

The Thinking Salesman Letter

February 1, 2012

Our Mission:

To openly discuss, challenge and promote all aspects of distribution via independent manufacturers representatives.
www.TheThinkingSalesman.com

Hello Everybody,

From the field:

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

Heard from a friend who's a manufacturer of cardboard boxes and a darn good salesman:

"I don't think I've met a good salesman who was also a university graduate".

Ross MacDowell
Harwell Packaging www.harwell.ca

Obviously, it's not right. However, we've heard it before and often enough so there must be something to that statement. **Comments anybody? We would love to hear from academia and sales/rep foundations.**

Fun Reading:

Alexander Boots and the Earthworm Tractor Co.

This book is made up of a series of sales reports and claims it is based on actual reports from The Caterpillar Tractor Co. The events take place in the late 30s, 40s and early 50s when the normal mean of communication was by regular mail and long distances were unthinkable; the days when Sales people were "on their own" and had to use initiative and imagination.

Alexander Boots gets himself into every possible mess but, by God, does he sell tractors. Good fun reading.

Out of print but available as a used book starting at \$5.95.

Interview with distributors serviced by Mfrs' Reps. (Part I)

We wanted to have feedback from distributors serviced by Mfrs' Reps and hear their opinion on going to market using Mfrs' Reps. We talked with two; one is a local distributor serving his and adjoining state while the other is a multi-state one.

In order to get their candid opinion we guaranteed them anonymity.

Reps, general:

Proportionally, how many of your suppliers use Mfrs' Reps?

Local distrib: Most of our suppliers use Reps.

Multi State: Only 10%-20% of our suppliers use Reps

Do you also get visits from the factory sales people who use Mfrs Reps?

Local distrib: Occasionally but infrequently

Multi State: Yes, not a lot but yes.

Do you communicate with your suppliers directly or channel communications through the Reps?

Local distrib: Through the Reps. Most Reps prefer to see the orders.

Multi State: We communicate directly w/suppliers

What would be your preference?

Local distrib: I prefer to channel them through the Reps

Multi State: It depends on the Rep.

Do any of your Mfrs' Reps also coordinate your orders (follow up, arrange deliveries etc.)?

Local distrib: No, we do that ourselves

Multi State: When it comes to coordinating orders we talk directly w/factories. If it's a marketing issue we go through the Rep, **we don't think that coordinating orders is the Rep's role.**

Do you consider the fact the Reps handle several lines related to your industry is an advantage to you?

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Local distrib: Yes, to us it's a lot easier to deal with one individual; it simplifies our lives but I'm not too sure if that's what my estimators do; it's their decision.

Multi State: I'm not sure, it's an advantage...

Do you tend to combine your purchases with any Reps because of this?

Local distrib: Yes. Again, dealing with one individual simplifies my life.

Multi State: Not too sure any of our project mgrs. do this. If the Rep is doing a good job, I guess so, I don't see why not.

Reps vs. factory sales people

What is your general opinion of Reps vs. factory sales people?

Local distrib: I find the independent Reps work harder than factory Reps and I'll reward that.

Multi State: Most Reps, -independent or factory- do not add any value to the transaction.

Are independent reps as technically knowledgeable as factory sales people?

Local distrib: I would say no. Factory sales people tend to be more knowledgeable.

Multi State: Factories should train (force) their people -whether independent or factory- to have better product knowledge.

If not does it concern you?

Local distrib: Not really.

Multi State: Good trouble shooting no longer exists. This is an area where Reps can add value.

Among the Reps and factory sales people calling on you, which one knows your market better?

Local distrib: Definitely the Mfrs' Reps

Multi State: Factory people (Note this Co covers a large part of the USA i.e. independent Reps tend to be "localized")

Whiskey Tango Foxtrot moment

Two points to ponder about these interviews:

1. Distributors, through acquisitions and expansion cover larger and larger geographical areas while Reps tend to stick to their traditional territories. In order to keep up with their markets, their customer base, Reps need to merge, expand, cover larger territories.
2. Both factory and independent Reps need to become better "on site" trouble shooters. They must know not only their products better but be expert at a wider variety of applications under all kinds of conditions, know the laws and by laws that affect their products and markets i.e. constant training and continuous education.

Any comments anybody?

Regards

The Thinking Salesman

Thought:

"WHAT HAVE I DONE TODAY TO GENERATE BUSINESS FOR TOMORROW?"

From: Top 7 Quotes of Highly Successful Salespeople!

CPMR course.

(Certified Professional Mfrs' Representative)

As one CPMR student said: "One week where I thought about MY business instead of others".

Check it out at: www.MRERF.org

Next issue, February 15, 2011,

Interviews with distributors serviced by Mfrs' Reps. (Part II)

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