

Fastenal Continues ‘Journey of Service’ With 1,000th Onsite Location

Winona, Minn., July 18, 2019 -- In early June, Fastenal announced a milestone after its active vending device count surpassed 100,000. The vending milestone has been quickly followed by another, this one pertaining to the company’s fast-growing Onsite program. The milestone: 1,000 active Onsite locations, each providing a customized local supply chain within (or very near) a customer’s facility.

The milestone Onsite is being set up within the Rocanville, Saskatchewan facility of Nutrien, the world’s largest provider of crop inputs, services, and solutions. It’s one of three dedicated Fastenal service/stocking locations that have been customized to meet the needs of specific Nutrien facilities. The service models range from a location within a Nutrien plant (Rocanville), to an offsite location situated across the street from a Nutrien facility (Aurora, North Carolina), to a larger location servicing five surrounding Nutrien sites (Saskatoon, Saskatchewan).

“Some of our locations are in remote areas, so an immediate benefit of a Fastenal Onsite program is that it shortens supply chain from a distribution standpoint,” said Rob Gilmour, MRO category manager for Nutrien. “Integration is also very important to us. Having a fully dedicated Fastenal resource allows us to step away from tactical activities to become more efficient and focused on our core business.”

Like many aspects of Fastenal’s service, the Onsite concept came in response to a specific customer need. In 1992, a large manufacturing plant required more inventory than the local public branch could fit on their shelves. They also wanted Fastenal to be in their facility on a daily basis to assess their needs and replenish inventory. So they proposed a novel idea: bring the inventory *and* the Fastenal rep within their four walls to support their operation on a full-time basis.

Fastenal went on to open more of these ‘branches within a facility,’ but at a slow pace (usually fewer than ten per year). This began to change in 2014 when the inherent efficiencies of the model became apparent and the decision was made to bring greater focus on developing and growing this area of the business. The concept was embraced by Fastenal’s employees and customers, and Onsite quickly expanded from a niche offering to a company growth driver.

Thanks to the efforts of Fastenal’s sales and implementation teams, the number of active Onsites increased from around 200 at the end of 2014 to nearly 900 by the end of 2018. At the close of the second quarter of 2019, there were 1,026 Onsites generating over 25% of Fastenal’s total revenue. To put the 1,000th Onsite milestone in perspective, it took Fastenal nearly 35 years to open its 1,000th public branch (Kapolei, Hawaii, 2001).

“Onsite is a natural progression in Fastenal’s 50-plus-year journey of service, bringing us even closer to our customers in terms of proximity and partnership,” said Kris Van Dalen, a vice president of Fastenal Solutions. “The value we deliver through a customized supply chain management program is differentiating our company in the market, strengthening our customer relationships, and, in turn, driving growth, employee opportunities, and shareholder value.”

About Fastenal

Fastenal helps customers simplify and realize product and process savings across their supply chain. We sell a broad offering of products spanning more than nine major product lines – from fasteners and tools to safety and janitorial supplies. These products are efficiently distributed to manufacturing facilities, job sites, and other customer locations through local service teams and point-of-use inventory solutions, including industrial vending technology and bin stock programs (Fastenal Managed Inventory, or FMI[®]). Our distribution system centers on approximately 3,200 in-market locations (a combination of public branches and customer-specific Onsite locations), primarily in North America but also in Asia, Europe, and Central and South America, each providing tailored inventory, flexible service, and custom solutions to drive the unique goals of local customers. These in-market servicing locations are supported by 14 regional distribution centers, a captive logistics fleet, robust sourcing, quality and manufacturing resources, and multiple teams of industry specialists and support personnel – all working toward Fastenal’s common goal of *Growth Through Customer Service*[®].

Additional information regarding Fastenal is available on the Fastenal Company website at www.fastenal.com.

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