

Ashland Distribution

Selling Profitably

"We have really empowered the people in our organization to make decisions at a level that is much closer to our customers."

President,
Ashland Distribution

Five years ago Ashland Distribution, a division of Ashland Chemical, was experiencing an economic downturn and uncertainty that led to an erosion of their world-class customer service reputation. The newly assigned President was determined to turn the organization around. His challenge was to refocus the organization on the customer, while delivering profits to the corporation and value to the shareholders. He turned to Aarthun Performance Group, Ltd. (APG) to help him achieve his goals. Through the implementation of **The Profit Specialist®** program, Ashland was able to recognize:

- Over **\$80 million in annual operating profit.**
- An increase of over **\$410 million in operating profit over the past 5 years.**

Working with the executive team at Ashland, APG was able to customize and deliver a program that helped the Ashland sales organization accomplish the following improvements in their business:

- **Increased Competitive Wins** – By calling higher where economic decisions are made, they were able to demonstrate the financial reasons why the customer should do business with them over the competition. They were able to present profit improvement strategies to the customer that addressed the customer's key cost drivers, showed a better use of capital through inventory management, and more.
- **Retained Existing Business** – They identified their high profit, high potential customers and developed strategies to ensure they retained their most valuable customers. They did this by documenting their value and reminding customers of all of the hard-dollar economic impact they had delivered through their logistics and supply chain solutions over the past two years.
- **Accelerated the Sales Cycle** – By getting to the right levels, uncovering more of the customer's business and financial concerns, and successfully selling profit improvement solutions, they were able to cut their sales cycle in many cases by as much as 50%.
- **Engaged the Enterprise in Profit Improvement** – As a result of the success with the sales organization, Ashland rolled out an enterprise-wide program to drive company profitability which resulted in 2,100 profit improvement ideas which were then prioritized for implementation. Ashland Distribution experienced over \$50 million in pre-tax profit within the first 12 months after the roll out.

As a result of the success with Ashland Distribution, **The Profit Specialist®** was rolled out to other divisions of Ashland Chemical including **Valvoline, Casting Solutions, Specialty Polymers, Adhesives, and Composite Polymers.**

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