



SUPER·REP

“ONE-MAN” REP FIRMS — THE ULTRA MULTI-TASKERS

EDITORIAL | JACK FOSTER



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Reps from single-person agencies certainly have more than enough challenges to overcome while working their way through to personal and business success. Whether it's competing against larger, multi-man operations, the constant need to attract more quality lines or simply the ability to manage time more efficiently, the single-person operation has a lot to contend with.

Over the course of many interviews with MANA members throughout the country, a variety of concerns rise to the top. There does, however, appear to be some consistency in the greater challenges that each has to overcome. Here are some of the top challenges.

Time Management

"There simply isn't enough time in the day to service customers and simultaneously fight off competition." That's how **Paul lassogna, P.M.I. Associates, LLC**, Stratford, Connecticut, describes a concern that weighs on his shoulders. "When you consider the difficulties of beating the bushes for new business while you're dealing with the regular concerns of your customers and principals, you find you've got a lot on your hands," he continues. "When all things are considered, there aren't a lot of places you can look for help. One practice I've adopted is to regularly evaluate the risk-reward ratio of every situation I encounter. Let's say I'm considering a new line or the prospect of new business. I ask myself, 'Is this going to be worth the effort?' If not, I'll have to pass it by."

lassogna, who's been a rep since 1992 and on his own for the past eight years, explains that one of the factors he considers in that risk-reward equation is the time it will take to develop business. "If I encounter something that's going to take six months to a year before I get anything in the pipeline, I've got to carefully consider how much of my effort I can exert in that direction."

"Most definitely, time management is a huge matter," answers **Robin Murphree** when asked what might keep the single-person operator awake at night.

Murphree, who heads **Summit Consulting, LLC**, continues, "I opened the doors to my agency a little over two years ago, so I'm still in the growing stage. At this point I'd say my challenge isn't so much getting lines or even figuring out whom I want to represent, it's really figuring out how I'm going to get the time to cover everything in my territory. To meet that challenge, I'm constantly on the lookout to make sure nothing falls between the cracks. I've got to be sure all the follow-up that's expected of me gets

done. I've got to admit I spend quite a bit of time compiling lists and checking off items as I get them done."

The rep, who covers the southeast United States including Mississippi, Tennessee, North and South Carolina, Georgia and Florida, notes that most of the time is spent traveling. "Since I know my job is to be on the road and face-to-face with customers, when I'm out in the field everything is right with the world. But often I feel as if I could get more accomplished back in the office, on the phone, or shooting out emails to people. Since I've got so much territory to cover, I think it's important for me to slow down a bit and sharpen my ax so I get *better* at the things I do well."

A Vote for CPMR

One of the ax-sharpening activities the Birmingham, Alabama-based rep would like to undertake is the MRERF CPMR program. "That's something I've got on my agenda, and I think it would be a real asset for me to gain that certification."

One rep who has already gone through the "ax-sharpening" exercise of earning his CPMR designation is **Jim Harrington, CPMR, Engineered Material Sales, Inc.**, Kalamazoo, Michigan. He emphasizes that completing the three-year MRERF program has been a help to his single-man operation. "I used to be with a multi-man operation. The CPMR certification helped then and now — especially in the area of time management. I know what type of time investment is needed to get the job done, and I plan accordingly."

Barb Jarosinki, Barbara J. Sales Assocs., Inc., Oakmont, Pennsylvania, echoes the importance of successful time management. "If you're all alone, obviously there's only so much you can do. Once you reach that point, you had better seek help." The areas where she seeks assistance include bookkeeping and project management. "I recognize the fact that salespeople hate to let any opportunity go by. At the same time, however, we've got to remember that there are only so many hours in the day. I've learned to pick and choose carefully."

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As if the concern for time management needs repeating, **Curt Tesch, Associated Production Services**, Rosholt, South Dakota, has also learned “how important it is to make sure you only spend time on activities that are productive. Be wary of devoting any time to something that doesn’t bring you a tangible return.”

Getting Lines

Among his concerns as a single-man operation, **Peter Kennedy, Kennedy Industrial Sales**, Fairfield, Connecticut, cites the challenge posed by the constant need to compete against multi-man rep firms — especially on lines that are particularly attractive to him. “Something I’ve found is that some of the lines that are attractive to me wouldn’t necessarily be attractive to a multi-man operation. When that occasion arises, it’s up to me to convince the principal that the single-man operation is a better fit for him.”

He continues to say that when the word “fit” comes up in conversation with a prospective principal, it evolves this way: “I let the principal know that if he places his line (that might have a potential for say \$1,000 monthly commission) with a multi-man operation, he could very well find himself towards the bottom of that rep’s line card. With the single-man operation (e.g., Kennedy Industrial Sales), however, he’s going to get a lot more attention because that commission means so much more to the smaller firm. This is why, during the interview process, I let him know how important he can be for me. It all comes down to how good the ‘fit’ is.”

Dwelling on the word “fit” for a moment, Kennedy notes another interesting topic that often comes up in conversations with manufacturers — their perception of territory. “For instance, consider for a moment that I cover all of New England. Some principals don’t really appreciate the fact that you could put all six states that make up New England inside the boundaries of another single state. They don’t realize the ability of a single-man operation to ably serve this entire territory. That’s something I’ve got to communicate to them.”

Another challenge high on Kennedy’s list is the cost of travel, as if no one knows the increased price of gas and the fact that you’ve got to make all travel arrangements yourself. As Kennedy says, “By definition, the single-man operation means you’re the chief cook and bottle washer.”

Getting the right lines — and enough of them — is something that **Bob Williams, BS&K Co.**, Charlotte, North Car-

olina, pays attention to. “My greatest concern is that I have the proper number of lines that will satisfy the customers I call on,” he says. To address that concern, he explains, “I’m constantly inquiring of my customers what their needs are and networking with manufacturers to learn if they need representation in my territory.”

Staying with the subject of getting lines, **Winston Bacon** admits that since he’s “brand new” to the world of “rep-dom,” it’s probably a bit easier for him to put his finger on his number-one challenge — finding good lines.

Bacon, **W.W. Bacon, Inc.**, Nashville, Tennessee, explains, “I know the territory intimately, have my customers in place and know what they need. Now it’s a matter of getting those lines that will meet their needs.”

In agreement is **Tom Carter, Dustfreeair, Inc.**, Rock Hill, South Carolina, who maintains, “The first thing that comes to me as a challenge or concern is the pressing need to acquire top-shelf principals. Unless you already have an extensive history and track record in a territory, that job is going to take a good deal of your time.”

While looking to fill his line card, Carter admits to another thing that he keeps a tight focus on — the need to keep a very short line card. “You can’t be all things to all people. That’s why I have relatively few lines. I want to be a top-performing rep with top-performing principals. Sure, I’d like to squeeze another line in here or there, but I’m not going to move away from my goal of working with just those few top performers.”

Fighting Direct Sales

“A number of the companies in our industry (agricultural) have been acquiring other manufacturers, and they’ve been able to put their own sales forces on the road.” That’s the situation **Michael Stephenson, CPMR, Stephenson Agri Sales Company, Inc.**, Poultney, Vermont, finds himself in.

What does the rep do about it? In answer, Stephenson offers, “I’m not quite sure. We’re in the hope that the situation will level off and that new manufacturers will crop up who realize the benefit of going to market with independent manufacturers’ reps.”

As if that’s not enough to keep him awake at night, Stephenson also grapples with increasing travel costs. “I

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cover all six New England states and New York, and as anyone familiar with the need to keep themselves on the road knows, the cost has just skyrocketed. To address that problem, I’m considering having manufacturers ship right to the dealers that I work with, instead of shipping to my warehouse, as I’ve done in the past. Once I receive equipment, I’ve often made use of my pickup and trailer to get products to customers, but that’s becoming increasingly expensive.”

Despite that concern, however, Stephenson says he’s optimistic about the future. “I say that primarily because the business I cater to is involved in the milk and dairy sector, which is extremely strong right now. I expect it to continue that way, and I’ll be here to serve it.”

Stephenson isn’t alone. At least you get that message if you listen to **Nicole Bagozzi, Electro Development Group**, Phoenix, Arizona. Bagozzi, who deals in the electrical industry, explains, “With all the merger and consolidation activity amongst manufacturers and distributors, one of the greatest challenges the rep faces is solidifying relationships with both constituencies.” Bagozzi, who’s been a rep for about 11 years, maintains that it’s especially beneficial to have strong relations with manufacturers because “it results in real benefits for you in your dealings with distributors.”

Commission Pressure

When he opened the doors of his agency, **Rory Pernot, Ocean Sales Associates**, San Clemente, California, says his goal was to keep the number of principals he represented fairly limited. “I wanted to be especially attractive to those companies who weren’t necessarily working with

the larger, multi-man operations. I wanted to provide them with the time and results that would make my agency even more attractive. However, as I move forward with business, many of the larger deals I’m working on are taking a lot of time and are accompanied by diminished commissions. Part of this is due to the competition from overseas.

I’m finding that there’s more and more deviation from agreed-upon commissions, and I’m being expected to accept a portion of that deviation.” He notes that to stay profitable, it’s been necessary to add some principals in order to make up for those losses in commissions.

Pernot adds that his business is diversified enough that he’s not really complaining. “We’ve been able to maintain our business and weather the storm. I expect 2008 to be another tough year, but we’ll do fine.”

Another rep who mentioned overseas’ competition as something he’s keeping tabs on is **Ian Munnoch, CPMR, MSA Components, Inc.**, Bloomington, Indiana. “I’m doing some importing of products from India and China right now. I’m getting involved in design and engineering work. As a result, I’m faced with the question of whether I buy/sell. But in general, I’d say the greatest challenge I face is how to expand my business while maintaining the level of capital that I need to continue on a daily basis.”

Speaking with as many reps as we did for this article, we were able to identify new areas that MANA can be of service. With their membership in MANA and the efforts they make to network with their peers, single-man agencies (or ‘Super-Reps’) are able to hone their multi-tasking skills, and learn from others who have faced similar challenges. 

