

POWER-MOTION TECHNOLOGY
REPRESENTATIVES ASSOCIATION

FOCUS

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President's Message

by Les Anderson, L.J. Anderson & Associates, Inc., Rogers, MN, PTRA President

The April 2001 Conference in Scottsdale, Arizona was a great success. We had another terrific membership attendance. The surveys received back from attendees show Scottsdale to be a warm and friendly city to go to for our conference. Perhaps we'll go back to this warm-weather-city in a few years.

In most parts of the country the industrial economy is not as vibrant right now as we would all like. Looking into my crystal ball, I predict that by next spring the overall economy will be percolating again. Start

planning now for the highlight of the 2002 year in our professional field: The 30th Anniversary Conference of PTRA in Orlando, Florida. A common expression of winners, "I'm going to Disney World!" And that's exactly where our hotel is, right on Disney World property. You'll be receiving more information on this fun April 2002 event in future issues. Mark your calendar.

I am pleased to report that many members have volunteered to work on committees

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President Les Anderson

Please Note:

- Forgotten your user-name/password for www.ptra.org? Call the PTRA office at 888-REP-PTRA!
- 2001-02 dues invoices are being mailed now!
- Mark your calendar now for PTRA's 2002 Conference, April 17-20!
- Now you can connect to Google Search, the Weather Channel, Expedia Maps, USA Today, CNN & MRERF from the homepage of www.ptra.org!

www.ptra.org . . . Have You Seen It Lately?

by Bob Lennon, CPMR, T.P. Lennon Co., Inc., Elburn, IL, Communication Committee Chairman and Board Director

Those of you who attended the Scottsdale conference were treated to a brief overview on the current status, and the changes coming to, our website: www.ptra.org. The site has been up and running since late 1999, and a small group of people have devoted a huge amount of their time to make it what it is today. The Communication Committee's primary task is the oversight and continued development of the site. As your Committee Chairman,

please feel free to direct any comments or questions about the site to my attention at bob@tplennoncompany.com.

The Board of Directors met at the Conference and approved a plan to give the site some much-needed improvements along with a major facelift. During the Past Presidents' Breakfast, Les Anderson and Stephen DiPietro received enthusiastic support from the past presidents for the direction and

planned improvements to the website. Our goal is to have most all of our enhancements in place with plenty of time to roll out the plans for our 30th Anniversary Celebration at Orlando Florida in April 2002.

Planned upgrades include major enhancements to the current online Locator. Please take the time now to view the data presented regarding your company (if you've forgotten your user

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2001 - A Sales Odyssey Plays to Ovations and Rave Reviews!

One of the greatest benefits of membership is the privilege of meeting annually with peers and business partners from across the country! Next year we hope to see you there!

The photos on pages 4 and 5 show only part of the journey our members took when they participated in our 2001 Conference, April 18-21 in Scottsdale, Arizona!

Besides the outstanding camaraderie, friendships and business partnerships forged and enhanced, members were energized and enlightened with new ideas and fresh perspectives from our speakers. The interview sessions and free, one-on-ones with our legal counsel, Mitchell Kramer, were enthusiastically received and, in more than one instance, more than paid the cost of attendance for a

member! And, the social events provided a venue for memory-making.

A fantastic meeting like this doesn't happen all by itself, and we'd like to thank a few people for all their hard work: **Conference Chair Ron Haynes** and his Committee for everything; **Hostess Chair Carol Ann DiPietro** and her Committee for the warm welcome, gifts and enjoyable spouse program; **Immediate Past President Ken Blank** for his informative presentation to our first timers; **Golf Chair Jay Holder** for arranging a memorable event for our tourney participants;

Run/Walk-a-thon Chair Don Elfstrom for a fun time morning after morning; and the PTRA Executive Committee, **President Stephen DiPietro**, **1st VP Les Anderson**, **2nd VP Duncan MacDonald**, **Treasurer Bob Newman**, **Secretary Gregg Smith** and **Allied Director Greg Furlong**, for handling a myriad of duties during the Conference! And, if we've forgotten anyone integral to the success of this Conference, our sincere apologies! Well, we can hear the orchestra starting, so our allotted time on stage must be up. *2001-A Sales Odyssey earned an enthusiastic two-thumbs up!*



Note PTRA's new address and fax number!

A Different Focus!

by William Bess, PTRA Executive Director

PTRA's Focus has a new look—and so does the staff at PTRA headquarters! As previously announced, the association changed management companies on May 1. Bess Management Services, located in Arlington, Texas, is pleased to have been chosen to facilitate the activities of the association and provide a continuity of

contact and resource for a fresh perspectives for its members! We look forward to getting to know all of you and providing prompt, cheerful service to meet your needs. Please feel free to contact us (Bill and Pam) at any time with your comments, suggestions or questions! And, please note the following changes:

New Address

**P.O. Box 150229
Arlington, TX 76015**

New Fax:

817-561-7275

Phone and email address remain the same.

Full info on back page.

President's Message . . .

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to increase the benefit of your membership. One of the key objectives of PTRA Officers is to direct committees to accomplish specific tasks that will add to the value members receive. I am so very impressed and grateful for the commit-

ment these individuals make for our members. If you have any comments, either positive or negative, or an opinion about where you think PTRA should be headed, I ask you to communicate your thoughts to me. Your creative and con-

structive feedback will help make PTRA the association it is destined to be. You can reach me thru PTRA headquarters, or email me at: Lander-son@LJAA.com.

Have You Seen It Lately?

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name and password, contact the PTR A office at info@ptr a.org or call 888-REP-PTR A). Pay attention to proper spelling, any area code or zip code errors, MANA territories served, additions or corrections of email or website address, etc. Make a note of any necessary corrections and submit them via email to Pam Bess at association headquarters at info@ptr a.org. You will get another opportunity to submit these corrections when your dues renewal information is mailed to you in June 2001, but doing it now will get accurate data on the website much more quickly. Also review the updated program for member websites at www.ptr a.org/member/website.html. Creative CyberServices has put together a very attractively priced offer for PTR A members to get their own site up and running. Learn more about Donna Frendt's company and view her work at www.creativecyberservices.com.

You may also note that this is the first issue of Focus to be developed and published in a pure electronic format. Yes, the printed and mailed edition will continue to be available, and is being sent to you now, but you have the option to notify Pam Bess if you prefer not to receive the mailed copy, thus saving the association mailing costs. Again, submit your request via email to Pam's attention at info@ptr a.org. The electronic version, viewable at www.ptr a.org, offers us the ability to enhance the content of the newsletter by offering hyperlinks to sites of additional interest, or direct email contact to various members of the association and authors of specific articles for feedback. In the future, you will be notified via email when the new issue is posted, and you will receive a link to take you directly to Focus online.

An additional improvement

coming soon will be two programs offering you the opportunity to enhance the way your agency is listed on the Locator. Details will reach you later this summer, but here is how the programs will work. For a nominal additional cost of \$50/year, your agency will have the data about it presented in a bold face type. For \$150/year you can get the bold type, along with a space to present your agency logo, along with 100 words of text describing your company in your own words. It is our intention and plan to allow free hyperlinks for members who have their own webpage. We will ask that the member reciprocate on their webpage to allow hyperlink to PTR A's site. These programs offer you the opportunity to choose how prospective principals will perceive your agency.

Other "coming soon" enhancements include "point and click" search capability direct from

the MANA map, cleaner navigation, improved graphics and text sizing, and several other ideas already planned to make the site something which truly gives PTR A a professional appearance to the web browser. Most important, while we look forward to making the site the best it can be, we cannot get the job done without your input. Please submit any thoughts to my attention at bob@tplennoncompany.com. I look forward to your feedback... after all... it is your association!

Line Available!

Allied-Locke Industries

1088 Corregidor Road

Dixon, IL 61021

Ph 800-435-7752

Fx 800-462-3130

alichain@alliedlocke.com

Contact:

Dan Dummett, Sales Manager

Territories Open:

1. Alberta, Saskatchewan, Manitoba

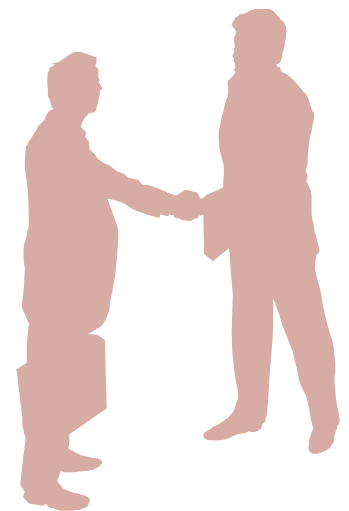
2. Colorado, Utah, Wyoming, Idaho

Products:

Chain and sprockets

Target Markets:

Industrial, Agricultural



The Line Available service is a membership benefit available to Allied Members only! PTR A membership is beneficial—use it!



A strong Board ensures a strong association!

An effective Board of Directors, willing to give of their time and creative vision, is essential to the viability of any association. PTRA is fortunate to have a history of electing members who have directed the focus and growth of the association in a manner that provides real benefit for its members. Our thanks go out to the following new officers and directors of the PTRA: **Les Anderson**, President; **Duncan MacDonald**, 1st Vice President; **Robert Newman**, CPMR, 2nd Vice President;

Gregg Smith, CPMR, Treasurer; **Mark Tsatsos**, Secretary; **G. Bryce Manthorne**, Director; **Ron Haynes**, CPMR, Director; and, **Jay Bauer**, Allied Director. Continuing from last year's Board are: **Stephen DiPietro**, CPMR, Immediate Past President; **Chris Brisbane**, CPMR, Director; **Chris Mallon**, Director; **Joel Casabon**, CPMR, Director; **Robert Lennon**, CPMR, Director; and Allied Directors **Allan Soldwisch** and **Sandy Tobias**.

Enclosed with this newsletter is a *Contact Info Sheet* on your

Board of Directors. On the reverse side you'll find the *Leadership Chart* that details the means by which the association functions. Committees are listed and chairmen indicated.

We'd also like to recognize the work done for PTRA by outgoing Board members: **William McCard**, Director and **Greg Furlong**, Allied Director. Thank you for your contributions and time!

Serving your association is rewarding and we encourage your participation! Please volunteer!

Free Legal Advice! Case Study

by Mitchell Kramer, Esq., PTRA Legal Counsel

It's a dream come true! PTRA's attorney on retainer—for you! Call **Mitchell Kramer** or **Barbara Kramer** with your questions at **(800) 451-7466**. If no legal research or a detailed factual analysis is needed, the call is free! If you need further assistance, the fees are discounted 15%. *Membership in PTRA is beneficial! Use it!*

PTRA has asked me to write a digest of some cases involving manufacturers' representatives that would be of interest to its members. To make this meaningful, rather than simply entertaining, I have gone through the provisions of the PTRA specimen sales representative agreement, and discussed matters which I have handled for clients to illustrate issues that arise between reps and principals.

Litigation usually happens when the parties have not signed a contract, have signed a contract that does not clearly spell out each of their rights and duties, or which neglects to cover issues that can arise. It is far less expensive to prepare a well-crafted contract than to sue or be sued because the contract you signed was poorly drafted.

The following material makes suggestions that you might fol-

low based on cases and real situations.

If you have a situation that calls for legal advice, get it. Do not think that you know the answers. My experience is that Reps do not even know the right questions when they are involved in a situation that is emotionally charged.

Remember that different judges, different states and different facts can result in different conclusions. But usually, a carefully drafted agreement can avoid litigation and safeguard a rep's position. And so I will begin with a case where that happened.

The Case of the Forever Rep

An agency entered into an agreement with a foreign manufacturer to sell a line of products requiring heavy engineering and design work and intensive sales effort. The contract

was negotiated by the president of the agency at a time when the manufacturer had little distribution in the U.S. We worked with the agency to develop an agreement that provided a long initial term with automatic renewals if performance requirements were met. We were careful to establish an objective standard for performance. This was not the often seen quota which is set by the principal annually at whatever amount it decided.

The line grew into some hundreds of thousands of dollars of commissions a year. The agency's commission was more than the national sales manager's salary. The company decided to go to a direct sales force to save money and sent all of its U.S. agents, including my client, notice of termination. The contract had an arbitration clause, no long expen-

Continued on last page

Members' News

Claypool Control Corporation in Livermore, California is pleased to welcome **Michael McClung**, experienced in both industrial sales and customer service, to their outside sales force covering all of northern California and northern Nevada.

Todd Fox says 2001 marks the 25th year of business for **Foxco Equipment** of Placentia, California. Founded as a single man organization in 1976 by **Dick Fox**, the company now employs six field engineers and three sales administrators. More details about the company can be found at their website, www.foxcoequipment.com.

SKA, Inc., Birmingham, Alabama, has opened an office in Tampa, Florida and appointed **Andy Simpson** to man the location, reports **Mike Simpson**. Andy joined the firm in December after ten years with the U.S. Air Force's missile program.

Jim Cyr, Westron Sales Inc., Livermore, California announces the firm will begin sales representation and ware-

housing of Maska Pulleys Inc. The full line of sheaves, bushings and couplings will be stocked at the company's Livermore, California location servicing northern California and northern Nevada.

Controlled Motion Inc. is welcoming **Jim Mildrum**, and his 15 years of experience in power transmission sales in Virginia, to manage their sales in that state. **Tony Harris** made the announcement from the firm's Charlotte, North Carolina office.

Clarkson Company is celebrating its 45th year in business. Founded in 1956 by Walter Clarkson, the firm has concentrated in mechanical and electro-mechanical component products for the OEM markets and their technical application and sales. Headquartered in Hoffman Estates (Chicago), Illinois, the company covers a five state Midwest area with branches offices in Milwaukee, Wisconsin and Cedar Rapids, Iowa and operates under second generation ownership and management of **Jim Quigley**, its president since 1989.

Applied Motion Sales of Warwick, Rhode Island has undergone a name change and now operates as **NEPTCO**, according to **Ed Salamano**.

Poklar Power Motion Inc., as part of its continuing growth program is pleased to announce the addition of **Bruce D. Webb, BEE**, to its outside sales force. According to **Thomas Deddario**, Bruce will be the automation/electrical specialist out of the Cincinnati office and bring six years of industrial sales experience and an Electrical Engineering degree.

Maska Pulleys is welcoming Jacques-Andre Lapointe as their new Marketing Director and advises their improved "Drive Selection Program" is available for downloading from their website at www.maskapulley.com.

R.J. Hughes Sales Inc., Burr Ridge, IL, is pleased to announce the addition of **Jim Hill** to their outside sales organization. Jim brings his over 25 years of experience with him to the position.

PTRA welcomes any opportunity to assist your promotion of your firm! To have your firm's news included in the next Focus, please use the enclosed Quick Report Form. Send it to PTR A before August 1!

PTRA is still building our Lynn Mattis Scholarship Fund. We encourage your generous contribution to this endeavor benefiting your fellow members.

30 Years—Let's Celebrate with Mickey!

Even before our 2001 Conference wrapped up, planning was already underway for next year's 30th Anniversary event!

The Conference Committee Co-Chairs, **Mike Richie, CPMR, J.T. Chapman Company**, Houston, TX and **Jerry**

Moore, Joyce/Dayton Corp., Dayton, OH met with their Committee to discuss themes, speakers and topics, giving thoughtful consideration to the suggestions of members and the obvious advantages of the great location—Orlando, Florida—at a Disney resort!

We look forward to bringing you full news on the Conference in the next Focus, but in the interim, check our website, www.ptra.org, frequently for updated information. And, mark your calendars now and start planning to attend!

PTRA 30th Anniversary Conference
April 17-20, 2002
Wyndham Palace
Orlando, Florida

Case Study . . . *Continued from page 6*

sive trial with appeals, but rather a quick trial with no right to appeal. The client engaged our law firm. I investigated to make sure the rep was following all of the contract's terms and that it was on solid ground on the performance issue. I then wrote the manufacturer, both in the U.S. and in its home office overseas, and discussed the situation with the national sales manager.

The letter was firm and pointed out that the manufacturer, if it actually terminated my client, was betting its company on the outcome of an arbitration that could be decided in a few months.

The termination of my client was withdrawn. But I was sure that the manufacturer would try

to create, or find, something that represented a violation of the contract so it could terminate the rep. We developed a system of consultation and documentation, with letters when appropriate from me and from my client to the manufacturer, to head off claims of breach of contract.

It is now years after that termination letter. We have not had to sue. The rep still has a large and growing commission paying principal and the national sales manager is long gone.

Moral

Insist on a strong sales rep contract if you have bargaining strength and enforce your rights vigorously if they are threatened.

Suggestions

- If you can, and you often can with a manufacturer with no sales in your territory, insist on a long term contract.
- The contract should say that it is renewed automatically unless there is cause to terminate.
- Make sure the causes to terminate are spelled out and that you are not likely to violate them.
- If you can be terminated or not renewed for failure to meet quota, make sure that if you do your job properly the quota will be met. There has to be an objective basis for setting quota and a fail safe if the economy is down.

Welcome New Members

Allied-Locke Industries
Daniel Dummett

Canadian Electro Drives
Terry Salchenberger

EDT Corp.
Scott Davis

Euro-Technologies, Inc.
Jeff Davis

The Hilliard Corp.
Scott Austin

Industrial Component Sales
Mike Mattis

Mill Drives, Inc.
William Culp

Rausch Sales Co.
Rick Rausch

RLK Concepts, Inc.
Rick Keeler

Calendar of Upcoming Events

June 20-21 and October 3-4
MRERF's "Managing Your
Manufacturers' Rep Network"
St. Charles, IL

August 12-16
CPMR Course Work
Indiana University, Bloomington

August 16-19
PTR A ExCom MidYear Meeting
Location TBA

October 4-6
PTDA Annual Convention
Atlanta, GA

October 20-23
FPDA/NFPA Joint Fall
Conference
Cleveland, OH

April 17-20
PTR A 30th Anniversary
Conference
Orlando, FL

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**WE'RE ON THE
WEB!
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