

Evolution 

# Strong performance through a strong alliance

2021 FIGURES, FACTS AND DATA

The E/D/E Group at a glance





## About E/D/E

As the European services and system provider for industrial B2B companies, the Einkaufsbüro Deutscher Eisenhändler (E/D/E) is working to expand its services as an organiser and operator of networks for market-driven supply systems serving handicraft and industrial supplies.

E/D/E has around 1,200 affiliated members, primarily specialist wholesalers supplying commercial customers in the craft sector and industry, as well as local authorities. These members deal mainly in tools and machines, industrial supply, fittings and building components as well as products for PPE, the technical trade and building services, and in steel.

As the high-performance system headquarters, E/D/E provides comprehensive support to help members strengthen their competitive position by means of centralised purchasing, logistics, marketing, digital services and banking services. This family-owned business with over 1,100 employees has been a successful operator in the market since 1931, and is now present in 27 European countries.



## EVOLUTION – Impact through networking

With the strategic and organisational development process EVOLUTION, E/D/E is working with foresight on the future viability of the association. This intensive process involves many different people from all divisions, with a view to developing a vision for the future and further enhancing E/D/E's identity as a buying association and an essential link within the industrial B2B sector. Key elements of the vision for the future include strengthened performance in daily operations, further development of core business, and continuity in establishing and expanding supply systems for the industrial and construction trade sectors. On the basis of this vision for the future, E/D/E has planned and implemented a restructure that will strengthen the performance of the buying association and further develop it to the benefit of the partners. With these aims in mind, the established professional specialisation has already been expanded through the addition of a functional specialisation comprising three functional divisions: Member Management, Supplier/Product Group Management and Purchasing Management.

Under the guiding theme of "Networking within the association", E/D/E continued EVOLUTION in 2021. Building on the ongoing implementation of E/D/E's vision for the future, the organisational development was successfully driven forward, what worked was anchored in place, and impact was achieved.

The focus was initially on core and basic services; this was subsequently expanded to the further scaling-up of future-oriented services for partners. The digitisation of business processes is an important component of EVOLUTION. It enables E/D/E to optimise data management along the supply chain with an end-to-end perspective, and so to strengthen the competitiveness of the medium-sized industrial B2B sector.



## Educational funding

In 2002, the E/D/E Shareholder and former Chairman of the E/D/E Management Board, Dr Eugen Trautwein, established the E/D/E Foundation as an independent, charitable institution. Its core mission is educational funding within the industrial B2B sector. The E/D/E Foundation has been supporting the next generation of employees in the sector for over 17 years, by awarding scholarships to students completing courses at the ZHH educational institute. In partnership with the University of Wuppertal, E/D/E is also a member of the Deutschlandstipendium scholarship programme. This is an initiative of the German Federal Ministry of Education and Research, already in its sixth year, that awards grants to four talented and high-performing students each year.

## Taking responsibility

For E/D/E, corporate responsibility means working to support our employees, contributing to society and protecting our environmental resources. In this regard, E/D/E and the E/D/E Foundation support carefully selected projects in Wuppertal that focus primarily on assisting disadvantaged children and young people and promoting their education as well as supporting people in need on the margins of society. On its own sustainability website [www.ede-nachhaltigkeit.de](http://www.ede-nachhaltigkeit.de), E/D/E also reports regularly on projects that help to meet its responsibilities towards employees, the economy, society and the environment.

## Sectors and product groups

The member companies of E/D/E deal in:

- Tools
- Machines
- Factory equipment
- Building fittings / furniture fittings
- Building components
- Sanitary and heating
- Steel
- Fastening systems
- Welding, safety and industrial engineering
- PPE products
- Chemical and technical products (technical trade)
- Construction equipment

The majority of these member companies supply mainly commercial customers from industry, craft trades and local authorities. The EURO-DIY centralised systems service, a joint subsidiary of E/D/E and the EK/servicegroup eG, provides around 500 affiliated retail companies and specialist markets with individual concepts for successfully positioning themselves in the DIY market.

## Keystones of the service portfolio

E/D/E strengthens the market position of its members by means of individually tailored sales concepts and private labels. Distribution concepts such as the PREMIUM FORMAT GROUP, UNION WERKZEUG-HANDEL, UNION ELEKTROWERKZEUGE, UNION BETRIEBSEINRICHTUNG, HANDWERKSTADT, PLUS 1 WERKZEUG, ELEMENTARES and ELEMENTARES SERVICE, the FAVORIT Group, PROTECTOR, GreenMoto, MIETEplus, "Die Baugeräte-Profis" and "Die Schweiß-Profis" bundle competences and enhance the market presence of E/D/E members. Specialised trademarks such as FORMAT, FORUM, FORTIS, ForSec, E-COLL, E-NORMpro and the new welding technology trademark, BLACKWELD, are available to members, to provide sustainable distribution strategies with attractive margins.

E/D/E's other services include central payment, central buying, logistics, data services, e-commerce solutions, banking and industrial services, the drafting and implementation of marketing plans, catalogue design and production, IT services and member support.



## Online trade for repeat customers

E/D/E provides its members with online stores that are specially configured for the sector, namely Multishops. This online shopping solution is embedded in the member's own homepage and offers their customers the possibility of ordering goods 24/7, on individual terms. The Multishop is continually undergoing development and optimisation, to function as a comprehensive e-commerce platform offering various options for networking the craft sector with the industrial sector.



## The online marketplace for professionals

Toolineo is E/D/E's e-commerce marketplace for members, aimed at craftspeople, commercial customers and discerning private customers. With a range of over 600,000 items, more than 40 distributors and a rapidly growing share of regular customers, Toolineo has sustainably secured its position as the "top name in handicraft supplies" in 2021. As well as boasting a diverse product selection and speedy delivery services, the marketplace offers excellent user-friendliness. Extensive product information pages provide customers with useful information at a glance. Toolineo also offers specialist advice from participating distributors. Thanks to its cooperation partners Commerce Connector and loadbee, Toolineo is extremely well networked within the relevant digital ecosystem and as such is equipped to ensure optimal customer journeys. Contract suppliers also benefit from the triad of Toolineo brand shops and the integration of Commerce Connector and loadbee.



## Product data

E/D/E data management makes life easier for members and suppliers by creating the conditions needed to ensure efficient sales processes. In the electronic Data Centre (eDC), product data from all relevant contract suppliers is grouped by sector, collated centrally, classified in accordance with our internal eDC Cl@ss standard, refined and continually maintained. The solution is also available to distributors and suppliers in the fittings segment which do not have E/D/E affiliation. This will allow dissemination and market acceptance to be further increased. In 2021, we were able to use artificial intelligence to implement significant improvement in the data quality and simultaneously reduce the time required for data onboarding, alongside other achievements.



## Logistics

Advanced logistics is one of the core services that the E/D/E Group offers to its member companies. The operations of the electronic Logistics Centre, or eLC, are centred around the needs of E/D/E members. It provides top-quality shipping to members or direct to the end customer using state-of-the-art technology, in a fully electronic process. To continue to be able to fulfil these high standards even as the shipment of packages keeps growing, the E/D/E Group has increased capacity at its eLC central warehouse by means of extensive investment in logistics. The E/D/E central warehouse and the advantages it offers – namely same-day shipping for orders received by 5pm, and more than 115,000 physically stocked items – supported the distributors' core business in 2021. Certified processes ensure the smooth handling of goods shipments. Since 2021, E/D/E has relied on the use of a cutting-edge packaging machine to increase the capacity of its logistics. Since 2016, the building services warehouse at the Schweinfurt site has supported E/D/E Logistics.

> 115,000 items  
physically stocked in the warehouse



## Europe in focus

The international activity of the organisation has developed into an important pillar for the E/D/E Group. Overall, international business for the 2021 financial year recorded growth of around 20 percent. The trading volume increased to EUR 1.9 billion. E/D/E's international activities are managed through the fully-owned subsidiary EDE International AG, based in Zurich.

One of this distribution organisation's key objectives is to work closely with existing members, suppliers and partners and to acquire new partners with a view to further promoting European business. EDE International's basic vision is to be THE European service and system provider for the industrial B2B sector.

1.9 EUR billion  
trading volume  
outside Germany

~20 percentage growth  
in trading volume outside  
Germany compared to the  
previous year

25 percent  
share of total  
trading volume



## Innovation driver for the industrial B2B sector

Together with five innovative entrepreneurs from among its members, E/D/E founded the PVH FUTURE LAB GmbH in 2018. This is now a well-established digital company, a think tank and a start-up in one, and is actively pursuing transformation in the industrial B2B sector in search of suitable solutions for the future challenges of digitisation and technologisation. Rapid3D is a successful professional 3D-printing business model. sellflixx Recommendations is an AI-based app for individual product recommendations that can be used as an external or internal service, at the counter, in shops and in ERP systems. workflixx Catch Talents is a data- and process-based recruitment tool. Both products come from flixxstore, the AI marketplace for the industrial B2B sector, which unites all of the highly innovative business apps provided by PVH FUTURE LAB.



## Maintaining and promoting entrepreneurial freedom

The ETRIS Bank GmbH was founded in 2011 as a specialised institute for central payment, payment transactions and trade financing. It guarantees the economic foundation for the sustainable activities of member companies and suppliers and, as a corporate bank for medium-sized industrial companies, it supports distributors and suppliers in implementing their business strategies. In the tenth year of business activity, the ETRIS BANK supported its customers through still-challenging times. The certified GBB rating (A+ with a stable outlook) emphasises that its business model is both sound and future-oriented. The ETRIS BANK is one of the few banks with a full banking licence to offer factoring. In addition, since its accreditation by the NRW.BANK in May 2020, the bank is in position to offer its customers public subsidy programmes.

## Key figures

The E/D/E Group	2020	2021
	EUR millions	EUR millions
Trading volume (including central payment volume)	6,440.8	7,620.0
<b>Breakdown of sales revenue (in commercial income statement)</b>	EUR millions	EUR millions
Sales revenues under commercial law	728.6	889.2
Drop shipments / central payment	617.8	797.8
Stock turnover	339.2	349.9
Other revenue	29.1	33.2
Revenue shortfalls	-257.5	-291.7
<b>Asset and financial structure as at 31/12</b>	EUR millions	EUR millions
Balance sheet total	732.0	810.0
Fixed assets	83.5	84.1
Current assets	647.0	724.4
Equity	419.1	439.4
Long-term debt capital	38.5	39.9
Short-term debt capital	268.1	323.4
<b>Consolidated Income Statement</b>	EUR millions	EUR millions
Sales revenues	728.6	889.2
Cost of materials	566.5	709.4
Personnel costs	79.4	75.8
Depreciation and amortisation	10.2	7.1
Other operating expenses	67.0	74.1
Operating result	24.0	37.3
Non-operating result	2.2	0.4
Earnings before taxes	26.2	37.8
Consolidated net income	15.2	20.7
<b>Key performance indicators</b>	EUR millions	EUR millions
Gross cash flow	28.3	31.0
<b>Key performance indicators</b>	Percent	Percent
Equity ratio	57.2	54.3
Equity ratio and long-term debt capital ratio	62.5	59.2
Asset cover ratio	548.2	569.9
Working capital ratio	241.4	224.0
Gross cash flow in relation to equity	6.8	7.1
Gross cash flow in relation to balance sheet total	3.9	3.8

## Overview

	2020		2021	
<b>Trading volume by product group</b>	EUR millions	Percent	EUR millions	Percent
Business division I *	566.6	8.8	653.6	8.6
Business division II *	1,520.7	23.6	1,660.9	21.8
Business division III *	791.2	12.3	898.0	11.8
Business division IV *	720.1	11.2	773.8	10.2
Steel	1,048.7	16.3	1,490.5	19.6
Building services	1,556.1	24.2	1,756.5	23.1
DIY, gardening technology	160.4	2.5	171.7	2.3
<b>Total merchandise goods</b>	<b>6,363.8</b>	<b>98.8</b>	<b>7,405.2</b>	<b>97.2</b>
Factoring, third-party ETRIS BANK business	77.0	1.2	214.8	2.8
<b>Total</b>	<b>6,440.8</b>	<b>100.0</b>	<b>7,620.0</b>	<b>100.0</b>
<b>Average trading volume per member</b>	EUR millions	Percent	EUR millions	Percent
Industrial B2B member	6.2	–	6.5	–
EH member	0.3	–	0.3	–
<b>Total</b>	<b>6,440.8</b>	<b>2.1</b>	<b>7,620.0</b>	<b>18.3</b>
<b>Trading volume per size class</b>	Number	Percent	Number	Percent
over EUR 10.0 million	120	72.5	137	76.3
EUR 5.0 to 10.0 million	87	10.9	99	10.4
EUR 2.5 to 5.0 million	115	7.2	111	5.8
EUR 0.5 to 2.5 million	366	7.9	334	6.3
under EUR 0.5 million	499	1.5	485	1.2
<b>Total</b>	<b>1,187</b>	<b>–</b>	<b>1,166</b>	<b>–</b>
<b>E/D/E member companies</b>	Number	Change	Number	Change
Industrial B2B members	959	+3	951	-8
EH members	228	-5	215	-13
<b>Total</b>	<b>1,187</b>	<b>-2</b>	<b>1,166</b>	<b>-21</b>
<b>E/D/E employees on the reporting date 31/12</b>	Number	Change	Number	Change
<b>Total</b>	<b>1,125</b>	<b>-4</b>	<b>1,135</b>	<b>10</b>

\* **Business division I:** Precision tools, hand tools, machines

**Business division II:** Building components, fastening systems, building and furniture fittings, construction equipment and tools, safety engineering

**Business division III:** Power tools, factory equipment, welding technology

**Business division IV:** PPE, technical trade, workshop materials

**Note:** For calculation reasons, the tables may contain rounding differences of ± one unit (EUR, percent).

Trading volume development  
(in EUR millions)



Trading volume of the E/D/E Group (EUR 7,620 million)  
by product area in 2021 (in EUR millions)

