

# The Thinking Salesman Letter

Wednesday, December 15, 2010

Hello Everybody,

We thought some of you might benefit from our forty years plus experience in setting up distribution networks across North America and most of Latin America.

**The idea of this bi-monthly newsletter is to present BOTH sides of the coin; the pros & cons of the distribution systems, the manufacturers, the distributors and the reps. It might –at times- be controversial but that's us and we're not apologizing for it.**

We hope you get something out of it and your comments are encouraged. If you wish to learn more about us please visit our web site at: [www.albro.com](http://www.albro.com)

For those who have questions or wish to have names added or removed from this mailer, please email us at [info@albro.com](mailto:info@albro.com)

## Note to Canadian Mfrs:

Wikileaks revealed to the world that Canadians have an inferiority complex and they're right!!!

Let's get off **our three legged stool** (good products, good prices (in relation to quality), and reliable deliveries) **and get in the game. Let's get serious about long term marketing and solid distribution.**

## Note to US Mfrs:

Contrary to what your weather maps show, the world does not stop at the US border.

When coming up with new products consider - at least- the North American markets. How will it be accepted by other cultures? Does it answer specific North American needs? Does our distribution chain cover all the markets and sub markets efficiently?

## Note to Mfrs of building products:

According to *CanaData*, the forecasting and statistical arm of *Reed Construction Data Canada*, total construction starts in Canada were up 62% in square footage and up 55% in dollar volume terms through September of this year versus the first three quarters of last year.

## Thoughts on relationship Between mfrs & reps (II)

**Scarcity mentality:** That's when people view the economic world as a fixed entity, a pie that's fixed and what another gets is a portion they will not get. That's false!!! **It's investments and productivity that make an economy grow and it grows exponentially.**

**Synergy:** A synergy is where different entities cooperate advantageously for an outcome. It means that teamwork **will produce an overall better result than if each person was working toward the same goal individually.**

Example: When a woman and a man combine their differences. **Synergic math: 1 + 1 = 3**

Business wise synergy occurs when a mfr and a rep combine their manufacturing skills and marketing knowhow. It also happen when a rep combines his/her complimentary but non competitive lines to make a broader offer to the customers.

The opposite, at best, is a **transactional relationship** where no value is added. An example is a mfr whose only interest is to gain access to a rep customer base, not realizing that **what is important is the relationship the rep has with the customers.**

**2011 resolution:** If you have any such transactional relationships **shame on them!** If at the start of 2012 you have not replaced every single one of them, **shame on you!**

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## **Manufacturers:**

Ask yourself and ask your reps, what can we do to help you sell our products?

Do you send your reps and customers a questionnaire inviting comments on how you're doing? Don't forget to ask how you can improve your service and what other products you should be offering.

## **Reps:**

You should have a similar questionnaire going to BOTH your Principals and customers.

When we were "rep'ing", a customer once told us, Al, you're getting this order because "you're the only rep who says thank you when he's given an order". People... please...

## **Editorial**

A shop manager has a problem with a piece of machinery and he calls in the local rep. The rep looks at the piece of equipment and says to the mgr "I'll be right back" He comes back with a sledge hammer and hits the machine with one solid blow. At once the machine starts and keeps going. Everybody is impressed. A week later the mgr receives a bill for \$5,020. He can't believe \$5,020 for just a few minutes of work and sends the invoice back asking for a breakdown.

The answer:

- Sledge hammer, \$20.00
- Knowing where to hit, \$5,000

Mfrs. Think of this story next time you write commission checks. And if your rep does not "know where to hit" review your rep hiring criteria (also see 2011 resolution)

Reps: Think of yourselves -AND ACT- as consultants. Offer marketing services and learn to charge for these additional services.

### **From our Dec 1, 2010 editorial**

*Proposing our associations form groups of local rep and sales mgr to talk to our business school." And promote such programs.*

**No official answers** but there were private ones. We'll keep pushing and we'll keep you posted.

## **Thought:**

After action evaluation, 5 questions to answer:

- What did we intend to accomplish?
- What did we actually accomplish?
- What may have caused the difference?
- What do we want to improve in a similar situation tomorrow?
- What successes do we want to sustain tomorrow?

### **Next issue, Jan. 3, 2011,**

Relationship, mfrs & reps (III)  
And more introspective questions...

**Merry Christmas!**



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