### STEINER ELECTRIC COMPANY

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#### **An Early Profile**

On February 11, 1847 Thomas Alva Edison was born in Milan, Ohio. This great American inventor held 1,093 patents at the time of his death in 1931. He was most famous for inventing the phonograph in 1877 and the incandescent light bulb in 1879. Actually Edison did not "invent" the light bulb, he significantly improved a 50 year old idea along with designing a lighting system to bring electricity into the home. On September 4, 1882 in Lower Manhattan, New York City, the first commercial power station went into operation. 1882 was also the year The Western Edison Light Company was founded in Chicago (later to become the Commonwealth Edison Company in 1902). In 1888, the Chicago Edison Company opened the first electric power station in Chicago.

George S. Steiner was born in Chicago on August 27, 1887. He was the oldest of five children of John and Martha Steiner, working his way through high school and never attending college. Steiner grew up during a time that electricity was coming into use and witnessed the city of Chicago evolving from gas mantle to electric lights. That same year, Chicago style jazz was beginning to move beyond its Chicago roots; Woodrow Wilson was in the White House; and the Star Spangled Banner was sung for the first time at a baseball game. In Chicago, "Big Bill" Thompson was beginning the first of his three terms as the city's mayor, and on the North Side, Weegham Park played their first National League game, and would eventually be named Wrigley Field and known as "the friendly confines."

However, in April 1917 the United States entered World War I. George closed his company and joined the United States Cavalry in 1918. The war ended in November of that same year and George returned to his business at 208 North 5th Avenue.

George was very active as an adult leader in the Boy Scouts. During a scout leadership meeting he met a Girl Scout leader, born in England, by the name of Jane Woodman and they were married shortly thereafter on August 31, 1922.

In the early years, Steiner Electric Company was similar to the typical turn of the century electrical distributor offering basic electrical supplies and lighting. Later, the company expanded into an appliance dealership selling blenders, shavers, washing machines, radios, clocks, Christmas lights, doorbells and other consumer goods from such major manufacturers as Hamilton Beach, Remington and GE. The company even sold American Flyer train sets. Up until the mid 1950's, the company published two separate catalogs, one for electrical supplies the other for appliances. Over time, appliance dealerships became stand alone retail marketers, while lighting fixture showrooms aligned with electrical distributors.

The appliance dealership image was not part of Steiner's long term strategy. Eliminating this segment opened up additional space to expand their lighting showroom. During that time, Steiner may have been the largest lighting fixture showroom located just outside the downtown area at 3500 N. Milwaukee Avenue. As the Chicago industrial backdrop changed, so did Steiner by strengthening the core of the company's electrical products. In 1972 the lighting showroom closed. It became obvious that Steiner had evolved into a major supplier to Chicago area factories and commercial facilities such as hospitals, schools and other office and public buildings.

There was no question Steiner was serious about the industrial, commercial and select contractor markets. The timing could not have been any better because around 1980 manufacturing began to make a significant change from electrical-

mechanical to electrical-electronic controls. Again an opportunity to serve its customers emerged and Steiner responded by forming an Automation Products Group to provide specialized products and services for the factory floor and the original equipment manufacturers (OEM's) who service that market.

The Group's product offering grew to include programmable logic controls (PLC's), drives, sensors, operator interface panels, motion control, and more products from the industry's leading manufacturers. Services included application/engineering support and technical training.

In addition, Steiner took the next step and invested in a business model of developing other complementary divisions to meet customers' demand for "more products and service from fewer suppliers". The company motto "Taking Total Responsibility...and taking it very seriously" was reality.

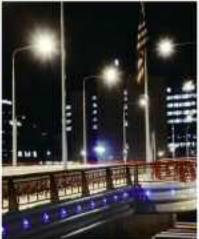
In the mid-1980's, Steiner continued to apply the same rationale and dedication to the contractor market. The company developed a team of lighting and switchgear specialists, and a fullservice Will-Call counter at every location.



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(upper left) The Wrigley Building, which broke ground in 1920, is one of America's most photographed office buildings. In 2005 Steiner sold the light fixtures that illuminate this spectacular building overlooking Michigan Ave and the Chicago river.

(upper right) In 1996 in preparation of the democratic national convention, the city of Chicago renovated the Madison Street Bridge. Steiner provided the blue decorative lights.

(lower left and right) The Buckingham Fountain, constructed in 1927, is at the center of Chicago's Grant Park and thrills visitors and tourists during the season with a dramatic water and light display. During the 1994 restoration Steiner provided the light fixtures and repaired the motors that move the water.

# Entrepreneurs.... the commitment never stops!

Prior to George Steiner passing away in 1957, Leon Weisbrod was appointed president. George's son-in-law, Harold Kerman, CPA, was a financial advisor until 1968 when Harold gave his share of Kerman Alport Certified Public Accountants to his partner and joined the family business full time. Harold's vast business experience and vision launched Steiner in a new direction. In 1979 Richard Kerman, youngest son of Harold and Joan, joined the company full time after college. Rick introduced the aggressive marketing concept that continues to this day.

The process of reinventing and transforming Steiner Electric never stops. In 1979 Steiner established its first branch in Rockford. Today there are seven locations; Rockford, St. Charles, Gurnee, Chicago, South Holland, Crystal Lake and their head-quarters located in Elk Grove. Most of Steiner's growth was organic, with the exception of a few strategic acquisitions, the most significant of which took place in 1988 when Steiner acquired Otto Frankenbush Electrical Supply Company.

With the addition of Excel Electric Services Company in 1992, Steiner became recognized as a leading motor repair shop and supplier of new motors, drives, and accessories.

In 1999 Steiner acquired Powertron, a generator service company and, Crown Industrial Supply, a distributor for cutting tools, abrasives, chemicals, and general industrial, safety, janitorial and maintenance supplies. These two acquisitions were strategic to the business model of providing more complementary products and service for the plant floor.

Steiner internally developed a bandsaw blade welding center, a DataComm products division and the company's GigaAge division for wireless networking and data collection products and software. The Steiner Supplier Partnership Group (SPG) implements an integrated supply program taking responsibility for tool crib management and MRO (Maintenance Repair Organization) products for an entire manufacturing facility.

## If Steiner doesn't have it in stock, chances are no one does!

It's hard to drive around Northern Illinois during the week and not pass a Steiner blue delivery truck; they are part of the landscape. Much of what Steiner does is behind the scenes to the average person, but to the professional trades the breadth and depth of Steiner's product knowledge, technical support and huge inventory is very well known. Steiner is involved with many Chicago area landmark projects which are admired by Chicagoans and visitors to this great city everyday.

In 1994 Steiner supplied the light Fixtures and repaired the three, seventy four year old motors that pump the water for the famous Buckingham Fountain. Steiner supplied the exterior light fixtures, dimming and controls for the Wrigley Building in 2005. The company also supplied the lighting package for the 2008 Chicago Art Institute north building addition. Steiner's pre and post-sales support is a true commitment to their customers' ability to select and implement critical and specialized solutions, in addition to supplying the standard everyday products. No other distributor has invested as much added value over the past 30 years in so many different but complementary areas.

# A large company with a true family culture

A visit to the facilities of Steiner will quickly reveal the secrets of their success – People, the members of the Steiner family; a team of over 500 professionals driven by a very simple vision statement – "Uncompromising integrity, quality and growth through dedicated people and resources."

Walking through the corporate headquarters there is a feeling not common within a large corporation. The walls are decorated with photos from employee parties, many industry and supplier achievement awards, and employee recognition plaques. The variety and quality of the paintings is as though you are in your own home. Taking a close look at the signatures you see Jane W. Steiner or Joan S. Kerman, the wife and daughter of the founder, both of whom are very talented and accomplished Chicago artists.



Three generations, George S. Steiner (photo), Harold M. Kerman (left), and Richard A. Kerman

In 1991 Steiner co-founded The Greater Chicago Area Electrical Industry Friends of Comic Relief which has raised hundreds of thousands of dollars for health care for Chicago area homeless. In addition, each year a holiday party is provided for over 300 homeless children through the support of The Electric Association of Chicago.

The Electric Association of Chicago whose membership consists of electrical distributors, manufacturers, contractors, engineering firms, manufacturer's representatives and utilities raise the funds to cover all the expenses, provide the gifts and educate the children about electrical safety.

Today Steiner Electric Company provides products and services that were never imagined when George founded the company in 1916. In contrast, most of the locally-owned electrical supply houses from the early 1900s have either been acquired or are no longer in business. Yet Steiner Electric Company has grown and thrived because of its ability to embrace change and offer cost effective solutions that work....for nearly 100 years.