

## HOW TO PREPARE – GENERAL INFORMATION

**MANY YEARS AGO** the members of the Specialty Equipment Industry felt the need to bring together the distributor and manufacturer top management executives for private Conferences, during which principals could meet to discuss policy matters on a one-on-one basis. These private sessions would be ideal to review a manufacturer's policies and procedures, which are not normally addressed by salesmen or reps that call on the warehouse distributors. Principals representing both the manufacturer and the warehouse distributor could together determine, or validate, the goals of each company in an effort to ensure their objectives were compatible; and use a portion of the Conference time to work out any differences which have occurred, or are anticipated, to achieve a continual harmonious relationship between the two entities. The number of participants should be limited, as confusion arises when too many people are in a meeting.

### **THUS THE CONFERENCE WAS BORN.**

To assist the first time participant in understanding how to better prepare for the Conferences, we went to several manufacturer and distributor companies that have participated in the Conferences for many years to get their viewpoint on How to Prepare for the Conference.

### MANUFACTURERS

The manufacturer's presentation should be based on one of two premises. The first is that you are making a presentation to an existing customer and second is that you are making a presentation to a potential customer. In most cases the presentations are to existing customers. This presentation might be structured as follows:

1. **New Program Presentation** - This would cover such things as an upcoming pricing program, volume discount programs, co-op advertising programs, or any other programs that you might be involved with for the coming year.
2. **New Catalog and Price Sheets** - Normally, manufacturers don't have this ready until the SEMA Show, but some that have prepared them in time for the Conference feel this works very well. One advantage to this is that when you prepare everything for the Conferences, you will be able to get a lot more pre-show publicity and advertising material ready in time for all the SEMA show publications. Don't sit and page through the catalog with the W/D. This is boring and they probably aren't interested. Just show them the catalog, point out any significant changes, or special new sections or changes in format. Also discuss your new price sheet in terms of increase/decrease/changes. It's not necessary to go into detail, just general percentages.
3. **Presentation Booklet** - A good idea is to prepare a loose-leaf binder with all new catalogs, promotional literature, and price sheets. Also included should be the Worksheet provided by PWA filled in with all information pertaining to that customer. If possible a history of several years will show if the customer is making progress with your line. The sheet should also show how much co-op money has been used and how much is left. Use this data to lay the groundwork for the meeting discussion. Make sure that your data points towards a key weakness with the distributor. The data should invite questions from both parties, that is to suggest that there should be a candid discussion centered around "why" the numbers say what they do and not what the numbers are saying only.
4. **Manufacturer Work Sheet** - Take the time to make copies of the enclosed "Work Sheet" and then complete one for each Warehouse Distributor you plan to meet with. Present your work sheet to the WD upon arrival.
5. Each and every meeting should be prepared for by answering following question: "What could I do to grow my business with this *particular* distributor this year?" Your meetings will be much more successful if you do not take the cookie-cutter route in meeting preparation. Take the extra time to tailor your meetings towards each distributor, if you have a sales history with them. Approach the meeting with an open mind; be prepared to respond to the distributor's requests and questions – if not at the meeting, within a week or so afterwards.

**Please allow the W/D Equal Time** - The well-prepared distributor will come to the meeting with information pertinent to the discussion. Be sure to allow him/her ample time to present his/her point of view. Don't dominate the meeting.

The presentation to a potential new customer should be roughly the same as above. Stay away from the hard sell. It turns off most W/D's. One thing that turns them off is to try to sell them a line when you don't really have a program. This means you have to have all the necessary price levels to operate through the W/D system. You should have the terms and conditions, which meet the minimum, expected of a manufacturer trying to sell a W/D. Where do you get this information? Some of it is available in the PWA Book of Recommendations. Or you could call a major manufacturer who sells to W/D's and request a copy of their terms and condition sheets. You don't have to match every term and condition, but you make a W/D drastically alter the way of doing business for one line, it could cost you the potential customer. Try to stay in line with the industry.

Most importantly, do not show up to the Conference with nothing more than a catalog and a price sheet with no prepared program. You will end up sitting there staring at the W/D across the table for 30 minutes without accomplishing anything.

## ***BE PREPARED!***

### **WAREHOUSE DISTRIBUTORS**

The distributor has a responsibility to both him and the manufacturer to be well prepared and bring his input to the meeting. Come to the conferences fully prepared to answer the following question: "What strategy can I employ to grow this manufacturer's business with my company this year?" The answer will involve solutions that will require a strategy, a plan for implementation, and suggestions to the manufacturer about how best to deploy it at your warehouse.

The key to having productive and successful meetings that will ultimately steer your warehouse to improved sales for each line is completely dependent upon the level of seriousness with which you attack each meeting. Facts, figures, and strategy speak louder than voices. Preparing for success will ensure it.

1. **Pre-Meeting Preparation** - Prior to the Conferences, meet with all involved people; accounts payable, shipping/receiving, computer clerk, phone order personnel, etc. and find out what problems they have with the companies you will be meeting with. A suggestion box with a list of manufacturers, with whom you are meeting. Put out 60 days in advance of the Conferences, might bring out problems as they arise.
2. **Manufacturers Reps** - Reps should attend your meetings. The rep is your primary link between the factory and you. If you are having a problem with the rep, don't avoid it...solve it. The rep is making money servicing your account and you should make certain you are getting your moneys worth. Schedule a "Pre-PWA" meeting with each of your reps to discuss your strategies line-by-line. This meeting should take place at least a month or more prior to the conferences. This should be considered a strategic planning session. Glean your reps thoughts and concerns regarding your proposals to each of his lines. Many times the rep will be able to supply insight that would have never surfaced; thereby, turning a potentially unproductive meeting into a successful one.
3. **Discuss Inventory Status** - Determine the current status of all rebates, volume discounts, special item discounts, co-op allowances, defects, and stock adjustments. Create a list of all inventories you wish to return. One goal of the meeting should be an evaluation of your existing inventory. Your rep should be a part of the evaluation.
4. **Present Your Own Programs** - Present the manufacturer with programs that you feel will increase sales profitability for **both** of you. A program is not a program unless there is a clearly defined return for the manufacturer. Anything short of that is merely a product of co-op advertising. A legitimate program will include a motive, a method, and a monetary incentive.
5. **Don't Waste Time** - Don't get off-track discussing small things that really are unimportant. This is a time to discuss the major principal-to-principal topics. The allotted time is not best spent discussing items such as a billing and shipping errors (unless they are large-scale and contribute to sales decreases) and minor grievances.
6. **Follow-Up** - Requires some form of response by the manufacturer. Ask that the response (follow-up) be within a certain time frame. It is mission-critical to the success of your meeting that both parties record an expected date of response. Write it down and make sure that the rep records it as well.
7. **W/D Work Sheet** - Take the time to make copies of the enclosed "Work Sheet" and then complete one for every Manufacturer you plan to meet with. Present your work sheet to the Manufacturer upon arrival.

### **SALES REPRESENTATIVES**

Be **PREPARED** to work / interface with **BOTH** of your business **PARTNERS**. By now, I'm sure you all know how to do this.