

Who Are These People?

The secret lives of reps

Allow me introduce myself. I am The Rogue Rep. You've seen me at trade shows or picked me up at an airport somewhere. I just might be some manufacturer's "Rep of the Year" or I called on your business yesterday.

But that doesn't matter - all that does is the fact that I'm calling on customers and dealing with the issues independent rep firms face every day.

I have some goals I hope to accomplish with this column. The first and most important is to be a voice for the silent. Sales representatives are rarely asked their opinion or comments on products or industry issues, yet we're more exposed to products and the marketplace than any other person in the sequence of a sale.

Therefore, we should be recognized. Many times reps have motivated industry direction and guided product innovations. How many times has a rep offered a suggestion or idea that became a success, but credit is not offered? Happens all the time.

My mission also includes providing a better understanding of what's involved in representing a manufacturer in our industry these days. You're going to have to trust me here, but it isn't about driving cool cars, playing golf and being rich.

Being a rep is hard work and not as financially rewarding as you might think. There are some classic and very funny moments to share, as well as some not-so-funny episodes that can be titled "The Audio Industry's Most Shocking and Embarrassing Moments".

THE LANGUAGE

Reps, sometimes referred to as "rep-tiles" (which is sooo last decade - get over it), are the human (and often only)



connection between the dealer and the manufacturer. We have the earthly ability to "speak dealer," and we also have the job-inherited responsibility to "speak manufacturer."

That might not seem all that complicated at first. But try taking a dealer's product issue and translating it to manufacturer language in search of a solution, and then taking that solution and converting it back to dealer language. That, my friends, is a skill that takes years to develop.

The rep's primary function is to sell the manufacturer's products. The bottom line. Whether selling to a music store, consultant, sound designer, touring company, contractor or pro audio dealer - any and all of the above - the object is to get the purchase order.

I guess it's no secret that when the economy turns downward, manufacturers relax dealer requirements and

basically become willing to sell to anyone with a pulse, a resale license and an order of over a thousand bucks.

We spend hours in our cars, driving to and from dealer visits. We pay for hundreds of cell phone minutes to schedule meetings for the following week and returning calls involving product questions and order issues. Our lives are dedicated to showing and selling products, processing orders, and if things go our way, keeping the lines we represent for a little while longer.

Over the past several years, as audio and video products have been made

available on the Internet, the responsibility of our role has shifted slightly. Now that the consumer is far better educated as to what equipment they need (or so they think), the dealer has become more of a pick-up point than a show room.

Years ago, customers would go to a music store or pro audio dealer and ask what the latest gear was and how it worked. Now, customers have already checked it out on-line, often know exactly what they want and have at least some idea of what the product does. They come to the store to physically touch the box it and to see if they can get the product at the same price they saw on the Internet.

These days, the rep's job is to make sure the product can ship immediately, and to negotiate with the manufacturer for extra discounts the dealer needs to meet the Internet price. Jeez,

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doesn't anyone even care about how this stuff works and sounds anymore?

Although there are many instances where the rep introduces new products and solutions to a dealer, and saves the dealer money and time, the majority of our time is absorbed processing orders and following up on the orders already placed with the manufacturer. True story.

NEGATIVE VIBES

What do manufacturers think of us independent representatives? Most of the larger ones would love to find a way to do away with us. They probably calculate the five to eight percent paid to us in commission could be

Off With His Head?

When the idea to speak openly about the independent sales rep's point of view came about in *Live Sound*, I was honored and thought I was ready to start ranting immediately. This was an opportunity to utilize my many years of experience in the industry and represent the representatives.

But before I started typing away and revealing all those secrets only reps know, thereby completely breaking the "code of representatives" (as if there really is one), I took some time to consider all the possible complications of having my opinion in print for all to read. I wondered if I would be thanked by my fellow reps for getting the word out or hunted by hit squads for "airing dirty laundry" and giving up trade secrets. Certain comments could get me fired and force me to learn phrases like, "want fries with that" or "sir, are you happy with your cellular carrier?"

So I discussed this with our firm's legal advisors, and was instructed in clear language that I was running a very serious risk. "If you write negative things and people know you wrote it, you'll never get another company to represent again." Well, duh - I didn't go to law school but I figured that much out. Damn the torpedoes - the only thing that's been changed is my name.

The Rogue Rep

additional profit for them. Some manufacturers actually believe that the products will sell themselves. Those are what we call the good old days!

Some manufacturers live in their own world, seeing things their way and understanding only what they want to understand. If the manufacturer is an "engineering driven" company, meaning that the products are developed because of an engineer's ideas, then a product is launched with the features that they're sure the customer needs - because an engineer thought of the ideas.

They expect everyone to love the new product simply because they do. To make matters worse, engineering speak is a totally different language then either dealer speak or manufacturer speak.

On the other hand, if a manufacturer is market driven, then the company believes they're fully aware of the market and competition, and have developed a product that addresses a market need. When a manufacturer finds the right blend of engineering and marketing, we see innovative products which are actually useful, and much more important, sellable.

But folks, let me go on the record and say that this industry has enough loudspeaker providers selling a 12- or 15-inch woofer and horn combination in a box. Stick a fork in it already!

Developing new products doesn't necessarily get them sold. That responsibility is in the hands of the rep, but what isn't in our hands is the new product to demonstrate.

NET NEVER

This leaves the rep with a serious selling problem. Can any rep firm afford to buy a new widget, let alone one for each sales staff member every time a new model comes out? In today's economy and for as many years back as I can remember, rep firms represent multiple manufacturers.

Some offer discounts and extended terms for product samples, others offer extended terms but little discount. And then there is the extra, extra discount, but only with 30-day terms. Pretty soon, we reps have become the customer. How the heck did that happen?

Some smarter manufacturers have discovered a way to keep fresh products in front of the dealer without sending the rep to the poorhouse. Their product samples are free - that's right, "net never" to the rep.

Some strict guidelines are attached; samples must be returned at the end of the agreement (or paid for), and we must sell these demo products in a reasonable period of time or the "net never" invoice becomes net 30 days. But this is a better method than the alternative, which is buying a new product sample every month.

The free samples would mean the rep could demonstrate the latest products and build sales without investing in the manufacturer first. And when the product has had enough hands on it and is starting to look used, it's time to sell it. But let's not forget the most important part, and that is, the rep has product to demonstrate and it sure beats showing a picture on literature!

But before we jump up and down and celebrate, one difficulty remains, the never-ending problem for the rep to sell the used gear. We are not (or should not be, at least) in the business of selling used gear. In today's economy and with consumer awareness and knowledge at an all-time high, selling used or "B" stock equipment is far more difficult than it was a few years ago. These days everybody wants new factory sealed boxes.

Plus, when you think about it, isn't a rep's time better spent selling new products and providing the service required to maintain the manufacturer's market share instead of trying to sell last year's models?

Well, that's enough ruffling of feathers. I think we're off to a good start, don't you? If you want to tell me a thing or two, feel free write. And I look forward to hearing from other rep firms about how they handle product samples and selling that used gear!

Your independent sales renegade,
The Rogue Rep

The Rogue Rep is a very experienced manufacturer's representative. His identity is protected for obvious reasons. If you want to share your thoughts, pain, good or bad stories, or just complain, please email him at rogurep@livesoundint.com.