

# 123 Refills: Online and In Store, Business is Booming

by Dan Mooney • Recharger Magazine

**D**imitris Constantinou's entry into the imaging aftermarket boiled down to a matter of economics. As a student at the University of Southern California in the late 1990s, Constantinou bought a printer and was stunned by the price of the accompanying inkjet cartridges.

Fueled by sticker shock, Constantinou learned to refill the cartridge himself. Eventually while attending medical school, he went into the ink refilling business online with less than \$1,000. He'd go on to earn his degree in medicine, but decided the business world was where he wanted to stay. Subsequently, 123 Refills, an online company was born.

Constantinou, 31, is now looking at the brand becoming a fixture, both as a noted online selling machine and as a franchise model.

In 2003, he founded Easy Group, LLC; 123 Refills operates e-commerce in the United States for Easy Group.

Expansion of the 123 Refills name has been rapid. The company has experienced double-digit or triple-digit growth every year since it started and Constantinou is looking to expand the name, both in the U.S. and overseas.



It's a long way from his start in the refilling business. In 2001, Constantinou conducted an "unscientific survey" asking about a couple hundred USC students if they had either refilled a cartridge, bought a refilled cartridge or even heard of such a thing. "About half of them had never heard of it. At the time, I thought that was my main target customers, university students. That's when the light bulb went on and I decided to start my own company."

The inspiration for the franchise happened while he was still in med school. Constantinou received a visit from his father, Andrew, who had traveled from Greece. "I think his goal was to get me to focus on medicine and stop selling ink on the side," Constantinou said.

"I remember the day clearly as I walked out of my apartment on my way to the hospital for a medical rotation and asking my dad if he could answer some e-mails for me while I was away. I came back the next day and found him deep in thought, having just spent a few hours taking a closer look at my business. Evidently another light bulb went off and that was the launch of the 123 Refills franchise."

Andrew returned to Greece and opened the first 123

Refills store in 2004. Within a few months, his brother Chris opened the second location.

Andrew is now the CEO of 123 Refills in Europe. "With more than 25 years of entrepreneurial business experience, he brings significant value to the brand's growth and promotion," Constantinou said. Chris is the director of business for the European business "and brings with him a significant technical background in cartridge remanufacturing and warehousing logistics," Constantinou said.

In the U.S., there is a company store in Los Angeles selling the 123 Refills line. The rest of business is done online and operates out of nearby Irwindale, Calif. Outside the U.S., 123 Refills is operated out of a franchise store model.

There are 30 stores between Greece and Cyprus carrying the 123 Refills name with more in development. Franchise agreements have been made in Saudi Arabia, Kuwait and Malta and stores are in the development stage. More stores are being looked at in Europe, including Portugal and Turkey.

Constantinou points out that the U.S. and overseas 123 Refills business models have different infrastructures. The most notable difference between the U.S. and overseas models is that the European version does limited online selling, but is looking to expand that reach.

The combining of the two models is one of Constantinou's goals in the expansion of the 123 Refills name.

"By combining them, you're giving a lot more options and convenience to the customer," Constantinou said. "To be able to shop online and pick up in store. It differentiates you from the competition. Our competitors' online presence is usually just a list of locations. Any big business in the United States is integrated online with the store."

In the U.S., 123 Refills distributes product from its own distribution facility in Irwindale. "Having thousands of products under one distribution umbrella allows us to be more competitive in terms of price, speed, delivery and cost of delivery," Constantinou said.

A huge inventory and the ability to navigate that inventory in rapid fashion are two more pluses that 123 Refills emphasizes. There are more than 5,000 products in the company catalog. Among the items 123 Refills has available online is refill kits (including the Uni-Kit Inkjet Refill System, a do-it-yourself kit invented by Constantinou and the first product he marketed online),



**The 123 Refills name is expanding quickly in the U.S. and overseas, largely due to founder Dimitris Constantinou (above).**

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**Above: The inside of a 123 Refills store. Right top: Company headquarters in Irwindale, Calif. Right bottom: The 123 Refills warehouse in Irwindale.**

remanufactured and OEM cartridges and other consumables.

With such an inventory, "123 Refills is able to cater to 99 percent of all printer consumable needs for the home and small-office markets," Constantinou said. "Our compatibility engine helps set us apart. It's a cross-reference tool of all the printers and cartridges and we're talking about tens of thousands of printer and cartridge models. It's not just a list of all the models, but what products interface with those printer or cartridge models. It's better than anything that I've seen from our competitors and it allows the salesperson to immediately identify the printer model and the product that we have to supply for it."

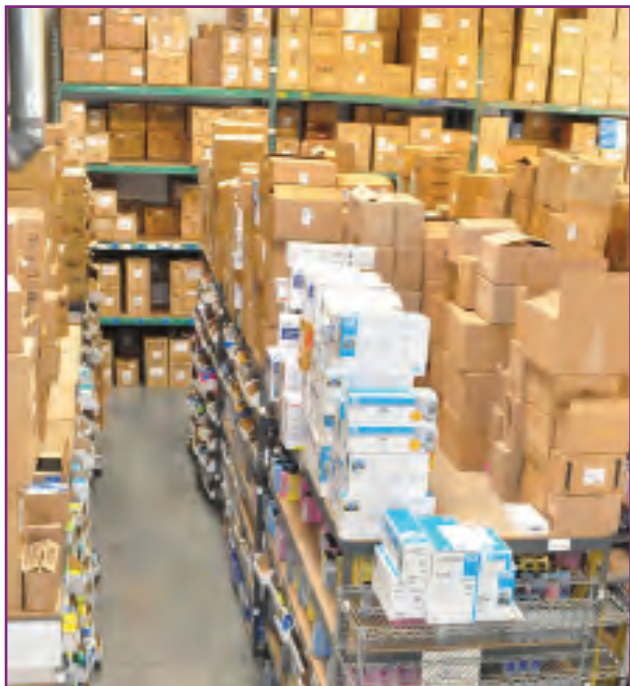
"We share a lot of the same information, same resources, knowledge, testing, R&D and marketing," said Constantinou of the U.S. and overseas models.

The expansion of the store model in the U.S. is coming he assures.

"It's not a matter of are we ready," Constantinou said. "We're ready. It's a matter of what is our store expansion plan for the U.S. going to ultimately be and that's not completely decided yet."

Numbers are up. Expansion is continuing, both in the U.S. and abroad. Today, 123 Refills is growing steadily from the 30-plus locations at which it cur-

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rently stands. So does the doctor ever wish he had stayed on the medicine career path?

“No,” Constantinou said. “I really enjoy what I’m doing with this business.” <sup>®</sup>

Contact 123 Refills at 877-500-0465 or  
[www.123refills.com](http://www.123refills.com).