



“What have you done for me lately?” That question seems to be somewhat of a universal mantra today and even more so in business when everyone is being tasked to do more with less. In the electronics industry environment — overloaded with the pressures of constant change, seemingly never-ending demands and expectations for instant responses — it is becoming more and more difficult for company owners and managers to carve out time to work ON their businesses versus IN them.

Finding time to plan is tough enough, but making the concerted effort to develop, install and evaluate improvements in a company can be daunting. That wasn't the case, however, for a number of ERA members who answered a quick email survey about the positive changes they've made this year.

With the goal of sharing best practices and perhaps inspiring others to follow their leads, the respondents answered these three questions:

1) Within the past year, what improvements have you implemented that benefitted your company?

2) Thanks to these improvements, what specific results are you experiencing?

3) What further improvements are you planning for the next year?

Not unexpectedly, many responses were quite brief, but others were more detailed. The answers cover technology, operational processes, personnel and staffing, principal shifts and more. Here's a sampling of what ERA members reported.

Changes to processes and technology

By far the most commonly-cited improvements made by ERA members pertain to technology and/or company processes. For example, Brad Starr, CPMR, of Performance Technical Sales in North Carolina, notes, “We engaged with Concur which automates the expense payment process in our company. All sales[people] have a Concur app on their phones and take pictures of their receipts, [which] feed into an automated expense report to be approved and paid by management. We've found it very helpful and productive. As the owner, I'm comforted by the fact that I have digital copies of all receipts and expense reports.” And the results? Starr says that the firm as a whole is spending less time on processing expenses and now has a better system

of reporting and managing receipts and expenses.

At Moss Marketing in Colorado, Dave Basila, CPMR, relates that his team is fully utilizing Dropbox to make data and presentations easily available. This change is saving time for the salespeople, “allowing them to cover more ground.” Next up in terms of improvements will be updated sample kits for multiline demonstrations.

A Minnesota rep who prefers anonymity describes how his firm held formal training meetings with an expert in LinkedIn. As a result, he confirms, “We have been able to better penetrate into target companies by finding people and setting up meetings with those who can influence decision-making for the purchase of our products.”

Al Johnson, Jr., CPMR, of Current Solutions in Florida, reports on the modernization and updating of his company website. He says, “We added a chat feature which has resulted in some people contacting us when they might not have [done so] via email.”

Next up for the website, Johnson notes, “We will be adding more content, including white papers.”

Responding for another North Carolina firm, Holly Myers, CPMR, of Wallace Electronic Sales, describes the development of an Excel daily call report: “Each person in our firm spends less than five minutes per day noting each account we work with. We note which lines were either introduced or discussed to move an opportunity forward. We also have a notation for potential line usage in cases where there is no current opportunity for a particular principal, yet [there] could be future applications for the line. We also log the industry as well as the contacts we talked to or met with.”

As far as results, Myers continues: “The report allows us to analyze our efforts for each of our principals as well as monitor our call patterns throughout the territory. We use the data when considering a new line and looking for potential accounts by filtering our activities with synergistic lines. The call report is especially helpful when planning joint calls with principals as we can easily see which of our current accounts in each territory would have potential for each of our lines. In addition to sending open opportunity reports, we periodically summarize the call sheet data and send the information to principals to let

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them know which accounts we are calling on for their lines.”

What’s coming next for Wallace? Myers says, “We continue to look at new ways to market our principals’ products and services. We are also considering developing a mobile app.”

CRM systems were mentioned by several reps. At the J. F. Hurlbut Company in Colorado, a new CRM system was installed this year, including staff training. Dave Hurlbut says it has improved the firm’s capture and retrieval of detailed information on contacts, what they buy, opportunity tracking and more.

ERA President Dan Parks, CPMR, of West Electronic Sales, adds, “We implemented a new CRM system, and after several attempts, we may have gotten it right. It has made us more efficient in our principal reporting and has made access to our sales information much less onerous. We plan to expand our exposure over the next few months to further integrate our accounting functions into this program.”

From northern California, Ben Barden of Westech Associates replies that his firm “improved the organization of our Salesforce data-

base and instituted a new email tracking program. With the email program, we can instantly see the success of each email campaign and adjust accordingly. The reports give us information on the percentage who opened the email, who clicked on our link, who emailed us back and, last but not least, ultimately resulted in an NBO.” Coming next, Barden says, “We will be adding new templates for introducing products, making appointments, following up quotes and staying in touch.”

At Catalyst Sales in Pittsburgh, Tom Griffin,

CPMR, chair of ERA’s 2016 Conference Committee, reports that his company has stepped up both its video and social marketing. The results have been “increased leads for us in our territory, generating leads for our principals outside our territory and greater customer awareness of our company and products.” Also among technology improvements, Griffin says Catalyst soon “will deploy iPads with appropriate apps.”

At the Fusion Sourcing Group, the upstate New York firm of ERA Senior VP/Industry Chuck Tanzola, CPMR, a number of technology-related improvements have been installed recently, including: upgrading laptops to include solid state drive (SSD) technology for faster memory access; upgrading the spam filter software on the firm’s server; and increasing the encryption for the server to enhance security. Tanzola observes, “The expense of updating software is accelerating, and the proliferation of ‘software as a service’ models by suppliers is making things more expensive. I am not an expert, but many believe that the cloud is the answer to offset those costs, but there are other issues associated with that as well. This is a real expense squeeze on small businesses, which most reps are.”

Mike Kunz, CPMR, of R. W. Kunz & Associates in the St. Louis region, mentions that his firm is using principals’ marketing funds for territorial social media blitzes. This move has allowed his firm’s inside personnel to “concentrate on sales issues.”

Changes related to personnel

Shifting to improvements related to personnel and staffing, Kunz also relates a successful effort to reduce benefits expenses. If a Kunz employee has a spouse who is covered under his or her employer for medical insurance, the rep firm covers the cost of adding the Kunz employee to the spouse’s plan. As anticipated, this tactic has reduced insurance expenditures.

The recent acquisition of another rep firm has helped EK Micro in the Chicago area “strengthen our personnel and principal lineup,” according to Bob Evans, CPMR. “The benefits of doubling our field sales force for both sets of principals are already obvious,” he adds. “We are seeing more opportunities at current customers.”

Mark Myers, CPMR, of Vic Myers Associates in Arizona, has found “the most noticeable improvement” for his company this year has been “having the salespeople in different locations spend more time helping each other and comparing notes.” This strategy has included having the more experienced salespeople travel with those who are newer to the firm. This practice, he

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— Tom Griffin, CPMR

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continues, “is helping with training, improving internal relationships and building trust. It is also creating a stronger culture of helping each other to be successful.”

Fusion Sourcing’s Tanzola also has made training improvements in his company. “We have created some internal training presentations on specific technology areas to increase our sales team’s general knowledge ... These are not principal-specific but more related to technology areas [and] general in nature. Of course, we have scheduled a number of principal training sessions, both in person and via web-based systems. We have tried to schedule training at times that do not conflict with prime customer sales time — always a challenge.”

In the Pacific Northwest, Dave Fitzgerald’s firm, the Wesco Sales Group, has added a business development position to its staff. This person, comments Fitzgerald, serves “as a liaison between field sales and the principals we represent.” The new staff member handles data mining, lead generation, email campaigns, focus account engineering solution selling and more. Other tasks outlined by Fitzgerald include setting up appointments for the field sales team as they travel and filling blank spots in individual calendars with warm leads.

As a result of this addition, he adds, “Meetings are pre-qualified with objectives clearly outlined. Field sales goes in and frames up the opportunity and presents it to the principal. This is taking some of the pre-call planning and meeting set-up off the shoulders of field sales. It provides a way to augment the meetings the salespeople are putting together to better fill up their day. It provides additional customer touches at focus accounts and has proven to be a time saver for field sales — something we can all take advantage of.”

On another personnel matter, Fitzgerald says the firm is outsourcing its accounting process to a CPA, “fully allowing us to do what we excel at” and leaving the bookkeeping to a certified accountant. He confirms that there are also “significant savings” from this move, which may allow the company to expand its field sales staff.

A Chicago rep who asks to remain anonymous also added a business development manager this year. He describes, “This position is dedicated to generating, qualifying, distributing, following up and recording all leads, first-time buys and customer/market information that comes into the company. A key part of generating leads [involves] social media and an electronic marketing campaign on behalf of all principals. The result is a much more efficient and effective way of managing, uncovering and qualifying any emerging

company, market or contact within the market.”

This rep owner also notes, “The business development manager is a ‘millennial,’ and at the end of this year we will add another millennial in an outside sales position. The benefits are that they are ‘digital natives,’ attuned to today’s preferred communications methods, more aggressive and therefore more efficient.”

On a final note regarding improvements related to personnel, Hod Irvine of High Tech Sales in Minnesota comments that he reminds his team continuously about the need to maintain close personal relationships with customers and principals, despite all the communication tools now available. “This means entertaining and customer visits remain very important,” he says. Irvine also believes that employing people who can work together is equally critical. “In the age of chasing the almighty dollar,” he adds, “it’s still important to have a rep firm that rows together, covers for one another and gets the job done as a cohesive unit.”

Changes regarding principals

Moving on to improvements relating to rep firm principals, Bob Evans says his firm’s acquisition of another rep company indeed expanded the EK Micro line card. However, he qualifies, “We will be cutting the number of principals. We have to focus our energy on [those that are] the most profitable and have the most potential.”

On a similar note, Dan Jakubowski of Jay Marketing in Michigan says the improvement that benefitted his firm this past year was eliminating a high-maintenance line. As a result, he says, “We have more time to intelligently sell the remaining lines.”

And likewise, Alan Armstrong of Power Comp Sales in New England reports

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that his firm “swapped out a couple of lines,” resulting in “increased activity and a better product mix for our customers.”

At Repworks, also in New England, Ted Curtin, CPMR, replied that his firm both dropped and added lines this year. He notes, “We evaluated our product lines and found three that, while bringing in income, required more sales and reporting time than their income warranted. We resigned them, refocused our efforts on our more profitable lines and enjoyed good sales increases as a result.”

As for new lines, he says, “We attended a different industry trade show ... and found a product line not normally carried by reps but that has the same traditional customers we call on. This changes our direction slightly and puts us into a more profitable arena.”

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The results of these moves have been positive in several ways. Curtin explains, “We are improving sales on our remaining lines. More importantly, we have reduced the stress levels of our inside and outside staff by eliminating many nuisances and unreasonable demands from the lines we resigned. We are enjoying a different perspective from our customers ... bringing them new technologies and techniques that ease their burdens.” And looking ahead, he adds, “If we continue to grow the new, non-traditional lines we just took on, we will push further into this new direction and abandon some of the more commodity-driven product lines we have represented in the past.”

Chuck Tanzola’s firm has also both dropped and added lines in 2015. “We have added some synergistic/niche products to our line card as well as terminating relationships with some principals that were either not profitable for the organization or did not fit with our strategic direction,” he describes. “We have also expanded geographic responsibilities with several of our existing principals.”

The final input on principal-related changes comes from Mark Myers. “We just kicked off a more structured new line evaluation program,” he reports. “We have formed a committee whose responsibility is to create a set of criteria a new line has to meet to be considered. We are reaching out to more customers before signing a line to get feedback on the viability of the line ... It’s all about continuous improvement.”

And “continuous improvement” is obviously a focus of all the rep members who contributed to this article. On behalf of all readers who “borrow” one or more of these ideas for their own firms, many thanks to all! ■

This article was written by Tess Hill, editor of The Representor.

ASSOCIATION ROUND TABLE: Commission cuts

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accounts grow, a reduced rate that still generates meaningful dollars to the sales force is appropriate. And, in my experience, a collaborative discussion on this, often initiated by solid rep firm partners, will yield the best long-term results for all.

I don’t know the identity of the semiconductor company that Dan references, but I applaud its approach. In essence, the company’s attitude is to avoid reviewing rep commissions (or direct sales force costs) as a cost-of-selling event on the income statement and instead look at commissions as an investment for which a return is expected. The result? A greater investment will yield a larger return. ■

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