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# Executing An Agency's Plan For The Future

Charlie Smith cites the importance of having a workable succession plan in place and communicating its existence to principals as major contributors in what he's been able to accomplish. What he's accomplished has been assuming control of one longstanding MANA/PTRA member firm (WRISCO) and changing its identity to Smith Industrial Group.

The announcement that appears on the agency's web site ([www.smithindustrialgroup.com](http://www.smithindustrialgroup.com)) describes only part of what occurred earlier this year. Here's how the firm described what transpired:

"Smith Industrial Group, Inc. was established in 2005 by Charles R. Smith. Charlie was an employee of 18 years with WRISCO (Western Reserve Industrial Sales Company). WRISCO, a well-established PTRA member, was in business for 30 years before being purchased by Smith. Joining Charlie are Greg Mears (27 years' experience) and Carl Ingrao (17 years' experience). They provided the nucleus of experience that made WRISCO successful for 30 years. The longstanding principal relationships earned by WRISCO are now a part of Smith Industrial Group, Inc.'s future. Smith Industrial Group, Inc. provides our manufacturers over 70 years of industry experience and market knowledge."

That all sounds simple enough, but that announcement doesn't emphasize how important it was to not only have a succession plan in place — but also to execute it successfully.

Smith describes how his position was the first and only one he accepted upon graduation from the University of Akron (Ohio) in 1987. "Back then I really didn't know what I wanted to do for a career," he says. "All I knew was that I wanted to get into sales — administration, management or outside sales. One of my business marketing professors arranged for me to get an interview with WRISCO, and later that same day



*Charlie Smith (right) points out features and benefits of a General Bearing product to a customer. The purpose of this type of discussion is to educate the customer on the product's design features and how they can enhance the performance of the equipment.*

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I was offered a position with an annual salary of \$15,000. That wasn't a bad offer, especially when you compare it to minimum wage.”

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#### **Covering Many Markets at the Same Time**

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WRISCO was a typical entrepreneurial firm at that time and, according to Smith, everyone there was into a great deal of multi-tasking. “We were into everything from power transmission to industrial hose and rubber or general line mill supply. We had lines that crossed over into many different markets. I worked hard to train myself on the specific products we dealt with and spent a lot of time with our principals on specific accounts. I learned my role as a salesman and a rep, and how to develop new business and nurture relationships — all talents that have served me well over the years. Lou Young, who headed WRISCO, was great about bringing me into the industry and mentoring me as a rep.”

Smith looks back 10 years to 1995 as perhaps the nascent stage of the firm's succession planning. “Lou decided to name me as sales manager and to focus on putting the sales force into divisions. That's the same time I began MRERF's CPMR program and became more involved in sales management. We spent more and more time on building the agency as we saw the importance of succession planning. I realized at that time that while succession planning is a fairly well-paved road, a lot of agencies operate without such a plan.”

Smith emphasizes that his CPMR experience and his close to two decades of service with WRISCO convinced him how important it was to have a succession plan in place — “especially if you're a non-family member on the minority side of the business. It really should become a normal part of the business process.”

He continues that upon taking over the reins of the agency on the first of this year, it dawned on him how important it was to change the identity of the organization. This should be done in order “to reflect what we offer in terms of core competencies, rather than to continue with what was done in the past. And, part of that process was to emphasize the agency's power transmission business.”

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#### **Changing Agency's Identity**

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Smith says that in June of this year he made the decision to change the agency's name to Smith Industrial Group, Inc. “WRISCO was associated with being a diverse agency, and I felt I needed to refresh the company name and outlook by creating my own brand. While I was never really big on putting my own name on an organization, after a little bit of checking in Ohio, I found that every other name I was interested in had already been taken — thus the name Smith Industrial Group, Inc.”

He emphasizes that an important part of that re-naming or re-branding is communicating to manufacturers that “while we remain an important resource for our customers, we're an equally important resource to our principals. It's our goal to expand on our role with them to ensure that they recognize our value.”

Smith adds that he kept his principals in the informational loop throughout the succession process. “We initially told them what we planned several years ago. I'd say that most of our principals were anxious to hear how we were going to achieve our goals. As we filled them in, they were all interested and encouraged our efforts.”

Presently Smith Industrial Group, Inc. is headquartered in Twinsburg, Ohio, with additional locations in Louisville and Detroit. With a staff of five and representation of nine principals, Smith says he's looking to expand “synergistically.” When it comes to what he's looking for in order to achieve that expansion, he explains, “What I'm involved with here is a marathon, not a sprint. I've found that over the years, your real success comes from your tenure with principals. Simply stated, we're looking for long-term growth opportunities with manufacturers in our focused markets.”

Part of what he's looking for with prospective prin-

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cipals is “a manufacturer that empowers their agencies to be more of their marketing-sales arm. What really works is the principal that lets an agency become as much a part of their organization as they want to be. We’re also looking for manufacturers that believe in and practice good communication. You have to be in constant communication with your reps, whether by regular reports, e-mails, teleconference calls or quarterly sales meetings.”

Finally, as a long-time member of both MANA and PTRA, Smith offers a few words on the benefits of

membership and participation in rep associations. “These associations are our very lifeblood. I think it’s very important to participate if for no other reason than to support the profession. PTRA is more focused specifically on what we do on a daily basis. As a result, it’s ideal when it comes to networking with other reps and certainly with manufacturers and prospective principals. MANA, on the other hand, provides a wealth of products and services that support the educational experience. I recommend them both to other reps.” □

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