



Buy/Sell In Canada Meets Customers' And Principals' Needs



Dave Carpenter

Last month in *Agency Sales* we began addressing the subject of outsourced field sales professionals who do more than just rep a line of products. There are many outsourced professionals who buy and then resell those products to their customers. They follow this practice for a number of reasons, not the least of which is the opportunity to enjoy increased margins on the products they deal with. As we wrote in that January issue, there are others, however, who “indicated that in serving the markets and the customers that make up their territories, there are bona fide reasons why the rep can and should operate as a distributor.” Those words seem to fit the value-added service model that Dave Carpenter, EFI Systems Group, Toronto, Ontario, provides for his customers.

The agency was formed in January of 1998 as a result of the partnering of Enviro-Mech Systems Limited and The Fanco Group to serve the heating, ventilating and air conditioning (HVAC) industry. Both Enviro-Mech and Fanco had long histo-

ries of serving the HVAC industry in Southern Ontario.

Helping Principals Cross the Border

According to Carpenter, “Among the reasons I’d cite for performing buy/sell is that when we opened our doors 12 years ago, there were some U.S. manufactur-



Al Brosseau

ers that didn't understand all that was entailed with crossing the border. As a result, we began doing buy/sell out of necessity because for them to ship up here and conduct business they would actually have to hire someone to work up here and clear shipments. It was relatively easy for us to set up an infrastructure and get the job done for them."

With that need met, Carpenter continues that there are other reasons — in addition to increased margins — to buy/sell fans, cooling coils and other products that EFI represents:

- "We quote quite a bit of business and do a lot of packaging for the planning and specification market. As a result of what we do, we supply all the products needed for a job and can sell it in one shipment and charge one lump sum as opposed to dealing with separate bills from a number of suppliers. This is much more desirable for the customer."
- Then there's the matter of name recognition. "Rather than seeing the names of several manufacturers when a shipment is delivered, by doing it the way we do, it's our name that is constantly and prominently in front of the customer. That way when he has a need for something in the future, he'll think of us — not someone else."

Agency Shows Flexibility

- Perhaps the greatest positive

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for performing in a buy/sell mode, however, is the fact that "operating in this manner shows that as an agency we're flexible enough to make an operational change in the way a rep might normally work that benefits us, our principals and our customers. It's a win all the way around."

As mentioned in that same article, there are some reps who steer away from buy/sell because that's not what a typical rep does. Some remedies to that concern were offered by some agencies establishing entirely different companies to handle their "distribution" business or only performing the buy/sell function when it's absolutely in support of the channel. For Carpenter's part, however, "Some of our suppliers actually prefer that we operate in this manner because we have a good credit rating, we know how to do it and they basically don't want to get hassled when it comes to credit checks in Canada. On top of that is the fact that when there is some sort of a credit problem, it's a lot more difficult to make a collection when the company is located in another country than when they're located in

Canada. We know how to deal with those problems."

Montreal Chapter Meeting

Elsewhere in Canada, the need for reps to have proper computer training was aptly illustrated in the December Montreal Chapter meeting. According to Al Brosseau, CPMR, Albro Export & Marketing, Inc., the chapter's normal meeting was extended by an hour when Serge Denault, Micromix, made a presentation on how to use computer programs designed specifically for the rep. Programs covered included ACT, GoldMine and Maximizer. According to Brosseau, "Attendees lapped up the information to the extent that we've scheduled an eight-hour follow-up training session in February. The one point that struck me was how much the reps at the meeting didn't know about the capabilities of their software programs. These programs are supposed to help them but as one rep said, 'I'm not even getting one percent out of the software.'"

That need obviously will be met in the follow-up session.