



**“THE REP FIRM CAN PUT MORE FEET ON THE STREET A LOT FASTER THAN THE MANUFACTURER CAN VIA HIS DIRECT SALES FORCE.”**

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# FEET ON THE STREET

REPS ARE READY TO HIT THE GROUND RUNNING

EDITORIAL | JACK FOSTER

“THE MAJOR BENEFIT TO THE MANUFACTURER IS THE CONCEPT OF SYNERGISTIC SELLING. THAT’S SOMETHING THAT TAKES PLACE DURING EACH AND EVERY CALL THAT THE REP COMPLETES.”

**Eric Johnson, CPMR**, is quick to offer compelling reasons why reps are the most efficient means for a manufacturer to take his products to market. Maybe it’s his more than 18 years in the trenches as an independent manufacturers’ rep, or exercising all the lessons he learned in three years of CPMR training, or a combination of both, but **Johnson doesn’t hesitate for a moment when he’s asked to explain why a manufacturer should work with reps.**

Johnson’s agency, **Precision Component Sales, Inc.**, Sparta, New Jersey, services the needs of OEMs in a variety of industries including medical devices, electronics, automotive, hand tools, fasteners, military, display, ordinance, aerospace, process and instrumentation.

Right out of the box, he maintains that “The major benefit to the manufacturer is the concept of synergistic selling. That’s something that takes place during each and every call that the rep completes. Consider for a moment studies that indicate the average sales call costs more than \$300. How many manufacturers can afford that kind of expense for a sales call for a single product or a single line? On the other hand, the rep — who has spent a long time developing relationships in the territory — can go in and make a call representing multiple lines. That’s just one area where the rep proves his value to the manufacturer *and* the customer.”

## BUILDING RELATIONSHIPS

Synergistic selling isn’t the only area where the rep shows his mettle. Relationships, as mentioned in the previous paragraph, are another important consideration. Johnson explains that the rep can guarantee the manufacturer his time in front of the customer “because we know who the decision makers are with the customer. We’ve spent a long time in the territory building relationships with those individuals. As a result of our efforts, we’re better able to get that time on the other side of the desk from the decision maker than is the direct sales person who’s only going to be talking about one line. The other side of this value add that the rep exhibits is the fact the customer doesn’t have the time to spend with a single person (the factory direct salesperson) representing a single line. Because his time is as valuable as the rep’s, he does have time to meet with the rep who is communicating and selling for a number of manufacturers.”

Johnson isn’t done yet when he emphasizes that “the rep of today is no longer just a salesperson; rather he’s a solution provider. He anticipates and then meets the customers’ needs.”

Part of the rep’s ability to meet those customer needs, according to Johnson, grows out of his time on the street in the

territory. “Most reps can boast of a fairly lengthy tenure in the territory. While conducting business there, he’s had the time to build on the relationships that he established over the years. Then add to that the fact that the rep firm can put more feet on the street a lot faster than the manufacturer can via his direct sales force.”

Just as so many other reps, Johnson can attest to the fact that the message the rep carries is ringing through to manufacturers. “I get several emails daily from manufacturers inquiring whether I’d like to represent their line. While a number of them come from foreign manufacturers, there’s been a big increase in interest from domestic companies.”

When an inquiry reaches him, Johnson explains that an important consideration is to determine if a prospective line would be a good fit for his agency. “If I ever take on an additional line, I’ve got to know that it’s going to be complementary to those that I already represent. If it isn’t a good fit, I can hardly guarantee that I can do the type of job they expect from a rep. In addition, I’ll have a greater level of interest if I know that the manufacturer has a history of working with reps and that they have a presence in my territory. If a manufacturer hasn’t worked with reps in the past, I don’t necessarily have the time to spare in order to educate them how to do that efficiently.

“That’s why if a manufacturer seeks me out, I’d recommend that they do their homework regarding reps — and how to work with them — beforehand.”

## FOCUSING ON EXPECTATIONS

An important part of the homework that Johnson refers to includes having an understanding of how to effectively communicate with reps. “The first thing any knowledgeable manufacturer ought to understand is what to expect from reps in terms of regular communication. Keep in mind that reps are independent business people. As a result, they think well beyond just selling products. What they’re concerned with is the total approach to business. Reps will work trade shows, report on important happenings in the territory and will be a constant presence in front of the customer. But the real success that the manufacturer is looking for grows out

of allowing the rep to work the territory to the best of their ability. If they've made the proper choice in the rep, then they've got to have faith and trust that the rep wants to be as successful as the manufacturer."

In addition, Johnson says he also appreciates a manufacturer that exhibits an appreciation for the fact that commissions paid to the rep don't necessarily all wind up in his pocket. "This is important because just as the manufacturer, we're business people. That means commission checks don't just go into our bank accounts. Like the manufacturer, we have expenses, whether it's taxes, travel and entertainment, cars or insurance. So when our sales go up and the commission checks get larger, that's hardly a negative. Manufacturers have to keep in mind that the cost of the rep is a variable — and it only increases when the manufacturer's sales go up."

Finally, just as a manufacturer has a list of concerns when it comes to reps and their performance, so too does Johnson have a list for a prospective manufacturer. "Among the attributes I'm always looking for in a manufacturer are," he explains:

"Completely open communication with their reps."

"Timely payment of commissions."

"A willingness to go the extra mile when it comes to assisting me in getting business."

"An ability to take a look at the benefits of a long-term relationship. Nothing happens overnight with a rep. That's why taking an extended view of expectations is desirable." <sup>as</sup><sub>m</sub>

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