





A REP SUCCESS STORY:

FROM LEMONS TO LEMONADE

Tips for Managing Your Principal Relations

EDITORIAL | JOHN HASKELL



JOHN HASKELL

John Haskell, Dr. Revenue®, is a professional speaker and marketing/sales consultant with more than 40 years' experience working with companies utilizing manufacturers' reps and helping rep firms. He has created the **Principal Relations X-Ray**, spoken to hundreds of rep associations and groups, including 32 programs for MANA from 2001 to 2005. He is also a contributor to **Agency Sales Magazine**. For more information see drrevenue.com or contact drrevenue@drrevenue.com.

Reps never want to lose a line as a result of their value not being understood or appreciated by a principal. And, no rep-firm owner wants to hear a principal say: "We are going another direction. Thank you for your help in the past." With those very words, however, **Zink Marketing saw more than \$300,000 in annual commission disappear into thin air.**

Why did that business go away? The principal decided to go to market with direct people. And why is that? It's certainly not because Zink's team didn't perform.

Zink Marketing, a division of **Zink Foodservice Group**, Columbus, Ohio, is a foodservice and equipment rep firm with 22 outside and 16 inside personnel. Sales had grown 50 percent in the previous two years. Market share had also increased substantially. "It was difficult to understand why someone in a multi-billion dollar company would make such a decision," says **Jim Zink**.

So Zink and partner, **Mike McGuire**, started thinking about their situation. "We realized that we were not alone. The phrase 'no good deed goes unpunished' certainly applies to the rep business."

Zink and McGuire were frustrated, angry and upset. And who wouldn't be?

Backselling is the Answer

A few years before, at the annual conference hosted by their industry trade association (MAFSI), they had listened to a presentation from "John Haskell, Dr. Revenue." In that pre-

sentation they remembered my statement, "If you are not managing principal relations, you are headed for trouble!"

Zink Marketing had not been managing principal relations in a pro-active, professional manner, suited to a rep firm of their size and revenue.

According to Zink, "We brought Haskell in to meet with our team at our annual sales meeting. His approach to backselling and our need came together instantly."

"Right after the sales meeting, we recognized that we had a lot of work to do," says McGuire. "Our goal in meeting with him was to define a plan. We knew we had to step up. We knew it would take time and money. But, we also knew that we had no choice. We were not going to be blindsided again. We were at least going to fight to make sure that every significant principal would be educated and informed about the services, skills, and value of Zink as their branch office in the Midwest 6½-state territory that we cover."

30th Anniversary Target — Launching Pad

Zink's backselling program was launched in a big way and was defined as "up-the-channel marketing, promotion and

The **Zink Marketing** branch office is 15,000 square feet of recently expanded, class-A office and warehouse space. "We designed our space to provide the ideal working environment for our team and our principals," explains **Tom Phillips**, executive chef/master trainer. "We have a full-fledged professional kitchen/learning center where we are able to demonstrate and train our customers and their customers, the restaurant operators."

PICTURED, TOP RIGHT: **Jim Zink**, VP of Sales Zink Marketing

PICTURED, LOWER RIGHT: **Mike McGuire**, VP of Sales Zink Marketing





“The phrase ‘no good deed goes unpunished’ certainly applies to the rep business.”

sales programs for creating a complete understanding of the rep’s services, skills and branch-office position for the principal in the territory.”

At the NAFEM show in October 2007, Zink hosted a cocktail reception for its principals. Zink worked with them to produce a 16-page, four-color insert (see image below) celebrating the 30th anniversary of Zink Marketing in **Foodservice Equipment and Supplies Magazine (FES)** — the key trade publication read by Zink’s customers.

Laying It All Out on Paper

The anniversary reception and magazine insert (which can be seen at zinkmarketing.com) meant that Zink was putting everything it wanted to do on the line. “We could not mention anything that we were not prepared to do. We were not 100 percent ready in October, but we knew that we had to deliver 100 percent by January 2, 2008,” explains Zink. “There was a lot to this package. We had to work closely with our graphic designer, Rich Goodnight, and with our printers and our own personnel. Getting ready for Atlanta provided a perfect opportunity to backsell our own team. Every one of our reps and inside people had to understand what we were committing to.”

Atlanta worked perfectly. The host hotel’s banquet department supported the Zink effort. CEOs, presidents and top managers from all of Zink’s significant principals showed up and stayed longer than expected.

In a 15-minute presentation, **Skip Zink** (Jim Zink’s father, McGuire’s father-in-law and founder of Zink Marketing) reminded everyone of the fundamental principles of conducting business as a rep. Zink and McGuire walked the audience through the total branch-office presentation and introduced the new ZinkLogix program.

“We want our principals to recognize that we are part of the company,” explains McGuire. “We are no different than if they were to outfit a series of company-owned branch offices around the country. No principal — regardless of size — can provide the services we do. That is the key to our backselling program. We complete 100 percent of what we say we are going to do. And, we do it in a totally professional, structured and organized manner that our principals cannot replicate. Our branch office is better than anything they could do. Most important, we do it and we sell it 24/7.”

Cleaning Up the Line Card

In addition to communicating the branch-office concept, Zink explains, “We immediately saw that we could not represent ‘minor’ lines in the way we were saying. We could not afford to do a less than ‘Zink job’ for any line. We know that a minor-line sales manager today could be a major-line vice president looking for new reps tomorrow. We never want to be in a position of being in the bottom group of any company’s reps. This meant that we had to take a new approach to our line card.”

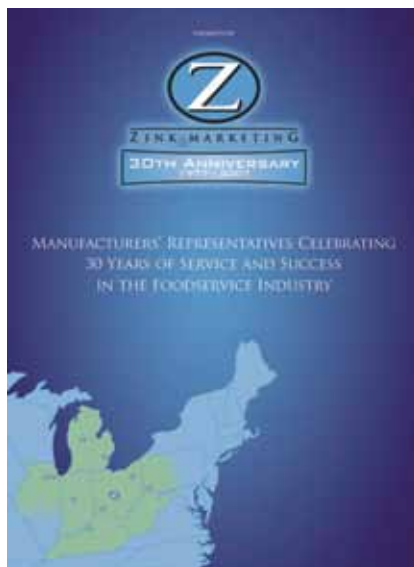


IMAGE (FAR LEFT): The FES insert put Zink up front and personal with every customer in the territory. “We were really delighted that each of our manufacturers stepped up to participate in the anniversary insert program,” explains Skip Zink. “It was a fabulous tribute to our long and deep involvement with our lines.”

“If you are not managing principal relations, you are headed for trouble!”

Some of the key elements of Zink Marketing’s revamped communication efforts aimed at its principals include:

Forecasting — For years, reps have shied away from forecasting and formal planning. To counter that philosophy, Zink turned 180 degrees and now provides major principals with written (detailed) annual plans, complete with comprehensive forecasts, down to the SKU.

Weekly sales meeting calls — Mondays are call day for both Zink Marketing and Top ‘O the Table (TOTT) table-top division. Every member of the inside and outside sales team participates and advance reporting/preparation is expected.

Regular updates — The ZinkLogix system (see image, opposite page) provides data that allows Zink and TOTT management to communicate to principals what is going on in a factual, detailed manner on a regular basis. “We were shocked when we had 258 pages of data for Kolpak (the refrigeration division of Manitowoc Corp. — a 30-year Zink principal) in the first quarter of 2008,” notes McGuire. “As we studied the data, we realized how powerful the Sales

Logix tool is. We store and manage leads, review calls, and provide information through instantaneous (written) communication between the outside and the inside.”

Responsive systems — “This includes our lead follow-up system, which allows us to see which rep has what leads, and what he/she has done with every lead from every company at a particular date, as well as our ‘call guide’ system, which helps reps prepare for and follow up on calls. This way, Zink customers have professional salespeople calling on them with all of the tools to help their business.”


Sales force management — Zink is a large branch office with two sales managers, Zink and McGuire. Regardless of a rep firm’s size, however, effective backselling requires successful management of the sales force. The two sales managers have planned travel schedules so that their teams (Zink in the north, McGuire in the south) can see that they are traveling with the reps a few times a year. Micro-management is not necessary with the level of rep personnel that Zink employs. But, getting out and supporting the field salespeople is critical to the pro-active management-style that Zink Foodservice Group promises to its principals.

IMAGE, LEFT: The Zink Foodservice Group line cards are structured by product orientation. To make the backselling program work, only significant lines (those providing 5 percent or more income) could be on the line card. Zink will work with a developmental line, if it is truly outstanding with the potential to be 5 percent of commission income or more within two years. But pioneering and minor line service are not appropriate for a firm of Zink’s size and structured branch office approach.



Backselling — This is the final piece. It is the reason Zink Foodservice Group can say, “Never again.” No principal is allowed — at any level — to go unsold, unserved. The Zink message is loud and clear. “Zink Foodservice Group is a totally professional, aggressively-managed, hard-wired branch office for your company.” According to Zink, “We perform the job better than you can because it is our *only* job. We are **the** company in the 6½-state Midwest territory that we cover — you can count on it!”

Just the Start

The annual plans that Zink presented in 2008 were just a start. Quarterly reports are now in the initial stages. The website, line cards, and promotional materials are being thoroughly utilized. And, Zink management knows that this program will only succeed if it is worked every day. The Zink Foodservice Group has cried out, “Never again” — and every member of the team is working to make it true. 



ZINKLOGIX
SALES MANAGEMENT SYSTEM

IMAGE, LEFT:

ZinkLogix is an umbrella name for the total Branch Office Sales Management System. The Zink team knows that the sales force must be managed in an aggressive, pro-active manner. Using the most-advanced technology [Sales Logix by Sage] and adding innovative, unique tools helps the ZinkLogix system drive the branch office.

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REP SUCCESS
A LONG RANGE VISION MAKES BOTH DOLLARS & SENSE