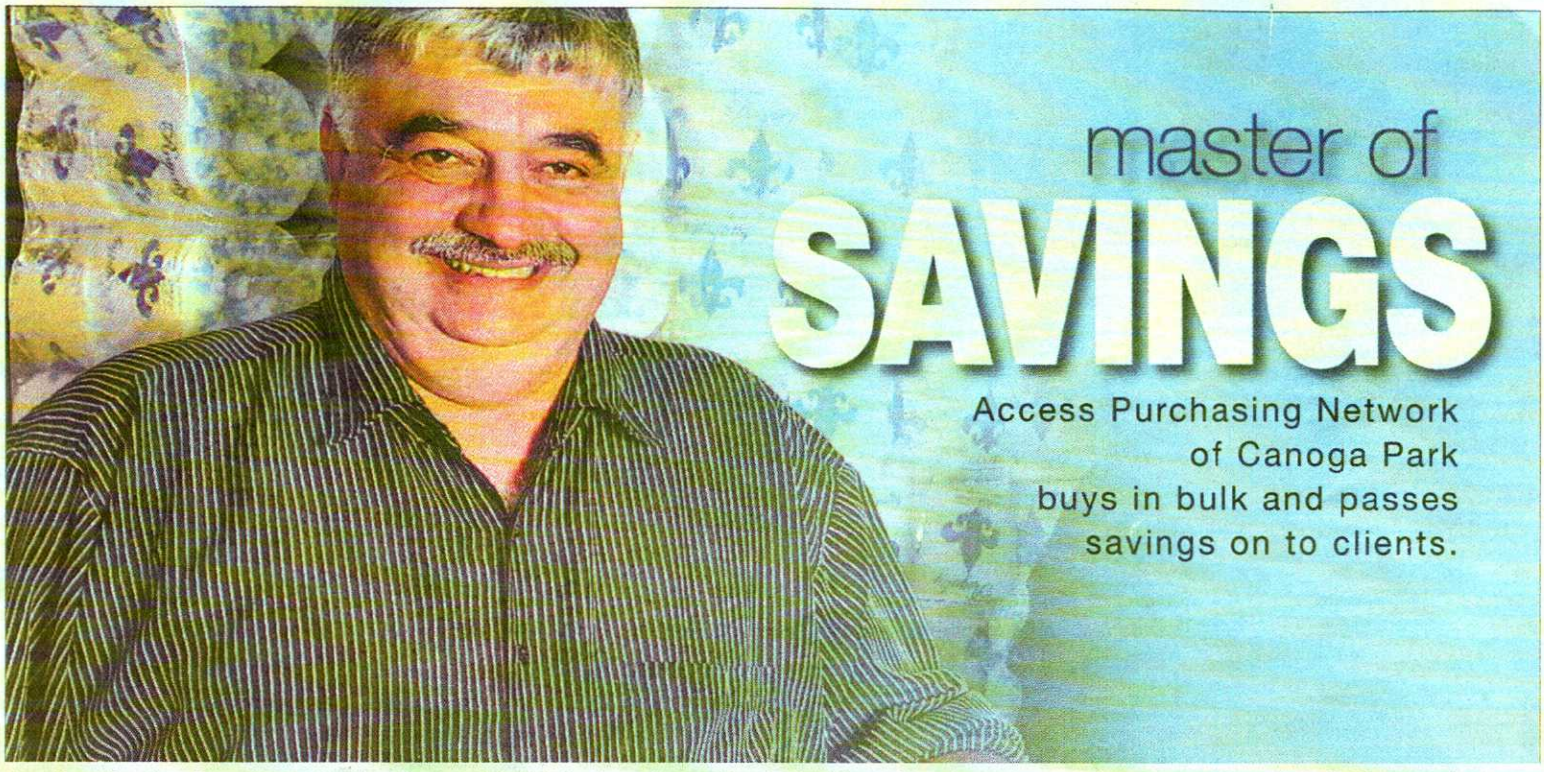


master of SAVINGS

Access Purchasing Network of Canoga Park buys in bulk and passes savings on to clients.

Supplies: Kos Noori has changed the business model of his business Access Purchasing Network to give more control over the products they distribute to clients.

By JUDY TEMES *Staff Reporter*

Kos Noori discovered he had a penchant for saving people money as a college student cleaning toilet bowls at night.

Frustrated that the cleaner he was using didn't do the job well enough, he called the chemist of the company whose product he was using and discovered he could get the job done in a quarter of the time by substituting the toilet cleaner with stove cleaner. He got the job done in two hours instead of eight.

His boss was so impressed he made Noori his purchasing agent on the spot, where he was able to cut his employer's purchasing costs in half and boost the building's efficiency.

"I didn't even know what a purchasing agent was," recalls Noori, who immigrated to this country from Iran just two years before this incident. "But I was happy. I didn't have to clean the toilets anymore."

In the years since, Noori has turned his purchasing skills into a $25 million business. By buying bulk, Canoga Park-based **Access Purchasing Network** is able to save its clients anywhere from 30 to 55 percent off everything from toilet paper to construction suppliers and copiers.

"He's like a one-man Costco," said **Scott Mitchell**, a one-time client and friend.

Now, with his 20-year-old son **Jonathan Noori** joining him in business, APN is growing again with a new warehouse, new trucks and a new line of business supplying janitorial companies. Later this year, the father-son team plan to expand into medical supplies.

His clients call him a genius at saving money.

Ambrosia Harwood, the accounting manager at a Beverly Hills talent management company said Noori saved her company $30,000 last year on FedEx and another $12,000 on rented furniture.

"The guy is amazing," she said. "Everything he touches turns into gold."

Access Purchasing Network

FOUNDED: 1992
HEADQUARTERS: Canoga Park
NUMBER OF EMPLOYEES 2010: 65
NUMBER OF EMPLOYEES 2011: 65
REVENUES IN 2010: $13 million
REVENUES IN 2011: $15million

Lessons learned

While most clients love the savings, Noori has learned the hard way that not everyone actually wants to save money.

Purchasing agents inside some big companies don't want to be showed up by the savings he can produce. For others, a savings one year can lead to reduced budgets the following year.

"Once I had a client who said to me, 'Stop saving me money. I'm tired of hiding it.'" Noori said.

It's made growing his business a bit of a challenge. Mitchell once introduced Noori to the head of purchasing at a Valley college. "We got lip service, but when it came down to it, we hit a roadblock," Mitchell said. "The guy did not want to be upstaged by Kos."

With his son Jonathan joining the business, Access Purchasing now is trying a new business model. Rather than taking a percentage of what he saves his clients — as he has done for more than 20 years — they are buying bulk on their

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own account and reselling the goods.

"I wanted us to be more of a distributor," Jonathan Noori said. "I love the idea of owning our own delivery trucks. This way, when a customer wants something, we can get it to them immediately."

It's a riskier business model. APN has to lay out the money to purchase product and be able to resell it to its clients. If, for whatever reason, those clients don't come through with the order or don't pay, APN is out of its investment.

But Noori and son say the new model also gives them more control. By warehousing what they sell and having trucks on hand to ship at moment's notice, they can deliver goods on a moment's notice. "I recently had a client who said we forgot to deliver lime. I personally delivered it to them two hours later," Noori said.

The new APN warehouse, an 11,000-square-foot facility facing Canoga Avenue, houses everything from cleaning supplies to customized shopping bags, paper, stationary and toilet paper. So much toilet paper, in fact, that Jonathan's friends have taken to calling him the "TP King of the San Fernando Valley". The division he launched for APN —SoCal Janitorial Supply — supplies 80 percent of the portable toilet companies in Southern California, according to Jonathan Noori.

There is almost nothing that APN cannot source, his clients say. From computers to tile, windows and office paper, Noori seems to know just where to find a bargain. He will even offer you a deal on storage by renting you his own warehouse space.

Young entrepreneur

Noori took to being an entrepreneur early in life. After his first year as a purchasing agent while still in college, Noori launched a janitorial business. Within one year, he was clearing $5,000 a month after taxes and had six employees and several major building owners as clients in West L.A.

His father, a judge in Iran, quashed the fledgling enterprise.

"He said, 'I didn't send you to college to be a blue collar worker,'" Noori said. "We argued and I finally said, 'Ok, I'll sell it.' I wish I didn't listen to him. I could have a billion dollar business by now."

After finishing college, he went to work as a purchasing agent. At first, he said, he didn't even know what a requisition was. He simply looked at the invoice and tried to study what was what. By his second month on the job, he learned to ask every single vendor for a minimum 15 percent discount. By his third month, he was saving his employer 30 to 40 percent off everything they bought.

Working for clothing manufacturer and retailer **GUESS**, he discovered that instead of paying someone to haul away trash, someone would actually pay the company for the privilege of taking the trash off its hands. "They were paying $235,000 a year," Noori said. "I turned it into a profit center with a net positive of $135,000 a year."

By 1992, with two small children at home, he decided to start his own business —primarily because he missed seeing his sons. He started out with a few clients from the maid's room in the family home. His big break came from Spelling Television, which hired him as an outside purchasing agent in the early 1990s. By then, Spelling was part of **Viacom**, but even as part of a large corporation, Spelling couldn't get the deals Noori was able to secure, he said.

"They're inside. They don't see it. They're bogged down with so many other things. Also, they are negotiating for one company. I negotiate for thousands."

His compensation was 40 percent off everything he was able to save the company, which is how he wound up with the business model he had for more than 20 years.

The Spelling deal led to dozens more entertainment industry clients. In mid-conversation, he reaches into his desk and pulls out a folder of thank you letters from clients, who are some of the biggest names in the entertainment industry.

Secrets on saving

If there is a secret to saving clients money, he said, it's to be honest with vendors.

> "I didn't even know what a purchasing agent was. But I was happy. I didn't have to clean the toilets anymore."
>
> – *Kos Noori*

"Don't lie to them to get a lower price," he said. "Don't tell them you plan to buy 10,000 and then only buy 2,000. Your reputation for dishonesty will spread."

His other weapon: know your vendor's weakness. "If you are buying water and you have a vendor who you know wants to get into Arizona, use that to get yourself a better deal." He once used that strategy to not only get a deal on commercial vacuum cleaners, but to start a small business with two of his clients selling the vacuums.

Today, APN is organized into four divisions: SoCal Janitorial Supply, which under Jonathan Noori's leadership, is the fastest growing unit, expected to do $8 million this year; SoCal Auto Supply, another $8 million unit growing at about 20 percent a year with 250 car dealerships as clients, including some of the largest dealerships in the region; Access Purchasing, which Noori said was flat with about $5 million in revenue and APN Business Resources, a wholesale division that sells only in large quantities and is shrinking, according to Noori, and may be shut down.

"It's been hurt by the economy," he said.

With the janitorial division taking off, Noori has, in some ways, come full circle. His son reminds Noori a bit of himself at that age, a young entrepreneur hustling to get ahead, though Jonathan had the added advantage of building on a solid foundation, rather than starting with nothing, as his father did.

"I started with one account — **Allstate** (Building and Office Maintenance Inc.) — but then I started cold calling and it was discouraging at first," Jonathan Noori said. "But I kept working on it, and then another client came in and then another." In just 18 months, he was able to get 100 clients, he said.

So what has he learned from his father? "I learned you have to be careful," he said. "You can't be so nice....You have to know who you're dealing with."

But from years of watching his father, he's also internalized the most important business ethic: hard work. "I've been waking up at five and working until eight since I'm 17," Jonathan Noori said. One day soon — he's hoping before he turns 30 — he'll be able to just retire and play golf.

"Like those country club guys," he said, "I'd like to retire and just manage my properties."



PHOTO BY THOMAS WASPER

Purchasing: So Cal Janitorial Supply CEO Jonathan Noori, aka The Toilet Paper King, poses near a pallet of his company brand toilet paper rolls.

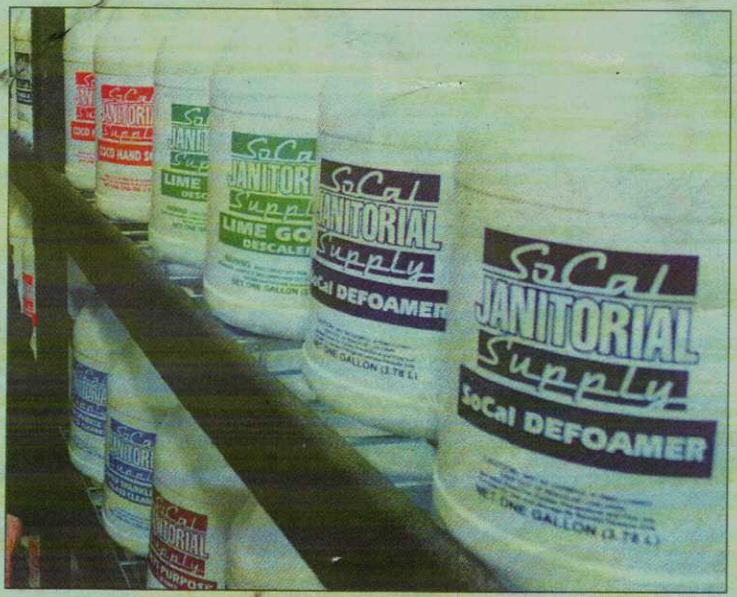


PHOTO BY THOMAS WASPER

Clean: Noori and son Jonathan started APN's janitorial supply division in 2010.