"Commitment" Cements Perfect Relationship

One of the first points that David Pastor makes when he speaks about independent manufacturers' reps is that he needs more reps. "We sell only through reps. But when we partner with a rep, one thing the agency has to exhibit is a commitment to our line. That's exactly what Fred Schultz and his agency have provided us." That's why the vice president of sales for Hystik, a manufacturer of pressure-sensitive tape, was quick to recommend Schultz and his S-L Marketing Specialists, Inc., Clifton, New Jersey, to Agency Sales magazine's growing list of "perfect reps."



Fred Schultz

ccording to the Houstonbased Pastor, "We've been working with S-L Marketing for more than a year. In that short period of time, they've shown us how well-organized they are, and how devoted they are to detail."

Part of the success of the partnership between the manufacturer and the agency, he continues, is that "They have become almost a part of our organization. They are hardly an agency that expects a check every month for just showing up. They sweat with us every month to meet our sales goals. Already they've tripled the sales that we used to get in the territory."

Pastor explains that when a need developed for an agency to cover the territory in the northeast, "One of our key accounts



Left to right: Bronson Burcham, operations and logistics; David Pastor, VP sales and Gary Ross, inside sales and customer service

alerted me to S-L and arranged a meeting between us. When I arrived for the meeting, Schultz brought in all of his people to meet with me. He explained how they cover the territory and exhibited a working knowledge of our product line. It was evident immediately how well-organized they were."

From that auspicious beginning, things have only gotten better. In just over a little more than 12 months, "The rep firm has shown us:

• How well-trained all of their people are.

• The extent of the relationships they have with my key accounts.

• How specialized they are in our niche.

• How they value and execute communication with us."

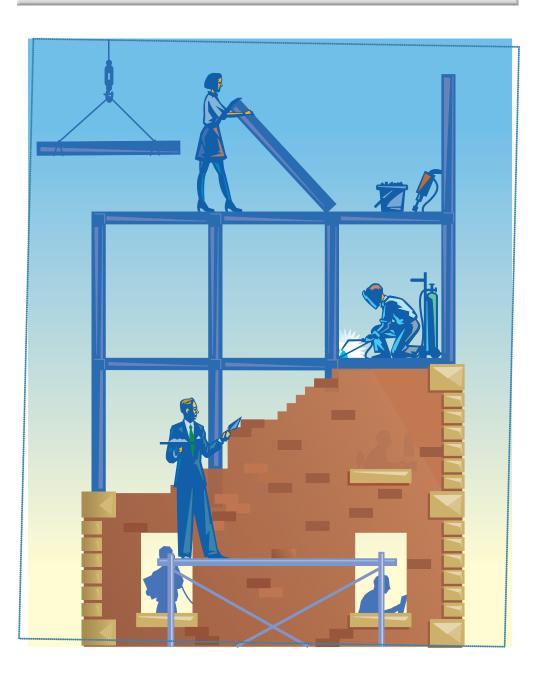
On that latter point of commu-

nication, Pastor expands a bit when he notes, "From the beginning, I share all of my customer information with the agency. We jointly set sales goals, and especially with key accounts we involved S-L so they know exactly what the numbers are and what results we expect. In return, I receive regular communication from Schultz and his agency, whether in the form of e-mail or phone calls. In addition, the agency actually picks up the orders and sends them in to us. Furthermore, they keep us thoroughly informed relative to what the competition is doing in the territory."

The Value of Rep Commitment

Returning to the subject of rep commitment to a line, Pastor concludes by noting, "If there's any single challenge we have to face in our position as a manufacturer that works with reps, it's in the area of the agency's commitment to our line. Some agencies carry so many lines that we can represent as little as five percent of all that they sell. Often we can be used simply as a complementary line to everything else that they do. That's why when an agency works with us and does the kind of job that S-L Marketing does, it really makes an impression with us."

If an impression is important to Pastor and Hystik, so too is it important to Fred Schultz and the people that make up S-L Marketing Specialists, Inc. According to Schultz, "David Pastor possesses a great deal of enthusiasm and energy in his desire to create a market for the products his com"They have become almost a part of our organization. They are hardly an agency that expects a check every month for just showing up. They sweat with us every month to meet our sales goals. Already they've tripled the sales that we used to get in the territory."



"Business has changed considerably from the way it was conducted 30 years ago. What has allowed us to thrive is our ability to develop relationships with distributors."

> pany manufactures. They make an excellent quality product and have provided us with an ideal marketing opportunity for our agency."

With close to three decades under his belt as an independent manufacturers' representative, Schultz knows how to take advantage of that opportunity. In crafting his career path, Schultz explains that he began his work history with a tool equipment wholesaler. After spending one year in the army, he returned to work with the wholesaler starting as a clerk pulling orders. "I left 17 years later as the company's vice president of sales and marketing."

His next move was to open his rep agency with an individual who had worked with another distributor. "We started with just a couple of lines and it was a real struggle at the beginning." Today the company boasts a total of 21 people — with 11 on the road — servicing the automotive, industrial and retail markets.

Building Relationships

Schultz points to the ability to establish and nurture relationships — especially with distributors — as one of the keys that has allowed him to grow as large as his agency is today. "Business has changed considerably from the way it was conducted 30 years ago. What has allowed us to thrive is our ability to develop relationships with distributors. We learned early on that they'll buy the product from you largely because of who you are. Then, if the line doesn't move, they'll want it out of there. To help it move, we've always taken our effort to the street to develop sales for those distributors. That's our job. We spend the majority of our time at the street level developing demand. If we can accomplish that task, then the customer will buy the product from the distributor."

One of the major accomplishments of S-L Marketing has been their ability to locate and hire the type of people who can perform that "street-level" job. "Because so much of the emphasis for what we do resides at the shop level, I have always looked for people with hands-on skills. Most people believe that you're either born to be a salesperson, or not. I believe differently. I think sales skills can be taught. But what you really need is the ability to understand a product and how to use it. To a large extent, I look for people who are capable of using equipment. Then I teach them how to sell. And, I've found that many times they make better salespeople. After locating those people who know about products, it's then that I look at how a person presents himself."

The Importance of Communicating

In addition to following that successful path to finding the right people for his agency, Schultz also has crafted a successful method of communicating with his principals — a point that Pastor earlier emphasized was so important to him.

According to Schultz, "Most reps realize the fact that as the manufacturer puts more and more demands on you, there can be certain legal consequences as it pertains to maintaining your status as an independent contractor vs. being a company employee. As a result, we don't submit mandatory communication to our principals; nor do we let our manufacturers instruct us how we are to communicate to them. What we do, however, is to take a proactive approach for keeping our principals informed relative to what's occurring in the territory. I have a 30-day itinerary from each of my outside salespeople describing where they will be going and what they will be doing in the territory. At the same time, I receive weekly sales reports from those same people. I then have our office staff extract pertinent information from those reports. On a voluntary basis, I let the principals know anything out of the ordinary or any other kind of information I think would be useful for them. It might be something like, 'Here's a new use for a chemical that we found,' or 'Here's a different way one of our customers has found to use your product.' We'll also report on activities of competitors and any trends or events that are occurring. Our experience has been that all the factories we represent love this type of information."

Working with MANA

While finding the right people and proactively communicating with principals have proven to be touchstones for success for S-L

Marketing, so too has the agency's long-standing membership in MANA. Schultz explains that he's never made it a habit to belong to many organizations — only one other than MANA — but he cites several areas where the association has been of assistance: • Advocacy — "If you look around the country, there aren't that many other groups you can join that provide lend support and communicate the importance of the independent manufacturers' representative. When a manufacturer decides to outsource his sales function, MANA has always been there to guide them through the process and educate them to the benefit of reps. MANA has always treated manufacturers and reps fairly."

• *Education* — "I generally pick up useful information from the articles in *Agency Sales*. Even if the article isn't about the industry we serve, the information provided is useful."

• Governmental Affairs — "We look to MANA to provide us with a wealth of information concerning what's happening with environmental affairs and other matters in Washington."

Finally, as Schultz surveys the steps he's taken to lay the foundation for what S-L Marketing has accomplished, he maintains that everything comes together under the heading of "good relations." "When you consider all that we've accomplished and continue to do in the marketplace," he explains, "I don't think we're any smarter than anybody else. But we do understand the distribution business and the needs of our customers and principals. For us to succeed, everything we do must result in a win for all parties. There must be just rewards and good relationships among all that are involved. Whenever problems occur, we're called, we discuss the matter and come up with solutions that are acceptable to all. Then we move on."

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