

The Value Of Networking Among Manufacturers And Customers

Seldom is there as universal an agreement on a subject as there was when several independent manufacturers' reps were asked for their views on the benefits of networking among reps. When asked about the inherent benefits of staying in close touch with rep peers, not a single respondent disagreed that the positives far outweigh any negatives. As a matter of fact, several reps indicate that a philosophy of peer networking has been integral to the very success of their agencies.

For instance, let's consider what Jock Davis, Davis Technologies, LLC, Lancaster, New York, has to say about what networking has allowed him to accomplish in a relatively short period of time.

Davis brings close to a quarter of a century of business experience close to the table in his capacity as an independent manufacturers' representative in Western New York State. Davis Technologies was founded in 2001, and Davis describes the firm as one that "supplies customers with an aggregated solution to their outsourcing needs. We rep complete supply chain solution providers — not component manufacturers." However, in his more than three years as a rep, he's found that networking with fellow reps and certainly his customers has been a major contributor in allowing him to stand apart from the competition.

After more than 23 years of sitting on the manufacturer's side of the desk, Davis explains how he came to the decision of opening his doors as a rep.

"I had reached a point in my career where I was looking into the possibility of buying a manufacturing firm in the metal fabrication or plastics industry. But then I began thinking that no matter what kind of company I got involved with, I would still need sales. It would fall to me to go out on the road to get that done. Rather than buying a company and have to be concerned with the factory, personnel and the rest of the overhead, why not just concentrate on sales and become a rep? Making the decision to become a



rep streamlined my vision.” Davis adds that over the years he had often worked with reps, so he was no stranger to what reps were or what they did.

Streamlined or not, Davis had to face the same problems that anyone else in his position would when he began his rep business — getting lines. “When I opened my doors, I had nothing in terms of lines. Among the first things I did, however, was to join MANA. Following my decision to become a rep, I realized there must be an association for people like myself, and with little effort I found MANA’s web site. After joining, I used the MANA Online Directory, and within a month and a half I had my first line.”

Maximizing Membership Benefits

That’s not all that MANA contributed to Davis and his firm’s success. According to Davis, “When I joined I made sure I took advantage of everything they had to offer. I met Joe Miller, MANA’s president and CEO, and ran many of my ideas past him and got his feedback. Then I made sure I read everything the association had available for its membership, including how to start an agency, negotiating with principals, what constitutes a good principal and a good rep and how to find good principals.”

In addition, membership in the association provided an ideal outlet for his peer networking skills which he had actually honed over the years of his career. “MANA has been absolutely fabulous for me in a number of areas. I’ve attended various programs and have become active in the local networking chapter.”

He points out that at those local meetings there are always plenty of opportunities for him to meet with his fellow peers, compare notes on how they operate their respective businesses, ask questions and

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get solutions to common problems. “I arrive early for every meeting and find there’s always plenty of time to talk to my fellow reps,” he says. “Even at the very



Jock J. Davis

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first meeting I attended, I remember exchanging business cards with six or eight other reps, and immediately we began exchange ideas.”

Davis hardly stopped his networking activities with reps. “Networking with customers is an area I’ve always been strong in,” he says. “I’ve found that if you build solid relationships with your customers, they will share just about any information with you. Above all I’m a customer-focused rep. The majority of my time is spent calling, e-mailing, sending hand-written cards and letters, as well as just spending face-to-face time with them. If one of my manufacturers sends me a product sample that the customer is interested in, I’ll immediately walk it into them just so I can get more face time. Everything I do is aimed at increasing my interface with customers. That is all part of my philosophy for serving the customer. When I start with a customer I let them know immediately that it’s not just about sales. If that’s all it is, I don’t want the job. I tell them that I’ve been where they are, I know their needs, and I’m there to provide them with a complete package of customer service.”

Learning from Business Contacts

Then there’s the experience of Michael Pille, Southern Electrical Sales, Inc., Atlanta, Georgia. Though hardly a stranger to what it takes to be a successful independent manufacturers’ representative, Pille has learned in a hurry the value of networking



Michael Pille

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— with both his fellow reps and with his customers.

After almost two decades on the manufacturing side of the desk and with nearly two years as a rep under his belt, Pille has truly learned the value of building and nurturing relationships — and learning from all his business contacts.

"All the time I was with three different manufacturers," he explains, "I heard people talking about how great it would be to be an entrepreneur, out on your own, making all your own decisions. It seemed that talking about making that kind of a move was easier than actually doing it. No one I knew really had the

gumption to make the move and actually step on the nail. Well, I finally did it."

One of the contributing factors in convincing Pille to make the move was the feedback he received from others. "I knew the business well and was constantly being told by customers and associates that I was 'better than the average bear.' They let me know I always took care of my customers and was prepared for business. Added to that was the attraction of being able to run your own life and make decisions for yourself."

Today, Pille and his two-man rep agency find themselves "operating as a small fish in a big pond, which in my view is better than being the big fish in the big pond." From his "small fish — big pond" vantage point, he maintains that "even with the market shrinking by 20%–30%, business is still pretty good."

The Value of Lessons Learned

Along the way to where he finds himself today, however, the rep admits he has learned several lessons, not the least of which are the importance of

developing good relationships and coming to the party armed with a broad base of industry knowledge — and contacts.

With the former, Pille explains how one of his initial lines, a \$60-million company, went out of business shortly after he took on the line. "We heard rumors about their financial problems, and eventually they went bankrupt. But, because we had developed good relations within the company and, more importantly, with the end customer, we were able to stay on top of things and get business out the door and paid for prior to the bankruptcy. This experience reinforced for me the importance of having a good informational conduit with the company to let me know what was going on and, in fact, forewarn me concerning any difficulties. Relationships such as those are just as important for the rep as are key customers."

He continues that the second important factor in his agency's success was his knowledge base of the electrical industry he chose to work in. "I came to the rep business armed with 19 years experience in the electrical industry. The experience you gain from that isn't something you can attain in a day, and it's critical to your success. An important part of your industry experience is the contacts you've made along the way coupled with truly beneficial application experience. Especially as an agency startup, when someone you know provides you with business information, you can reference that as you make additional contacts. It provides you with credibility."

Looking back at how he began the business, Pille emphasizes that if he had to do it all over again, "I would have begun my initial work six months before I actually did. From the beginning, we had to fight to get lines, and most of them involved 'missionary' work in the marketplace. That's simply the nature of the business with a new agency. From my perspective I didn't have any problem with that because I was confident I could get the business, and that's exactly what happened. While someone might say I had a good deal of luck to get where I am today, I'd respond that luck is what happens when preparation meets opportunity."

Lest the thought occurs that Davis and Pille are the only two reps that think this way, read on to the next article. It contains a variety of views on the subject of rep networking opportunities. □