

Lasting Legacy

A look at BTA's longest-term member dealerships

by: Brent Hoskins, Office Technology Magazine

The Business Technology Association (BTA) was founded in 1926 and, so, has many long-term member dealerships. Which members hold the distinction of being at the top of the list? Here are brief profiles of the top three, having joined what is now BTA in 1939, 1941 and 1942.

Capital Technology Group

In 1939, Paul McWilliams founded Capital Typewriter Company in Little Rock, Arkansas. That same year he joined what is today BTA. By 1960-61, he had risen through the member dealer volunteer ranks of the association to serve as its national president. Just over 10 years later, his son, Mike McWilliams, became the association's 1971-72 national president.

Today, the dealership is known as Capital Technology Group. It has maintained BTA membership since that founding year, making it the association's most long-term member dealership. Capital was acquired from the founder's son in 2000 by Bill Rogers, who had co-founded another Little Rock dealership, City Business Machines, in 1975, which was sold to IKON in 1996.

"I have two brothers [Byron and Bryce] who worked at City Business Machines with me and my dad [Bill], and the four of us worked at IKON for four years — until we had had enough of corporate life and decided we wanted to get back in the local game," says Brett Rogers, president of Capital. "Mike McWilliams was looking to retire, and we were trying to find a way back in without having to start from scratch, so in 2000 we bought his dealership." Today, Rogers continues to work alongside his two brothers, together embracing the legacy of their late father with the family business.

At the time of the Capital acquisition, the dealership was selling Mita, Minolta and Oki Data imaging products. It was the same year that Kyocera was in the process of acquiring Mita. Today, Capital is a single-line dealership, with Kyocera as its vendor partner. Rogers recalls when he was "sold" on the Kyocera Mita brand. "In 2001, Kyocera Mita came out



with its 'Falcon machine,' as the company called it, and it was bulletproof," he says. "I remember going to the launch at the Superdome. It was a fantastic machine; we still have a few of them in the field because people don't want to get rid of them. So, we decided we were going to ride with Kyocera Mita (now Kyocera), because it is a smaller company that's been easy to deal with on a regular basis. The products that it puts on the street are pretty good."

In partnership with Kyocera and by way of Capital's MPS program, the dealership has found particular success in the education market, Rogers says. "Probably 50% to 55% of our business comes from schools," he says. "One of the things that has been nice about that is schools are still using paper. [In recent years] the volumes have stayed pretty constant."

Actually, the family's previous dealership, City Business Machines (which had grown to seven locations statewide), laid the groundwork for Capital's success in the education market. "Back in the 1980s and 1990s, we had more than 70% of all the schools in the state of Arkansas," Rogers says, noting that the dealership also sold RISO duplicators at the time. "When we were purchased by IKON, they said, 'We don't like schools' and 'We don't like RISO,' so a bunch of that school business went away."

In any case, Rogers is pleased with 50% to 55% of revenues coming from the education market today and remains committed to the imaging business "because it has been great for us for many, many years," he says. "As long as it continues to do what it does, we're not going to move away from it."

That is not to say that Capital has avoided diversifying outside of the imaging business. "While we have always had some IT presence, in 2017 we purchased a small IT services company and quickly learned that we didn't know anything about that world," Rogers says. "Fortunately, the guy who owned it had been there for 25 years. He knew what he was doing and had put the model in place to operate in the right manner. In the copier world, we're cowboys out there making things happen. In the IT world, it is much more structured, and you

need to make sure that certain things are properly done ... In the copier world, anybody with a pulse and a dollar to spend is a prospect. In the IT world, it doesn't work that way. If they don't fit your model, you don't take them as a customer."

Since 2017, Capital's IT services business has grown to now contribute about 20% of the dealership's revenues, Rogers says. "The great thing about IT services is when you structure it correctly with your monthly recurring revenue model, it can be very profitable."

Wagner Office Machines

In 1912, Erick and Ruth Wagner established Wagner Typewriter in Chicago, Illinois. "The two of them ran the business together, initially working out of their home," says their grandson, Art Wagner, co-owner along with his wife, Cathy, of what is now Wagner Office Machines, located in Burr Ridge, Illinois. "They sold and repaired adding machines and typewriters. They didn't sell new models. Instead, they would buy used machines, recondition them and resell them."

Thirty years later, the company's initial focus was still intact. "When typewriter sales were halted during World War II, Wagner Typewriter was involved in purchasing typewriters, reconditioning them and shipping them to the federal government," Wagner says. He notes another piece of history in the 1940s that helped to solidify the family business. "My dad [Harold Wagner] served in the U.S. Army during the war as a typewriter technician. So, after his military service ended, he began working with his dad, doing basically what he was doing in the Army. He fell right into the business, because he already knew what was going on and how to do things."

One more historical fact about Wagner Typewriter at the time: In 1941, the company joined what is today BTA, making it the second-most long-term member of the association. In fact, Wagner's grandfather was a founding member and officer for the Chicago Office Machine Dealers Association (Chicago OMDA), then a local chapter of the National Office Machine Dealers Association (NOMDA); NOMDA became BTA in 1994.

Along the way, Wagner and his three brothers began working for the family business; he joined the company in 1981. In his early years at the dealership, he recalls with fondness attending local Chicago OMDA meetings, when the association was still NOMDA. "The earliest memory I have of

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— Cathy Wagner
Wagner Office Machines

the association was going with my brother Eric to some of those monthly meetings, always held in nice, fancy restaurants," he says. "I was 20 years old, listening to all of the stories of the sales and service people. Some of those stories were just fun to listen to ... Through the years, BTA has been a source for learning from others in the industry, keeping us informed on the latest trends, changes

and influences that affect our industry."

Today, Art and Cathy Wagner are the sole family members still in the business. Plenty has changed since those early years. The dealership now sells and services a variety of imaging brands, led by Brother, Lexmark, Epson and Zebra label printers. "So, we have evolved from selling and repairing manual typewriters to now offering the latest in office technology," Wagner says. "We have quite a bit of Lexmark product in the schools here in Chicago and the surrounding areas. Lexmark has been very good to us."

While imaging equipment sales are important contributors to revenues, service is the foundation of the dealership, Wagner says. In fact, he would like to expand the service side of the dealership beyond the "half dozen" brands for which Wagner Office Machines already provides service. "We're always looking for additional manufacturers that we could become an authorized service provider for," he says. "Service is our bread and butter."

Despite the strides it has made through the years, "Wagner has never forgotten its roots and is one of the last few Chicago-area companies that still sells and services typewriters," says Cathy Wagner. "Typewriter sales and repair may not be the most significant part of our business, but it is important to many of our business and consumer customers," she says. "Businesses still using typewriters include cemeteries, libraries, municipalities, police stations, banks and other companies that use typewriters for forms, envelopes and labels. Being in a large metropolitan area like Chicago, there are many small businesses and people that rely on their typewriters. We also get typewriters in for repair from many neighboring states, such as Indiana, Michigan, Ohio, Wisconsin, Iowa and more. In addition, we sell new typewriters from Nakajima and Royal."

Art Wagner says it is particularly satisfying to help an (often "older") individual still reliant on his (or her) typewriter. "Hearing the response of someone when picking up their typewriter about how nice and clean it is, and how they wish

it had worked as well back when they bought it — the comments we get like that when we're done with them — that's a good feeling."

Howard D. Happy Co.

In the early 1900s, when Howard D. Happy was 18 years old, he passed the bar exam to become an attorney, but had to be 21 in order to get his license to practice law, says Matt Cochran. "So, in the meantime, he wrote the Royal Typewriter Company in Hartfield, Connecticut, intent on making some money selling its typewriters; the company sent him two or three typewriters on consignment and he sold them," Cochran explains. "Royal just kept sending him typewriters. That's how the Howard D. Happy Company got its start." The year was 1914.

In 1936, after finishing high school, John Ed Cochran, Matt Cochran's grandfather, went to work for "Mr. Happy," as Matt refers to the founder of the dealership. "The agreement with Mr. Happy was that he would try him for a week," he explains. "He told him, 'You might not like me and I might not like you.' Eventually, they became partners in the business."

In those early years, the dealership, based in Mayfield, Kentucky, had the franchise for Royal Typewriters for western Kentucky, northwest Tennessee and three counties in southern Illinois, Cochran explains, noting that the dealership later took on Victor adding machines and A.B. Dick duplicating products. Along the way, in 1942, the dealership joined what is now BTA, making it the association's third most long-term member dealership. Through the years, he says, BTA has been a "good ally to have."

Fast forward to 1971. That was the year that Howard Cochran, John Ed's son — and, yes, named after Mr. Happy — came to work at the dealership, by then fully owned by John Ed. Ten years later, the Toshiba line was added and, after that, the Lexmark line. In 1993, Cochran joined the company, which now serves 33 counties. He serves as president.

"So, we've kept the name ('Why would you change a name like that?') and kept the logo," Cochran says. "We've also kept our reputation for service. That's been number one for us. We like to say that 'we offer outstanding service at a fair price.' We have a reputation for that and are highly regarded in the community for it."

Beyond its "outstanding service," to what does Cochran attribute Howard D. Happy Co.'s ability to thrive for 111 years? "I think it's been the fact that we've been a very versatile

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company," he says. "We sell imaging equipment, office furniture and supplies. That has helped us tremendously over the years ... Our primary focus has always been imaging equipment, but it's always been nice to have furniture and supplies, too. When equipment is down, we've got furniture to sell, and when furniture is down, we have equipment to sell."

The contribution to revenue has been evenly split across the product categories, Cochran says. "It has worked out that 25% of our business is equipment sales, 25% is service, 25% is furniture and 25% is supplies," he says. "That's pretty much how it always has been through the years."

The dealership's sales team of eight reps and a sales manager are "responsible for everything that we sell — equipment, supplies and furniture," Cochran says. "We split them up into geographical territories, but they're responsible within their territories for all that we offer."

Cochran says his greatest reward as president of the dealership is seeing its reputation for service at work across the product revenue categories. "It's gratifying to see how we have helped other companies succeed, creating great work environments for people, seeing them thrive and be competitive with the products and service we offer," he says. "To me, that's very rewarding."

Looking forward, "our expectations center around continued digital transformation; the workplace is becoming more decentralized, data-driven and sustainability-focused," Cochran says. "We see that reflected in the demand for smarter, more secure, environmentally responsible print solutions. That's kind of where we see it going. Plus, of course, AI is becoming a big part of things. I'm curious to see how that evolves in the future."

Cochran has high expectations for the BTA Channel in the years to come. "I believe the dealer channel will continue to play a vital role, especially in delivering personalized service, local support and tailored solutions that the manufacturers alone cannot provide," he says. "We're looking forward to continuing to adapt and helping our clients navigate the shifting landscape of information flow and workplace technology." ■

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