

# Supplies Wholesalers Partners with Amazon to Provide Fulfilment for Dealers



**amazon.com**



**Fulfilled by Supplies Wholesalers (FBSW) is a program designed to help Supplies Wholesalers' dealer and reseller customers sell on Amazon and leverage Supplies Wholesalers' proven capabilities for order fulfillment and distribution.**

Supplies Wholesalers recently unveiled an interesting new partnership with Amazon. Fulfilled by Supplies Wholesalers (FBSW) is a program designed to help Supplies Wholesalers' dealer and reseller customers sell on Amazon and leverage Supplies Wholesalers' proven capabilities for order fulfillment and distribution.

We recently had a chance to hear more about the program from Bruce Gonyea, Jr., vice president of sales and marketing for Supplies Wholesalers, and Rob Leonard, operating partner for Blackford Capital.

Supplies Wholesalers ([www.supplieswholesalers.com](http://www.supplieswholesalers.com)) is a Reno, NV-based wholesale distributor of aftermarket imaging supplies. The business is part of Online Tech Stores (OTS), which claims to be the largest importer of toner products in the United States. Earlier this year, Blackford Capital signaled its plans to reenter the imaging supplies industry with an investment in OTS (see "[Blackford Capital Invests in Online Tech Stores](#)" and "[Blackford Capital Discusses Its Reentry into Aftermarket Supplies Industry](#)"). What made OTS attractive to Blackford Capital was its proven track record, expansive 3,000+ product catalog, and a nationwide network of distribution centers including facilities in Sparks, NV; Dallas, TX; Memphis, TN; and Harrisburg, PA.

We have been curious to see what Blackford Capital's investment might mean for OTS and Supplies Wholesalers. The first big announcement from Supplies Wholesalers since Blackford Capital's investment is an interesting first fruit. The FBSW program leverages the same strengths that attracted Blackford Capital—Supplies Wholesalers' product catalog and its proven fulfillment and distribution

capabilities—to enable customers to either set up shop and sell on Amazon or improve their Amazon fulfillment.

Mr. Gonyea states, "FBSW works for dealers that have an Amazon store and want to take it to the next level and achieve Prime status. It also enables dealers who are new to the Amazon marketplace develop a new presence on Amazon."

He adds that there has been some confusion in the marketplace about the program. "Supplies Wholesalers is not selling direct on Amazon," Mr. Gonyea states. He emphasizes that Supplies Wholesalers is not competing against its customers but offering them something unique—a way to put Supplies Wholesalers' strengths to work for dealers and resellers so that they can sell more products on Amazon.

### **FBSW Advantages**

Earlier this year, Actionable Intelligence published a four-part series on Amazon becoming a crucial channel for aftermarket consumables (see the [Key Findings](#) and [Part 1](#), [Part 2](#), [Part 3](#), and [Part 4](#)). Mr. Gonyea says that Amazon has not impacted Supplies Wholesalers' business directly because the company does not sell direct to end users, but Amazon is impacting Supplies Wholesalers' customers, and the new FBSW program is designed to help those customers either set up shop on Amazon or improve their fulfillment. Mr. Gonyea says, "This program allows us to position dealers to take advantage of Amazon marketplace rather than compete against it."

According to [Statista.com](http://Statista.com), as of June 2018, there were about 95 million Amazon Prime subscribers in the United States, and those subscribers spend an average of \$1,500 annually on Amazon versus \$600 annually for non-Prime



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members. For Amazon sellers, being able to display the Amazon Prime badge boosts sales. Amazon has stated, “Seller fulfilled listings that became Prime-eligible for the first time through Seller Fulfilled Prime experienced an average sales uplift of more than 50%.”

Whereas in the past most sellers achieved Prime status using Fulfillment by Amazon (FBA), in 2015 Amazon launched seller-fulfilled Prime, allowing sellers to display the Prime badge on listings fulfilled from their own or a third-party’s facilities, as long as the sellers adhere to strict guidelines for Prime performance requirements regarding shipping speed, cancellation rates, customer service inquiries, and returns. There is a 30-day trial period before sellers can achieve seller-fulfilled Prime status.

The FBSW program, which was officially launched in July, enables Amazon sellers selling third-party consumables to use Supplies Wholesalers for inventory and order fulfillment, rather than using Amazon or trying to do order fulfillment on their own. Mr. Gonyea describes the program as an “entirely new initiative” and “unique to Supplies Wholesalers,” adding that he is not aware of another wholesaler of aftermarket imaging supplies offering a similar program for dealers and resellers. Moreover, he says FBSW provides Amazon sellers with a “fast track” to achieving Amazon Prime status using Supplies Wholesalers’ “proven two-day distribution.”

The big advantage of using FBSW over FBA is cost. Supplies Wholesalers says using FBSW can save dealers and resellers about 20 percent compared with using Amazon fulfillment. Mr. Gonyea says using FBSW saves dealers money in two key areas compared with FBA: the storage and transaction fees FBA charges and shipping and handling

costs. Supplies Wholesalers says it can offer special UPS rates for Prime shipping.

Those 20 percent cost savings are important. Many Amazon sellers have found that FBA fees and shipping costs can wipe out margins, making it unprofitable to sell certain low-cost products. Thus, a program like FBSW that promises 20 percent cost savings plus the reliable order fulfillment and shipping necessary to achieve and maintain Prime status has the potential to be very attractive to Amazon sellers.

FBSW features a SKU translator, enabling customers to offer any of Supplies Wholesalers’ 3,000+ products on Amazon. Once customers place an order from a vendor using FBSW, those products are automatically drop shipped. Supplies Wholesalers provides shipping confirmations with tracking. Another feature is live inventory feeds by warehouse. Supplies Wholesalers says its dealers who sign up for FBSW will have access to a dedicated Amazon representative.

### **Significant Interest**

Mr. Gonyea says Supplies Wholesalers has seen significant interest in FBSW. As of the time of writing, Supplies Wholesalers has six dealers on the platform, several more were in the process of signing aboard, and the company has dozens of demonstrations scheduled. Mr. Gonyea says a demonstration is really the best way to see what FBSW can do to help dealers sell on Amazon. “Once dealers understand, they are jumping onboard pretty quickly,” Mr. Gonyea says. He adds that while using FBSW doesn’t guarantee Prime status, Supplies Wholesalers has seen dealers using FBSW moving to Prime status quickly, “within two or three weeks.”



Mr. Leonard asserts, “This is probably the best toolbox that dealers have to move to Prime.” If dealers are able to execute and use FBSW for proven order fulfillment, Mr. Leonard indicates that dealers should be able to grow sales and move up the product rankings on Amazon.

Supplies Wholesalers says dealers and resellers interested in FBSW should contact Mike Heavilin, director of client integrations, at 1-866-817-8795 (extension 222) or [Mike@SuppliesWholesalers.com](mailto:Mike@SuppliesWholesalers.com).

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