

ON THE ROAD ...

by John O'Reilly

This issue being devoted almost exclusively to the manufacturers representative, we thought it only appropriate that our "On The Road . . ." series now turn its attention to an accomplished MR and how he perceives and fulfills his role in the marketplace. In previous "Road" articles, we have investigated the techniques and philosophies of various types of distributor sales personnel, observing first-hand their dealings with the trade either in the field or in the showroom. In this installment, however, we will move up one notch on the chain of distribution to focus on the wholesaler in his more privileged status as the customer of the manufacturers agent.

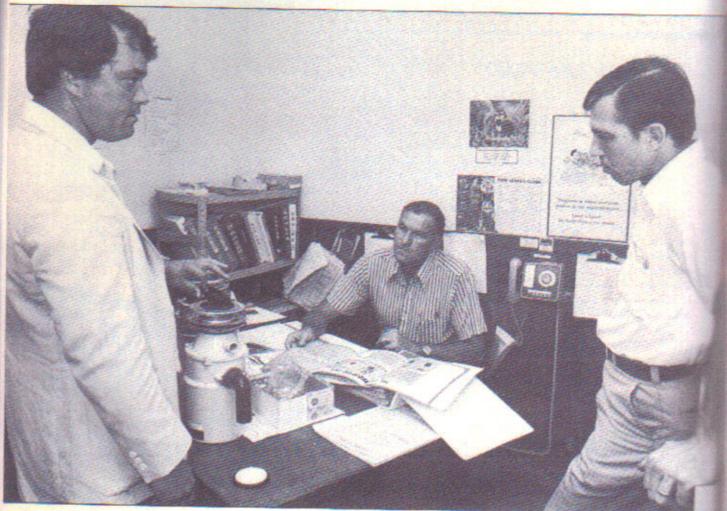
tain service demands which must be satisfied by his suppliers and their representatives, if he is to perform effectively. One purpose then is to discover just what those needs are and how a successful professional representative goes about the task of meeting them. How does he balance the various conflicting demands of his distributor customers, most of whom are in constant and even heated competition with one another, without alienating their business or compromising his own basic integrity?

We also hope to gain insight into the proper relationship between the M/R and other "secondary" levels of the distribution chain, historically a powerful source of contention in this industry. How



BILL RESPORD

Manufacturers Representative MACO of Florida, Inc. Tampa, Florida "I never hesitate to ask for the order—and repeatedly in the same call, if necessary—just so I can get the item in the hands of the customer. Once he has seen it perform, then the momentum is all in my direction."



Tieses Disease

25

M

col

the

OF

sic

the

of

Mi:

OWI

SUF

does the Rep properly promote his products and services to the contractor, engineer, architect or builder, without undercutting the overall marketing efforts of his primary customer, the wholesaler-distributor?

These are the kinds of difficult questions that a manufacturers representative must confront every time he enters his territory. Bill Rexford, 34-year-old co-owner of MACO of Florida, Inc. in Tampa, has spent 11½ years in the M/R business learning how to effectively cope with these problems, along with all the rest of the often frustrating, but always challenging, conditions of his profession.

This reporter recently spent two days traveling with Rexford in his Florida west coast territory. Here I was able to observe up close the specifics of Bill's undemonstrative but highly productive sales style that has won him considerable regard among his wholesaler customers.

To be sure, salesman Rexford is far from perfect, and the complimentary remarks of several distributors I interviewed during my visit were occasionally tempered by mild criticism of certain aspects of his performance. But when I pressed them for a straightforward comparison of Rexford to his competition, nearly every one of these distributors conceded that Bill deserved a place among the leading agents in his territory. For a transplanted Yankee in a sharply competitive Southern market, this is certainly no small accomplishment.

Beginning With Bond

As this magazine has so often reported, nepotism need not be an unhealthy influence on the fortunes of a company nor the people directly involved. The



OPPOSITE PAGE: M/R BIII Rexford (left) is shown here making a sales presentation on his new line of kitchen disposers for general manager George Mahofski (right) and purchasing agent Robert Kulchar of Southern Supply Co. in Sarasota, Fla.

LEFT PHOTO: Rexford talks over his new valve line with consulting engineer Bob Burton.

PHOTO INSET: Rexford checks on some defective toilet seats with Coy Linzy of Palmetto Pump & Irrigation Company, located in Bradenton, Fla.

PHOTO BELOW: Rexford makes a sales presentation on Elkay's new line of two-handle, washerless faucets for Jimmy Crowell of Crowell Plumbing in Tampa.

Bill Rexford story is a living case in point.

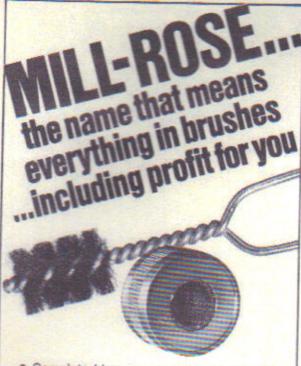
The son of Elkay Manufacturing Co. vice president/marketing Fred Rexford, Bill got his start in the M/R business 12 years ago when his father arranged a meeting for him with Bob Bond, at the time Elkay's representative in southern Florida. Due to retire within the next decade. Bond needed an

assistant to groom as an eventual successor, and found Bill to his immediate liking. And so, in March 1967. Rexford and his wife Jovce, both native Midwesterners, bid farewell to the snow and cold of their suburban Chicago home and set off for the promise of a new career in sunny Miami.

Although he had spent the previous three years working as an inside salesman for a Chicago-based OEM faucet manufacturer, Bill was at the time basically innocent of the ways of this industry. He therefore underwent the traditional initiation rites of this business, serving a six-month stint in the Miami warehouse of Bond Plumbing Supply, Inc., owned and operated by Bob's brother, O. P. Bond Jr. Surviving the rigors of that ordeal intact, Rexford was then dispatched to Orlando to begin his M/R career in earnest, selling Elkay stainless steel sinks and Olsonite toilet seats to Florida west coast

"Bob Bond really didn't have the time to properly train me for selling," Bill remembers, "so I had to pretty much fend for myself. My dad always coun-

(Continued on next page)



- Complete Line . . . every type, size and style, and bristle material you need to provide fast, across-the-counter, one-stop service for all your customer's needs. From one source with one high quality standard . . . immediate delivery.
- Performance-proved...Mill-Rose "Clean-Fit" brushes are engineered by the industry's leading brush manufacturer. Then fieldchecked regularly to be sure they do the job.
- Name-branded . . . because you can confidently sell a brush we're proud enough to stamp with the Mill-Rose name. No Brand X's . . . no fly-by-night trick names. All Mill-Rose.

YOU PROFIT when you stock and promote Mill-Rose Brushes. PHONE US today for profit-building information on the Mill-Rose Line. It's your profit-line . . . Mill-Rose.

Available in plumbing and refrigeration sizes.



"Clean-Fit" Sealant Tape — Made of 100% Tellion® to produce a clean, efficient, easy-to-tighten thread assembly on all kinds of pipe, including plastic. Simplifies joint tightening and loosening. Use on liquid and gas process and feed tilned.

Scratch Brush — Rugged steel wire brushes firmly Imbedded in solid hardwood handle with hand-fitting grip.

Condenser tube brushes — Choice of four bristle wires — stainless and high-carbon steel, brass, or Nylon. Fourteen diameters from %4" to 3". Can accommodate any number of 36" screw on extensions.



THE MILL-ROSE COMPANY

7995 Tyler Boulevard • Mentor, Ohio 44060 Phone: 216-255-9171

Circle No. 133 on card, p. 215

On The Road: Bill Rexford

continued

seled me that a good salesman cultivates first name relationships with at least one of three groups: engineers, wholesalers and contractors. I guess because the third group appeared less formidable to me, I began calling on plumbers, carrying a simple wooden toilet seat under my arm to use as a prop for my sales presentations.

"It actually was an excellent way to begin," he continues. "The product could hardly be more rudimentary, and I found a much larger tolerance for error and ignorance among contractors than I did with the other two groups. I'd carefully enumerate all the special features of the seat-1-2-3-4. right down the line until I had brought up absolutely everything that could be discussed.

"I had trouble getting my story straight at times, and was almost at a loss to answer any technical questions, but eventually things began to fall into place. One day I suddenly realized that I had developed a little routine-and a pretty good one at that!"

Rexford worked six years for Bond & Associates, leaving in 1973 with another Bond trainee, Jeff Nelson, to form MACO. Representing Elkay sinks and In-Sink-Erator disposers, the new agency's trade area was initially confined to northern Florida, with Bond & Associates retaining the southern portion of the state. Then, in 1975, the pair re-merged with Bob Bond, with Bob becoming a semi-retired consultant for the firm and MACO acquiring representation rights to the entire state for Olsonite, Powers Regulator and Garvin, as well as Elkay and In-Sink-Erator. MACO continues to represent all but In-Sink-Erator, whose contract was discontinued this spring when Elkay introduced its new line of residential disposers. In April, MACO acquired the Milwaukee Valve line.

Although the firm achieved an approximate sales volume of \$4 million in 1977, MACO consists of only four full-time employees, all of them agents in the field. In addition to Bill Rexford on the west coast and Jeff Nelson (based in Ft. Lauderdale) in the south, the company has Bill's brother Doug Rexford, who covers the Jacksonville-Gainesville-Talahassee area from his home in Jacksonville; and Lee Talley, until recently a branch sales manager for the now shuttered Horne-Wilson Co., who currently calls on wholesaler accounts in Leesburg, Ft. Pierce, Daytona and his home base of Orlando.

Superior Sales Pitch

Although Bill Rexford has a number of strong points as a salesman, easily his most formidable (Continued on page 156)



continued

talent lies in the area of in-depth product knowledge and marketing savvy (both on behalf of his own lines and those of his competitors), as well as in the ability to present an organized, effective sales pitch that literally compels the customer to buy.

As we shall see later in this article, the Rexford approach is not the overblown harangue of your late night TV, used car huckster. His tone instead is casual and conversational, but unwaveringly insistent; laying fact upon fact upon fact to develop in the customer's mind a clear and concise understanding of all a product's features. His objective is to impress upon the client what he believes to be the first rate quality of his lines. And while Rexford will resort to a variety of promotional strategies to accomplish this, it is basically a case of one highly determined personality leaning carefully but firmly against another.

"Regardless of whom I am pitching—wholesaler, contractor or engineer—inevitably they're going to admit at the end of my presentation that they like my product. What else can they say?" he asks in mock exasperation. "All my lines are of excellent quality, and these people are not going to tell me to my face that they cannot stand what they know to be self-evidently superior.

"The next step, once a customer has conceded his preference, is to obtain as solid a commitment as possible for (depending on whom I am calling) specification, inventory or job installation. In this situation, I am very reluctant to surrender to a customer's ambivalence. I never hesitate to ask for the order—and repeatedly in the same call, if necessary—just so I can get the item in their hands. Once they have seen it perform, then the momentum is all in my direction."

in Defense Of The Hard Sell

In our previous six "Road" articles, the hard sell aspect of salesmanship has been judged a decidedly inferior technique to the concept of personalized, ever-ready customer service. Given the repetitive nature of most sales relationships in this industry, there's no question that our priorities have been in proper perspective. Of course, customer service is also a crucial component in Rexford's formula for sales success, although he acknowledges the validity of certain customer complaints that he occasionally falters in this area (due mainly, he insists, to his firm's total lack of a full-time administrative staff).

But these are hectic times for MACO, with the (Continued on page 158)



For seven years the finest branch tailpiece on the market. Why? It's easy and quick upon installation. The long, horizontal 1/2" copper branch gives you no more kinked hoses, no more bruised knuckles, no more sweating on extra ells. It's sanitary because our baffle-action branch directs

the hot dirty dishwater 90° down the drain—not splashing up as other branches permit. There's no need for a 3/4" branch to reduce pressure, no need for a costly rubber adapter kit. And it's easy on price. Our competitive Long Branch, comes in various styles, die cast or brass nut, rough or satin finish, 6" - 8" - 10" - 12" lengths.

The finest product for a competitive price spells value.



Innovative Manufacturers Serving The Plumbing Industry Since 1957

4000 Main Street . Box 282 . Grandvlew, Mo. 64030

Phone 818/763-6644



Circle No. 136 on card, p. 215

On The Road: Bill Rexford

continued

aforementioned introduction of several new product lines to its offering. In addition to the disposers, Elkay has also recently unveiled a totally new line of two-handle, washerless faucets. Along with the new valve line, this is a tremendous influx of new product, and it has compelled Rexford and his three associates to be far more active in the area of setting up new distribution than would normally be the case.

This of course afforded us an excellent opportunity to witness and evaluate a much different type of selling than we have previously observed in this series. The remainder of this piece will therefore consist of a chronological account of my two days in the territory with Rexford, including at least a brief description of the events of each call and a commentary by Bill on his own performance. In a number of instances, I interviewed the wholesaler on the call (out of earshot from Bill) for his view on the M/R in general and the quality of Rexford's performance in particular.

The First Day

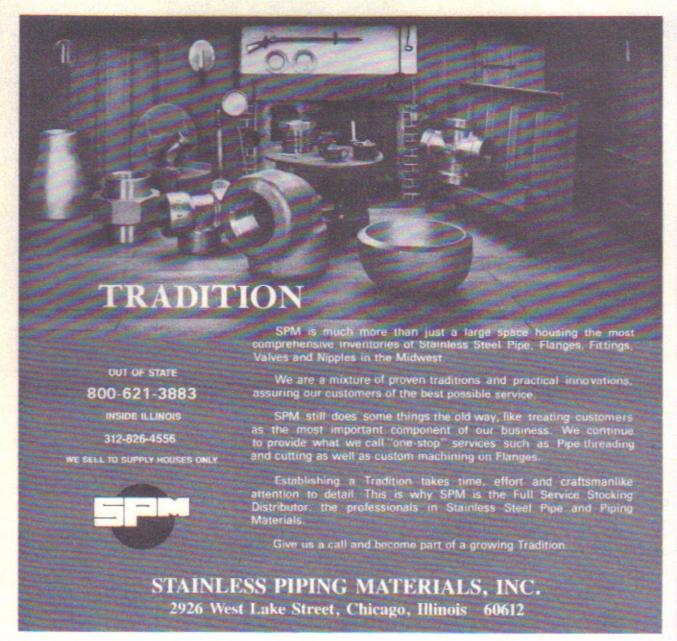
Our first call on Tuesday morning, June 13, was Palmetto Pump & Irrigation Company in Bradenton, located 45 miles south of Bill's Tampa home. During our half-hour drive to this initial call, Bill and I discussed the general nature of his daily sales routine.

"While I drive 30,000 miles annually, about 60% of my time is spent in Tampa and the immediate vicinity," Bill remarks. "The rest is split evenly between Lakeland, Ft. Myers, Ocala, Bradenton and Sarasota, all within a 70-mile radius of my home."

Bill devotes approximately half his sales calls to supply house accounts, another 25% to engineers, 15% to contractors and the remainder to miscellaneous prospects such as school boards, industrial plants, etc. At least this is the normal routine; although lately—again because of the new products—he has been spending much more time on secondary calls, trying to get a toehold in the territory for these items.

"You really cannot break into a market with a new item unless you have some feedback from the field," he comments. "Wholesalers like to see new products, but after one of my presentations the first question they'll invariably ask is: 'Is it approved?'

(Continued on page 160)



Circle No. 137 on card, p. 215

On The Road: Bill Rexford

continued

"So, for example, when MACO obtained the Milwaukee Valve line, the first thing I did was approach the three largest engineering firms in Tampa, to persuade them to specify the line. Finding a receptive audience at one place, I was then able to return to the wholesalers with the news that such-and-such engineering firm is specifying the line, so why not put in a stock?"

Rexford believes it is these secondary calls which make or break a Rep in his market. A product is never fully established unless all three sectors engineer, wholesaler and contractor—have expressed more than a casual preference for the item. Even then a Rep cannot feel totally assured.

"Obtaining specification for your lines and then making that specification stick is a real battle," he remarks. "It used to be that an engineer's job plans would specify one and only one product for an application, without mentioning any equivalent lines. So, it was relatively easy to keep that spec in place.

"Today, project plans tend to permit or equals' in addition to the specified line. Assuming one of my products is specified, this listing of alternative brands implants the notion in the engineer's mind that a competitor's product is the equivalent of

(Continued on page 162)

TUBS AND WATER HEATERS GIVE YOU VOLUME.

La-Co gives you 40% gross margin ... and volume if you want it.

Tubs, water heaters and other large ticket items are ordinarily the glamour products of the as wholesaler. But how many g.p. dollars do they really contribute when measured against invested capital?

LA-CO® provides an 40%

average 40% margin for you ... and if you really concentrate on our line, as many gross profit dollars as you can earn in the big ticket items. And ... you don't have to negotiate every sale. That kind of business is nothing to sneeze at.

(nothing to sneeze at)



LAKE CHEMICAL CO. 265 N. Washlenaw Ave., Chicago, II. 60612

Circle No. 138 on card, p. 215



Circle No. 140 on card, p. 215

On The Road: Bill Rexford

continued

mine in terms of materials, construction, engineering and performance, when in fact it isn't even close.

"So, if I get bumped off the spec because my price is too high, I'll have to pitch superior quality," he continues. "If that doesn't cut it, then I'll try to persuade him to consider the lower end of my line. I'll tell him he's unfairly comparing a competitor's Chevy to my Buick. If my Electra is too expensive, he needn't go for an Impala. Why not try a LeSabre?—he still gets his price and a Buick to boot.

"If this argument is successful, then I have to go out and persuade the contractor to use it on the job and the wholesaler to put it in stock. Like I said, a product is never completely sold after one call."

No-Show At Palmetto

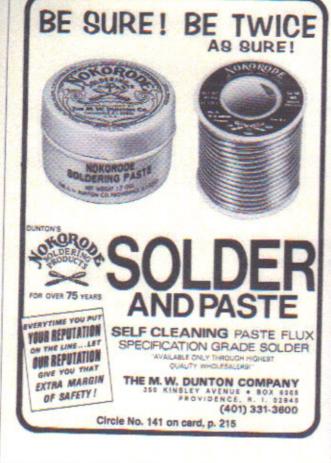
The first call of the morning was a bit of a disappointment. Although Rexford had called in advance to set up a meeting, his main contact at Palmetto—sales manager Herb Bounds—had to be out on a customer service call himself, and so Bill wasn't able to give his disposer presentation. Nonetheless, he spent about 15 minutes on the premises that morning, chatting with estimator Norm Steinberg and checking defective merchandise with inside salesman Coy Linzy. He also sought out purchasing agent Bob Wylie to at least let him know that the new disposers were available.

The Palmetto visit was in many ways typical of the kind of call Rexford makes on wholesalers, especially in regard to the casual manner in which it was conducted. While the Florida market is reputed to be highly competitive, the business atmosphere is extremely low key and informal—from the style of dress to the tone of the conversation. Bill rarely wears a tie, and on especially warm days, he may even forsake his sports jacket. While in the case of the Palmetto call, he made an appointment with the sales manager, Rexford usually just drops in on his supply house customers unannounced.

"You call on the wholesaler so often over the (Continued on page 164) MINN







Circle No. 139 on card, p. 215

On The Road: Bill Rexford

continued

years, that a very light and casual relationship inevitably develops," he comments. "These people are
in essence my friends, and so I'll often walk into a
supply house without the slightest intention of selling anything. I might spend an hour and a half
just sitting around and drinking coffee, visiting all
the people I know: the manager, the purchasing
agent, the estimator or quotations clerk, and even
the counter personnel. These people at the middle
and lower levels of the company are potentially its
future managers. And since I plan to be around
awhile, it's not a bad idea to establish a rapport
with them right now."

However, if Bill does have to launch a sales presentation, it is usually in the presence of the branch manager or his chief marketing man.

"This is because of the central buying arrangements of a number of multi-location wholesalers, whose headquarters are outside my immediate territory," he explains. "The manager or the branch buyer usually cannot make a major stock commitment on a new product; but they can buy their 'shorts' from me. If the results are acceptable, I—or more likely one of my associates—can then call on the corporate sales manager, demonstrate the branch manager's buying preference, and offer to help arrange a central purchasing schedule."

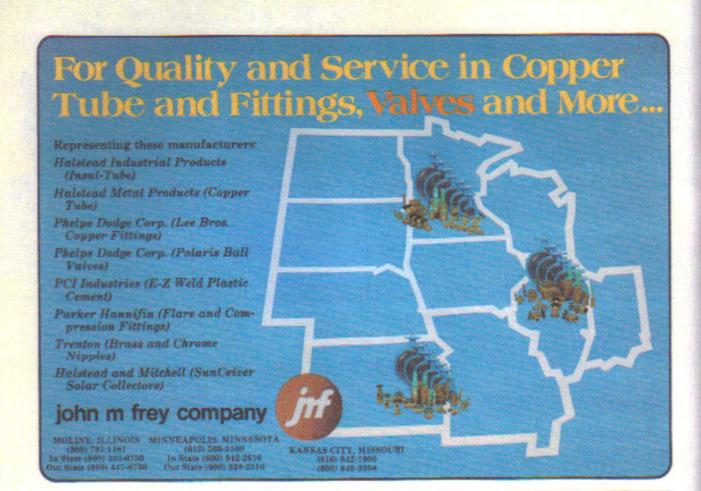
Although it followed the routine fairly closely, the Palmetto call did possess one unusual aspect: Bill came away with an order for 130 plastic seats.

"I don't often leave a supply house with an order," he remarks. "In fact, I don't especially like to leave with one, and I'll usually suggest they send it directly to the factory.

"Since I'm traveling constantly, I might not have a chance to sit down at my office and process that order for several days," he explains. "And so unless the order is for a new product, and I don't want to give the customer a chance to change his mind; or an emergency delivery, in which my handling the order might expedite shipment, I would prefer the wholesaler handle the order himself."

A Successful Call

Bill made two other calls on Tuesday morning, both of them consisting mainly of a sales presenta-(Continued on page 166)



continued

tion on the new disposer line, and both resulting in firm commitments on the part of the wholesalers to buy.

At Hughes Supply Sarasota branch, Bill talked briefly to manager Jerry Coleman and industrial salesman Blair Evans in the warehouse. We then moved to the office of plumbing manager Charlie Reed for a concentrated 20-minute presentation on the new disposer line. Bill began by spreading open the six-page product pamphlet on Reed's desk, to describe in detail the five different models available in the new line. Having brought with him two operating units (the top and bottom of the line), Bill then plugged the low end unit into a nearby wall socket to demonstrate its comparatively low noise level. "If the competitive model is so quiet," he remarked, "think how much better sounding the high end model must be!"

Bill remarked to me several times over our twoday visit that the most difficult aspect of selling a new product is moving it off the wholesaler's shelf after the initial purchase. "With a decent product, it is relatively easy to sell the wholesaler," he comments. "But if a contractor is used to installing a certain item, it can be very hard to persuade him to change." Charlie Reed, who had been buying Bill's old disposer line, was impressed enough with the presentation to switch allegiance for the minimum order.

To partially counter this problem, Rexford was willing, if necessary, to personally fund contractor advertising in the local media to help build momentum for the line.

"Elkay's a good company and Bill's a good Rep," he remarked. "I know they are not going to market with a shoddy piece of merchandise. As for his presentation, Bill carefully took me through all the unit's specifications, step-by-step, so I clearly understood what I was buying. That's a lot better than just throwing the brochure down on my desk without explanation, in which case I probably would have ignored both it and the salesman."

Selective Distribution

Another crucial element in Rexford's sales presentation was his promise of selective distribution. He confided to each wholesaler prospect that he was seeking to establish only two or three distributors in the area, a selling point that sat very well with (Continued on page 168)



continued

Charlie Reed.

"We push new items very hard," he comments.

"And we don't think it's fair for us to do all the work to establish an item in the territory, only to-have the manufacturer permit competing supply houses to come in and reap the harvest of our labors."

Times Photo

For

comp

Powe horse

cond

food

Cush

absol

a full

2700 S

Sroady



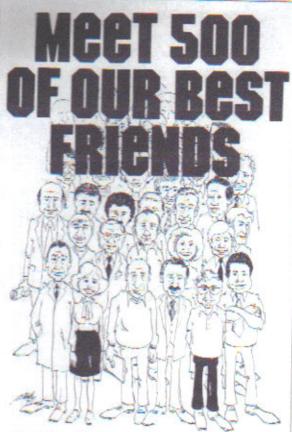
PHOTO ABOVE: Rexford telephones the factory to check on the whereabouts of a faucet shipment, while Hughes Supply salesman Tommy Burt inspects one of Bill's sample disposers, at Hughes' Sarasota branch.

For Bill Rexford, selective distribution is a common sense method of insuring the success of a new item which, despite its strong potential, might otherwise lie stillborn on the warehouse shelf. It also serves as the primary antidote to this industry's seemingly perpetual hassle over price and what constitutes a justifiable markup for a wholesaler.

"If everybody is carrying the same item in a trade area, then price becomes the sole distinguishing factor among competitors," Rexford remarks. "Smart wholesalers will quickly lose interest in this situation, leaving the rest of the market the unhappy task of cutting one another's throat for the business.

"The Elkay disposers, the faucets and the valves are new items," he continues, "so I'd just as soon limit distribution to encourage the chosen few to go all out in their promotional efforts. Limited competition results in a greater opportunity for the wholesaler to make money, which in turn is strong incentive for him to work with you in getting a new product off the ground."

(Continued on page 170)



They're our plumbing supply wholesalers. There are more than 500, actually, large and small, all across the Southeast. We've worked long and hard to build up these associations. We've succeeded, too. Here's why:

- We provide the best service in the fastest possible time.
- Our 10 top-notch associates get out orders the day they're received.
- We have three WATS lines for instant access to all our customers.
- Our 40,000 square foot warehouse stocks a broad range of products. 4 loading docks help to expedite shipments.

We're proud of all our friends. We'd even be prouder if you were among them.



On The Road: Bill Rexford

continued

Later that morning, Bill struck pay dirt again on the disposer line at Southern Supply Co. in Sarasota. General manager George Mahofski placed an order for 30, and there were strong indications that the company's other two units in Ft. Myers and Bradenton would also order 30 each.



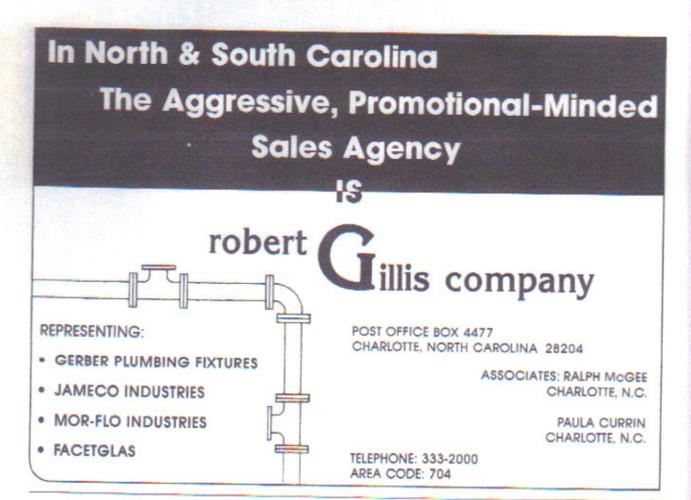
PHOTO ABOVE: Bill Rexford has a few laughs with Pete Harris (right), president of Midcoast Wholesalers, Inc. of Serasota, and warehouse foreman Doug Malley.

Our first visit after lunch, however, failed to produce such beneficial results. Bill made another disposer pitch to president Pete Harris, at the open air city counter of Midcoast Wholesalers in Sarasota. The presentation was as thorough and informative as any of the others that day. But on this sticky hot June afternoon, the gruff but affable British emigré just didn't seem to be in the mood to buy. But Pete did have time for a few complimentary remarks on Bill's behalf:

"Tve known Bill for a long time, and he's a good man," comments Harris, who in 1955 immigrated with his wife to the U. S. from Winchester, England, where he worked as a bobby. "Bill takes care of things for us very well, although I do have to prod him a bit at times. But he's consistent with his calls, dropping by once a month or so, which is the way a Rep should be. Some of these fellows come around every two weeks or less, literally crying for an order. I hate that! I see a couple of them so often, I sometimes think they're on the payroll."

Harris admitted to me that he might eventually take on Bill's new disposer line. But then, by way of explaining his current refusal to buy, he echoed Rexford's complaint that the trade is often the

(Continued on page 172)



continued

toughest sale of all.

'Tve sold Bill's old line for many years and without any service problems to speak of. And frankly,
Midcoast has worked hard to convince the trade
that it's the best disposer on the market. Our customers are used to it, right down to the last nut and
bolt. If I switch brands, they're not likely to be
thrilled with my decision. 'God Almighty! We get
used to one line and you change to another!' No sir,
I'm not looking forward to that sort of problem at
all."

Our next call was on Bill Haase, manager of Castle Supply Co. in Sarasota. Again Bill made a disposer presentation, and for the third time that day came away a winner. Like Hughes Supply's Charlie Reed, Haase was impressed with the quality of the line, but more importantly with Bill's selective distribution policy. "How can I sell something that everybody else in town is carrying?"

In our interview, Haase gave Rexford high marks for salesmanship: "Even with that big Elkay sink line, Bill doesn't rest on his laurels, waiting for people to come to him with their orders. He does a good job promoting his product, not only with the wholesalers, but also with builders, contractors and engineers, too."

Nonetheless, he judged him worthy of only a "C+" on all those tedious but important customer service tasks a salesman is constantly asked to perform: "We'll see how fast he gets back to me with that catalog I requested today."

Haase saved his sharpest barbs for the pricecutting ways of our industry in general and how certain Reps (not necessarily Bill) contribute to these problems. His fretful remarks were prompted by my question of whether or not he likes the Rep to accompany his own salesmen on calls (a service Rexford gladly offers).

"On a spec job, a Rep's specialized technical knowledge can be very helpful in favorably influencing the builder or the contractor," he responded, adding, "but it also opens the door for direct selling. In these times of the large stocking M/R, that's pretty scary to me. Any time they want to, these guys could change the market around and become super-brokers direct to the trade for all the lines they represent. In some cases, the trade is already buying direct from the factory at 5%, and the plumber's minimum order for this discount is

(Continued on page 174)



Bernard J. Mulcahy Co., Inc.

1125 East 79th St. Bloomington, Minn. 55420 Phone (612) 854-3621

OUR 49th YEAR!

Warehousing
Representatives &
Distributors For:



Bell & Gossett
Hoffman Specialty
McDonnell & Miller
Domestic Pumps
Lawler Controls
Danfoss Valves
Weil Pumps
Marsh Instruments

Lochinvar Water Heaters
Thermo/Tech Connectors
Lindsay Water Softeners
Cox Radiant Heating

Providing The Upper Midwest
Plumbing-Heating-Cooling
& Industrial Markets With
Experienced & Knowledgeable
Engineering, Sales & Service

AHC Solar Systems



F & P ASSOCIATES, Inc.

REPRESENTING HYDRONIC EQUIPMENT MANUFACTURERS IN NORTHERN ILLINOIS & LAKE COUNTY, IND. SINCE 1948



3801 WARREN AVE. BELLWOOD, ILL. 60104 (312) 547-6300, 626-2928

13 ARDITH DR., NORMAL, ILL. 61761 (309) 452-4043

WAREHOUSE

On The Road: Bill Rexford

continued

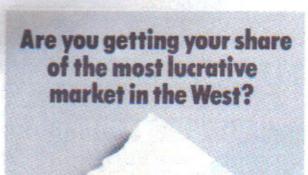
smaller than mine! What's the use of making an inventory investment under these crazy conditions?"

Rexford shares Haase's intense dislike for the M/R warehouse. "I'm sure there are certain areas of the country where Rep warehouses are essential. But an agent with a warehouse has the opportunity to provide what I believe to be unfair pricing advantages to certain of his customers.

"For example, if one of my wholesalers buys 500 lb. of bronze valves from me, that entitles him to the best discount available. Now a stocking Rep with another line of valves could approach this distributor's competitor and also offer the 500 lb. discount. But this order might not only consist of bronze valves, but all the other lines he inventories as well. The distributor who buys from him—perhaps 200 lb. of valves and 300 lb. of his other lines—has a smaller valve investment but a comparable price. It undercuts the efforts of the stocking distributor who has made a major commitment in the form of inventory investment and marketing programs."

Haase was also critical of the M/R profession for what he feels are its flagrantly inconsistent pricing policies.

"A wholesaler never really knows for sure if a Rep is giving him the best price available," he remarked. "I might dicker to the limit with an agent, believing I have obtained the best possible price. (Continued on page 176)





There's gold in them there fills. At Westrep, we concentrate on nothing but the huge So. Cal. plumbing market, specializing in "shelf" lines. Our list of satisfied principles include. Fluidmaster. W.H. Harvey Co., Rectorseal Corp., Dearborn Brass and Swan Corp. If your firm could use a bigger share of this Western Bonanza. Westrep knows where to look.

Westrep Co.

3121 Bandini Blvd Las Angeles CA 90023 (213) 268-7252

WHOLESALERS

Your up to the minute pricing problems answered quickly and easily.

Two beautifully bound, ruggedly constructed loose leaf price data books for the P & H wheleasler. 24 sections of vital information, fully illustrated. MASTER copy advises on market changes, including cost sheets. Size: 35/" x 11" x 3//" expanding to 5". The SUPPLEMENT, for wholesaler and jobbers desiring additional copies for salesmen and counter use. Size: same as Master. Published by publisher of Brudford Price Book.



Published in 2 editions — The MASTER and SUPPLEMENT Copy.
Write for full details today.

Mac EWAN MARKET MANUAL
OUINCY, MASSACHUSETTS 02169

Circle No. 143 on card, p. 215

On The Road: Bill Rexford

continued

Then I'll get on the phone with one of Castle's other branch managers, only to learn that the same Rep has made him an even better offer! And among M/Rs there are very few exceptions to this rule."

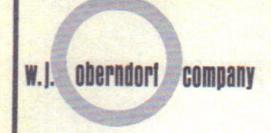
The pricing problem is a very complicated one, according to Rexford, and its roots are perhaps not as deliberately conspiratorial as some wholesalers would like to believe. "But I cannot deny that as you travel from one area of this state to another, you're going to encounter discrepancies on price for the same product.

"It probably gets started when an M/R approaches his principals for permission to offer a certain price to spring a large order or break a major account," he continues. "The manufacturer might grant permission in this case, which isn't so bad; but then will refuse to give the same price to the next guy down the road, because they feel they don't have to.

"In this situation, the Rep is often guilty of being too greedy, trying to get all the business in town, no matter the cost. In the end, he hurts himself worst of all. For the sake of a big order, he usually fails to protect all those good customers who give him the business on a regular basis. The one-shot-only wholesaler, who would screw him for a nickel, is getting a better deal than the regular account."

But what does Bill Rexford say to the wholesaler who wants a better deal than the competition, without any special purchasing commitment on his part?

"I would probably tell him that it's against the law, pure and simple," he replies. "As a policy, MACO holds to set prices regardless of trade area. (Continued on page 268)



45 YEARS OF SERVICE TO PLUMBING & INDUSTRIAL JOBBERS IN

THE MIDWEST

Marketing Specialists For Manufacturers

SALES OFFICES IN: CLEVELAND

CINCINNATI

INDIANAPOLIS

3737 CHESTER AVENUE, CLEVELAND, OHIO 44114/216-361-5500

DIMR

On The Road: Bill Rexford

continued from page 176

I'll admit a large commercial order might elicit a special discount, but for stock orders it's all pretty cut and dry-a truckload order brings a truckload price."

The last stop of the day was a courtesy call on Southern Supply's service branch in Bradenton. There Bill dropped off some disposer literature and informed the manager of George Mahofski's favorable reaction to the new line.

All in all, it was a fairly productive day for Bill Rexford. He started out looking for at least one solid distributor for the disposers and ended up with three

"This line has the potential of \$25,000 in annual commissions," he remarked to me, "and my initial volume goal is 1,000 units per month. If all these managers follow through on their expressed commitments, I think I'll have this territory pretty well under control."

Selling The Valves

Our first call Wednesday morning was on Gorman Co.'s branch in Tampa. Here Rexford attempted to persuade manager Ed McFarland to put in a supply of his new valve line, "to build a track record which will prove to my principal that he is a bona fide distributor," Bill explained. "This way, I will be able to extend him preferential discounts." McFarland, however, would make no firm commitment other than to say he might be able to buy later on.

Our next stop was the engineering firm of Healy,

Hargan & Matten, Production manager Bob Burton ushered us into a small conference room, where Bill launched a presentation on his new "Butterball" valve line. As with the disposer presentations of the previous day, Bill carefully enumerated all the features, functions and applications of the line. Bob Burton is a registered engineer, so there was no fear of Bill's talking over his head; if anything, Rexford had to be far more thorough on his technical descriptions here than he would have been with a wholesaler or contractor.



PHOTO ABOVE: Bill Rexford talks with Gorman Company's Tampa branch manager Ed McFarland about putting in an inventory of bronze plumbing & industrial valves.

As Rexford later termed it, he basically talked "horse sense" to the engineer, emphasizing for example the versatility of application of the Butterball: "It permits full flow like a gate valve, while you can meter it like a globe and balance it like a ball valve." When Burton questioned the quality of the rubber seal (in contrast to a gate valve's metalto-metal seal), Bill showed him the federal specification number in the product literature: "A very important consideration for us with all our government work," Burton acknowledged.

Bill then made an actual demonstration of the seal's effectiveness, using a portable pressure tester. With it, he placed a model valve under 175 lb. of air pressure, air being the toughest test for positive seal. No leaks manifested themselves for the duration of our visit.

At the close of the presentation, Bill—true-toform—asked Burton if he might substitute the Butterball on a job already specifying globe and gate valves. Apparently impressed by what he saw, Bob replied that he was in the process of changing his firm's basic specifications and that he would definitely consider using Bill's new line.

"I thought Rexford's presentation this morning was a good one," Burton told me. "The key is that Bill understands that I have a limited amount of time to handle my main responsibility—designing jobs—and how I therefore dislike a Rep calling on me without something specific to talk about. Familiar with the extent of my knowledge, he knows how much of his pitch to skip and that he's better off getting straight to the point—the product.

"Of course, I've learned to look past the 'pitch' portion of every M/R's routine," he continued. "While they are always emphasizing the best features in a product, I naturally seek out its limitations. What I like about Bill is his honesty. He showed a great variety of valves this morning, and their quality is obvious. But there is an equally obvious difference in the way the valves are constructed across the line. Bill didn't try to bluff me on this point by telling me the biggest valve isn't any different than the smallest one. I appreciate his not insulting my intelligence."

Our next call—and the last one of substance during my visit—was on Crowell Plumbing in Tampa, where Rexford made a faucet presentation to owner Jimmy Crowell. Rexford admitted to me that Reps making solo calls on the plumber is hardly a popular activity among wholesalers.

"Some agents work on the premise that the plumber's brand preference dominates the market," he explains. "In other words, he will inform the wholesaler what he wants to install, and the wholesaler will accommodate the contractor, even though he might not be all that partial to the M/R involved.

"Well, I don't agree that plumber preference always dictates, nor do I think the Rep should spend too much time encouraging the plumber along these lines. The problem is, once a Rep gets heavily involved with the trade, he invariably finds himself discussing price. Before long you're quoting the product direct, and therefore trimming the wholesaler's margin, if not cutting him out al-

ARNOLD KAUFMAN

LEON P. WALDMAN CORP. 28-05 ASTORIA BOULEVARD LONG ISLAND CITY, N.Y. 11102 212—RA 1-5757-8

THE AGGRESSIVE REP FOR 25 YEARS

Representing:

BASCO MFG. CORP.—Brass & Steel Nipples
C-CURE CHEMICAL CO.—PVC Cement (Bond-Tite)
EMPIRE-ACE INSULATION CORP.—Insulation
FACETGLAS—Fiberglass Tubs & Modules
FILTERITE—Sediment Filters
GERBER PLUMBING FIXTURES—China & Brass—
Shower Stalls
SHERIDAN MANUFACTURING—Redy Hot Dispensers
SILKAUF PRODUCTS OF CALIFORNIA—Toilet Seats
SANITARY-DASH MFG. CO.—Tubular Goods

together. If I do call on a contractor to sell him an item, I'll inform the distributor of my intentions and request a quotable price to pass along to the trade."

Selling around the wholesaler then wasn't on Rexford's list of objectives for the Crowell call. In fact, Rexford had already pitched the plumber on the new faucets, but the distributor salesman had failed to follow up on Bill's efforts.

"Initially, I went to Crowell, not to sell, but to demonstrate the product, and Crowell expressed considerable interest in it at the time," Rexford observes. "Now that the wholesaler has failed to capitalize on the lead, I'm back to square one. I'm still only demonstrating this morning, but this time I'll add a few incentives to get things rolling."

The extra incentives were two in number. First, Rexford offered to accompany Crowell's son Bobby to demonstrate the new line to builders. "The kind of technical knowledge Bill has is very impressive to the builder," Crowell later explained.

Rexford also offered Crowell three or four sets of the new faucet, free of charge, for use on his service trucks. This common practice of Rexford's is basically an expression of confidence in the superior quality of his lines. He reasons that a single application will prove so overwhelming impressive to the user, that he will be unable to resist buying.

The Younger You Are The Harder You Work

Our final two stops of the morning were essentially courtesy calls on Charles Sales and Bond Supply, both in Tampa, a welcome tapering off of the energy level of these two very full days. As we drove to the airport, Bill and I had a chance to re
(Continued on next page)

The Hill Sales Agency



SERVING OREGON, WASHINGTON, ALASKA & HAWAII

PROVIDING PROFESSIONAL AND EXPERIENCED SALES REPRESENTATION FOR THE MANUFACTURER AND THE PLUMBING SUPPLY WHOLESALER

P.O. Box K • Edmonds (Seattle), Washington 98020 • (206) 775-2538

On The Road: Bill Rexford

sonlinues

flect both on the experiences of the past 30 hours as well as those of the past 11½ years. All in all, Bill Rexford feels his hardest times are well behind him.

"My father gave me an excellent opportunity to get into this industry, and for this I owe a lot to him," Bill comments. "But those first years were not easy. You work a lot harder when you are young and new to the industry, struggling to get to know the right people and struggling to get the right people to know you.

"But once you have laid this groundwork, it all becomes much easier. For instance, there's no way in the world I could have walked into that engineer's office this morning, cold off the street, and even shown him those valves, let alone obtained a specification commitment from him. But we have been dealing with one another for a long time and favors to each other have accumulated. I now have his confidence so that he specifies my lines on a regular basis."

Rexford sees this kind of reciprocal loyalty as crucial to his success. "I depend upon my stocking distributors to let me know what the competition is up to in the marketplace. By simply informing me of the latest deal proposed to them, I can then report to my principals and perhaps put together a counter offer. In return for these favors, I won't go out and sell every jobber in the market."

But such loyalty has to be earned by a Rep and Rexford has garnered the respect of his customers through his comprehensive sales approach, with its accent on extensive product and marketing expertise.

"MACO can presently claim most of the major wholesalers in this state as stocking distributors," Rexford points out, "and with the addition of the three new lines, we have an annual volume potential of \$10 million. With that sort of income, MACO might be able to hire additional men based in midsized towns like Ft. Pierce, Palm Beach or Sarasota. Perhaps we might open clerically staffed offices in our current larger base cities. Either one of these ideas would represent a major advancement for us, because field coverage and inside customer service capability are two overriding considerations for manufacturers in search of representation."



PHOTO ABOVE: Here on the final call of my two-day trip, Bill Rexford discusses a possible future order with estimator Dick Partow (center) and manager Joe Provenzano of Charles Sales' Tampa branch.

As for his own career, Rexford hopes to continue selling indefinitely. "I just hope I never reach the point in old age where I get piggy about money and, wanting it all for myself, fail to provide for the long-term growth and continuation of this company. By the time Jeff, Doug and myself are in our 50s, we should take on younger people to learn the business and to better relate to the younger personnel moving up the management ladder in the supply houses of our market.

"I just want to be in a position 20 years hence to offer some young fellow the same chance my father and Bob Bond gave me."