

The Thinking Salesman Letter

October 1, 2011

Hello Everybody,

Al Brosseau, forty years identifying, setting up and administering distribution networks across the USA, Canada and Latin America as salesman, sales mgr., independent rep and now consultant.

Our Mission:

To openly discuss and challenge all aspects of sales and distribution and to promote the sales profession.

Al Brosseau,
Former President, ALBRO Export & Marketing, Inc.
Former CSI (Vermont chapter) & CDT
CPMR (Indiana U., 2003)
MANA board of directors (2002 to 2007)
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On the Firing Line

*(None of this stuff is made up,
the names may have been omitted to protect the guilty)*

Email received from a contributor on our article on Rep councils (*June 15 & July 1, 2011*)

*Until there is an "ah-ha" moment with a sales manager, or President/owner, and they understand it's an **equal partnership**, and capital investment needs to be done by both parties, this is just not going to be a win-win situation. Rep councils in my experience have been a joke. Principals form them thinking it will help them win over their reps, and their time commitment to their line. They do it with control and underlying threats and intimidation. I have NEVER been involved with a rep council that was fair, balanced, and mutually beneficial. But, as they say, hope springs eternal.*

Contractor's & Manufacturer's mentalities

Since we began working as a consultant, we've worked with well over 200 small to medium size manufacturers. We have noticed that among manufacturers there are two distinct types of mentalities. For lack of better words, we call them the Contractor's and the Manufacturer's mentalities

The Contractor's mentality is where the company is looking for individual deals, "big deals". When such "deals" come around, the management will do anything, including throw their distribution network under the bus, in order to get the order.

These firms are usually:

- Smaller and "run" by a single individual who "oversees" everything. He's always very busy... getting himself out of trouble.
- Without a marketing plan.
- Dependent on government programs because "they don't cost anything". Btw, they use Reps for the same reason.

A manufacturer, who had lost 21 Reps wanted us to find him replacements. We couldn't convince him to look at his own approach. It was the fault of those "ignorant Reps" and "these stupid distributors who didn't appreciate his wonderful product". He also kept complaining that the competition was bad mouthing him.

Never mind he didn't meet the industry's standards (he had determined they were wrong) and that his web site stated his product was made of 100% of two different products.

The Manufacturer's mentality is where a Company is focused on a steady stream of orders; on making sure they can serve their regular customers before expanding into new markets or accepting large orders. They are organized and have longer (more realistic) views.

Promoting Upstream

(to Mfrs you want to represent)

Here, we're talking about promoting your agency to Mfrs you would like to represent and who have a factory sales force or no presence in your sales territory.

Fundamental promotional rule: A Rep should never, never, approach a manufacturer who's represented in your territory.

Useful tools:

- A mission statement. It will help describe what your agency is about in a few words; remember the "elevator test" (see 9/15/11 newsletter).
- A professionally done line card: We know of very few Reps who do this. We had our done by professionals and it sure helped when we

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approached new Mfrs and customers.

Btw, your line card should predominantly show your mission statement.

Focus: Concentrate on manufacturers who fit your profile; those who would compliment your other lines (synergistic Mfrs) and for whom you feel you could do a great job. Keep a low profile.

Start by sending them a personalized introductory letter describing your agency; telling what your agency can do for them, your points of difference with the “other guys” and follow up once a year or when there’s a major change in the Mfr’s management. Finish the letter with “*if you’re already represented in my area please disregard this letter as we do not wish to take work away from a fellow Rep.*”

At exhibitions, stop at their booth. Re or introduce yourself to their sales manager and executives (*if the executives don’t attend exhibition, it’s a red flag*), Make sure they know you’re attending their industry exhibitions, that you’re part of their industry. While you’re at the exhibition, keep an eye open for other Mfrs you might not have thought of.

Some agencies keep a more “in their face” presence by placing business cards in Rep’s magazines such as Agency Sales (MANA).

Consulates: Foreign manufacturers often work with their consulates in their search for distribution networks. Make sure the commercial officers of your local consulates such as Taiwan, China and Canada or USA are aware of you and keep in regular touch as they often change. At this level a professional approach is primordial. Note, several Canadian provinces and US states also maintain offices across Canada and the USA, make sure those closest to you are aware of your services.

Thought:

**“When the facts change,
I change”**

Lord Keynes

Whisky Tango Foxtrot Moment

Manufacturers keep asking for reports and better communications with their Reps...

Perhaps, if Manufacturers better understood the distribution channel they themselves selected they might change -or at least adjust- their tune.

Let’s get two things out of the way. First, because Reps, are paid on commission, on results, they concentrate their time and efforts where the billing is the largest and the chances of closing are the greatest. Not on “non-revenue producing events” such as writing reports.

Second, there’s the “regular report criteria” used by both the IRS (Internal Revenue Service) and RCA (Revenue Canada Agency) to determine if an individual is an employee or an independent (autonomous) worker. We understand the operative word here is REGULAR not reports per se. Admittedly this has been pointed out and distorted by Reps who don’t want to write reports.

Now that we have a better idea as to what the environment is, how can this need of written reports be satisfied?

Personally, I think it’s an opportunity for Reps to diversify, to get away from this entrenched notion that Reps should be paid only on commission. Get those Principals who want regular written reports to hire you -separately from your Rep arrangement- as a consultant for a fixed monthly fee that will cover your cost for staying in the office on Friday afternoon (but do it on Saturday morning). If your Principal does not want to pay you for this non-rep task at least it will make them realize they want something for nothing and get that monkey off your back.

Laws vary from one area to the other, so please talk with your lawyer before doing anything. .

Next issue, Nov. 1, 2011,

Info letter to Principals



Classified on page 3

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Classified

We accept advertisement only from manufacturers who have a proven track records in working with Manufacturer's Representatives and from Manufacturers' Agents who have demonstrated their professionalism..

CONTRACT SALES REPRESENTATIVES

Our client, a long established, well financed, top notch Division 8 manufacturer wants to associate itself - either through **SALES AGENCIES** and/or **INDIVIDUALS**- with a down to earth, practical and structured **SALES STAR** .

The individuals **MUST** be thoroughly versed in the Division 8 industry, be a lean self-starter with a strong proven record in developing long term relationships with new customers and markets. He must be an excellent communicator, pleasantly aggressive and quality and service-oriented (vs. price). This manufacturer provides exceptional customer and technical support.

Our Client is interested in hearing from both **SALES AGENCIES** and **INDIVIDUALS**:

SALES AGENCIES who have such an individual on staff or know of such an individual whom they could entice to join their agency. This manufacturer already has excellent working relationships with a few top notch agencies and is open to help defray the agency's costs of bringing in such an individual.

INDIVIDUALS meeting the above criteria and seeking direct employment. If applicable, the company is opened to contributing to the relocation costs of such an individual. This Manufacturer offers above average terms, conditions and incentives.

We will be available for initial and confidential meetings at the DHI exhibition in New York.

Contact, in absolute confidence:

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