

RePlay magazine

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SHAFFER DISTRIBUTING
Celebrating 90 Years!





Nine Decades Four Generations One Mission

At Shaffer Distributing, That Means Keeping Relationships at the Core

This is the fourth time *RePlay* has saluted the venerable Ohio-headquartered distributing company known as Shaffer Distributing. This time, the majority of the focus is on the company today, the key people they've put in place, and the culture that has been carefully strengthened since the beginning.

Shaffer's story is one of evolution. Early on, from its headquarters in the Midwest, Shaffer was regarded as a major distributor of full-line vending equipment, amusement games, commercial microwave ovens and jukeboxes. Those years and beyond were times when distributorship had assigned geographic territories, so Shaffer stayed strictly within

their bounds (which was all of Ohio, plus portions of Kentucky and West Virginia).

Business continued to evolve and in more recent years, the emphasis on traditional "territories" faded away. Today, Shaffer has emerged as one of the largest and most respected nationwide distributors of a wide range of products, providing a multitude of services to traditional street routes and to the thriving family entertainment center business. The team sells product in every state, as well as Canada.

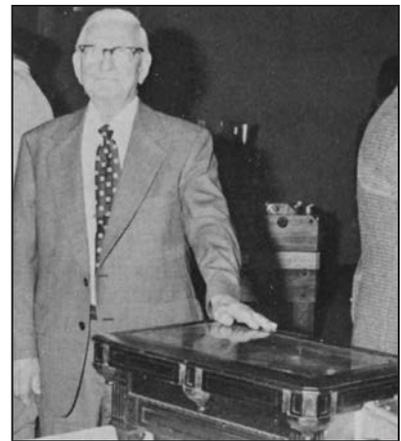
But, before we delve more into the 90-year-old company today and where they're headed, it is only fitting to pay the proper atten-

tion and respect to Shaffer Distributing's storied past.

Generation One

Shaffer Distributing got its start back in 1929 when Columbus, Ohio, pharmacist Estel "Pop" Shaffer, became intrigued with a penny-operated, countertop target game built by ABT being operated in his West Broad Street drug store. (This very game remains on display in the Shaffer showroom and graces our front cover.)

The idea was to keep customers amused while they waited for their prescriptions to be filled. After



Estel "Pop" Shaffer and the very first piece of equipment he operated, an ABT target game at Shaffer Distributing's 50th anniversary party in 1979.

a few months, Estel, noticing the number of pennies going into the machine, decided to buy games of his own to put in other shops around town. He subsequently gave up the pharmacy business and became an upstart operator at the dawn

At left, third-generation leader Steve remains active in the company as its chairman while son Scott (right) leads Shaffer Distributing as its president. Older son Andy is at the helm of the extensive route.



Ed Shaffer (right) with salesman Joe Flynn, in the Seeburg days.

Shaffer Distributing: 90 Years



Three generations: Ed and Steve Shaffer with "Pop" and then-president of Rowe Jack Harper. Ed passed away suddenly in 1981.

of the Depression.

Fiscal responsibility was the order of the day and despite the dire economic times, Estel was able to grow his company. His core philosophy of taking care of the customer was in place back then as well.

Generation Two

Estel's son Ed got his start early in the company, helping his dad part time to run and grow the route while he was a student in high school and college

(Ohio State). He serviced equipment, made collections and delivered new machines to locations. In 1932, he joined Pop full time in the business and they eventually added jukeboxes to the mix, and they changed the name of the company to Shaffer Music Company around 1935.

With about 500 machines on location, business was booming and competition didn't really heat up until the late 1930s. In 1937, they entered the distribution busi-

ness when they were awarded the Seeburg jukebox line, adding other factories and growing their territory as time marched on.

In 1954, Estel retired and sold his interest in the company to his son and partner Ed. "Under his second-generation leadership," said Bill Kraft, current vice chairman and former president, "Shaffer became one of the largest jukebox distributors in the world with numerous U.S. offices, as well as one in Japan." Ed changed the

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Trio of greats: Estel is joined by Shaffer sales veterans Joe Flynn (who went on to found J&J Distributors with friend Johnny Stocksdales in Indianapolis, which Shaffer Distributing bought in 1988) and his brother Bernie Flynn. Bernie was Steve Shaffer's mentor and right-hand man and served alongside many industry greats who called Shaffer Distributing home for years.

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Shaffer Distributing: 90 Years



name to Shaffer Distributing in 1962 and it was about a year later that his own son, Steve, followed in his part-time-during-school-years employment at the company.

Generation Three

Ed passed away unexpectedly in the fall of 1981, and Steve Shaffer, at the young age of 38 — and while grieving the loss of his father — jumped in. More than ready to lead the company, the third generation Shaffer was determined to make sure Shaffer Distributing not only survived, but thrived.

Bill Kraft remembers the times quite well. “Steve went right to work and was

extraordinary in his vision. He immediately made the decision to visit all our key suppliers to ensure their confidence going forward.

“Steve quickly surrounded himself with a team of people he trusted to help run the company and wasn’t afraid to let them grow with the company,” Kraft continued. “In those days, which coincided with the enormous video game boom, Steve remained focused and was determined for the company to be the very best it could be, not necessarily the largest.

“Shaff” was very proactive in seeking new opportunities for growth,” Kraft continued. “Accordingly, the company bought J&J Distributors in Indianapolis

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in 1998 and Cleveland Coin Machine Exchange in 2005. But arguably the boldest move Steve made came in 1988 when he made the decision to get back into the operating business.”

Buying three routes, Steve founded Shaffer Services, which coincidentally is celebrating its 30th anniversary, and now flies under the banner of “Shaffer Entertainment.”

A decision born out of business conditions in order to provide diversification and an additional revenue stream, Steve explained, “Re-entering the operating side of our business was a result of the street operators here in Columbus not purchasing new and superior products for several years.

Their contentment with running older and outdated equipment obviously affected our distributing business.

“Frankly, I wasn’t certain at that time what other businesses we could connect with this company,” Steve recalled. “I had a vision of janitorial supplies, coffee and confectionery products associated with the locations we were operating in at the time.”

Steve Shaffer remains chairman and still actively involved with the company, but not so much with the day-to-day operations. And because of the culture he helped perpetuate, he doesn’t need to be. Said Bill Kraft, “It is a well-known fact that Shaffer Distributing has experienced very low

turnover among key employees.”

Steve keeps the team focused on the core values. Bill added that one of Steve’s key philosophies has always been: “Obviously, our many loyal customers mean everything to us, however, it all starts with people and good employees. They are our number-one asset. Keep the team together and we shall succeed.”

Generation Four

Among those key members of that team today are Steve’s sons, Andy and Scott.

“When someone asks me how long I’ve been in the business, I always like to

smile and say, ‘Well pretty much since June 9, 1967, the day my mom, Mary Jo, gave birth to me,’” Andy laughed.

“The good news is, too,” he said, “that I’m old enough to actually remember my great grandfather, Estel. I remember playing baseball in the yard with him and of course, I remember my dad’s father, Ed, who sadly didn’t last that long on this planet. I think he passed about the time I was in about seventh or eighth grade. I feel incredibly lucky, just as a family member, to rub elbows with those guys at some point.”

Andy, President of Shaffer Entertainment and former President of AMOA, has totally embraced the

90

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Shaffer Distributing: 90 Years

culture of “family,” especially in regard to employees. Andy has heard dozens of times from his team members who worked elsewhere and for other types of companies that “I wish I had been here earlier. My family and I have never been treated like this before.”

Bill Kraft added, “Andy is, of course, a superb operator.” Steve Shaffer estimates that the company runs about 4,000 pieces of equipment and it’s still growing, through organic growth and continual evaluation of acquisitions and partnerships with other operators. Andy and his crew have built well upon the original three-route combination in Ohio and Indiana. Equipment on locations



Friends, family, co-workers: It’s all three for these four (in this photo from this year) — Scott, Steve and Andy Shaffer and Bill Kraft.

extends beyond the traditional pool tables and music and includes darts ATMs and more. Dart and pool leagues also factor into their success on the street.

When it came to Steve’s other son Scott’s choice to go into the family business, it was very intentional. “I took it for granted when I was young because I just

knew it’s what I wanted to do. Whether it was here or somewhere else, it was going to look very similar.

“When I was in college, I’d come in during the summer and work in parts, but my dad was very specific about making us get out and do other things in the summer when we were in high school. He was intentional about that,” Scott stated.

“Dad told me that first of all, working for Shaffer Distributing wasn’t a ‘gimme’ and secondly, that I wasn’t going to come in and out of it,” Scott continued. “He said, ‘If you come in but then choose to leave to follow a passion or something, I’m 100 percent behind you, but don’t think this is a consolation prize.

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Shaffer Distributing: 90 Years

We're not just sitting here so you can come back to it."

Today, Scott Shaffer is President of Shaffer Distributing and has brought considerable skills and talent to the organization, said Kraft. "He has added additional structure and fresh new vision to the company as it continues to move forward."

A driven individual, Scott says, "I couldn't wait to join the company 26 years ago! It was, and remains, my fervent passion. I've tried to immerse myself beyond just sales with every aspect of the company while Dad and Bill concentrated more time on strictly the sales side of the



Top team: Shaffer has been fortunate to have many greats working within its ranks and today's crew is no exception. From left, COO Chuck Ropke, VP of Sales George Speakman, Director of Operations Chad Roll and FEC Sales Liaison Michelle Bocook.

business.

"My desire is, of course, to continue our sales

growth, profitability and great tradition. I am passionate about goal setting and accountability. It is extremely important for us to create and maintain strong relationships, a pleasant work environment and an adherence to our core values. There still are plenty of areas for us to improve and get better," he continued.

One message you will consistently hear from Scott concerns the value industry products provide FEC owners and operators. "We're selling return on investment devices. It saddens me that many view our products as commodities. Bill and I have talked about it for years. We want our customers to buy from us not because our prices might be the lowest, but because they trust we will help them best to maximize their earnings over five to 10 years. Let's be clear, the annualized return on these games over the course of their lifetime would astonish your every-

day stockbroker. We also place huge emphasis on service support."

Today's Team

Aside from the "Shaffer boys," the company has assembled quite a mighty group of other individuals.

At the top, serving as confidant and friend to both of the current generations of Shaffers, is Vice Chairman Bill Kraft. His many years of active sales efforts and company leadership makes him the effective "big picture" guy. He still makes calls on behalf of Shaffer Distributing, and loves it, but today his salesmanship doesn't pertain to pieces of equipment but the company as a whole. His title could just as easily be "Goodwill Ambassador."

Bill says he is proud to meet with current and potential customers to talk about the culture of Shaffer Distributing and the service the team provides before, during and after the sale. But, he's also extremely happy to be building new friendships. After all, it's those relationships that build a richer personal life as well as a stronger company future.

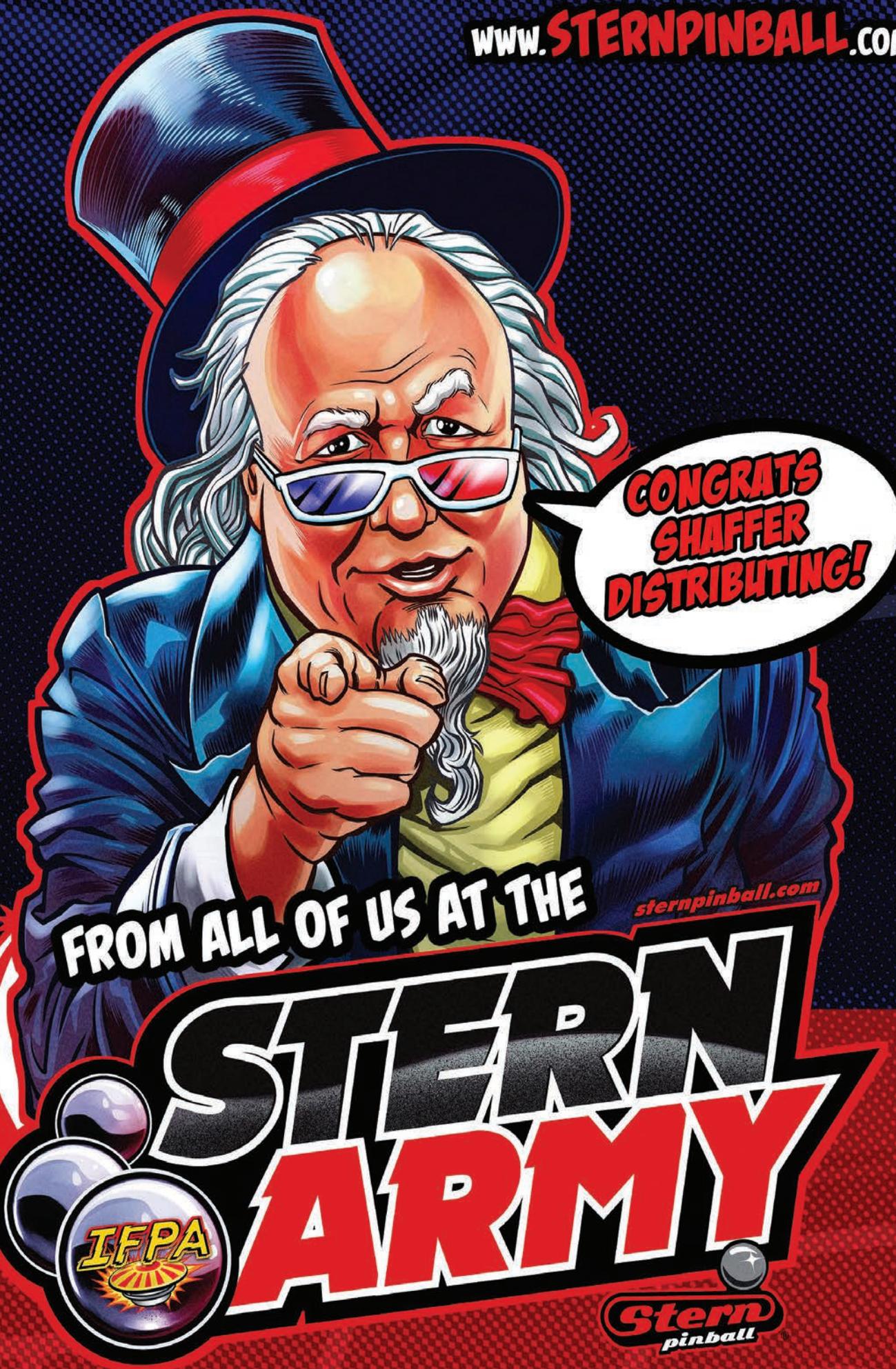
He's the first to admit that they're not perfect, margins are tight and competition is tough, but "what I try to express is that if you give us the opportunity, we will truly earn your business."

Then there's Chief Operating Officer Chuck Ropke. Bill said, "In many ways, Chuck is the engine that makes Shaffer Distributing run. His skill set is off the charts: technical support (games, music

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Shaffer Distributing: 90 Years



AAMA honored Shaffer as its Distributor of the Year at the Amusement Expo. Presenting Scott with the award are association President Holly Hampton and Exec VP Pete Gustafson.

and vending), customer service, parts, transportation logistics, computer skills, real estate, writing skills, construction, management, etc. He is a true gem and one of the most multi-talented individuals in the industry!”

Kelly Norton, Chief Financial Officer, replaced Paul Westbrook, the man

who Bill called “one of the truly finest financial executives in the industry.” Paul retired at age 73, but well before his exit, he hand-picked Kelly, who came aboard in 2016 and was promoted to CFO in 2018.

Scott Shaffer said, “Kelly is wisely talented and adds tremendous value to the management team and not

just with numbers. He is bright, personable, sharp and fits in perfectly with the organization. We are thrilled to have him on the team.”

George Speakman, Vice President of Sales, came to Shaffer as their FEC Specialist in 2014 from Enterprise Rent-A-Car. One might be curious how the skill set required in car rentals applies to helping fun centers: it’s more of the relationship building emphasized at the agency than anything else. He’s been a quick study and is a skilled salesman, but brings so much more to the team, adept at doing layouts and understanding FEC customer needs.

“Already well known within FEC circles,” Scott said, “George has progressed in his career with Shaffer faster than anyone in recent history. George flat out knows his stuff. Watch out for him.”

Bob Muniak is one of the talented sales representa-

tives at Shaffer and a real standout. With the company for about 20 years, Scott said of Bob: “He is easily one of the very best music and game salesman in the industry.” Added Kraft, “His degree of product knowledge, passion for customer service and ‘bloodhound’ instincts set him apart and make him truly extraordinary!”

There’s also the all-important FEC installation team, in which Bill Kraft says they take “enormous pride.” As good as they are, he said the company constantly reviews the process with each project with “the sole objective of being the best in the industry.”

Kraft continued, “We sell hard on our service support and always have. To new customers, we stress that the decision isn’t just about who has the lowest price. Sure, we have to be competitive, even though distributor margins are tight. It’s more about supporting the customer after the sale. The question becomes who will be there on a continuous manner to help ensure the customer’s stream of revenue. Follow up is everything.”

He added, “We’re not perfect and there is always room for improvement. That said, I believe our COO Chuck Ropke is the best in the industry. Of course, I am biased, but Chuck sees the world through the eyes of the customers and knows exactly what to with the smallest of details. He constantly strives for perfection in the execution of an installation.

“Our crews, on more



Company stars include this group of talented women: in front from left to right, Kathy Collins (director of human resources), Amy Holland (staff accountant), Pam Hutchinson (accounts payable accountant) and Aimee Denny (accounting director); in back, Jill Lynn (service manager), Michelle Bocook (FEC sales liaison), Kim Tufts (director of equipment purchasing) and Priya Amin director of marketing).

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Relationships matter at Shaffer and nowhere is that better exemplified than in the longtime friendship and working partnership between Steve Shaffer and Bill Kraft in this photo taken by Andy's son Drew.

than one occasion, have worked in the middle of the night to accommodate our customers," Kraft continued. "Our team consists of wonderful employees and they are our greatest assists. Shaffer is and never has been a 'dump and run' company as it pertains to our installations...and never will be."

Generation Five?

We know you want to know – and we did too – so we asked both Andy and Scott if there are inklings that a fifth generation of Shaffer is interested in picking up where their fathers leave off. The answer from both is that it's just too early to tell.

Andy has two sons, Drew (24) and David (18), and when asked if either seem inclined toward the business, he laughs, "That's the million-dollar question! Every single day, I think about it. How do I get this business to the fifth genera-

tion?"

"Drew is in the film production/editing industry and incorporated his own Shaffer Productions company in Ohio when he was still in college," Andy said.

"David is just getting ready to graduate from high school and attend Eastern Michigan, and his passion is theater.

"One of my biggest goals for the near future, in order to get it to the fifth generation, would be for Shaffer Entertainment to evolve or morph into some sort of an entertainment company that incorporates my son's video production talents somehow," he added.

As for Scott, he has two daughters: Macy (age 15) and Edie (12). "My brother and I always say that we're fourth generation and we don't want it to end here," said Scott "Our goal is to get this to the fifth in a healthy and growing manner, so I haven't given up on his boys and we still have hope in my girls."

90 Years

"Throughout its long history, Shaffer has taken great pride in providing the best in professional sales advice and unparalleled service support," said Bill Kraft. Prudent financial oversight has been a key component to Shaffer's success from its founding in the Depression Era, through troughs in the industry and equipment buying. Kraft noted that the company, "which represents virtually every video, redemption and arcade game manufacturer in the industry, has consistently maintained one of the highest credit ratings in the industry."

No matter who you talk to at Shaffer, there are several recurring themes about why they've survived this long when statistics show only 3 to 5 percent of family businesses make it to their fourth generation. They are commitment to people, building relationships, integrity, class, humility and fiscal responsibility. When you hear customers identify and laud those same traits, you know they've been successful in cementing those philosophies into the very core of the organization.

Steve remembered some key lessons his father Ed preached continually: "Don't buy more than you can sell quickly and pay for within the terms of your suppliers," "Confront accounts receivable daily," and "When possible, share annually the profits with those that have contributed to the success of your company." No doubt, those have been passed along to employees and his sons.

"I am very proud of our

company reaching its 90th year in business and, frankly, because my father passed away when I was 38 years old, I didn't think I would live this long," Steve added. "I don't believe my father — or grandfather — ever envisioned 90 years. Business then was day-to-day and year-to-year without any long-range planning. Meetings just didn't happen very often.

"After rounding third base and heading home, my sons have done a great job of allowing me to sit in the dugout and voice opinions regarding things I may not agree with that are business related," Steve remarked. "The teammates they have brought into our business in the past couple of years are excellent and have been a central factor towards our success. In my 55 years in this business, I've been blessed with terrific people starting with my mentor Bernie Flynn, who's still remembered fondly by some business veterans out here today."

He concluded, "As for me, I'd like to be remembered by all of the great friends I've been associated with in our industry and the tremendous times we have shared together through many years of joy. It is a tremendous industry we all enjoy."

Congratulations, Steve, Bill, Scott, Andy and the rest of the "family" at Shaffer.

[Editor's note: Following are several profiles of members of the Shaffer extended family of employees, then remarks from the other members of the "family," the customers who talk about how their relationship with Shaffer helps them succeed.]



Bill Kraft

"I've Had the Best Job in the Industry ... and Still Do!"

A company really lucks out when they land a good salesman, one who can get out in the field and build relationships, close deals and represent the company well. But to find a person who has that necessary skill set and can also be a dear friend and confidant, well, that's something very, very special.

That's exactly what Shaffer Distributing got in Bill Kraft.

Was it kismet? Maybe. Bill and Steve Shaffer knew each other growing up (Steve was a high school classmate of David Owens, Bill's late brother-in-law), but it wasn't until Bill was back in Columbus after college that the two really connected.

"It was in the early 1970s and I was on a sales call for Xerox and ran into Steve. After that, we started palling around a bit," Bill recalled.

For those who understand how important personal relationships are within the Shaffer organization, it should come as no surprise that "one thing led to another." In 1975, Steve offered Bill a job, representing the Abbot coin counting and sorting line for the dealership and after about a year, Bill transitioned into selling full-line vending.

"This was back when Steve's dad, Ed Shaffer, was still alive," Bill said. "Also at that time, interest rates were



Bill Kraft

Vice Chairman

soaring, hovering around 18 and 20 percent. With vending, you couldn't give anything away. Shaffer, at that time, was the largest vending distributor in the United States with some extremely large vending operator customers in the state of Ohio," he recounted. "Back in the 1979/1980 timeframe, Shaffer was the largest music distributor in the country so it made sense to transition into jukebox sales and then, into games.

"It's funny," he elaborated. "I used to laugh because the vending people would say, 'Well, you're a game guy.' And the games people would say, 'Well, you're a vending guy.' I'm both!"

When Ed Shaffer passed away unexpectedly in 1981, Steve, who was 39 at the time, became president and Kraft was promoted to VP of sales and marketing.

"Steve, humble guy that he is, liked to be behind the scenes and preferred having me as the face of the compa-

ny," Bill explained. "That's the way he wanted it for years. He wasn't the kind to want to be in the magazines all the time and make a big splash, and I was happy doing things the way he wanted.

"I enjoyed leading the sales force in music, games and vending for many years, up until 1998 when I became president of the company," Bill continued. "I held that post until last year when we elevated George Speakman to VP, Scott to president and me to vice chairman."

No matter the role, Kraft has nothing but warmth for the family, the company and the job he performs. "I feel like I've had the best job in the industry. I really do. I have worked hand and hand with Steve, who really was my true mentor and leader. And now in the later years, I've had the opportunity to work closely with Scott as well. It's just been marvelous.

"Our company isn't perfect by any stretch of the imagination. I want to be clear on that. We've had our share of errors and things we need to work on just like any other company. But overall, the family atmosphere, the camaraderie, the mutual respect, the class... it has just been a wonderful place to call 'home' for my career."

He continued, "I never had a day when I came to

work and wasn't happy. A lot of people can't say that. For me, there was no Sunday night dread of the workweek to come. Never. I have always loved going out and making sales calls, and still do.

"Today, my 'sales' efforts revolve mainly of going out and making calls on the larger FEC accounts, introducing and selling our company. I'm not in the hand-to-hand combat of product sales as much as I'm selling the total-ity of what our company represents. Doing that brings me a great deal of satisfaction and pride," he said.

Kraft's other role is to continue to be a confidant for Steve Shaffer and for Scott and Andy. "I do a lot of mentoring of both boys and to some extent, I'm a bridge between them and their father. It's like I'm a beloved uncle or big brother. I've been extremely close with Steve and it's carried on with the boys. I'm a confidant to both generations and that's just been wonderful.

"Make no mistake about it, I'm a very skills-oriented guy. I think in my career, I've been a better leader than I was a manager. I think I did a good job of representing Shaffer Distributing throughout the years, but was I a very good manager? It's up to debate," he laughed.

With all this reflection, you might think Kraft was

Shaffer Distributing: 90 Years

also talking about retirement, but in the many conversations with him during the preparation of this salute, the “R word” never came up.

“It’s been incredible, it really has,” Bill said. “I’m 71 years old and it’s not the money keeping me in the game today. It’s a labor of love. That’s why I’m still at it.

“I have to look back and say I’ve had the best job anybody could ever have in this industry and still do. It’s just been great. I laugh and tell people I’ve got to be nuts because I like the products and I love the people in the industry. I love our customers and our salespeople, and I even love my competitors. I’ve made so many friends throughout the years and am making new ones even today.”

And what does the future look like? Bill’s quick to say, “It’s really hard to predict, but the one thing is certain: there has always been an opportunity within in our industry. We’ve gone from when pinball was the hot product and to the video game boom. The music business had a surge when the CD jukebox came on the scene. I used to hear 25 years ago, ‘Oh, our industry is dead because satellite’s going to take over.’ That didn’t happen and part of the reason is because of how vital route operators are to location success. They provide an income stream and also make loans from time to time. Then we went through the time when countertops were the hot thing. Then, along came digital jukeboxes. Then, redemption games.

There’s always been something.

“Now we have the FEC industry continuing to grow. Just like the other spikes in the business I mentioned, this isn’t going to last forever either, but it’s still has legs! The bowling industry is still turning to games and other entertainment to update their business model. And there’s VR, which is obviously strong right now,” he elaborated.

“What I’m trying to say is that there is always going to be something for this business. I’m very optimistic and bullish on the industry. It’s not going away,” he said, adding that the Shaffer team is well-positioned to build upon the previous nine decades. “Right now, we have probably as strong a team as we

have had in years.”

Changes in distribution have been dramatic throughout the ebb and flow of the industry. Kraft remarked that what once was a crowded field of maybe 50 to 60 distributorships has been consolidated and restructured into a half dozen major, well-capitalized companies along with a solid number of smaller dealers. Still, competition may be friendly, but it’s also challenging. “I’m very humbled by the business we’ve been able to get, make no mistake about it,” Bill added.

When it comes to working with FECs, customers have noted that pricing runs very close. Kraft would be quick to confirm tight margins when it comes to new game pricing.

“Support for these guys

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We thank your entire organization.

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has been awesome, but we've
enjoyed the journey even more.

Sincerely,
Your friends at ICE



Shaffer Distributing: 90 Years

is everything,” Kraft said. “Let’s say someone wants to spend \$2 to \$5 million on a new bowling-anchored FEC. They’re going to get in the food and bar business, as well as the bowling business. When it comes to the game component, which they admittedly don’t know anything about, the first question out of their mouths is, “What’s your price?”

“I’ve actually told them, sometimes successfully and sometimes not, that Shaffer Distributing is going to be competitive, but even if our price is a little better, I don’t want you choosing us on the basis of a lower price,” he said.

“First, I tell them that they need to select the company they want to do busi-

ness with. Secondly, they have to remember that games aren’t furniture or some other fixed asset. The return on investment is like a stock. They need to ask, ‘Who’s going to help me make money after the sale of this equipment three, four and five years down the road in terms of update information, software, a review of which pieces might not be performing well (and why) and offering solutions or, logistically, helping move your equipment around.’ It comes down to the bottom line and who’s going to service the account after the sale. One week’s worth of collections can make up the difference in equipment prices between whoever the bidders are.

You simply can’t just look at price.”

Bill said he’s gratified by those who “get it,” remarking that installation, backup and support are critical, especially with the amount of money spent on a new family entertainment center.

“That’s the challenge we face,” he summarized. “It shouldn’t be a price war, but more of a competition based on culture. We shouldn’t be cutting each other’s throats on price. The decision for the customer should be choosing who they’re most comfortable with and who will give them the best service.

“I’m not spilling any secret recipe for success,” he said. “In this industry today, there aren’t really any

secrets anymore. It’s competitive and we all know who we’re working with. At the end of the day, we need to maintain the culture that has kept us going these many years and trust that it will resonate with current and potential customers.

“Steve and I talk about it all the time,” he concluded. “Keep your nose to the grindstone. Stay focused. No complacency. Remember to be humble. Put a smile on your face. Be gracious. Be thankful for your company and the people you work with. Love the industry.

“Do this and no matter what comes, we’ll be perfectly fine.”

That’s advice that certainly fits the bill, Bill!

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Scott Shaffer

Refining and Reinforcing Core Values Passed Generation to Generation

Talking with Shaffer Distributing President Scott Shaffer makes you feel as though you're also speaking with everyone who's led the company before. You especially feel the strength of leadership and character of his father, Steve.

There's the focus and passion you want to see, but that's usually lost as the decades flow in a family business, resulting in the great majority never making it to their fourth generation. Scott, affable, intelligent and focused, is passionate about perpetuating — and enhancing — the core values that have served the company so well while modernizing the ways they do business in the process.

Scott, the youngest of Steve's two sons, like his older brother, Andy, grew up working in the business "without knowing you got paid for it," he said. "Andy and I laugh about it now. We'd be back in the parts department or warehouse just working away, but all of that was instrumental in preparing us for what we do today. You know, we still have employees to this day that I worked for back then."

Scott's been with the company fulltime for 26 years, coming on board after college. "I always knew I wanted to be in sales, so it



was a natural fit for me." It was relatively recently that the company reorganized its top leadership, elevating his father Steve to chairman, longtime president Bill Kraft to vice chairman, Scott to Kraft's role as president and George Speakman to Scott's previous job as VP of sales.

While Scott's title no longer includes the word "sales," it's still very much part of his job description and his passion. "I've often told people that if I didn't do this job, I'd rather just sell," Scott said. "Managing is part of the deal, and it's great to have those relationships with our people, but what I really love to do is be customer-facing, solving issues and selling."

What's great about Shaffer Distributing, he said, is that you get to wear a lot of hats and be involved in a number of ways. "A differentiator with our company is that the upper management takes ownership of a lot of the sales process. We have George Speakman

"It's easy to say 'we're customer-facing,' but if you look at our actions, you'll see how deeply committed we are to this idea and why it's an advantage for us when competing in the market."

— Scott Shaffer, President, Shaffer Distributing

and other sales people who handle it, but we get very involved. "

To say the top executives are involved might be a bit of an understatement. When we interviewed Scott in early April, it was his first week in town in 12 weeks.

"It's fine with me, because that's what I love to do. Honestly, 12 weeks was a little excessive, but I much prefer having two or three days each week to be out calling on customers than being behind a desk.

"In the relationships we build, we try not to just have one person that's got a great rapport with that customer. If we can have six or seven throughout the organization — sales, technical support, parts and service — we're happy. COO Chuck Ropke and CFO Kelly Norton share the same belief Bill Kraft and I do that we have connect to our customers whenever we can," he said.

"It's easy to say 'we're customer-facing,' but if you look at our actions, you'll see how deeply committed

we are to this idea and why it's an advantage for us when competing in the market," he said. "It's not an easy task. We have to divide and conquer and I'm not connected with every customer, but we work hard to make sure that someone at the executive management level is connected to every FEC and street customers."

There are interesting dynamics when children grow up and go to work for their parents, and countless tales of how that can be handled, typically with the parent being harder (or noticeably softer) on his offspring than other employees. Not so at Shaffer Distributing.

Scott shared, "What my dad did was tremendous: I didn't report directly to him. That was how he handled it and he gave his people free reign to manage me. I wouldn't say anyone was harder on me, but I felt that expectations were higher. My dad would get involved at the macro level, making sure I understood what was needed to do to earn the

Shaffer Distributing: 90 Years

respect of the people I worked with. It was clear that I was there to do a job and could get kicked out if enough people didn't respect who I was and what I stood for. I had to earn their respect on my own.

"The company I want us to be is centered on relationships," Scott continued, "and I believe business success will come from that. Too often, I think some in our industry try to hurt their opponents and/or strong arm their suppliers. For me, most of my best friends in the world have come from this business, though some are out of the industry now unfortunately. I want to love

doing what I'm doing and beating people up or just being frustrated every day is not what I signed up for.

"Could we beat up our suppliers and probably get a



few more bucks each time? Probably. But at the end of the day, I want to have a great relationship with each

and every one of them personally and for Shaffer Distributing. It's nice to know if we need something, we can call and ask. We're the same way with our people. I don't want to

pound my fist to get results. Sure, they all have a job we need them to do, but I want them to enjoy it to the fullest extent that they can.

One big area of that success over the last few years has been with the burgeoning FEC market. Shaffer has always been keenly focused on the street operator, an emphasis that remains as strong as ever, but they're

spreading their wings and bringing in new people to do so.

"We are very intentional about bringing in people from outside of our business," explained Scott, "Our long-term employees — and their experience — are irreplaceable, but they're weighed down by decades of beliefs of the way things ought to be. So, we've tried to marry that by bringing people in from outside with completely fresh ideas. Some of those have worked and some of those haven't, but we're going to keep that as a focus."

The rate of change is accelerating in all aspects of business life and margins are tighter than ever so the Shaffer Distributing infra-

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Shaffer Distributing Company

Shaffer Distributing: 90 Years

structure is evolving as well.

“The old school model was to have five independent, fully functioning offices. In many respects, they all did their own thing. You can’t run things that way today. Especially with the growth in the FEC side of the business, our territory is from Hawaii to Fort McMurray, Canada to Texas, Maine to Florida. It’s not the people within an hour of the office that is our only business. They’re still a big part of our business, but to serve all the others well, we’re centralizing and adding layers of organization we didn’t have before. This includes a mid-management level to oversee things like logistics or our

operations.

“As an example,” Scott said, “We now have a director of operations, Chad Roll, who came to us from Dave & Buster’s. We’ve been able to add people like him who have really allowed the management to be customer-facing and visionary about where we need to go.

“Our industry is by nature a reactionary industry,” he asserted. “Because of that, we have to be very intentional about segregating time and putting effort into being proactive instead of reactive. This has to happen at the managerial level. We’re not where we want to be yet, but I’m happy to say we’re getting there.

“It will continue to

evolve,” Scott continued, “and I think the biggest thing is to embrace the process itself because that’s what will carry us forward from this 90th anniversary to the 100th and beyond. It’s not something you ‘fix’ once and you’re done.

“My guess is that when we celebrate our 100th year, there’ll be a division of our company that doesn’t exist right now,” he predicted. “I sure wish I knew what that was going to be! But I am confident that there will be something completely different that we’ll do then to be successful.

“Don’t get me wrong,” Scott added. “It’s not that this industry won’t sustain. It’s just that you can’t sit

back and be happy about what you’ve got. You’ve got to be pressing forward. So that requires a little bit of a mindset change, one that looks forward and challenges the status quo instead of relying on the past.

What will be part of what they do — Scott’s generation and new people to come — will be informed by the same core values that have sustained the company for 90 years. It’s the overall philosophy that treating people with respect and building relationships will never go out of style, and that the right foundation, no matter what decade or technology comes your way, is key.

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Chuck Ropke

Managing the Small Details, as Well as the Big Picture, Ensures Success

With more than four decades in the industry and celebrating 30 years with Shaffer this June, chief operating officer Chuck Ropke knows a thing or two about striving for perfection to make the company’s customers happy.

“I tell my team, ‘You’re in a skating competition and you’re skating for a 10,’” he said. “That’s what you practice for and that’s what you’re trying to achieve. Your mindset is to skate a 10 and you go from there, but if your mindset is to skate an eight, you’ll never skate a 10. That’s my pitch to them.”

That’s not just a philosophy for Ropke – it’s lived day in and day out, where he could be doing anything from working on a lease renewal for a location, planning out future company goals or everything in between. He compared industry heads to field generals who lead by example. Small details matter.

“Even though I’m COO, I have an OSHA card in my back pocket so that I can drive a forklift,” he noted. “I’m the guy that’s down in the parking lot sweeping up and taking care of the



Chuck Ropke
COO

details with all my little obsessions to make things go well.”

Things like that, he said, are what separate mediocre experiences and companies from good ones.

Of course, Ropke mentioned, that is contrary to popular advice that says,

“Don’t sweat the small stuff.” But that’s not the way to get a 10.

“Really, at the end of the day, it’s sweating the little things that separates a really exceptional experience from a mediocre one,” he said. “You’ll see that in any business you walk into or any experience you have.”

What Shaffer tries to work on is a customer experience as opposed to simply fulfilling orders.

“The more we can work on that and the better experience we can give the customer,” Ropke continued, “that helps create a good and sound relationship and perpetuates into a long-term relationship. That’s kind of the end game.”

Relationships are key at Shaffer, which is no surprise considering it’s a family-owned company now in its fourth generation.

“They’re the epitome of a family-owned business,” said Ropke, who joined the Shaffer team in 1989 as a shop services supervisor after spending nearly 11 years as a service tech with Ace Vending Company. He

“They truly care about their employees. That’s a wonderful gift. We have a lot of people who view Shaffer as home, and we don’t have a lot of turnover in our business.”

That’s been true even through tough times. Ropke mentioned the FEC industry’s recent uptick has been great for business, but the Great Recession of the late 2000s and early 2010s showed the company’s true grit.

“There was a lot of emphasis on navigating those waters – and they were choppy waters,” he recalled. “The emphasis was on ‘how do we get through this and retain our employees?’ There were some issues and tough decisions made, but at the end of the day, it was employees first.”

And he expects it to continue that way well beyond their 90th anniversary.

“I’ve even had the chance to work just a little bit with the fifth generation,” he said, speaking of Andy Shaffer’s son Drew. “I hope to see the fifth generation coming into the business here just to perpetuate it to, hopefully, our 100th anniversary and beyond.”





CFO Kelly Norton

Hand-Picked Financial Leader Embraces Relationship-Centric Values

Shaffer is a family business that makes everyone feel like family. That includes chief financial officer Kelly Norton, who's only been with the company for less than three years – a drop in the 90-year bucket, but more than enough time to feel at home.

He started off in 2004 with Deloitte, spent time with a mobile software startup in San Francisco and began with Shaffer in 2016 (with a promotion to CFO in 2018). He joined the company after being hand-picked by long-timer Paul Westbrook when he was looking to retire.

"I've known Paul for a long time and he has always had enormous admiration and pride for the company and for the Shaffers, as well as for the work that was done here," he said. "Being invited to join the team was



Kelly Norton
CFO

an incredible opportunity and an easy decision – it's a great family, great history and really fun environment. It made a lot of sense to come work with Paul right away, to learn from him, to learn the business and to plan the transition."

It's the best work decision he's ever made.

"Every day is really busy and unpredictable, but I love every minute of it," Norton decreed. "It's the first place I've been where I

really, truly love coming into work every day and look forward to the challenges. It has a lot to do with the organization that the family and all of the great employees here have built over the last 90 years."

That relationship-focused environment spills over to the customer side of things, too. It's simply a part of what they do.

"We're truly a family business, and I know a lot of businesses in our industry are, but we put a lot of focus on personal relationships," he said. "We really care about each of our customers, and the same goes for our suppliers and especially our employees. The rest takes care of itself."

For Shaffer, Norton said, there's an importance placed on making customers successful, which leads to long-term relationships that help the company understand problems that arise and how they can best assist.

It also helps that Shaffer isn't just a distribution company but has routes of its own, acquiring numerous locations along the way and working with street operators directly.

"Obviously the FEC market is strong right now, but many routes are also doing quite well. We are always looking for ways to

strengthen that part of our business," he noted. "It is a very good complimentary business model to our distributing operations and the route experience really helps us understand our distribution customer base better.

"We understand what it's like to own your own equipment, or wanting somebody to help you operate it. We understand the challenges and benefits that come with both."

And with its sizable operation working on different aspects of the industry, Norton said a team approach helps them understand their customers better because they're able to get different perspectives in-house.

It's an important part of what they do and makes everyone feel like they matter – because they do. Everyone at Shaffer is able to take pride in bringing their customers value. It's a tone and set of ideals Norton said is set at the top by the Shaffer family.

"I've only been a small part of the last 90 years, but I believe the company's core principles – focusing on relationships, caring about customers and taking pride in everything we do – those are pretty timeless and I believe they will propel us into another 90 years of success."





Sales VP George Speakman

Selling Customers on a High Level of Engagement & Follow-Through

At Shaffer, it's not just about selling games but selling an idea. George Speakman, the vice president of sales who came aboard as the company's FEC specialist in 2014, says the business is more about selling yourself and your services.

"It's never really been about selling a game to me," he explained, "which I think is what's made us successful over the last five years."

Speakman himself started his career outside of amusements at Enterprise Rent-A-Car, where he said he quickly learned the importance of their core values he still lives by today at a company surprisingly similar to Shaffer.

"Enterprise is a privately-held company on their fourth generation – a very similar background, just on a larger scale," he said. "People ask, 'How's your background compatible to what you do now?' I just believe that no matter what industry you're in, it all starts with the people and the attitude the company has toward its customers and employees.

"When I was brought on, this company was a little behind the times, which sounds strange for a company that's been around since 1929, but we were late to the game in the family entertainment world," he



George Speakman
VP of Sales

said. "I was brought on to oversee the family entertainment center division, which was just me at that time, and learn the business from an outside perspective that would differentiate us in some capacity from our competition."

Recalling his time at Enterprise, Speakman described more similarities between it and Shaffer, saying, essentially – you're just renting a car or buying a game, at the end of the day.

"But it's a little bit deeper in the thought process ... when you're renting a car do you take time getting to know the customer? Do you shake their hand? It's a quick transaction, so when I try to relate this, it's not exact, but it's the thought process of, how can you engage your customer in a couple of minutes at Enterprise, and how can I engage my customer here for a year?"

That engagement – the

personal relationships, the top-notch service – is the key to the whole operation. Without that, everyone would be doing the same thing.

"We're not selling a proprietary product at Shaffer," he remarked. "We're literally selling them the same exact thing. We try to differentiate ourselves in many ways, but you can't on the product. So is somebody willing to pay more because they like George Speakman or they like Scott Shaffer or Chuck Ropke? That's the challenge we're faced with, so we spend a lot of time trying to create long-term relationships with customers that basically advocate for us."

Of course, ever the salesman, Speakman recognizes that their business model and pricing can be a tough sell on somebody that's never experienced it. Asking for an extra \$10,000 or however much more than the competition it might cost to outfit a game room is never easy.

"That's a challenge, because it sounds very salesman-y for me to tell somebody that, and you have to experience it."

He likened it to entrusting somebody to handle your stock portfolio – trusting Shaffer to make the best game investments. "These are return on investment

vehicles and you need somebody who is not going to be the cheap guy and is going to spend a little bit of extra time making sure that we yield the highest ROI for you as possible," Speakman said.

One such way that's been helpful to Shaffer and its customers is a 3D rendering sales tool that acts as a visual for what the game room will look like, how many games will fit and so on. It took almost three years to build an entire database with 200 or so games. Now, if someone asks how many games will fit, he has a more precise answer:

"There's two ways we can do that – the industry standard answer is an average of 65 sq. ft. per game. I think that's kind of a half-hearted way of doing it," he described. "We say send us your CAD drawing and we'll import it into our 3D models.

"It's hard to see what something feels like in 2D," he continued. "We've been able to help customers save a ton of money – recreating an environment where they can swiftly make decisions based on our recommendations."

It's yet another way Shaffer goes above and beyond for the customer – another way to build long-term relationships. The goal, Speakman said, is to exceed expectations.



Sales Rep Bob Muniak

Family-First Culture Inspires Even Higher Level of Care

It all starts with class and integrity. All of Shaffer’s focus on caring about customers and employees, building relationships and having exemplary service can be directed at those two words – it’s just what the company is.

That comes from Bob Muniak, a sales rep who’s been with Shaffer for nearly 20 years after starting in the industry back in 1988 with its competitor Cleveland Coin.

“To do business the right way – with class, takes spe-

cial, quality people,” he said of the Shaffer family. “I wanted to be part of that and soon after I joined the company, I found out just how real that ‘class’ was. You can’t fake that! It seems as though the Shaffers have been incredibly adept at finding like-minded people to bring into their ‘extended family’ of employees.”

It’s part of what brought Muniak to the company. He mentioned his discussion about having a career-life balance with Steve Shaffer when he was brought on.



Bob Muniak

Sales Representative

“He knew I had three young children and I’d be traveling quite a bit,” Muniak recalled. “He told me how important it was that I didn’t miss my children’s activities and said, ‘Don’t let me hear you’ve been missing your

kids’ games,’ giving me the flexibility to make sure that didn’t happen. And hearing that made me want to work that much harder. “That introduction to Steve Shaffer and to the ‘Shaffer family’ meant so much to me.”

Muniak said that businesses are a lot like sports teams that take on the persona of their coaches. “The persona of our company,” he said, “is a direct reflection of the Shaffer family. It expresses the way we do

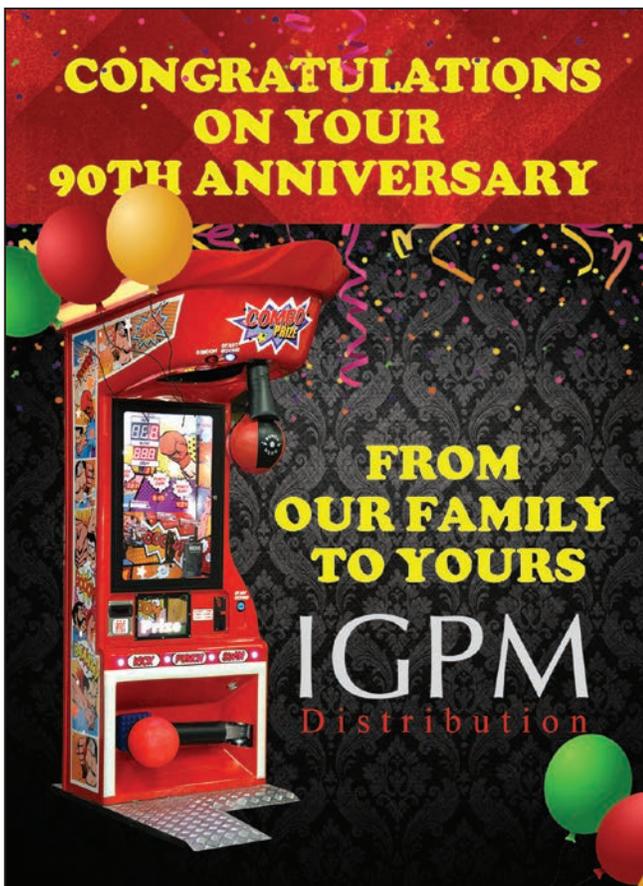
business and how we value our relationships with customers, coworkers and suppliers.”

Taking on that persona means a lot of face-to-face time with customers. Muniak splits his time between his office at the Cleveland branch and traveling locally and regionally to meet with clients.

“Our customers, especially today, want a ‘real’ visit from their salesperson, not just a ‘drop by,’” he said. “They’re looking for a relationship from which they’ll get sound business advice that’s helpful to their bottom line. And I’m happy to give that, and so is everyone else on our team.”

Additionally, he noted, some of their best salespeople are customers. “We have well-respected partners within our industry who feel good about giving referrals. They’re confident that we’re going to do the job well and provide the best advice on investment possibilities.”

With the FEC business expanding, Muniak’s territory has grown as well, meaning more customers and opportunities around the country. And he couldn’t be happier about it.





“If It Ain’t Broke, Break It!”

Provocative Philosophy Frames Andy Shaffer’s Take on Business

To track the Andy Shaffer story, you might first want to embrace his unusual spin of the standard idiom: “If it ain’t broke, don’t fix it.” He turns that upside down and insists that the best approach is to set right out to break it. Even before this was articulated during his countless state association speeches as he toured the country as AMOA president back in 2012, Andy rolled this way.

He broke it when, eager to “plow his own field,” he headed off to Elon University in North Carolina where he was the first Columbus, Ohio, “Yankee” to attend. It seems he was also following this unconventional wisdom when he went from being a recruited golf team member to club lacrosse (learning valuable leadership skills and becoming captain), changed his major field of study from the expected business degree to sports medicine and doubling his GPA in the process, and leading again as a co-founder of the Sigma Chi fraternity on campus.

Leadership and reinvention seem to be at the core of how Andy approaches life and business, no doubt inspired by his father and the others in his family and the Shaffer team. When it comes to the part of Shaffer he helps run with a team of many others, the expansive route, Andy looks for ways to break



“I guess I’ve always taken on leadership roles and thrived in them. Personally and professionally, I believe in actions over words. If you were to interview anybody at Shaffer Entertainment, I would hope that’s one of the qualities they would talk about: ‘Andy’s actions are always backing up his words.’”

— Andy Shaffer, President, Shaffer Entertainment



Celebrating three decades: It’s not 90 years (yet), but certainly cause for celebration as the Shaffer Entertainment gang gathers in front of their Columbus HQ for a 30th anniversary photo last year. Among those holding up three fingers, one for each decade, is Steve Shaffer (left of center in the light colored pants) and Andy (toward the right, also in light slacks).

it into something better and more diversified, a business that can change with consumer tastes and the industry. The very change of the company name from “Shaffer Services” to “Shaffer Entertainment” is a prime example.

Talking with Andy about his path through life and into the business, the pivots along the way, and current operations, it’s clear he’s not one to continue on a path just because “we’ve always done things that way.”

Reflections

“It seems almost rhetorical when you’re fortunate enough to be in a family business, and to have lasted nine decades,” he said. “It obviously takes a gargantuan amount of trust and faith — and a lot of luck — with the industry and the incredible employees. I’d say the superior quality of our employees these last 90 years is absolutely THE secret sauce to our success.”

“Obviously, we wouldn’t

be here if it weren’t for our customers, but I put a lot of faith, trust and love into the people I go to work with every single day. These are the people I know I can rely on, and they know they can rely on me. I think that those characteristics have been amazingly fruitful for the Shaffer family since Pop Estel started Shaffer Music Company clear back in 1929.”

And you can bet Andy learned a lot from his father, Steve Shaffer, the third gen-



The Indianapolis team is joined in the state by two reps who work in Richmond, Indiana, as well as the headquarters in Columbus, Ohio.

eration in this family business story.

“I grew up with my dad being gone during the work week, because he was off traveling, selling vending equipment throughout West Virginia, Kentucky and Southern Ohio. We would say goodbye to my dad on a Monday, and then I usually wouldn’t see him again until

maybe late Thursday night, if we were lucky, or Friday for dinner. So, during our younger, elementary school years, Scott and I were predominantly raised by my mom and grandmother because Dad was on the road living out of a suitcase,” he recalled.

As for as me growing up and aspiring to be in the

Shaffer Distributing: 90 Years

industry, as a young person I looked at it more as an opportunity to spend quality time with my dad. You’re probably not mature enough to realize what’s going on, but you know one thing: When you don’t have your dad for most of the week and you finally get your him for a day or two every weekend, you want to be with him as much as you can. It was a natural desire to spend time with him, whether he was taking me to the golf course and teaching me at age 7 how to shake hands and look people in the eye or going into the office with him on the weekends so he could work for three or four hours. So, I think there was just a natural desire to want to be in the business.”

As mentioned earlier, college took him about eight hours away from home to North Carolina, a life decision he’s extremely proud of.

“My whole desire in getting away was to kind of plow my own field. With so many of us who’ve had the opportunity to go to college, it’s not always about the diploma. It’s about everything you learn from being on your own.”

It was during his Elon years that Andy’s leadership qualities emerged. “One of my greatest achievements was being a founding father of the Sigma Chi fraternity at Elon College. Ironically, my dad and Bill Kraft are both Sigma Chis.

Andy said that it was while he was in college that

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Steve Shaffer diversified the company into operations. “In 1988, Dad was pioneering this incredibly rare and unforeseen concept of a major distributor owning music and game routes. I think he was either the first or was at least one of the forerunners in our industry because it was considered taboo back in those days.” Steve Shaffer bought G.O. Coin, Modern Music Company and Ace Vending Company and ran them under the name of G.O. Amusements in Columbus.

“The timing of the whole merger was immaculate. This all leads to the question of whether or not I wanted to or planned to be in the family business one day. I have to say, yes, I had visions all the

way up through college that I was probably going to have an opportunity to work at the Shaffer Distributing Company.”

Upon finishing school, Andy did return to Columbus. “So here’s a 22-year-old right out of college and I’m the first Shaffer to work in this route company. And, there wasn’t just one operator for me to integrate with – not even two – but there were three different operating companies that previously had been competing in central Ohio for decades that now had to sit around the

table and work together.

“The timing of all this was absolutely perfect for me,” he continued. “I ran routes for two-and-a-half years, starting at the bottom at a time when everybody in the organization was just kind of getting along and working their own little kinks out on the team. It was a great entry point for me.

“The impact of our family’s rich industry history and being put into that melting pot of those three companies all coming together was incredible,” he continued. “There’s no college course

that teaches you the route business!”

A Sandbox For Both

“Looking back,” Andy said, “I’m assuming that other than the business opportunity my dad saw in 1988 of putting those three coin operators together, he had something else in mind, especially knowing his foresight and business acumen.

“I believe my dad was trying to create two sandboxes for Scott and I to ‘play’ in, not just one sandbox to coexist in,” Andy said. “I think he saw the route business back in the late ‘80s as an incredible opportunity because of the cash flow. But I also instinctively believe my dad



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Shaffer Distributing: 90 Years

had the foresight to say, ‘You know what? Andy’s getting ready to graduate in about a year, and this would be an incredible opportunity for the family to have a Shaffer learn the route business from the bottom up.’”

Today, each brother tackles his own side of the Shaffer coin. “Scott and I are equal shareholders in both corporations, I obviously represent the route side and 98.5 percent of the time, I’m focused on the three routes we have and trying to grow that part of our business. Scott is focused on Shaffer distributing 98.5 percent of the time and growing that business. To go back to my analogy, I think we both respect one another’s sandboxes. He has immense personal and professional experience in the distribution business so I trust his judgment. The beauty is that I trust him to run that ship, and I think he trusts me to run this one.”

Talking about the futures, Andy said, “One of the greatest questions asked of me during the very first, formal magazine interview I did when I was AMOA President was, ‘Andy, what is it that motivates you?’ My immediate response was ‘to get it to the fifth generation.’ And so, I think for the benefit of all the employees who work at Shaffer Entertainment, and for the future of Shaffer Entertainment, we have to push the envelope.

“We have to continue to think of ourselves in the entertainment world, and we need to get our heads above the cash box, away from counting quarters, and start thinking about full-blown



Andy Shaffer went to Washington, D.C., in 2013 when president of AMOA, along with other members of the AAMA-AMOA delegation. He’s pictured with his Congressman at the time, Representative Steve Stivers.

entertainment. How do we get more deeply entrenched in contemporary entertainment? Where are the Millennials going? What are they doing? What do they want to go spend their money on?” he continued. “I honestly believe we must evolve as an industry — and I must help push Shaffer Entertainment to the absolute forefront of entertainment, whether that be video, VR or whatever other entertainment experience people are willing to pay for. If we don’t get Shaffer Entertainment to that level, and others too, I think it’s going to be a big challenge to keep any operating company successful long term.”

Andy added, “Speaking of VR, major kudos to the Amusement Expo organizers for their terrific education program. I think having an entire day dedicated to virtual reality and bringing in people from outside our industry is the best thing they could have done. In one seminar, presenters said that in 2018, VR in entertainment generated \$3 billion dollars in revenue, and that by 2021 — so in three years they expect it to be at \$11 billion, almost quadrupling

in 36 months. I would love to quadruple my business in 36 months!”

“But pushing quarters — and I use that expression very respectfully — in and out of pool tables and dartboards probably isn’t going to get us to that level. So, I commend Pete Gustafson at AAMA and Lori Schneider and AMOA for bringing that level of enlightenment and education to the convention. I place enormous value on those Expo classes.

“One of the things I’m most proud of during my term as AMOA president was the change AAMA President John Margold and I helped make to the Amusement Expo. We eliminated the third day of the show floor with exhibits and added a full day of seminars on the front end of the convention. Exhibitors were happier because the floor was full of attendees and the seminars became sold out! This move created many positive ripple effects for everyone involved in Amusement Expo.

“We all get kind of caught with our blinders on, just knowing what we know, and we can only expand so far. I think there’s so much

technology out there that’s overrunning our entertainment world. I love the analogy used by one of our past presidents at Shaffer Entertainment: Either get on the bus ... or get run over by it.

As AMOA president, in every one of my presentations at a state association meeting, I would say: “If it ain’t broke, break it.” I think a lot of the old-school people were probably looking at me thinking, ‘Who does this guy think he is telling me to do this to my business?’ But I would insist that if you, as a business owner, haven’t broken your business model and put it back together again, you need to do that now. Because if you don’t, you’re going to get run over by that bus we were just talking about. I think that philosophy has worked for us in Columbus, Indianapolis and Richmond, Indiana.

“I think the industry is at an exciting crossroads. There’s an opportunity to break the old models and put them back together again. It’s a great time in our industry to do that,” he said. (See the sidebar on route operations today for more.)

Speaking about the milestone of reaching 90 years in business, he concluded: “It’s mind blowing to ponder Shaffer Distributing’s start before the Great Depression, the sacrifices and successes along the way, and the thousands of employees and customers we’ve had the great pleasure to work with. All of us at Shaffer — and the entire family — are extremely grateful to be providing ‘entertainment’ in 2019 and beyond.”

Shaffer Entertainment

Andy Shaffer and his team have taken the three-operation G.O. Amusements and morphed it very successfully from Shaffer Services to its current and broader reaching moniker of Shaffer Entertainment.

Most of the route's operations are in central Ohio and central Indiana. A sizable staff of 32 employees in the Columbus, Ohio, route office is joined by two staffers working the Richmond, Ind., office and another two dozen running Indianapolis and its surroundings.

To keep things manageable and service reliable, Andy said they focus on operating within a 90-minute circumference around each of those cities.

"We try really hard, from a service standpoint, not to stretch ourselves out too far geographically. We take a lot of pride in our service response time, and our goal is to respond to every single service call within 59 minutes," Andy explained. "A lot of times we hit it, but sometimes we can't due to traffic or distance." As a result, he says, they are careful to keep growth contained to an area that keeps them from having to run too far away from home base.

Using his "if it ain't broke, break it" philosophy, Andy is always looking ahead.

"We need to think of ourselves as being in the entertainment business," he explained. "Internally, I'm trying to reframe and rebrand how we talk about and view ourselves. That's one of the reasons we changed our name from Shaffer Services to Shaffer Entertainment. I feel like we are an entertainment company. We don't just provide service.

As an example, in 2013, Andy and Kerry Shaffer of Shaffer Amusement (a non-related Shaffer family) created the Summer Showdown dart tournament. They ran their first event in the spring of 2014. Then, Luke Adams of Pioneer Vending was brought on board to help boost the tournament quality and number of players. "We now have one of the largest soft-tipped dart tournament payouts in the U.S. It's purely designed just for our qualified league players — it's not an open tournament — as a thank you to our thousands of league darters



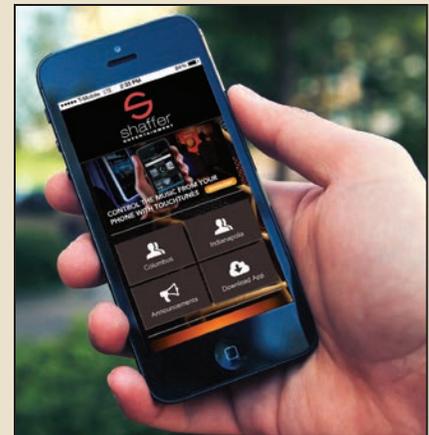
The Shaffer Entertainment front office staff: In back from left, Richard Melton, Robin Neely, Patty Carroll, Bob Davis and Andy Shaffer; seated, from left are Ashley Devol, Betty Woods and Teresa Lester.

leagues throughout four states.

Breaking the mold, Shaffer looks to new technology to open things up even when it comes to more traditional street location promotions like leagues and tournaments. A prime example is the mobile app they developed for their 3,400 pool, dart, *Golden Tee* and *Silver Strike* league players across the company's three routes. Players use it to check their stats and locations, and handle signups. (This debuted back in 2014 and is currently being updated along with the company's website.)

They're also big believers in the TouchTunes app. Andy said the use of it through their Columbus office is among the highest in the U.S., bringing in 62 percent of all music played in those locations. "Without the Touch Tunes app and ability for customers to play and pay through that app, our level of music play would obviously be much less," he advised.

"I like expressing to people, inside and outside the industry, that we are in the entertainment business," he said. "Our job is to entertain people when they go out, whether it's a bowling alley, movie theater, water



Changing with the times: Shaffer Entertainment has an app for league players.

park, roller-skating rink or some sort of virtual reality location. That's our job at Shaffer: to entertain these guys and these girls wherever they go."





Tim Corley, President, Spare Time Entertainment

Fifty years ago, Tim Corley’s father Dick bought a 28-lane bowling center and then began buying one or two more per year in the northeast for several years, even building some from scratch along the way. His 20 “Bowl New England” locations remained very traditional up until the late 1990s when Dick noticed a decline in league bowling throughout his centers. Tim explained, “We saw ourselves flattening out and knew we had to do something different to be successful long-term. It was



Tim Corley

then that we decided to diversify our offerings and become more of a family entertainment center.

They started by adding smaller game rooms and growing the food and beverage

business (well beyond the traditional bowling alley snack bar), turning the traditional locations into BECs. Improvements on the model continued until about six or seven years ago when they made a major shift into being full-fledged FECs with bowling, converting existing locations, selling ones that wouldn’t work well or fit the new model and building brand-new facilities under the Spare Time Entertainment flag. (There are 17 locations today.)

“Ours is a family business: My father’s still very much involved as CEO. I started right out of college and have been with the company 30 years now. My uncle Mike works with us, my sister Heather Provost is the COO and, like me, she’s been here about 30 years, and my brother Chris does corporate and event sales for us down in North Carolina. Spare Time Entertainment is very similar to Shaffer in that it’s a family business. We’ve just got a couple more generations to go to catch up with them,” he chuckled.

A benefit of working with Shaffer Distributing is one the Corleys actually found after they chose them: the family values they have and how they’ve built the business on genuine respect and love for each other. They work well together as a family, including the members of their team.

“We’ve done business

with other distributors in the industry, but about two years ago, our director of games and attractions, Jon Erdman, sent out a request for a proposal for about four or five locations. We were looking to re-do some of the game rooms; in others we were going to start from scratch. Shaffer came back with the best proposal. It wasn’t necessarily because the price was better,” Corley said, “it was really a function of all the extras they provided that their competition didn’t.”

Tim said the plusses started with their involvement with George McAuliffe’s company, Pinnacle Entertainment Group, and consulting with them. “We got a lot of information from both George and Shaffer about choosing the correct game mix, as well as pricing recommendations and things of that nature.”

“Beyond that, the relationship we’ve established with the folks at Shaffer is really near and dear to us because they live up to what they say they are going to do. There is mutual respect between both companies,” Corley explained. “We feel like they were a good fit because we are so much alike in terms of our history, as well as the way we treat the customers, vendors and so forth. It was just a very good marriage from that standpoint and it remains a good fit for us.

“They’re very knowledgeable. Obviously,

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Shaffer Distributing: 90 Years



Team work makes the dream work! In the game room of the newest Spare Time Entertainment location (in Greenville, S.C.) are the FEC's Roger Phillipi and Jon Erdman with Shaffer's George Speakman, Bob Springer and Marty Turner.

they've been in the business for a long time and their level of expertise is hard to beat. And, their service has been extremely incredible," he continued. "From the moment we go through the

process of choosing the games and creating the proposal and the layouts and then the installation. They're top-notch all the way through the process and the follow-up."

Corley asked Erdman what he felt stood out about working with the Shaffer team. "He stressed how, from an operations standpoint, they made hard projects very easy for their customers, meaning that they handled all the logistics, the accommodations, just everything that needed to be done to make the project successful," Corley said. "They worked very closely with Jon so that the whole transaction was as seamless as possible.

"They say 'the devil is in the details,' but it's the people who focus on the details that make the biggest difference. Yes, you have to have a broad overview of certain aspects of your business, but day in and day out, it's taking care of the details that

differentiate you and the other better operators from the competition," he said. "So, as you can see, there was a synergy because of who they are and who we are."

He added, "I've been very impressed with everyone we've dealt with from Shaffer. They have a culture that is very evident through the way they deal with their customers and each other. It's impressive and I think it's the key, playing a huge role in their long-term success because, ultimately, it's all about the people. We're all in the people business."

Corley summed it up this way: "Working with Shaffer just made good sense...and it still does. We're very, very happy with the relationship."

90
ANNIVERSARY

Congratulations Shaffer Distributing!
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Luke Adams, Pioneer Vending, Cincinnati, Ohio

I couldn't be prouder to salute the Shaffer Distributing Company and everybody there.

They've always been class acts and have worked really hard to build relationships that mattered," Luke said.

"We have an interesting dynamic between our two companies. Like Scott and Andy, I'm the fourth-generation in the family business — Pioneer Vending has been at it for 110 years! Over that long a haul, it's inevitable that you'll rub someone the wrong way — that's going to happen — but the Shaffers have built an incredible brand on both the distributing and operating side, running business the right way.

As you'd expect, the distributing side of Shaffer helps the operating side, but they've done a great job balancing that fine line of doing so while still protecting the rest of the local operating community, Luke said.

"They think about the ramifications of their efforts.

"I have a great working relationship with Andy and Scott. I mean, we're rubbing shoulders all throughout Ohio and Indiana, competing in the same areas with their operating company and purchasing the equipment to do so from their distributing company. Saying that out loud speaks to the character of the Shaffers because that dynamic alone could cause issues but they continue to support us. We'll have bars right next door to each other! Andy and I do our best to



Luke Adams

make sure that our employees are not out there messing the markets up or doing things that undermine what each other is trying to accomplish.

"Technically, our routes compete, but I consider Scott and Andy like brothers," Luke continued. "They know a lot about Pioneer Vending and they've opened up a lot about Shaffer. It may not make sense, but we've actually competed by helping each other. We're trying to do things the right way and would rather continue down a more cooperative path than having a sour relationship.

Being fourth generation, Luke, Andy and Scott share the experience of having the "old-timers" weigh in on business matters. "I'm 17 years younger than Andy and 15 years younger than Scott, but we always joke about our dads talking about the 'good old days,' and Bill Kraft, too. One of them will go off on some tangent about how it used to be and it's like, 'Golly, these old timers. If we hear one more story about the good old days, we're going to jump off a

bridge!' That's just one funny dynamic we compare and laugh about: What are our dads are talking about today? What soapbox lecture are we going to get from one of the old timers?"

"But I think that is what's so wonderful about multi-generational companies like ours. You have a rich history and experience to draw from," he continued. "It's a huge advantage. Andy was on the AMOA board of directors and recruited me to join. I remember having conversations with him and the other AMOA directors, and inevitably, there was stuff we

remembered one of our fathers, or in Andy's case maybe from Bill Kraft, about how they would have handled things. A lot of our AMOA counterparts didn't have that. We and a few other multi-generational companies sprinkled throughout the industry have this wealth of knowledge that comes from our families being involved in this business as long as they have. It is a huge advantage."

What some readers might not know is that Pioneer Vending, Shaffer Amusement's Kerry (not related to Andy and Scott) and Shaffer

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Luke Adams, Bob Muniak and Scott Shaffer onboard the “puddle jumper” headed off to go ice fishing. Below, the trio in the shanty where they caught just one or two fish, but had an absolute blast.

The “Ice Fishing” Trip

Not only does Luke and Pioneer compete and cooperate with Shaffer Entertainment, they also buy equipment from Shaffer Distributing. And like with Andy, the relationship goes much further than business with Scott and his team. Luke recounted one fun story:

“Scott had this harebrained idea a couple of years ago to go on an ice fishing trip up near Put-In-Bay along with the salesman I deal with, Bob Muniak. You know, I could stop doing what I’m doing today, and I’d still be friends with Andy, Scott and Bob Muniak. They’re beyond good people and we’ve become really good friends.

“So anyway, Scott has this harebrained idea to go ice fishing. I’ve never been before, but he and Muniak had gone and said it was an absolute blast. And I like to fish so when they asked me to tag along, I thought “Okay. What all goes into ice fishing?” I’ve seen shows where they sit in these little shacks, but asked what you really do.

Laughing, Luke said they told him, “Well, we’re not really fishing, per se. We’re more drinking and kind of cutting it up. And then if



we catch some fish, great, but as far as our wives know, we’re going to go ‘ice fishing.’”

“I talk to my wife, get a hall pass for the fishing trip and head out with Scott and Bob. We get on this itty-bitty, puddle-jumping plane where they fly by sight and they make us put luggage and sit so as to balance the plane’s load. I’m wondering, ‘Are we going to die? Is this safe?’ But they’re confident it’s all good. After all, they’ve done this once before so apparently now they’re ice fishing experts.

“We make it to the island and the next morning, we go ice fishing. It was just as they described it: sitting in a little shanty, talking, laughing, having drinks, and occasionally getting a bite. We ended up catching one or two fish the entire day, but the fun was spending time together.”

Entertainment work together on a big dart tournament called the Summer Showdown.

“People always ask about why we’re doing something collaborative with them in the very markets where we compete,” Luke explained. “The truth is, Kerry and Andy do it the right way — there is real synergy between our companies. We’re all rowing for the same goal. At the end of the day, there are enough taverns, FECs and other locations to go around for everyone to be happy. And they don’t really try to undercut their competition or work a backdoor deal. It’s been a fun partnership and the Showdown is an event I look forward to every year because we get to spend a couple of days together.

“Andy is definitely the ‘iron fist’ that drives a lot of it,” he continued. “He’s a very energetic and ambitious person, and that personality is infectious. It’s great to be around and he’s been a great mentor to me as I look at what they’re doing and how they’re expanding their footprint.

“When I think of all the other distributors and the people we deal with, Shaffer stands out. Their people are the kind you can call and talk to even if it’s not directly about business. Overall, Andy and Scott and the rest of the Shaffer team are great, all-around people to do business with and to be friends with. I’m definitely proud to be a customer, share territory, and compete in Ohio and Indiana with them.

“I wish them all a happy 90th Anniversary!”



George Smith, President, Family Entertainment Group

Long-time arcade specialist George Smith not only has a long history in operation, design, game selection, acquisition and just about every aspect of running a fun center, he's also got a long history of working with members of the Shaffer Distributing team.

"I've known them for nearly 40 years," Smith said, "working most recently with Scott — and of course, Bill Kraft has always been wonderful to work with through the years. As Family Entertainment Group was starting, they were incredibly helpful.

"One of our first large locations was the Kalahari Resorts in Sandusky, Ohio," Smith recalled. "They helped us with all that, including ways we didn't expect. At a time when we had limited resources, they kept their crew there to help set everything up. They've always gone the extra, extra mile. But that's the way they are."

He specifically recalled back when Shaffer Distributing bought the Cleveland Coin Machine Exchange distributorship and FEG bought CCME's operating group.

"Since I know the Cleveland Coin principals Ron Gold and Herman Fox well, I can tell you they had nothing but respect for how the Shaffer organization handled the transactions. It was a complicated deal and



George Smith

the Shaffer team just rolled with the punches, never with a cross word, working to ensure it went as smoothly as possible for all parties involved, something they didn't have to do. There were a lot of Cleveland Coin distributing employees who went over to Shaffer, and many of them are still there," he said.

"Frankly, I can't think of a time when I've heard anybody say a negative about Shaffer," Smith said.

With very strong, experienced and resourceful competitors out there, we asked Smith what differentiates the service FEC customers get from the Shaffer Distributing team.

"They aren't looking for the last penny on any transaction they're doing. They are focused on bringing the right people and right resources to bear, and doing it with grace," he said.

"When you work with them, the feeling is more like you're dealing with a close friend than another business. That makes a huge difference. Our industry is very close and can be 'clubby' in

certain ways, but there's obviously a competitive streak running throughout. Even so, they remain a class act.

"It runs all the way through the organization — it's quite literally in their DNA — from Scott and Andy's father and their grandfather. It's behind everything they do. Their salesmen, like Bob Muniak and George Speakman, are very knowledgeable," Smith continued.

Chuckling a bit, Smith said, "Maybe it's not such a good habit for a salesman to have, but they can't tell a lie. If you ask them if they'd buy a particular product, as much as they want to sell you the game, they're not going to lie about it. That's

a pretty rare thing.

"Shaffer is a family business at heart," Smith said, "And time and time again, whenever there is a disagreement or issue, they handle it with class. They remain humble, they work hard. When they need to press in a situation, they keep it low key. The message of class runs all across the company. They're examples of how you'd want your kids to be and conduct themselves."

Smith concluded, "If someone were to ask me if I would recommend Shaffer, I would without question. There's nothing holding me back. They have an impressive track record. Whatever they say they're going to do, they're going to do."

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David George, President, Bell Music Company, Akron, Ohio

David A. George is the third-generation owner of Bell Music Co. of Akron, Ohio, which was founded by his grandfather Edward George in 1935 and then run by his dad David R. George. Not only is Bell Music a third-generation operation, it's also a third-generation customer of Shaffer Distributing.

With a little over 700 locations, Bell Music runs an expansive route of the "block and tackle" of street stops: jukeboxes, pool tables, darts and ATMs with some cranes sprinkled in. They also do a lot with tournaments and leagues and have about 2,000 players in a dart program they built from the ground up using Arachnid boards.

"We do almost all of our buying from Shaffer," George said. "It's really a twofold situation for us. On the business side of things, their honesty and integrity are unmatched. When they tell us something, we believe it, and we act on it



David George

right away. In fact, they're so good at what they do that we don't go to the annual shows very often. With Shaffer, we're always kept up to date on current product and we trust their judgment.

"On the personal side, for three generations we've built relationships between the George family and Steve and Scott Shaffer, as well as Bill Kraft. They really are like family to us and we enjoy our special relationship. Scott and I play a lot of golf together. Bill was an integral part of my acceptance into the college of my choice and was with me

when I accepted the offer. My son Sammy asks me all the time, 'When is Shaff coming over?' We've shared countless laughs and good times...and look forward to more in the future.

"With the Shaffers, they appreciate your business, but they appreciate your friendship even more. They're simply good people, above and beyond the industry."

When it comes to business, while some operators may have bristled at the idea of a dealership getting into the route business back in 1988, David George finds that a lot of good comes from the Shaffer route that Andy oversees.

"They understand the route business because they're in it. It gives them direct insight into what works on the street and how that varies from region to region in this country. And it's also unlike what works in FECs. It takes a lot of in-depth knowledge and they have it."

He added, "They know the ROI model I need to make a purchase worth my while. Truth is, I can't remember a single time in the last 20 years that they've brought me a loser. When they come to us with product, and say, 'Hey, you've got to buy this,' they've been right every time. Their batting average with me, is 100 percent," he said.

"The trust we have in them is what has enabled us to confidently deploy our

capital to maximize our revenue. They've directed us time and time again into new markets and convinced us to try profitable products we may have missed without their sound advice. The support they provide after the sale is second to none and makes it easy to make a large commitment to a product," he explained.

David George has a lot of confidence in the future health of the route business. "I think as long as we have music, we'll be fine. Music does concern me a little bit as the technology changes, but I think as you'll see around the country, ours is an industry of consolidation. While the amount of money we make per location goes down every year, changes in operating technology means it takes less to service these accounts, and so on. As I continue to grow our business internally and through acquisitions, Shaffer Distributing becomes more valuable by the day."

He added, "If it was not for the wonderful industry we share, we never would have made the lifelong friends we have from this truly amazing company. We don't view them as a vendor to our company. Instead, they're close friends who also happen to be our main supplier."

He concluded, "We raise a Captain and Diet and wish our dear friends another 90 years of business and personal success."

from one "industry old-timer" to another:

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Jim Bennington, National Games, Bowling & Redemption Manager, Lucky Strike Entertainment

When you ask Jim Bennington how long he's been working with members of the Shaffer Distributing team, he laughs, "Well, I joined Lucky Strike on April 19, 2004, and I probably called sales rep Byron Howard on the 20th!" (The backstory is that Shaffer had been one of the primary distributors for Lucky Strike founders Steve and Gillian Foster and Kevin Troy's earlier project, Jillian's Entertainment. When that business ran its course, they refocused their energies and created Lucky Strike.)

"So, the relationship with Shaffer was actually nothing new," Bennington explained. "They were out of convenience and opportunity, but that doesn't mean we were 'settling' in any way. Lucky Strike started working directly with Shaffer in 2004 on a project and, quite frankly, they've been the only distributor we've consistently done business with since."

He continued, "They were able to meet our needs, understand our organizational goals and apply their skillset at the right time. And that's the consistent message right there: We design it, we create it, we know what we want, we go to them, they help populate the lists and deliver the expectation. Through selling equipment, they make a commitment to us as the buyer that they're going to back up what they



Jim Bennington

sell. And they do. As soon as we place an order for a new piece of equipment, they are populating the parts shelves and educating their backend team on the support element and other critical needs."

Bennington is keenly aware of the consolidation and reduced ranks within distribution, but still realizes the essential role they continue to play in the industry.

"What makes distributors so important, especially today, is that most manufacturers don't have the bandwidth to support the number

of operators that are out there when it comes to parts and service support. It's vital to have distributors to feed that frontline, strong enough to use their relationships with the manufacturers to bring change to the forefront," he said.

"When I talk about Shaffer and innovation, they're problem solvers," he continued. "Manufacturers don't necessarily turn on a dime, so Shaffer's COO Chuck Ropke is a genius at identifying a problem, coming up with a solution that at least bridges the gap until manufacturing can catch up. Their service team executes with intent. That's innovation in action. It's awesome to see how adaptive their team is to changing conditions in the field.

"And then there's Shaffer's Doug Schudel. He's a walking encyclopedia of amusement repair. He's just absolutely unbelievable

and I'm proud to say that Doug is involved in every single one of Lucky Strike's openings and I wouldn't have it any other way. It's support and commitment that Shaffer brings to the table, in addition to a wealth of experience that goes unappreciated in a lot of what businesses do day to day."

Lucky Strike's and Shaffer's core values are well aligned. Bennington said, "We work off of the principle that consistency creates credibility, and Shaffer consistently rises to the occasion. We've put them through hell, and they've not disappointed.

"What I mean by that is that every Lucky Strike project is a hand-crafted concept," he explained. "It's not a cookie-cutter box that gets dropped in place with the same 5,000 sq. ft. with 90 games in the exact layout or format. Since each one of our footprints is unique, we have to engage Shaffer early on in those developmental conversations, and they take a copious amount of notes. They do site visits. They work the process alongside of us, so that as we design it and develop it, we can insert their skillset at the right time, the right place, and the right environment."

He continued, "They're strategic about their involvement in each Lucky Strike project, and it's fantastic because it really starts with the top and works all the way



Lucky Strike's Jim Bennington with Shaffer Sales Rep Byron Howard at an AAMA Annual Meeting and Gala a few years back.

Shaffer Distributing: 90 Years

through each level of their organization. Scott Shaffer is involved in coordinating manufacturer support and response, Byron Howard in coordinating acquiring the game package details, and Chuck Ropke orchestrating the vortex of deliveries, installation and manpower. They've got a wonderful logistics manager, Kim Tufts, who's not just shipping a pinball machine from one place to another, she's coordinating container loads — trained, trucked and floated — from all points across the Pacific Ocean to our location in Honolulu, for example. So, for us, it's growing into global logistics based on the projects we design, develop and throw at them.

"In the grand scheme of things," Bennington contin-

ued, "working with Scott in distribution or working with Andy on the operation side, you'll find there are two equal halves run with the same integrity. It all starts with the question of 'What do we have to do to make this right for our customer?' and then how to balance it on the backend with support.

"This might be surprising, but they've never made a bad suggestion," he said.

"The Shaffer group provides diligence at every level, not just from 'Can I sell this to you, can I deliver this and can I set it up?' but 'Can I support it and help you make more money with that device?' Part of how they do this is by sharing experiences from their other clients," Bennington continued. "That's another one of

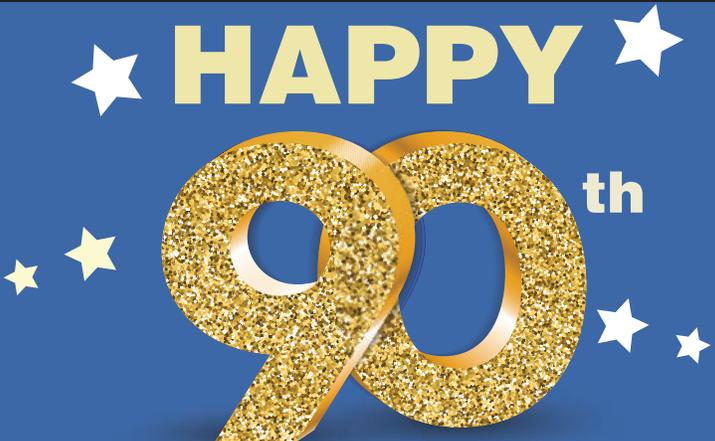
the benefits of being adopted into the 'Shaffer family.' Everyone has a common ground and they make sure to share information when it's appropriate. That transcends all levels: here's what's new and exciting in the industry, here are the successes that we've had in the industry, and here's some things to be aware of.

"Thinking about it from a generational aspect, you look at Scott and Andy's father Steve Shaffer, and the people he surrounded himself with — Bill Kraft and retired CFO Paul Westbrook, for example. There is really a generational continuity to the organization that Andy and Scott now maintain and drive forward. They also have to maintain the 'be humble first' culture and from my

experience, they do an excellent job at that. It's a deep embrace of the thinking that 'We're only here because of the client and we can perpetuate our own success only if we're doing it with integrity and quality work.'

"This new generation has already had a positive impact on that legacy. Their infrastructure support is stronger than it's ever been before, and that streamlines the business. They're not dying on the vine, they're growing on it!"

Bennington concluded, "Lucky Strike has been one of the recipients of Shaffer's good work on the amusement side, and they continue to drive it forward. That's what makes it very easy to be a partner with them. Happy 90th anniversary to everyone at Shaffer!"



HAPPY
90th
ANNIVERSARY!

Here's to many, many more!

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Kerry Shaffer, President, Shaffer Amusement & Vending Company, Dayton, Ohio

That's the other Shaffer you're trying to reach." That's a common refrain when you're operating in central Ohio, no matter which Shaffer you happen to be. Why? Because Kerry Shaffer's Shaffer Amusement & Vending route is headquartered in Dayton, about 70 miles from Shaffer Entertainment's Columbus and Indianapolis offices. In short, they're two separate companies.

"It's ironic that with the many ways you can spell Shaffer that our names are spelled the same when we're geographically so close and in the same industry," Kerry said. Has he ever dug deep into geneology to see if the two families are related somehow? "Truthfully, I've never looked into that and don't think we're related," he said, "but since my father was born in Dayton and the Shaffers are from Columbus who knows?"

"My dad, Herschel, who's since passed away, started the company in 1953. Everybody called him 'Pick,' a nickname he got because he'd always eat pickles out of the barrel in front of his father's convenience store. First they called him Pickles and then they shortened it."

Before he was an operator, Pick was a location owner. "My dad originally owned a couple of bars and back then, the bar and tav-



Kerry Shaffer

ern owners would get together about once a month to meet. Dad started getting into operating jukeboxes and because he knew a bunch of the other tavern owners, we just matured and grew," Kerry said.

"I got started in the business in the late '70s and still remember the first time I ever met anyone from Shaffer Distributing. It was one day when Steve Shaffer and Bill Kraft came in to call on my dad." Kerry worked with Steve and Bill and, as Steve's son Scott entered the business, he started dealing with him. "We've been doing business with Shaffer Distributing for a long time."

Kerry's route consists of about 300 locations, mostly restaurants and taverns where the main focus is on darts, pool tables (along with leagues for both) and jukeboxes. "We do have a few chains we deal with," he said, noting that Georgia operator Gaines Butler helped him get into some Waffle Houses. They've also added ATMs to their

operations.

While he buys equipment from Shaffer, he also competes with Steve's son Andy who runs their Shaffer Entertainment route. But just as the dealership cultivates good relationships, so does the route and the "two Shaffers" compete cooperatively.

"You know there are some great operators out there and Andy's one of them," Kerry said. "We talk a lot. I don't think it does any operator any good to go out and try to underbid peo-

ple on routes these days. It's a tough world and the price of equipment is high. You want to try to get the best possible deal with your locations and Andy sees it that way as well.

"Andy and I also serve on the state association (OCMA) board together so we talk on a regular basis," Kerry continued. "We look for ways for all of us to do well. One of those ways is through the Summer Showdown tournament we put on together, along with Pioneer Vending's Luke



We're happy to salute you on your 90th anniversary, but even happier to count you as long-time family friends. To everyone at Shaffer, we send our very best wishes!

Your friends at



Shaffer Distributing: 90 Years

Adams, another like-minded operator around here.” In addition, Kerry said they also do a pool tournament together. One year they’ll send their team to Columbus to play one of Andy’s teams, the next year, Andy will send his team to Dayton. “We have a good little thing going on. It’s friendly competition. It’s the same kind of relationship with Luke, too. I’m surrounded by Pioneer and Shaffer... They’ve got the wagon surrounded!” Kerry laughed.

On working with Shaffer Distributing, he couldn’t be more complimentary.

“They’re a company that gets five-star ratings. If you could earn a six-star rating, they would get it,” he said.



Kerry Shaffer with Andy Shaffer and TouchTunes' Tim Lacey at the 2014 Summer Showdown dart tournament that Shaffer Amusement & Vending, Shaffer Entertainment and Pioneer Vending put on together.

“Even when they sense there’s something wrong, whether that’s on their end or ours, they work to understand what that issue is and stay on it until they get it resolved.”

There’s also comradery and friendship. “I’ve had Scott Shaffer and Bob

Muniak down to visit me for a weekend of fishing at my place in Florida. We have a close relationship and that’s really the kind of company they are.

“I don’t think we’d be where we are today if it wasn’t for Shaffer Distributing. Over the years, they’ve

really helped us out with equipment, suggestions, talking to us about our route and sending us in different directions. In fact, they’re one of the reasons we got into the ATM business a few years ago.

“Their 90th anniversary is certainly something to be celebrated. They work hard and deserve the recognition,” Kerry said.

“I think what sets them apart and has made them successful is that somehow they always seem to find the right answer. When times are tough and things are looking a little south in the industry, they come up with a solution somehow. They should be very proud of their company. They’ve done a great job.”



Congratulations to Shaffer Distributing!

The Ohio Coin Machine Association takes great pleasure in recognizing Shaffer Distributing Company on their 90 years of service to Ohio’s operators and the entire country.

Shaffer Distributing has been, and continues to be, an integral part of OCMA since its inception in 1974.

We thank the entire Shaffer Distributing Team for your service and support. May you have another successful 90 years!



Shaffer Distributing: 90 Years

Jeff Benson, CEO, Cinergy Entertainment Group

We have to start with the obvious play on words and note that there's a synergy between the Shaffer organization and the Cinergy Entertainment Group. In fact, such synergy is a recurring theme as we've talked with some of the key companies in both the route and FEC worlds in which Shaffer sells.

We caught up with a very busy Jeff Benson, CEO of the theater-anchored entertainment company, right as his most recent location was opening in Tulsa, Oklahoma, to tell us about what doing business with Shaffer Distributing has meant to him and his organization.

Jeff said they first hired Shaffer when they were working on their Odessa, Texas, project, which opened on Nov. 1, 2016. About a year prior, they began talking with game distributors, interviewing several companies. Benson said, "I will tell you that it was Shaffer's attention to detail and focus that won them the bid."

He continued, "It wasn't the pricing that was the difference. When you're buying a million dollars' worth of games, everybody's pricing is going to be within a fraction of a percent. What it really comes down to is the relationship you build and the customer service provided.

"I can honestly tell you that Shaffer has won our business back over and over again with the personal attention shown during the planning, installation and post-sale phases. I've really got to hand it to Scott Shaffer, George Speakman, and the whole Shaffer team. They have gone out of their way, bending over backwards to do whatever it takes to help us and to make us feel like we are their only client. Shaffer has been a fantastic partner."

Benson concluded, "I know other vendors would love to have a shot at our business, but we have no reason right now to change



Jeff Benson

because they have done everything we've asked. Our Odessa project was big, as was Amarillo and now Tulsa, which just opened. All of those projects have had million dollar-plus game rooms and Shaffer has been exceptional to work with on all three. The result of that has been not only amazing game rooms, but also lasting relationships and a happy customer."



CONGRATS!!!

Here's to the Next 90!!!

— your friends at Raw Thrills



A BIG Thank you

The Shaffer Distributing Company wishes to thank its valued employees, customers, suppliers and our countless friends in the industry. Its been a long journey, and many more miles to go.



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