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Veteran Equipment Distributor Unfazed by Today's Challenges

By Staff Writers
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Louis Kershbaumer's experience, before and after his 50 years in vending, has taught him to stay positive despite the recession.

Louis A. Kershbaumer has been a number of things in his life. He's been a photographer, a navy man, a vending machine salesman, and president of a division of the Wittern Group. His experience, before and after his 50 years in vending, has taught him to stay positive despite the recession because, well, it's all happened before.

"I have gone through at least seven of these downturns (due to) interest rates of 15 percent, high unemployment, factory layoffs, etc." said Kershbaumer. He sees the current downturn as having the potential for business growth if operators know how to take advantage of it.

LEARNING TO SELL AND MOTIVATE

Kershbaumer's sales career began at age 13, when he went into the photography business. He took pictures at more than 500 weddings, learning how to find and then sell clients his services. The lessons were invaluable.

That career ended when he chose to join the U.S. Navy during the Korean War. Kershbaumer spent the better part of a decade in and out of active duty. Most notably, Kershbaumer, acting as administrator, helped Division 4-47 get the Bull Halsey trophy, in Johnstown, PA for 6 years as the best Naval Reserve Division in the nation in 1957.

Of his time in the military, Kershbaumer remembers learning a lot about administration and motivating people. He tries to continue to motivate vending operators to provide good service and go after new accounts.

FIFTY YEARS IN VENDING

It was 1960 when Kershbaumer's brother Peter convinced him to get into the vending business, then a \$3 billion industry. He started selling vending machines with Lehigh Co. in Easton, Pa. Three years later, he joined the Wittern Group as a distributor.

Kershbaumer remembers starting out selling cigarette machines. "There was little in candy machines being sold then," he said. The cigarettes sold for 30 cents, and when the price rose to 45 cents, Kershbaumer remembers operators being concerned people would stop smoking due to the high price. As we know, that fear was unfounded. "A smoker today could buy 20 cartons then for what one carton sells for today," he said.

Kershbaumer continued to bring new machines to customers, selling coin laundry machines, freeze-dried coffee machines, candy machines, and the once popular popcorn venders. Then came canned drink machines and sandwich machines.

One of the greatest improvements in vending during the years was the bill validator in 1970, he recalls.

In 1966, Kershbaumer became president of Federal Machine Corp., a division of the Wittern Group. Over the next 28 years, he signed up more than 500 distributors and operators.

When Kershbaumer retired from Federal Machine Corp. in 1994, he was said to be instrumental in making the company a dominant force in the vending industry. Every head of the company's six sales organizations had served under him in either a distributorship or employment capacity.

Now partially retired, Kershbaumer continues to sell machines nationally for Vending Machine Sales in Des Moines, Ia.

OPERATORS MUST BE TENACIOUS

Perhaps the real power of his experience is that he can be optimistic if not excited about opportunities for small and medium-sized vending operators to grow. According to Kershbaumer, big companies are cutting back on personnel, so locations are not getting the same level of service.

Smaller operators who invest in new equipment with services such as card readers and remote monitoring have a chance to get these locations.

"If operators don't move in that direction, they'll lose market share," said Kershbaumer. He sees that consumers are more likely to use a credit or debit card instead of dig for change, especially when few items in vending machines are less than a dollar.

These new capabilities give an operator a chance to provide better service, increasing their market share, explains Kershbaumer. Plus, the current low interest rates and business friendly tax laws give an advantage to those investing in their companies.

Kershbaumer is proud to be in vending. Vending Machine Sales has sold over 250,000 machines and plans to help many more operators grow.

Founder of Vending Machine Sales - Louis A. Kershbaumer

