VITAL SIGNS The Monthly Southeastern Newsletter—

Issue 8 May 89

Richmond:

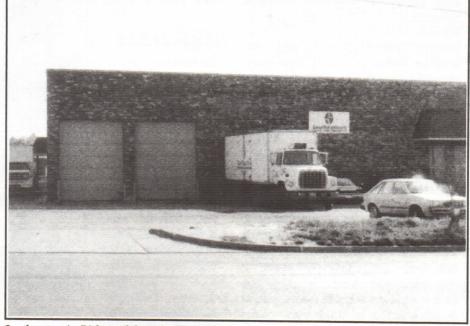
A Close Look At Our Branch Office By Allison Severance-Henry and Rick Henry

Richmond: The Beginning

Southeastern's branch office in Richmond, Virginia established in October of 1981 by Garland and Betty Rouse. Well, not the office exactly, but the operations. Originally, the office and warehouse were located in Garland and Betty's living room. Until the office and warehouse opened, the only furniture Garland and Betty had in their living room were boxes of emergency supplies. Betty remembers when the neighborhood children often came over to help unload lap sponges.

Eventually, an existing warehouse was found. Clarence Gilliam, now warehouse manager, was the first employee hired by the Richmond branch. He had been working for the people who were leasing the warehouse space Southeastern would eventually take over. Clarence decided to stay on. Mr. Manning himself traveled to Richmond, and together with Clarence, built the first shelves for the warehouse.

Originally, Betty ran the office together with two other employees, while Garland was seeking out new business in the Virginia area, and trying to expand the Southeastern



Southeastern's Richmond branch, as seen from across Sanford Drive.

territory. (Henry Kauffelt was the first salesperson hired for the Richmond office.) The office furniture for the original office was found at garage sales and purchased from other companies that were going out of business. When Betty began receiving more business in the Virginia area, there were two options: either to expand the Fayetteville operations to accommodate the growing business, or to open a Richmond branch to handle the new Virginia customers.

Contents

Richmond: A Close Look	1
The Richmond Area	3
Some Long Time Richmond Employees	4
New Employees	4
New Vending Machines	4
Mr. Manning Wins Award	4
May Birthdays	4

Many of the customers expressed a preference for doing business with a company that actually had an office and warehouse in Virginia; and so, the Richmond office was born.

In this day and age of a computer terminal on every desk, and online programs, it is hard to believe how Richmond originally managed inventory and billings. All of Richmond's inventory shipped into Fayetteville and then sent to Richmond on a Southeastern truck once a week. Customers' orders were written down, then typed into a 3M Whisperwriter (basically a typewriter that will print a copy of what you type somewhere else), so that they could be keyed into the computer in Fayetteville. When an order was pulled from stock, the quantities pulled were transposed to the hand written copy of the order and then mailed to Favetteville so that someone there could bill the order. It was not until early 1983 that the first computer terminal was placed in Richmond, so that they might be directly connected to the computer in Fayetteville.

Richmond: Today

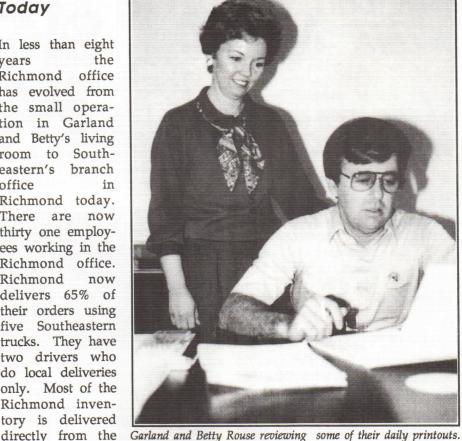
In less than eight the vears Richmond office has evolved from the small operation in Garland and Betty's living room to Southeastern's branch office Richmond today. There are now thirty one employees working in the Richmond office. Richmond now delivers 65% of their orders using five Southeastern trucks. They have two drivers who do local deliveries only. Most of the Richmond inventory is delivered manufacturer, although there is

still a truck that makes a weekly run from the Fayetteville warehouse to the Richmond ware-The operations were house. moved across the street to a larger

(25,000 square foot) warehouse in April 1985. Since then the warehouse has been expanded by 11,000 square feet, and much of the original 25,000 square feet has been "double decked" to accommodate the growing inventory. Presently Richmond uses three printers and eleven computer terminals to do jobs that used to be done manually.

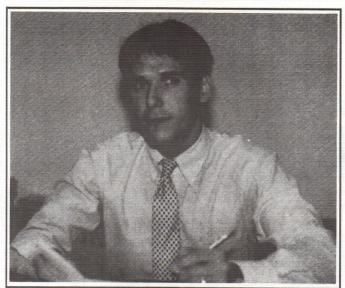
The sales territory for Richmond has expanded to cover all of the Virginia area, and the Washington D.C. metropolitan area (including suburban Maryland).

Still, the Richmond office is a branch office for the main Fayetteville office and is the smaller of the two operations. As such, there are certain responsibilities that are still handled primarily in the Fayetteville office. These include: Accounts Payable, Accounts Receivable, Payroll, and Nursing Homes' Third Party Billing. Other aspects of the business, however, are managed by the Richmond branch Although many of the computer operations, and most of the computer equipment still reside in Fayetteville, Richmond employees enter and bill their own customer orders, receive





Clarence Gilliam: "The first employee hired by the Richmond branch."



Mike Henry: Richmond's office manager.

their own purchase orders, and use the computer programs to do much of their own data entry work. As far as Purchasing goes, all orders to manufacturers (except Boise Cascade orders) are still generated in, and called in from Fayetteville. Once a purchase order for the Richmond warehouse is placed with the manufacturer, it is the Richmond office's responsibility to make sure that all of the merchandise is received correctly and in a timely manner. Of course, all orders for the Virginia customers (with the exception of suture orders) are shipped Richmond. The Richmond office manages customer service for the Virginia non-hospital accounts. Mike Henry, Richmond's office manager, feels that to make the operations in Richmond successful (and thus to keep our customers pleased), there must be constant communications between the two Southeastern offices. Mike sees the two offices as being quite dependent on the other. While he sees the improvement in communications that has been brought about by the increase in computer hardware and software, and by such things as voice mail and the fax machines,

he still thinks that the most important thing is for the two offices to work together as one large company to help meet the needs of all of our customers in all of our territories.

The Richmond Area

Richmond is the capital of Virginia and is situated at the head of navigable waters of the James River, in the eastern central part of the state. The metropolitan area has a population of over 600,000 and

covers 1,225 square miles. Richmond is about 220 miles north of Fayetteville on Interstate 95, and about 100 miles south Washington D.C. Richmond is national headquarters for many industries including: Phillip Morris, Best Products. Robins, and Thalhimers.

There are six major colleges in the Richmond metropolitan including: J. Sargeant Reynolds (a community college with three campuses), The University of Richmond (a private college), and Virginia Commonwealth University (a state school). Medical College of Virginia (a part of VCU) is a 1,058 bed teaching hospital that is a pioneer and leader in heart and kidney transplants, and burn treatments. Including MCV, there are twenty hospitals in Richmond with 5,074 beds and eight emergency rooms. There are also over 2000 physicians in the Richmond area.



The Customer Service Department. Pictured from left to right are: Patty Albright, Debbie Rudisill, Shawn Walker, Debbie Harmon and Carolyn Williams. Seated in the front is Gloria Pignatore.

Many of the customers expressed a preference for doing business with a company that actually had an office and warehouse in Virginia; and so, the Richmond office was born.

In this day and age of a computer terminal on every desk, and online programs, it is hard to believe how Richmond originally managed inventory and billings. All of Richmond's inventory shipped into Fayetteville and then sent to Richmond on a Southeastern truck once a week. Customers' orders were written down, then typed into a 3M Whisperwriter (basically a typewriter that will print a copy of what you type somewhere else), so that they could be keyed into the computer in Fayetteville. When an order was pulled from stock, the quantities pulled were transposed to the hand written copy of the order and then mailed to Fayetteville so that someone there could bill the order. It was not until early 1983 that the first computer terminal was placed in Richmond, so that they might be directly connected to the computer in Fayetteville.

Richmond: Today

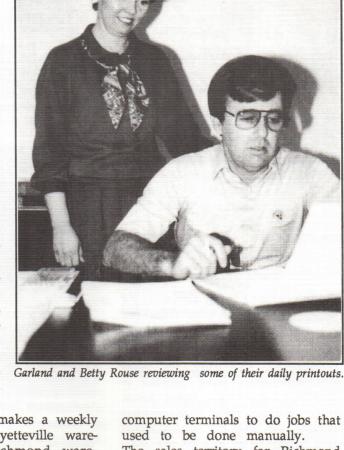
In less than eight the Richmond office has evolved from the small operation in Garland and Betty's living room to Southeastern's branch office Richmond today. There are now thirty one employees working in the Richmond office. Richmond now delivers 65% of their orders using five Southeastern trucks. They have two drivers who do local deliveries only. Most of the Richmond inventory is delivered directly from the manufacturer, although there is

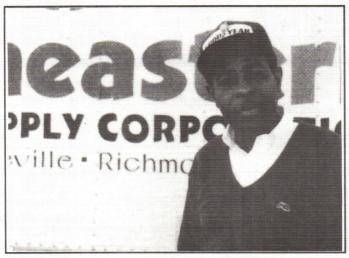
still a truck that makes a weekly run from the Fayetteville warehouse to the Richmond warehouse. The operations were moved across the street to a larger

(25,000 square foot) warehouse in April 1985. Since then the warehouse has been expanded by 11,000 square feet, and much of the original 25,000 square feet has been "double decked" to accommodate the growing inventory. Presently Richmond uses three printers and eleven

The sales territory for Richmond has expanded to cover all of the Virginia area, and the Washington D.C. metropolitan area (including suburban Maryland).

Still, the Richmond office is a branch office for the main Fayetteville office and is the smaller of the two operations. As such, there are certain responsibilities that are still handled primarily in the Fayetteville office. These include: Accounts Payable, Accounts Receivable, Payroll, and Nursing Homes' Third Party Billing. Other aspects of the business, however, are managed by the Richmond branch Although many of the computer operations, and most of the computer equipment still reside in Fayetteville, Richmond employees enter and bill their own customer orders, receive





Clarence Gilliam: "The first employee hired by the Richmond branch."