updated on supply chain and pricing impact developments via its news and blog pages, and with increasing frequency during times of rapid market developments.

Border States has taken this to another level, announcing March 6 that it has enhanced its supply chain resources, leading with separate supply chain and commodity update newsletters that publish monthly and track impacts to commodity prices — specifically copper, aluminum, steel and PVC.

"These resources are aimed at consolidating information that will impact the supply chain, material availability and cost, changes to the labor market and other economic factors to help Border States' customers stay informed and equipped to make decisions for their business," the company said.

Case in point, the more informed you can make your customers, the faster they can make decisions, and the easier you've made their job. That creates stickiness.

"This work goes to the heart of our company's purpose: We believe unstoppable businesses shouldn't go it alone," added Richelle Bishoff, Border States' Vice President of Procurement. "Being transparent and open with our approach and what we know about the supply chain is a huge part of supporting those unstoppable businesses."

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INDUSTRY NEWS DIGEST

Distributor News

National metals service center **Olympic Steel Inc.** opened a new facility in Houston, TX to support operations for its **Action Stainless business**.

HVAC distribution platform **Advantage Distribution Holdings** acquired Fayetteville, NC-based **CTC Supply**.

Lighting, electrical and plumbing supplies distributor **Wiseway Supply** acquired **Northport Electrical Supply** and opened a new branch in Louisville, KY.

OEM foodservice, HVAC and residential appliance parts distributor **Parts Town Unlimited** — the parent company of Parts Town — launched its "Town Shares" employee ownership program, aimed at giving team members the opportunity to participate in the company's long-term success.

Industrial and MRO supplies distributor **Global Industrial** announced a multi-year partnership with **Oak View Group** — a venue development, management and hospitality service for the live event industry.

Building materials distributor **Kodiak Building Partners** announced the establishment of a greenfield expansion company, Ponderosa Building Supply, in Hauser, ID.

London-based MRO supplies distributor **Rubix** will acquire **ERIKS UK and Ireland**.

Fasteners and other industrial supplies distributor **Würth Industry North America** — a U.S. division of Germany-based Würth Group — announced a $42.5 million investment in a distribution center located in Columbus, OH.

Residential and commercial roofing, exterior and interior parts distributor **ABC Supply** promoted Andy Callaway, Frank Marcoccio and Jonathan Shepard to executive leadership positions, effective March 1. The company also acquired Richmond, VA-based **Roofing & Supplies**.

Electrical supplies distributor **Sonepar** appointed Stacy Stanslaski as VP of Business Transformation within the company's Digital Enterprise organization.

After a four-month standoff, **QXO** and **Beacon Roofing Supply** have come to terms, agreeing for QXO to acquire Beacon for $11 billion or $124.35 per share — representing a 10.8X multiple of Beacon's consensus full-year 2025 EBITDA and 10.1X its consensus full-year 2026 EBITDA.

Heavy duty truck parts distributor **FleetPride** acquired Houston, TX-based **OTR Fleet Service**.

Industrial and safety supplies distributor **Martin Supply** opened a new distributor center in Elizabethtown, KY.

Fluid handling distributor **John Brooks** refreshed the company's branding, updating its logo, brand colors, visuals and website, effective March 2025.

PVF an infrastructure products distributor **MRC Global** entered a partnership with Frisbie Measurement Services, forming **IMTEC Services**.

Industrial gases and welding supplies distributors **Central McGowan** and **Minneapolis Oxygen** announced the merger of both companies.

Canadian-based replacement parts and automotive services distributor **UAP** — a subsidiary of Genuine Parts Company — announced the proposed acquisition of **Benson Group**.

Underground water, sewer and storm utility products distributor **Fortiline Waterworks** — a wholly owned subsidiary of the Reece Group — acquired **Belair Road Supply**.

Hose, fitting and rigging products distributor **ARG Industrial** opened its newest location in Salem, OR.

Gases, welding and safety supplies distributor **Meritus Gas Partners** acquired **Oxygen Service Company**.

New Hudson, MI-based motion control products distributor **Exotic Automation & Supply** — a Parker Hannifin subsidiary — appointed Steve Orlando as President, effective immediately.

Beacon acquired **DM Figley Company** and announced a partnership with roofing automation startup **Renovate Robotics**.

Building materials distributor **US LBM** acquired **Beach Window and Door** and promoted current Chief Digital Officer **Jonathan Greene to the role of Chief Digital and Technology Officer**.

HVACR, plumbing and industrial PVF distributor **Winsupply** acquired a minority stake in **Mined XAI**.

Material handling distributors **Cromer Materials Handling** and **Doosan Material Handling Solutions** announced on March 4 that the companies have rebranded as **Forklifts Group**.

Fluid solutions distributor **TIPCO Technologies** acquired Kenilworth, NJ-based **Flexline** and Rochester, NY-based **Potter Associates**.

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Chicago, IL-based wire, cable, connectivity and automation distributor **Genuine Cable Group** appointed Glenn Pennycook as its CEO.

MRO and industrial supplies distributor **Vallen Distribution** promoted Sonia Timmons to CFO, effective March 1.

St. Louis, MO-based HVAC and plumbing supplies distributor **Marcone Group** rebranded as **mSupply**.

Building materials distributor **SRS Distribution** — a subsidiary of The Home Depot — acquired **Rising Star Wholesale**.

Ferguson Bath, Kitchen & Lighting Gallery and Build.com will unify under the **Ferguson Home brand** — a single source for kitchen, bath, lighting and home improvement products.

Bearings and power transmission products distributor **Purvis Industries** acquired the assets of **A & A Resources**.

Construction and industrial supplies distributor **White Cap** acquired Texas-based **Kris-Con**.

Madison Heights, MI-based distributor **Galco Industrial Electronics** acquired **Brozelco**.

Information technology products provider **Ingram Micro** shared a forward-looking vision on March 18, announcing plans to pivot from its longstanding role as a distributor towards its role as an AI-powered software platform.

Manufacturer News

France-based energy management an automation products manufacturer **Schneider Electric** plans to invest more than $700 million in its U.S. operations through 2027.

PPE, safety solutions and tools & equipment manufacturer **SureWerx** acquired **Reliance Fall Protections**.

Structural connectors and building solutions manufacturer **Simpson Strong-Tie** plans to the company's headquarters to Plano, TX and added a new distribution center in Las Vegas.

Filtration, fluid connectors and motion control products manufacturer **Parker Hannifin** launched its Mobile Electrification Technology Center program through the company's Motion Systems Group.

Massachusetts-based motion control and machine components manufacturer **Ruland Manufacturing** acquired **RoCom**.

Australia-based building materials manufacturer and marketer **James Hardie** reached a deal to acquire **AZEK** valued at $8.75 billion.

Power solutions manufacturing conglomerate **Eaton** acquired **Fibrebond Corporation** for $1.4 billion.

Schamburg, IL-based Ascent Industries is selling its **Bristol Metal** assets to **Ta Chen International** for $45 million.

Houston, TX-based **Specialized Fabrication Equipment Group** acquired **Sumner Brand** from Southwire Company.

Electrical connection and protection solutions manufacturer and servicer **nVent Electric** will acquire the enclosures, switchgear and bus systems (Electrical Products Group) of **Avail Infrastructure Solutions** for $975 million.

Honeywell will acquire Arvada, CO-based **Sundyne** from private equity firm Warburg Pincus for an all-cash transaction for $2.16 billion. The company also shared on March 25 the leadership picks for its Advanced Materials business, which will be named **Solstice Advanced Materials**.

Association/Buying Group/Co-op/Service Provider News

Independent distributor organization **AD** elected Caleb Messer to the Industrial & Safety – U.S. Division Board, effective March 24.

Private equity firm **Clearlake Capital Group** will acquire business decision data and analytics provider **Dun & Bradstreet** for $7.7 billion.

NetPlus Alliance members remain optimistic — despite some uncertainty — regarding expected growth in 2025, according to the industrial distribution buying group's latest Industry Outlook report.

Hardware, lumber and building materials buying cooperative **Do it Best** appointed Matt Loprest and Tim Pieper as Directors of Operations.

Eight months after being designated as a distributor and held liable for recalls of hazardous products sold through its platform, **Amazon is fighting back with a lawsuit against the Consumer Product Safety Commission**.

Economic & Regulatory News

Optimism for activity from **manufacturers of metalformed products** declined during March after moderate optimism that began in February.

Wholesale inventories had a modest monthly increase in February after a more robust January.

The Conference Board Consumer Confidence index fell in March to 92.9, down 7.2 points from February, marking the fourth consecutive monthly decline.

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U.S. manufactured durable goods increased $2.7 billion or 0.9% in February from January.

Following its latest **Federal Open Markets Committee** meeting on March 19, the U.S. Federal Reserve kept its benchmark interest rate unchanged, while signaling confidence in the expansion of economic activity.

January 2025 **U.S. cutting tool consumption** jumped 9.2% month-to-month while down 4.1% year-over-year.

U.S. industrial production ramped up in February, more than doubling a solid gain in January.

The latest **University of Michigan U.S. consumer sentiment survey** revealed that consumers are overall feeling far less optimistic about the economy in March than one month prior.

The March **ISM Manufacturing PMI retreated into contraction territory**, down 1.3 percentage points from February to a reading of 49.0%.



MDM SHIFT Returns in May

SHIFT 2025 is coming at you this year with a brand new structure.

On **May 13-15 in Denver, Colorado**, in addition to the robust mainstage and breakout sessions that SHIFT is known for, SHIFT attendees will engage in NAW Executive Roundtables—a focused, strategy-driven experience that connects you with like-minded peers in your field, divided into four separate cohorts:

- **Sales:** Ideal for Sales, HR, and Finance Executives
- **Digital:** Perfect for Operations, Tech, and Finance Executives
- **Data Analytics:** Tailored for Operations, Tech, and Finance Executives
- **Culture:** Designed for HR, Sales, and Finance Executives

These smaller, more focused groups are designed to foster open dialogue and targeted best practice sharing, no matter what your company may be tackling at the time.

You'll find a network of peers ready to exchange ideas, offer insights, and identify actionable solutions.

We can't wait to welcome you back to SHIFT in May 2025!

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Continued from page 2

Border States gets granular with it, tabling an extensive list of the top product categories the company sells and estimating the percent of impact each will have from these tariffs.

Case in point, the more informed you can make your customers, the faster they can make decisions, and the easier you've made their job. That creates stickiness.

"This work goes to the heart of our company's purpose: We believe unstoppable businesses shouldn't go it alone," added Richelle Bishoff, Border States' Vice President of Procurement. "Being transparent and open with our approach and what we know about the supply chain is a huge part of supporting those unstoppable businesses."

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Here's a snapshot of a **fact sheet Border States posted on March 12**:

Expected Impacts

While the exact impacts across our core markets and vendor community are not fully known yet, impacts may be expected in the following areas:

- **Increased costs for components and finished goods** coming from Canada, Mexico and China.
- **Increased risk of disruption and logistical complexity** as companies seek alternative suppliers in countries not subject to tariffs.
- **Increased inflation** due to overall economic effects and countries imposing retaliatory tariffs in response.

For products sold by Border States, our estimated domestic versus import spend and tariff risks by key product categories are listed below. Country of origin and import information can be difficult to obtain, so please note these are our best commercial estimates based on what we know today.

High-level category	Approximate percentage – domestic	Approximate percentage – imported	Uses steel	Uses aluminum	Tariff risk
Wire and cable	95%	5%	✓	✓	Mexico
Transformers	95%	5%	✓	✓	Mexico
Apparatus and controls	95%	5%	✓	✓	Mexico
Metering	50%	50%	✓	✓	Mexico
Poles	95%	5%	✓	x	Canada
Line materials (overhead and underground)	65%	35%	✓	✓	Mexico
Tools and personal protective equipment	20%	80%	✓	x	China
Gas materials	65%	35%	✓	x	China
Gas pipe	95%	5%	✓	x	China

The company also shares hyperlinked headlines of national news coverage of the latest tariffs updates.

Border States is one of the largest electrical distributors in North America — No. 6 on MDM's 2024 Top Distributors List for electrical supplies. Companies of that scale typically have an entire team dedicated to supply chain management.

But even if you can't offer resources that are nearly as in-depth or sophisticated as your larger counterparts, something is better than nothing.

Who should write these updates? The best candidates would be your procurement leader or whomever leads your supply chain operations. But it certainly can be a collaborative effort.

Boost Your Own Knowledge

Let's say you and your team don't have the staff, tech capabilities or insights to launch a tariffs resources page. As an executive, you can still position yourself as a tariff impacts resource by increasing your own knowledge base on the situation. You want to be able to talk the talk with your suppliers and customers and help them stay abreast of the situation and how your market is likely to react to any policy changes being issued.

There's a number of industry experts who I'd recommend giving a follow on LinkedIn for their tariff impact insights. One of them I'll call out is **Jason Miller**, an endowed professor of supply chain management at Michigan State University's business school. Since early February, Miller has posted almost daily with the latest information on how tariffs are hitting various specific product markets, or how they are expected to. He often breaks down these impacts by each tariff measure, going far beyond broadstrokes.

With a bit of clicking around, I'm sure you can find other supply chain experts who have tariff insights into your market.

From MDM, we aim to keep the industry updated as best we can on the tariffs front. I highly recommend you check out the tariffs-focused webcast we hosted on Feb. 27, **which is free and on-demand**.

While the "current situation" bit of that webcast has expectedly become outdated, the program's key value was in the insights our panel of experts shared in terms of what they're hearing from distributors in their tariffs reactionary scramble, and the advice they have for the industry to best navigate the rapidly changing policies.

Meanwhile, MDM continues to roll out monthly and quarterly economic data that drills down into impact and revenue forecasts for each of wholesale distribution's 19 sectors that the U.S. Census Bureau identifies.

- Our MarketPulse report shares the results of the quarterly Baird-MDM Industrial Distribution Survey, which includes a great combination of qualitative market expectation sentiment alongside plenty of industry commentary.
- Our brand new quarterly MDM Forecast Report provides trending data across numerous key economic indicators all in one place, giving a valuable look at both recent historical trends and forecasts through 2027.
- Adding to those is our monthly MDM Forecast article that shares our updated estimates of 2025 and 2026 revenues for each distribution sector.

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Each is complimentary for Premium subscribers. Our 1Q25 MarketPulse Report will be available in mid-April (**here's 4Q24's**), while our **1Q25 MDM Forecast Report** published in early March.

Elsewhere, numerous industry associations do a great job of providing their members with supply chain and commodity updates, and I'm looking forward to gathering those insights while attending **some of their spring conferences**. There are also numerous supply chain service and technology providers that do a nice job of sharing tariff impact best practices.

The Final Word

Knowledge is power. Again, no one can truly predict the future. But with reliable market data and qualitative insight, you can make appropriate pricing, inventory and sales strategy decisions, and so can your customers and suppliers — and with the speed needed for a tumultuous tariffs environment. You don't need a whole team of supply chain or procurement experts to do so. Keeping your customers and supplier partners in-the-know about how your market is being impact or is expected to be will make their lives easier.

BRANDING FOR DISTRIBUTORS

Fastenal Just Inked a Partnership with an MLB Team. Here's Why

By Mike Hockett

Fastenal's latest sports-oriented endeavor joins several other pro teams and leagues that the distributor supports. The company gave us the details on why it made sense and what's involved. **Click for web version with original graphics**

In recent years, we've seen numerous major industrial distributors strike marketing and supply chain partnerships with professional sports teams and leagues. These deals give companies valuable visibility into a key demographic — contractors, manufacturers, facility maintenance staff and jobsite employees — who make up the majority of these distributors' customer base. In return, these teams and leagues get supply chain service from a (often leading) provider.

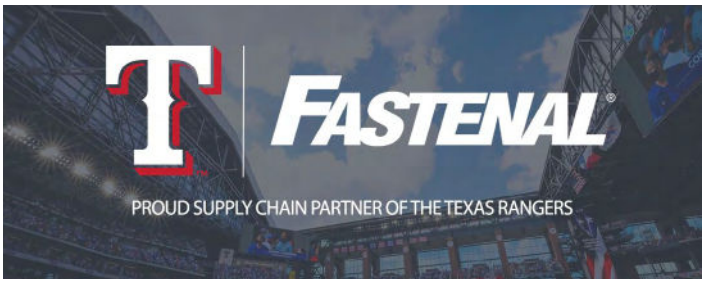
Among these distributors that have forged high-level sports marketing partnerships, Fastenal is one of the most active. With deals already in place with the National Hockey League, RFK Racing in the NASCAR Cup Series, the NFL's New England Patriots and Cleveland Browns and Major League Soccer's Columbus Crew, the company just inked its latest sports marketing endeavor — a three-year deal with Major League Baseball's Texas Rangers. The ballclub announced it on Feb. 26.

We asked Fastenal about the details of this new partnership and how it came about. Here's what Steve Diekman, Regional Vice President for Texas and Louisiana, told MDM:



Steve Diekman

"This is a dual partnership, and frankly, it was non-negotiable for us unless it was one. There are two agreements within this partnership. No. 1, we are agreeing to a marketing partnership that entails advertising, small amounts of tickets and suite access for customer appreciation and possible large events for employees or customers. No. 2,



they agree to allow Fastenal to be their No. 1 supply chain partner for their maintenance supplies and services. We will be investing labor, technology and inventory management programs within their maintenance department to support their needs."

Diekman said Fastenal initiated the deal with the Rangers, presenting other partnerships that are working well within the organization today to gauge their interest. He added that if the Fastenal-Rangers partnership goes the way Fastenal believes it will, it could result in a fruitful collaboration that goes well beyond its scheduled three years.

"We believe that the Texas Rangers baseball club and Fastenal both are world-class organizations that strive to get better every day," Diekman told us. "We believe that this partnership makes us both better."

In a LinkedIn post, the Rangers said: ***"We are thrilled to announce a new partnership with Fastenal, a leader in industrial supply solutions. This collaboration marks an exciting milestone in our commitment to improving operations and delivering excellence both on and off the field. Together, we are committed to creating a winning environment for our fans at Globe Life Field. Welcome to the Rangers family, Fastenal! We look forward to a successful partnership and a fantastic season ahead."***

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TOP DISTRIBUTORS SECTORS

Here's Which Distributors Made Fortune's 2025 "Most Admired" List

By MDM Staff

More than a handful of companies on MDM's Top Distributors Lists garnered the reputation-based honor from Fortune.

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At the end of January, Fortune and Korn Ferry unveiled the 27th annual "World's Most Admired Companies" List for 2025 — the publication's survey-based reputation ranking of large companies — and it included more than a handful of companies that appeared near the top of **MDM's 2024 Top Distributors Lists**.

As expected, technology leaders Apple, Microsoft and Amazon claimed the top three positions for the sixth year in a row, with Apple securing the number one spot for the 18th consecutive year.



The full top 10 were as follows:

1. Apple
2. Microsoft
3. Amazon
4. Nividia
5. Berkshire Hathaway
6. Costco Wholesale
7. JPMorgan Chase
8. Walmart
9. Alphabet
10. American Express

Before diving into which wholesale distributors made the list, let's share Fortune's methodology for the list:

"As we have in the past, Fortune collaborated with our partner Korn Ferry on this survey of corporate reputations. We began with a universe of about 1,500 candidates: the 1,000 largest U.S. companies ranked by revenue, along with non-U.S. companies in Fortune's Global 500 database that have revenues of $10 billion or more. We winnowed the assortment to the highest-revenue companies in each industry, a total of 645 in 27 countries. The top-rated companies were picked from that pool of 645; the executives who voted work at the companies in that group.

"To determine the best-regarded companies in 52 industries, Korn Ferry asked executives, directors, and analysts to rate enterprises in their own industry on nine criteria, from investment value and quality of management and products to social responsibility and ability to attract talent."

See Fortune's full methodology here.

Now, here is the list of distributors featured in Fortune's "World's Most Admired Companies," organized alphabetically, along with their rankings within their respective industries:

- Arrow Electronics – No. 1 in Wholesalers: Electronics and Officer Equipment (No. 1 in this category for a 12th straight year)
- Avnet – No. 3 in Wholesalers: Electronics and Office Equipment
- Global Partners – No. 6 in Wholesalers: Diversified
- Graybar Electric – No. 2 in Wholesalers: Diversified
- Fastenal – No. 4 in Wholesalers: Diversified
- Ferguson Enterprises – No. 5 in Wholesalers: Diversified
- ScanSource – No. 4 in Wholesalers: Electronics and Office Equipment
- TD Synnex – No. 2 in Wholesalers: Electronics and Office Equipment
- W. Grainger – No. 1 in Wholesalers: Diversified (No. 1 in this category for a 12th straight year)
- Wesco International – No. 3 in Wholesaler: Diversified

It is also worth noting that The Home Depot was ranked No. 2 in Specialty Retailers and No. 16 overall. MDM considers The Home Depot as a distributor for Pro side of its business and a distributor for the rest of its business that caters to do-it-yourself consumers.

See the full Fortune 2025 World's Most Admired Companies List here.

MDM's 2025 Top Distributors Project is Underway



Alongside Fortune's various accolades lists, including the Fortune 500, we're deep into the research for MDM's 2025 Top Distributors Lists — our who's-who of distribution that ranks North American-based wholesale distributors by their revenue within 20 different product categories. It's always a massive undertaking, we ask these Top Distributors to lend us a hand by providing the revenue information we need — which we're happy to keep confidential — via our easy **Top Distributors Survey here**.

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We're wrapping up the data collection by the end of April, so if it looks like your company's revenue is big enough to make one of our lists and you want it represented, email **editor@mdm**.com asap!

We'll unveil our 2025 Top Distributors feature with a webcast this spring, followed by the full PDF report and web listings.

ECONOMIC TRENDS

MDM Forecast: March 2025 Update

By Anna Debiec

The latest MDM Forecast revises 2025 revenue growth downward, driven by regression in oil & gas, but still projects solid growth for most sectors. Get your sector-specific outlook here. **Click for web version with original graphics**

The latest monthly MDM Forecast revealed a downward revision in full-year revenues for 2025 and a decline in 2026 — notably all but four of the 19 industry sectors project annual growth in 2025 — only two fewer compared to February. As always, the key value in the MDM Forecast comes from the sector-specific forecasts it provides.

The MDM's Forecast model uses the U.S. Census Bureau's revenue data but strips out the broader inclusions of agents and brokers, manufacturer's sales branches and offices, importers and exporters — focusing exclusively on wholesale distributors.

March 2025 MDM Forecast: U.S. Wholesale Distribution Revenue Expectations by Sector

Industry Sector (large to small)	2022	2023	2024	2025	2026
Oil & Gas	38.8%	-11.3%	-5.4%	-2.4%	-1.4%
Pharmaceutical	10.3%	12.8%	8.4%	9.6%	9.5%
Grocery & Foodservice	13.3%	1.5%	3.6%	4.7%	5.3%
Electrical & Electronics	12.8%	0.1%	12.4%	15.1%	7.2%
Industrial Supplies	17.3%	5.7%	0.7%	1.6%	0.2%
Motor Vehicles & Parts	13.4%	8.1%	5.5%	2.6%	7.5%
Miscellaneous Durable Goods	3.6%	-9.4%	0.4%	7.7%	3.0%
Other Consumer Products	14.1%	-5.2%	-3.6%	-0.7%	2.3%
Computer Equipment & Software	4.8%	-8.3%	4.1%	6.7%	4.5%
Commercial Equipment & Supplies	5.7%	1.5%	5.4%	1.3%	3.7%
Agricultural Products	22.3%	-10.1%	-12.2%	1.8%	9.0%
Metal Service Centers	18.4%	-10.5%	-10.1%	-2.1%	7.7%
Building Material & Construction	13.6%	-13.3%	-2.7%	1.9%	4.6%
Hardware, Plumbing & Heating	12.9%	-0.1%	6.1%	5.3%	2.4%
Beer, Wine & Liquor	2.3%	-1.7%	-1.4%	4.8%	9.3%
Apparel & Piece Goods	6.7%	-9.0%	3.5%	6.5%	3.4%
Chemicals & Plastics	16.4%	-7.3%	-2.3%	-2.5%	0.3%
Furniture & Home Furnishing	2.9%	-5.0%	-2.1%	2.3%	2.4%
Office Product & Paper	12.6%	-7.0%	-2.2%	0.8%	1.8%
Total Wholesale Distribution Industry	**15.1%**	**-1.7%**	**2.0%**	**4.6%**	**4.8%**

Data for the MDM Forecast is compiled by the Business Research Division at the Leeds School of Business of the University of Colorado Boulder.

Updated with the U.S. Census Bureau's March 6 wholesale trade report release that reflects industry figures through January 2024, our outlook for the U.S. wholesale distribution annual revenue for 2025 continued to show growth — calling for a 4.6% increase vs. 2024 — albeit a considerable step down from a month earlier.

Our overall 2025 revenue forecast marks a downshift from the 6.2% projected during January and 5.7% in February. But the latest revised figure would still represent considerable industry growth compared to 2024's 2.0% and the 1.7% decline seen in 2023.

March's downward revision was driven by 2.2-percentage-point decline in the outlook for the industry's largest sector by revenue — Oil & Gas — vs. February.

Further out, the March projection for 2026 revenue was 4.8% —a 0.3-point decrease from February.

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Additional Context

The overall industry revenue forecast should always be taken with a grain of sale since the broad numbers are heavily influenced by the largest industries — Oil & Gas and Pharmaceuticals — which combined to represent north of one-fourth of the industry's total revenue. Partially balancing out Oil & Gas' slide, Pharmaceuticals showed a 1.1-point monthly increase.

Vital Methodology Note

The MDM Forecast utilizes the baseline economic forecast modeling from Moody's Analytics and applies wholesale distribution government data to it. Given the still-high uncertainty pertaining to tariff impacts on various industries, we wanted to also take a look at how the forecast would fare if using Moody's slightly less optimistic scenario model, which accounts for greater-than-expected impacts from tariffs, among other economic headwinds. In that scenario, total industry revenue growth stands at 2.9% for 2025 and 2.7% for 2026 — a major step down from the baseline's 4.6% and 4.8%.

See your industry-specific forecast in the charts and data below for a much more granular forecast.

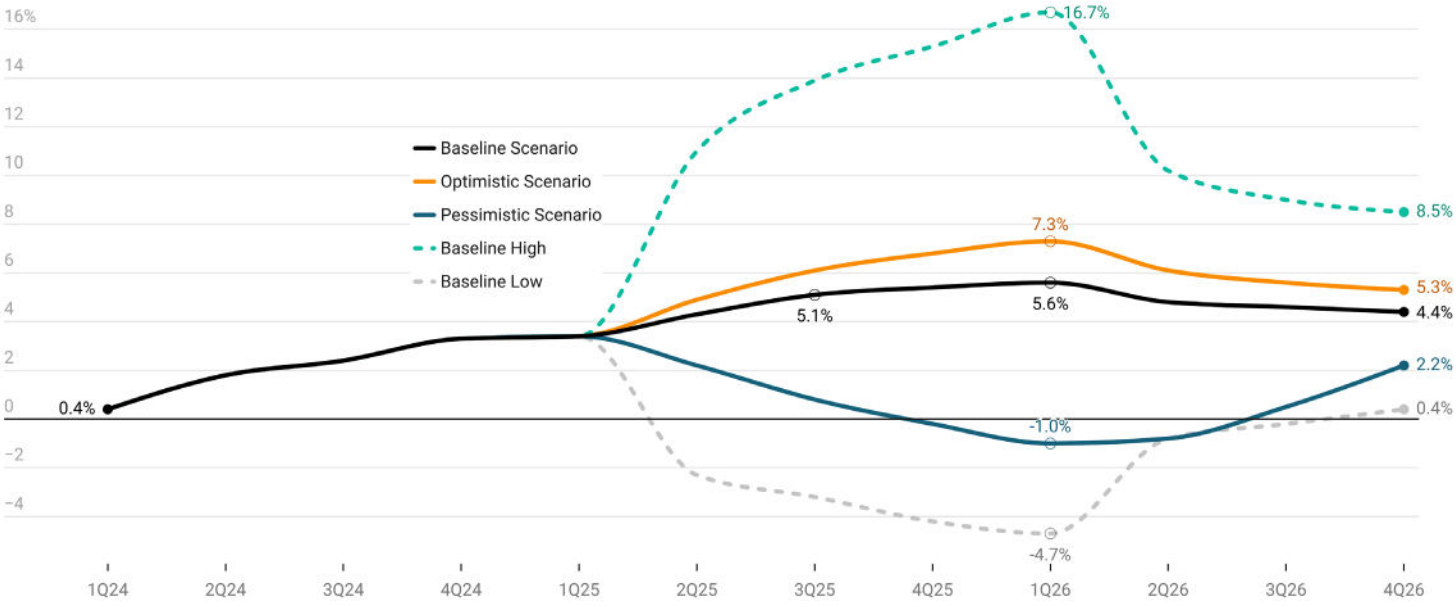
March's 2025 Month-to-Month Differences

Of the 19 wholesale trade major verticals that the MDM Forecast tracks (like the U.S. Census Bureau), only four industry sectors moved more optimistic month-to-month in our March update, while 13 sectors moved pessimistically. Additionally, Agricultural Products and Electrical & Electronics remained unchanged in March vs. February. The industry's largest sector — Oil & Gas — regressed to -2.2% in March vs. -0.2% in February, while Metal Service Center decreased further to -0.6% vs. February. The industry's biggest movers in March were Miscellaneous Durable Goods (+4.2%), Pharmaceuticals (+1.1%) and Furniture & Home Furnishing (+0.6%).

March's 2026 Month-to-Month Differences

Further ahead to 2026, 10 sectors moved more optimistic in March vs. February, eight moved more pessimistic and one was unchanged. The biggest movers were Oil & Gas with a -5.8-point decline; Beer, Motor Vehicles & Parts at -2.2; and Pharmaceuticals at +1.3.

February 2025 U.S. Wholesale Distribution Revenue Growth Scenarios



Source: U.S. Census Bureau, Monthly Wholesale Trade; MDM Research

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HUMAN RESOURCES IN WHOLESALE DISTRIBUTION

What Distributors Pay Their Fleet Drivers, Managers

By Vesna Brajkovic

See where your salary and compensation levels for drivers and fleet managers stack up against other distributors, in this installment of the Logistics Liaison. **Click for web version with original graphics**

Welcome to the Logistics Liaison, a monthly briefing on the top supply chain issues in wholesale distribution. I'm Vesna Brajkovic, Senior Editor at MDM and a former transportation reporter. Each month, I'll dive into a logistics/transportation topic and dip into my industry contacts to help break down how it affects your business. This month: fleet employee salaries.

With even a glance at your P&L, I'm sure two numbers practically jump off the page — transportation costs and employee wages. And if you're running an in-house fleet, these two cost centers go hand-in-hand. Let's dive into some of these numbers and see how your business stacks up.

The most current data from the **Bureau of Transportation Statistics** shows that the wholesale distribution and retail trade sector requires more transportation services than any other sector to product one dollar of output. When you break down the numbers, that means **for every $1 of goods sold or produced in the sector, 9.9 cents were spent on transportation**.

While the bureau (unfortunately for us) lumps together wholesale distribution with the consumer retail sector, the combined numbers still illustrate the cost and dependence distributors have on transportation.

Of that 9.9 cents in transportation costs, 4.7 cents were spent on in-house transportation and 5.2 on for-hire transportation.

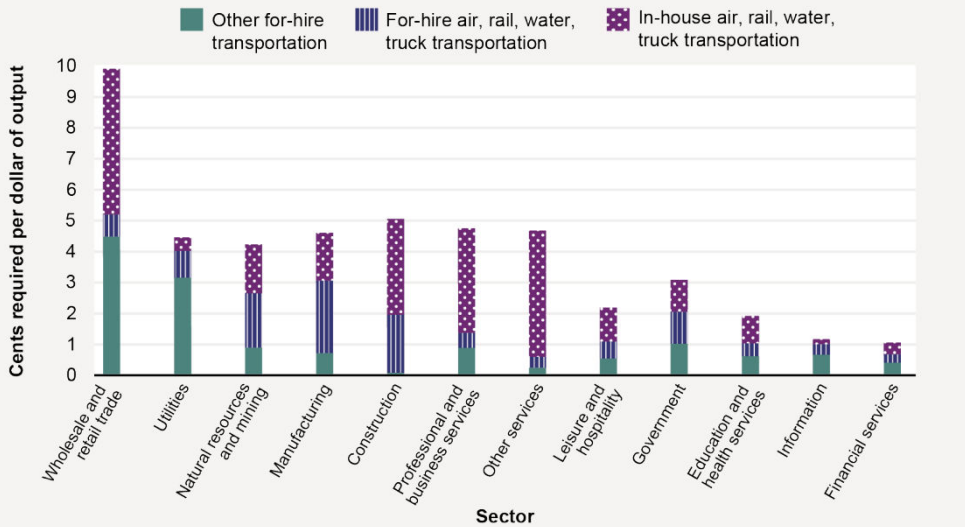


The means the **wholesale (and retail) sector relied more on for-hire transportation**. But for those of you who do operate an in-house fleet, let's explore the staff positions that keep it running, and benchmark how your employee salaries compare.

Compensation of Distribution Fleet Employees

In a study, sponsored by 13 distribution-related associations, Industry Insights collected salary and benefits information from across the wholesale distribution industry. Below I'll highlight the transportation-related results from that study.

Figure 4-2 Transportation Services Required to Produce One Dollar of Output by Sector: 2022



Source: U.S. Department of Transportation, Bureau of Transportation Statistics, Transportation Satellite Accounts, as of September 2024.

Drivers/Delivery Personnel

On average, **drivers and delivery personnel are paid $52,810**. Distributors pay drivers a base salary of between ~$51,000 and $56,000. Including additional cash compensation brings some total compensation up to nearly $60,000 on the high end.

There was little variation in total compensation (base salary + additional cash compensation) for drivers between those employed at public and private companies; private companies paid $2,489 more on average.

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Average Total Compensation of Distribution Fleet Employees

This chart shows the average (mean) base salary, additional cash compensation and total compensation for transportation-related roles across the wholesale distribution industry. These results are a highlight from the NAW 2024 Compensation & Benefits Study.

	Base Salary	Additional Cash	Total Compensation
Driver/Delivery Personnel	$50,603	$2,206	$52,810
Freight Manager	$68,563	$4,829	$73,392
Transportation/Traffic Manager	$81,093	$6,342	$87,435
Service/Fleet Manager	$82,968	$6,077	$89,044

Note: The average values here may be distorted by a few unusually high or low values that may exist in the sample. See full report (link below) for median values.

Table: MDM • Source: NAW's 2024 Compensations & Benefits Study • Created with Datawrapper

***Editor's side note:** It's worth noting here some other survey results from the National Private Truck Council (NPTC). In a 2024 survey of private fleet drivers, the average compensation of medium-duty operations was at an all-time high of $77,000, up from $68,150 in 2023. While NPTC did survey private in-house fleets, it's survey results do not reflect the compensation levels of distribution companies in particular. Still, about 21% of the survey respondents operate medium-duty trucks, and I would consider those respondents to be the most comparable to the fleets of distribution companies. Why does it matter? Perhaps that compensation level can give a small indication of what your drivers can expect to find in the job market at private fleets in different sectors, such as retail.*

Freight/Transportation/Fleet Managers

Meanwhile, **freight managers receive a total compensation of $73,392 on average** (with compensation between ~$60,000 and $84,000); **transportation/traffic managers receive $87,435** (with compensation between $73,000 and $108,000); and **service/fleet managers receive $89,044** (with compensation between $77,000 up to $110,094).

Highlighted findings:

- By region, **distributors in the Northeast region pay the most** on average for drivers and freight managers.
- Distributors with annual sales of between $501 million to $1 billion pay the highest compensation for service/fleet managers and transportation/traffic managers.
- The **highest average total compensation** among all transportation-related positions included in the survey was $110,094 for a service/fleet managers, followed by $108,320 for transportation/traffic managers.
- The **lowest average total compensation** among all transportation-related positions included in the survey was $43,671 for drivers/delivery personnel.

This information comes from a 2024 Cross-Industry Compensation & Benefits Study. It is a paid report provided by the National Association of Wholesaler-Distributors, and is available in the MDM Store.

Want to dive deeper? This article highlights only a selection of the operations/warehouse data within the report, but the larger report includes distribution-industry compensation data for executive level positions, sales and marketing, information technology and more. Each average listed in the article is also broken down by annual sales, region and public/private companies within the full report.

Stat Check

This section of MDM's Logistics Liaison includes key indicators which together help gauge the health of the supply chain.

Trucking: Higher diesel prices and weak freight rates, volume and utilization caused FTR's **Trucking Conditions Index** in January to fall -2.56, almost of mirror image of December 2024's +2.67 reading.

Rail: In February, AAR's **Freight Rail Index** rose 1.8% over January, despite weather-related constraints on volume. This increase points to continued rail resilience despite economic uncertainty and potential headwinds.

Ports: Drewry's **North American Container Port Throughput Index** fell 3.4% MoM to 111.2 points in December 2024. NRF's **Global Port Tracker** logged 2.22 million TEUs in January, up 4.4% from December 2024 but up 13.4% YoY.

Freight: The shipments component of the **Cass Freight Index** recouped some losses in February, up 10.5% MoM, almost half of which was normal seasonality. Some improvement was likely from pre-tariff shipping.

Manufacturing: ISM's March 3 **Manufacturing PMI reading** showed a regression during February after expanding in December and January, down 0.6 points month-to-month to 50.3%. Still in expansion territory (anything above 50.0%), it followed a February that saw the PMI's first expansion mark since March 2024 after 26 straight months of contraction and its highest reading since October 2022. Five industries reported contraction in the month: Furniture & Related Products; Textile Mills; Nonmetallic Mineral Products; Computer & Electronic Products; and Machinery.

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MERGERS & ACQUISITIONS

Prize Claimed: Here's Why QXO Relentlessly Pursued Beacon

By Mike Hockett

With QXO's acquisition of Beacon set to finalize by the end of April, let's look at what the deal does for both sides and the attributes that QXO just couldn't walk away from. **Click for web version with original graphics**

At long last, the QXO-Beacon standoff is over.

A co-authored news release March 20 from both companies **confirmed that they have agreed to terms**, with QXO set to pay $124.35 per share for Beacon Roofing Supply in a deal valued at $11 billion.

From first glance, we know that it gains QXO North America's largest publicly traded distributor of roofing materials and complementary building products.

The 30,000-foot view of Beacon shows that it's a company with 580 branches across the U.S. and Canada, a base of nearly 110,000 customers and approximately 8,000 employees.

Here's a financial snapshot:

- 2024 revenues of $9.76 billion — up 7.1% vs. 2023
- 2024 gross margin of 24.7% — unchanged vs. 2023
- 2024 net profit of $2.5 billion — up from 2023's $2.3 billion
- 2024 adjusted EBITDA and margin of 9.5% of $930 million — the highest total company history and flat vs. 2023, with adjusted EBITDA margin of 9.5% that slid 70 basis points

QXO is paying $124.35 per share for Beacon, representing a 10.8X multiple of Beacon's consensus full-year 2025 EBITDA, and 10.1X its consensus full-year 2026 EBITDA.

Those are the quick stats and what's been shared in the companies' news releases. Now, let's take this to ground level to discuss the attributes of Beacon that QXO found so valuable and compelling to acquire.

For starters, here's what Joe Checkler, QXO's Senior Vice President of Communications, told MDM and select other media outlets on March 20:





"We expect Beacon to be the first of many acquisitions, putting us on track toward our intended goal of $50 billion in revenue. Beacon is a great company in a large and growing industry, and we're confident that the same playbook we used in waste management, equipment rental and transportation is completely applicable to Beacon's business."

Checkler cited the example of XPO Logistics — one of QXO Founder, Chairman and CEO Brad Jacobs' other publicly traded companies — and how it acquired large companies Norbert Dentressangle and Con-way in 20215 and seamlessly integrated them into a cohesive, global organization. XPO went on to double each of those company's profits between 2015 and 2018.

"We see similar opportunities with Beacon," Checkler added.

Growth Mode

As Checkler alluded to above, QXO hasn't been shy about its growth ambitions.

"We intend to make QXO very big — as quickly as possible — because it will benefit both our customers and our shareholders," the company told media members March 20.

For its part, Beacon has considerably grown its footprint in recent years. In its 4Q24 financial report on Feb. 27, the company noted that its strong balance sheet enabled the flexibility to invest in future growth that included "high levels of growth-oriented capital expenditures and enhancements to our operational capabilities, including sales productivity, working capital management and our pricing model."

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In 2024, those investments supported the opening of 19 greenfield locations and the acquisition of 42 branches.

Meanwhile, Beacon outperformed the revenue target set when it announced its "Ambition 2025" in the fall of 2022. At that time, the company targeted $9 billion in 2025 sales and $1 billion in adjusted EBITDA — aggressive considering it was coming off of $6.6 billion and $655 million, respectively, in 2021.

Most recently, Beacon **acquired California-based waterproofing distributor DM Figley** earlier in March after and announced **four new greenfield branches** in late February. It made **two acquisitions in 4Q24**.

"Beacon continues to drive above market growth through footprint expansion via acquisitions and new greenfield branches," the company said on Feb. 26. "Adding locations and teams to deepen customer service is an important element of our Ambition 2025 plan."

Tech and Digitally-Driven

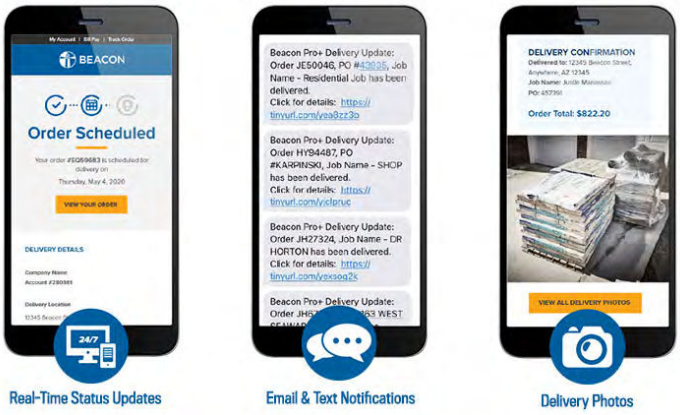
QXO brands itself as both a building materials distribution platform and technology solutions provider — with that latter point stated first and foremost on QXO.com. "QXO plans to become a tech-forward leader in the $800 billion building products distribution industry, with the goal of generating outsized shareholder value," that homepage says.

Beacon fits QXO's tech-driven mindset very well. Accelerated by the launch of its Beacon PRO+ mobile app in 4Q 2022, the company has since continued to invest in its digital and technology offerings. On March 10, Beacon announced an investment and **partnership with Renovate Robotics** — described as a leading startup pioneering roofing automation.

BEACON PRO+®

This past November, **Beacon partnered with CRM provider Leap** to integrate its offering into the Beacon PRO+ eCommerce platform. The company said that addition allows contractors to purchase products seamlessly by removing a tedious process from their daily workflow.

A month earlier, Beacon likewise **partnered with roofing and waterproofing manufacturer GAF** to integrate its QuickMeasure reporting tool into Beacon PRO+, providing contractors with an added option to take guesswork out of measurement estimates.



And further on the eCommerce front, Beacon launched PRO+ in Canada this past September.

In 2Q24, digital sales represented about 26% of Beacon's residential sales.

QXO undoubtedly saw these digital investments as a great sign of technology initiative from Beacon as a way to make its customers' lives easier, and the infusion of QXO's capital figures to only accelerate what Beacon can do on that front.

"Our goal is to invest in Beacon's tech to accomplish two things: improve the customer experience and make the lives of our employees more efficient," QXO said.

More specifically, Jacobs stated before the announced deal agreement that QXO intended to invest in several technology upgrades for Beacon that include:

- Dynamic pricing
- AI-powered demand forecasting
- Warehouse automation
- Advanced warehouse management system
- Fleet optimization
- eCommerce enhancements

That's alongside a broader tech-boosted sales team.

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Brad Jacobs

"We'd agree on a big to-do list and make it happen in a methodical way," Jacobs said. "We're confident that we can double Beacon's EBITDA over the next five years and drive significant value creation."

In an **open letter to Beacon employees on March 7**, Jacobs wrote that QXO would begin these initiatives in the same way it approaches the rest of the company, which is by listening to the Beacon staff. Jacobs noted that the first thing he would do upon a deal is to embark on a "listening tour" to get answers to two key questions: 1) What has Beacon been doing really well? — things QXO would be crazy to change; and 2) What can be improved?

Checkler noted that this approach would likewise apply on the technology front.

Other Intangibles

Here's some other points QXO voiced about what they saw in Beacon:

- 80% of Beacon's business is repair & remodeling, which is highly stable, non-discretionary and less cyclical. Replacing a leaking or damaged roof is a necessity, not a decision.
- The average commercial building is over 50 years old, the average home is over 40 years old and there is a shortage of 4 million homes that need to be built. So lots of new construction is coming.
- There's a major need for infrastructure repair across North America and Europe. In North America alone, an additional $2 trillion of spending will be required to keep the infrastructure safe over the next two decades.
- Beacon's business is primarily "made in the USA, sold in the USA," making its tariffs exposure minimal

The Final Word

In Beacon, there was a lot to like for QXO that aligned with the latter's goals for scale and tech-mindedness. The market seems to agree, with QXO's stock jumping as much as 7.3% upon the deal news on March 20 and Beacon's climbing 4.8% since the start of March 17.

Beacon was already well on its way to upgrading its footprint and technology, and QXO figures to take that to another level.

SAFETY PRODUCTS

From Niche to Necessary: The Business Case for Women-Specific PPE

By Vesna Brajkovic

Dive into the latest demand trend in the safety product category and explore how some distributors have answered the call for PPE designed for women in trades. **Click for web version with original graphics**

As the "face" of the trade workforce continues to diversify and employers seek ways to retain and attract workers to their business, the demands for personal protective equipment in construction and other trade sectors have increased. Will distributors answer the call?

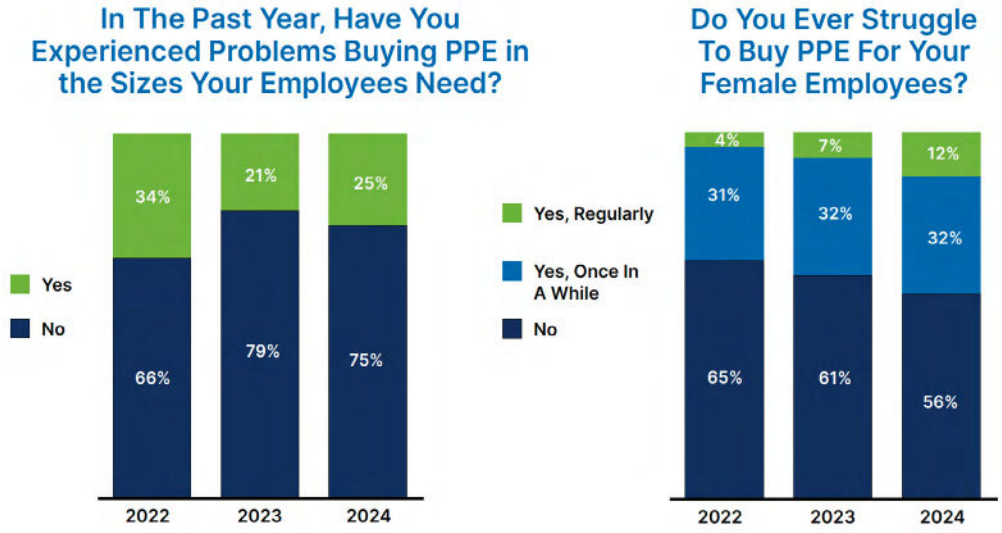
Improperly sized PPE has been a longstanding industry safety concern, particularly among some women as well as among physically smaller or larger workers, according to the Occupational Safety and Health Administration (OSHA), which **revised its standards** earlier this year to require employers to provide and ensure "properly fitting" PPE to all construction workers.

Improperly sized PPE is not only ineffective at protecting workers, but it can discourage use and create hazards for workers, such as oversized equipment being caught in machinery.



Despite the safety hazard, employers and employees alike largely share that finding and providing women in the workforce with properly fitting PPE is challenging due to factors such as lack of product availability or difficultly managing inventory due to limited purchasing power and company budget.

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The "2025 PPE Pain Points Study," conducted by J. J. Keller and ISEA, found that PPE sizing challenges have remained consistent for respondents, who represent those responsible for purchasing and/or managing PPE across a range of industries. The survey was fielded in October 2024. Source: ISEA/J.J. Keller Center for Market Insights.

The **International Safety Equipment Association** (ISEA), which represents PPE manufacturers and suppliers and serves as secretariat for PPE standards, found that a third of the safety professionals it surveyed struggled to find PPE that properly fits women employees, an uptick from previous years, according to a March 2025 **ISEA/J.J. Keller Center for Market Insights** study.

In a **2024 global survey** of 505 women in construction, manufacturing, mining and other sectors, 70% indicated they do not have access to "female-specific PPE" in their workplace, and 94% indicated they have challenges finding PPE that fits properly in terms of size and comfort, according to The Safety Rack, a nonprofit committed to closing the PPE equity gap for women.

"This lack of female-specific PPE could be due to several factors. It may be that safety directors and others in charge of PPE in the workplace are unaware of the need and are not providing it due to a lack of knowledge about the issue," The Safety Rack officials wrote in its analysis of the data. "Alternatively, they may be aware of the need but choose not to provide it due to cost, inconvenience, or other reasons. Finally, it could be that workplaces are aware of the need but have been unable to find properly fitting PPE for women."

And yet, demand rings.

How Distributors Answer the Call

Based on workforce expectations found in the survey, The Safety Rack issued employer recommendations, including that employers who source PPE from distributors begin requesting products designed and manufactured on the proper anthropometric measurements for women's PPE; reject the notion of "unisex" PPE, which is often designed based on measurements of men only; and reject the "Pink It and Shrink It," which simply alters appearance without changes to measurements.

At least a couple top distributors are hearing requests from their customers, who are employers of trade workforces.

Airgas Creates Women's PPE Line

In 2023, for example, Airgas — ranked No. 4 on **MDM's Top Distributors List** for Industrial Supplies and Gases & Welding Supplies — surveyed some of its customers and associates on PPE options at the American Society of Safety Professionals' **annual safety conference**.

The feedback emphasized the need to improve size and fit with considerations for different body proportions and enhance selection and purchase options for women's PPE.

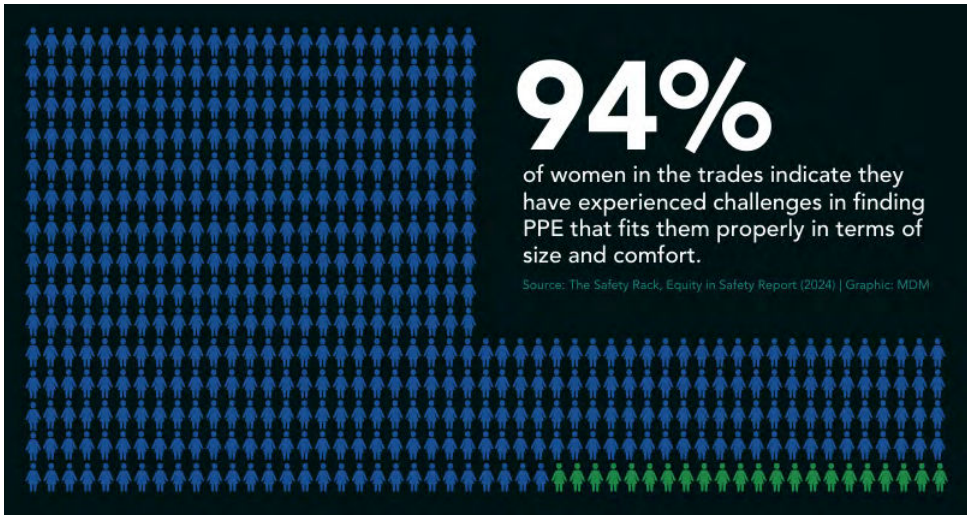
A year later, Airgas launched a collection of PPE designed for women on its website to make selection easier. And, its product development team began working on the first products (welding gloves and jackets) in its own women's PPE line, **RADNOR**.



Kerrie Sodano

"This line prioritizes fit, function and style, and is a direct response to customer and associate feedback, while also tapping into a significant growth market," said Kerrie Sodano, President of Airgas Safety and Vice President of Hardgoods Distribution and Supply Chain Solutions, told MDM.

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Sodano says the industrial and welding supplies distributor has a cross-functional workgroup of experts in safety, product design, welding, human resources, sales, marketing and sustainability, who continue to develop additional products, either as part of the RADNOR line or form other products.

Its female associates even tested its early designs and provided feedback that was used to fine tune the finished products, Sodano shared.

"By offering size inclusive PPE, taking action based on customer feedback, and remaining open to innovating where there is unmet need, we can all help address barriers of entry for women in trades," she added.

Vallen Launches Women in PPE Catalog

Vallen Distribution — an MDM Top Distributor, ranked No. 17 on the Industrial Supplies List and No. 7 for MRO — also **launched a product catalog of PPE** and safety products designed for women after customer requests began coming in during business reviews with customers and suppliers offered new product innovations in the space.

The product catalog, which was guided by the distributor's employee resource group for women in the workforce, spans safety categories to cover its customers across verticals.

"A customer in the mining industry had an increased population of women in their workforce and reached out to us for collaboration in finding solutions for them," V Vallen's Senior Communications Specialist Lauren Ratcliffe told MDM. "We took that need and expanded up on it with full collaboration between our product management and marketing teams resulting in our campaign for 2024."

Its initial campaign drew attention from customers across industries including aerospace, automotive, heavy equipment and mining.

Manufacturer Partnership

Cam Mackey, CEO of ISEA, says safety product distributors have a role to play in helping customers make the right choices for their business, whether through aiding in the selection of non-standard sizes or discussing up-to-date safety standards.

Plus, it's just a good look: "PPE distributors who proactively offer women's sizing not only enhance worker safety but also position themselves as responsive partners in industries striving for inclusivity and compliance," ISEA Senior Director of Communications and Marketing Nicole Randall added.

"PPE distributors who proactively offer women's sizing not only enhance worker safety but also position themselves as responsive partners in industries striving for inclusivity and compliance."

And the same goes for manufacturers.

"Our supplier partners who are part of our supplier strategy … are some of the top in the industry, and they want to continue to be the top in the industry," explains Toni Rice, Vallen Senior Product Manager for Safety Solutions, about those partnerships. "They were very tuned into the need that are out there with rising women in the marketplace, in manufacturing, and in the demand," explained Vallen's Senior Product Manager for Safety Solutions Toni Rice.

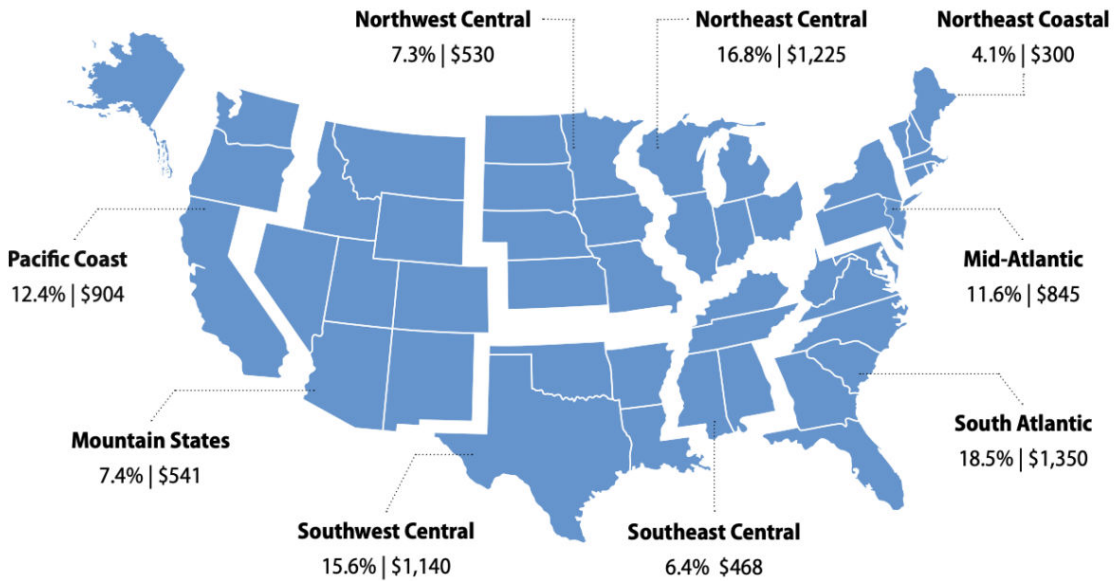
Many PPE manufacturers currently offer a variety of sizing choices in all different PPE types. To remedy the findings in studies which independently found stocking women-specific PPE to be a challenge, both the ISEA and **The Safety Rack** (**among others**) curate lists of manufacturers that offer PPE designed for women.

In an **August 2024 MDM Podcast**, Mackey suggested manufacturers and distributors must work closely to make sure that these product lines can be accessed quickly and it's not a "six-month back order."

Vallen's Rice said the success in the company's approach to help customers is to focus on providing an innovative solution and understand their processes, needs and demographics to gauge demand. Then, work closely with its suppliers to meet demand for each customer using predicative analytics to manage inventory needs and timing.

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U.S. END-USER MARKET DEMAND FOR SAFETY - PPE BY REGION, $ MILLIONS (2024 EST.)



By the Numbers: Customer Demand for PPE

According to **MDM Analytics**, which estimates end-user product demand using a proprietary data model, the demand for PPE in the U.S. is about $7.3 billion. The largest end market is in the commercial and institutional building construction sector, which has an estimated demand of about $598 million.

Before OSHA issued its revision to construction PPE requirements, it shared its own calculations of the construction industry and PPE demand within its final rule document.

I'll highlight some numbers here, which combined with MDM Analytics numbers, may help give a snapshot of the current product demands.

OSHA defined "construction" within three buckets (as defined by NAICS industry): construction of buildings; heavy and civil engineering construction; and specialty trade contractors. Together, OSHA calculated its PPE rule effected 800,651 establishments and 837,128 women employees.

Because women make up just 14% of the estimated employees in construction industries, the number still pales in comparison to the 5 million men employees affected by the rule.

Other interesting numbers:

- Construction workers wear an average of 3.41 items of PPE (OSHA, January 2025)
- The total cost of purchasing "standard" sizes of non-universal fit PPE of approximately $262.0 million, including $6.3 million for safety vests, $147.3 million for body harnesses, and $442,000 for earplugs.* (OSHA, January 2025)
- Most safety professionals responsible for providing PPE conduct hazard assessments, speak with employees about PPE and re-evaluating PPE programs regularly. About 25% of survey respondents indicated they evaluate their PPE program annually. (ISEA/J.J. Keller Center for Market Insights, March 2025)

**Note: This data provided by OSHA should only be used as an estimate due to data limitations and simplifications. Given the lack of data on how many employees might be wearing improperly fitting PPE, OSHA only estimated the cost of purchasing replacements by combining sex specific construction employment data with general population height and weight distributions.*

Editor's Note: A book which inspired my idea for this article which explores how the lack of data, and the use of historical data gathered from narrow samples groups, perpetuates a gap between men and women in everyday life is *"Invisible Women: Data Bias in a World Designed for Men"* by Caroline Criado Perez. The book covers everything from how standard PPE sizes are based on body measurements of male military recruits in the United States between 1950-1970 to how most voice recognition models were trained on a database of male voices so now women voices are more likely to be misrecognized by voice-activated assistants like Siri or Alexa.

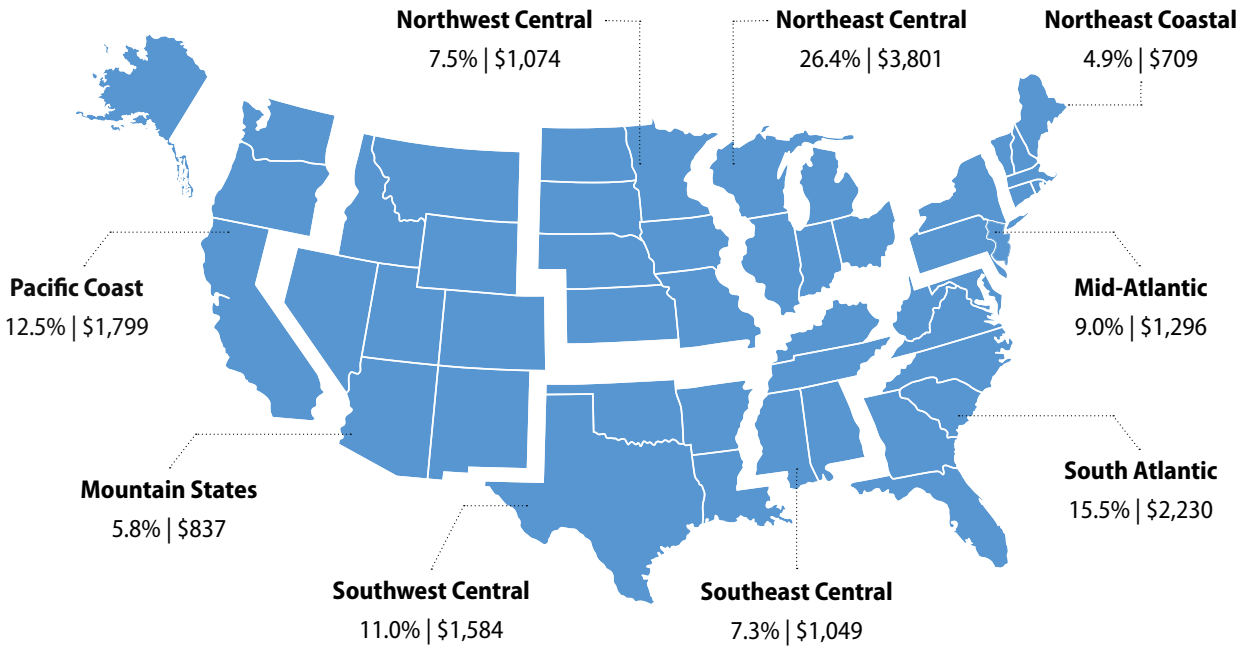
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U.S. MARKET PROFILE

Fasteners

The estimated demand for hand tools in the U.S. at the end of 2024 was $14.3 billion, according to MDM Analytics data. Estimates are end-user demand, in U.S. dollars, including distributor margin.

U.S. END-USER MARKET DEMAND FOR FASTENERS BY REGION, $ MILLIONS (2024 EST.)



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U.S. END-USER MARKET DEMAND FOR HAND TOOLS: TOP 10 END MARKETS

Industry Sector	Estimated Demand	% of Total	Accounts
Other Motor Vehicle Parts Manufacturing	$1,274,964,584	8.9%	6,051
Automobile and Light Duty Motor Vehicle Manufacturing	$1,131,543,897	7.9%	1,494
Plumbing, Heating, and Air-Conditioning Contractors	$570,591,747	4.0%	194,712
Fabricated Structural Metal Manufacturing	$397,081,500	2.8%	9,150
Commercial and Institutional Building Construction	$329,298,488	2.3%	56,316
Heavy Duty Truck Manufacturing	$311,619,372	2.2%	666
Sheet Metal Work Manufacturing	$298,795,551	2.1%	5,803
Farm Machinery and Equipment Manufacturing	$272,870,889	1.9%	3,132
Aircraft Manufacturing	$245,754,393	1.7%	2,355
Audio and Video Equipment Manufacturing	$242,378,239	1.7%	2,083

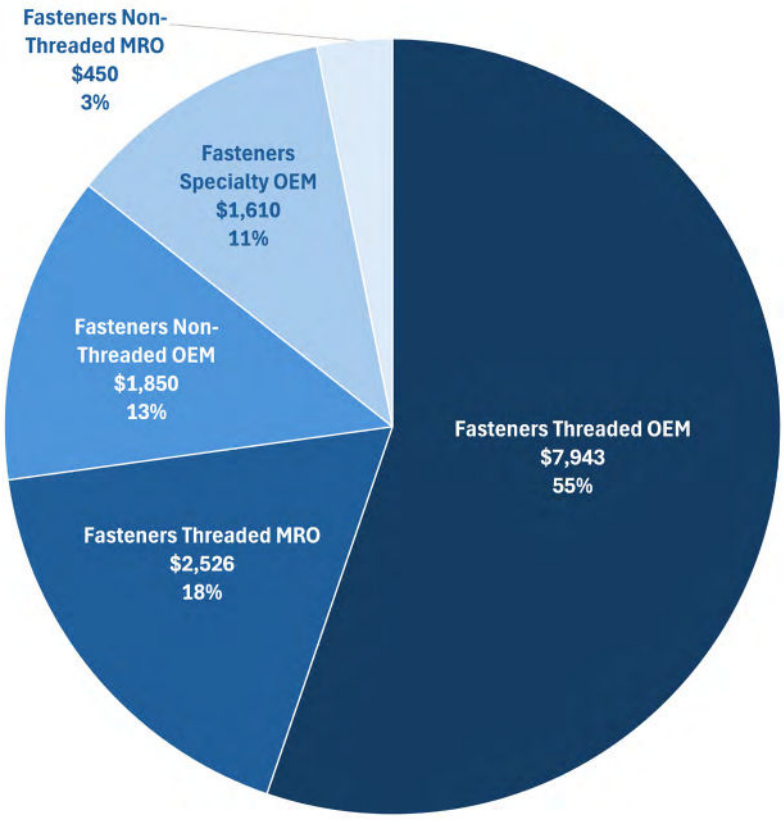
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U.S. MARKET PROFILE

Fasteners (cont.)

U.S. FASTENERS TOTAL $14.3 BILLION



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U.S. END-USER MARKET DEMAND FOR POWER TOOLS: TOP 10 END MARKETS

Industry Sector	Total Demand	% of Total	Accounts
Transportation Equipment Manufacturing	$4,499	31.3%	30,537
Fabricated Metal Product Manufacturing	$2,178	15.1%	77,121
Machinery Manufacturing	$2,004	13.9%	58,769
Computer and Electronic Product Manufacturing	$1,197	8.3%	44,169
Specialty Trade Contractors	$1,078	7.5%	829,518
Construction of Buildings	$687	4.8%	558,535
Electrical Equipment, Appliance, and Component Manufacturing	$566	3.9%	17,391
Furniture and Related Product Manufacturing	$406	2.8%	28,327
Miscellaneous Manufacturing	$355	2.5%	87,282
Wood Product Manufacturing	$289	1.5%	31,062

This market profile and segmentation was compiled by MDM Analytics, Niwot, CO. Learn more about MDM Analytics at **www.mdm.com/analytics**.
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