

Clean Up YOUR Line Card

BY JOHN HASKELL

**Get your act together now before it's too late.
Your principals are looking.**

Your line card reflects your total business strategy.

The lines you represent are your company.

You are your lines and your lines are you.

So what does your line card say?

Every rep group is revealed by its line card —
even rep firms that don't publish a line card.

I have had very strong debates with several rep agency owners who did not want to publish a line card. Several were concerned with what their principals would think when they saw all of the lines gathered in one place. Some were concerned that no matter how many or few lines they represented one or more principals would demand they drop lines. Reps feel that all principals want to dominate their time. Rep paranoia is real.

Multiple-Line Selling Means Something!

At seminars I like to ask a group of reps “What do you call what you do?” Ironically, 90 percent or more don’t respond immediately, “Multiple-Line Selling.” Some say “outsourced sales,” “representation,” and other “stuff.”

Multiple-Line Selling should be on the tip of every rep’s tongue every minute of every day. The reason the rep business exists is multiple-line selling (MLS). The advantages of MLS are so many and so huge that they need to be discussed, illustrated and emphasized 24/7.

There should be no doubt about the strategy a rep firm has behind the lines.

The Package of Lines

The secret of MLS is the package of lines that a rep firm assembles. There should be no doubt about the strategy a rep firm has behind the lines. No matter what industry you are in there is a logical assortment of lines that should be obvious to everyone at every level of the business.

Line Logic

Clearly a firm that represents a manufacturer of filing cabinets should have office desks and chairs. It makes sense that such a rep firm might have other office products from a line of shredders to accessories for cleaning computer monitors.

Does it make sense for a firm in the office products business to have janitorial supplies? Yes, it does because many of the companies that sell office products also sell janitorial items to their customers.

The logical package of lines is best defined by the customers that the rep sells. If your customers buy it in significant volume, you probably want to sell it.

For this same reason many industrial cutting tool reps sell cleaning supplies used on the shop floor.

Simple Green is a great product for many reps who sell the distribution firms who sell into their industrial market.

Presenting Your Line Card

When you create a line card, you want to demonstrate a very clear logic behind the selection and organization of lines.

In the Foodservice Equipment business a rep firm set up its lines [1] hot [2] cold [3] storage. This makes sense. The products go into the kitchen. They are either used for cooking, refrigeration, or “other,” which is generally storing products.

To create this firm’s line card we used colors. Red for hot, blue for cold, and green for storage. The line card is simple, clean and easy to explain.

In other industries separating the principals into categories may be more difficult, but there is always a logical structure for the lines. In some cases we have developed separate line cards for separate types

of businesses. Cutting tools and maintenance and repair products can be put on two different line cards. This makes sense because there may be different buyers at distributors and at end users. Those who do not buy the products are not interested in those line cards.

What Lines to Keep is a Big Issue

No rep firm wants to be too dependent on one line for too big a percentage of the commission income it earns. But, there should be a cut-off point below which a line is not worth having on your line card.

I have heard all of the arguments:

- It doesn’t really take any time.
- We need the income to cover our expenses.
- The line has potential.
- It is a logical sell with the other products we represent.

Reps hate to drop lines, but....

The Five Percent Rule

I have formulated the Five Percent Rule to spark discussion and stimulate thinking with reps. The Rule goes like this:

If a line does not produce five percent of current income or have the potential to produce five percent of

commission income within the next 12-24 months — drop it!

The Five Percent Rule sparks hot flashes with many reps, but, it just makes sense. If you had a package of lines that each produced five percent of your income the most lines you could have is 20.

Logically, using the Five Percent Rule you will probably end up with 10-15 lines. Assuming that you have assembled a smart, strong package of lines this is a good number for your line card.

The Good Sales Manager Rule

It is a given in every industry that good sales managers are few and far between. Therefore, a poor or underperforming line that has a good sales manager is likely to lose that sales manager to a strong, better line. From the rep's point of view, if the rep firm has represented this line for a few years and done a poor job with the line, the good sales manager has been unhappy and unimpressed with the rep firm.

The rule is that the good sales manager will eventually end up working for a good line. Then what happens? Generally, the good sales manager goes looking for good reps for his good line. Your rep firm, which did a poor job for his previous poor line, is not on his list. Why would he look to you? You never performed for him in the past. If you had tried for a year or 18 months and then told the good sales manager, "We need to drop your line. We can't do it justice," or "Your line just doesn't fit for us; we have really enjoyed working with you and hope to work with you somewhere else," he would feel much better about your very professional rep firm.

The bottom-line, *never put your firm in a position to do a poor job for any line!*

Clean Up the Line Card!

You have everything to gain and nothing to lose. Assume that you have five lines that do under 5 percent each. These five lines add up to less than 8 percent of your overall income.


You don't have to drop all five at once. Perhaps you drop three lines that represent 3 percent of income. What happens? According to reps who have gone

through "line reviews" and selected lines to drop, there is an immediate improvement in the concentration of energy and selling power on the lines that are kept on the line card. The argument was that the minor (C or D lines) did not take any time, but generally there is more time devoted to them than we think. Dropping the lines helps everyone — fewer reports, fewer phone calls, less literature to store and send out, fewer samples to carry, just less time-wasting "stuff."

Market Your Line Card

When you have a clean, well-organized line card — sell it! That is right — sell the structure of your multiple-line package to all of your customers, all of your prospects, all of your principals, all of your prospective principals and your own team.

Everyone needs to know and understand the logic behind your line card. All of your Principals need to see how they fit in. You need to sell your principals on the "synergy" (Jack Berman called it *synergistic selling*) of your lines. Your line card shows the synergy and you are trained to sell it.

When you have a clean, well organized, logical line card you are a rep firm that is positioned to capitalize on the basic asset of our business — *multiple-line selling!* 



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