

POWER-MOTION TECHNOLOGY
REPRESENTATIVES ASSOCIATION

FOCUS

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Please Note:

- Watch in your mail for your PTRA 30th Conference information and registration material and take advantage of our discounted early registration fees!
- We're still looking for updates to our website membership directory! Don't forget to check your listing at www.ptra.org, if you haven't already done so, and let us know if changes need to be made.

Renewing our Commitment

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

This is the first newsletter sent out to members since the attacks of September 11th. On behalf of the PTRA Association, I extend sincere condolences to those who lost loved ones or friends and pray for healing for those who suffered injury. The American psyche changed on that tragic day and the ramifications are still being felt in our everyday lives. As a professional association we are acutely aware that American industry is recoiling from the impact terrorism has had on individuals and industry. I urge all members to respect the direction of President Bush and our government and work to rebuild confidence and renewed spirit

to rebuild the energy so vital to our economy and population.

The profession of manufacturer representative is one of entrepreneurial philosophy and commitment. The dictionary definition of the word "entrepreneur" reads: "One who undertakes to start and conduct an enterprise or business, assuming full control and risk." This definition hits at the heart of the responsibility we have as entrepreneurs in the power transmission and motion control industries to help to revive our shocked and recoiling industrial economy. [Read the definition

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President Les Anderson

PTRA's 30th Conference: Our Quest for Success!

by Mike Richie, 2002 Conference Chairman



Chairman Mike Richie

This year's PTRA Conference is shaping up to be one of the best in thirty years! After all, the PTRA's 30th anniversary deserves to have an extra "bam" thrown in for good measure. Start with the location of Orlando and the Walt Disney Property. The Wyndham Palace Resort is right next door to Down-

town Disney, where House of Blues, Cirque de Soleil and an assortment of great restaurants, shops, and entertainment are located. It's also just 15 minutes from the greatest theme parks in the world, and less than an hour from Universal Studios.

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PTRA Legal Counsel: *The Case of the Oral Contract*

by PTRA Legal Counsel Mitchell Kramer



Call Mitchell Kramer or Barbara Kramer with your questions at (800) 451-7466!

I preach that an agent should get a good written contract with its principal before committing the time and money needed to be spent for effective representation. But like any rule, there are sometimes oddball exceptions. The case of the South Texas agency was one such exception. Here, since the case was tried and won and everything is of record, I will use real names.

Price Pfister, the faucet company with the funny name, put Tommy Moore and Gary Kimmey together to set up an agency in South Texas. The manufacturer said it "does business only on a handshake" but there was an appointment letter listing products, the territory and commission rates of 5% on core products (lower cost items) and 6% on decorative items.

Price Pfister was Moore & Kimmey's major principal but they added other lines as time progressed. As part of the deal, the manufacturer was to pay its former agency some \$40,000.00 and it shifted that obligation to Moore & Kimmey. They paid it over time.

About five years into the relationship, Price Pfister, at a national sales meeting, told all of its agents that commissions on core products would be 2½% but if anyone had a problem with that to talk to a company official.

As the meeting ended, both Moore and Kimmey met with the sales manager and said that their agency could not operate on a 2½% commission. He said that it would be taken care of and made up to

them. For two years they continued to protest the reduction and were jollied along, being told it would be taken care of, it was being looked into.... Meanwhile, the agency was getting and depositing commission checks at the lower rate. Moore & Kimmey was the only agency protesting the lower rate. But as we later learned, because of the demographics in South Texas, it was the Price Pfister agency most affected by the commission reduction.

Price Pfister, after two years, raised the commission for all agents on core products back to 5%. And on that day, terminated Moore & Kimmey as its representative.

We brought suit in state court

Continued page 5

LINE AVAILABLE!

B-LOC Corp.

26 Gilbert St., Monroe, NY 10950
Ph 800-865-7756 Fx 845-783-0271
bob@b-loc.com
Bob Whipple, Sales Mgr.

Territories Open:

TX, OK, AR, LA, CA, NV, UT, AZ, NM, CO,
ND, SD, ME, NJ, VT, MA, CT, RI, upstate NY

Product Description:

Keyless frictional shaft/hub locking devices

Target Markets:

Mechanical PT, material handling, mining, lumber, and metal stamping

Forging a Close Relationship

The Power Transmission Distributors Association held its annual conference October 4-6 in Atlanta. Attending the meeting in an effort to continue work creating a bridge of communication between the two groups were PTR A President Les Anderson, L.J. Anderson & Associates, Inc., Rogers, MN and PTR A Executive Director Bill Bess.

“We found the experience a positive one and enjoyed meeting the other participants

and talking about PTR A with them. Having a PTR A presence at the PTDA meeting each year, and having their president and executive director at our conference, can only help foster a relationship between the two groups that will be beneficial to both,” states Bill Bess.



PTR A President Les Anderson (r) with PTDA President Kevin McCloskey (l)

Win Friends and Influence People: What's the Point of Attending the PTR A Conference?

You'll soon receive your information and registration packet for our upcoming 30th Anniversary Conference, and while you're thumbing through the brochure, checking out the timely topics we'll be covering and quality speakers who'll be leading our sessions, there are three words we want you to keep in mind . . . networking, networking, networking.

Of course the PTR A conference is your annual opportunity to enhance your business skills, gain insight and knowledge that will give you the competitive edge over your competition, and get that little motivational kick that'll send you back to your business en-

ergized and rejuvenated. But if that's all you think you can do, you haven't considered the best of participation. That's the relationship building that takes place between participants. Reps from across the country sharing with reps . . . manufacturers comparing notes with manufacturers . . . reps and manufacturers meeting and talking in a relaxed atmosphere, whether they're cementing existing relationships or taking the initial steps to begin one.

It's all about friendships and business partnerships with the cream of the crop—those, like you, who have chosen to invest their time and money in

the most direct method of building for success, participation in an association with that success as its goal.

During educational sessions, during receptions and meals, during sports-related events, and during manufacturer interview time, you'll see the wheels turning for the future.

So, as you read through the information packet, keep the intangibles in mind, and get your registration form back to PTR A (don't forget to take advantage of those early registration fees!) by the deadline. You, and your business, will profit from participation!

So much work can take place while you're having a good time - and we've got some great, good times planned:

- *An entertaining opening reception*
- *A 5K fun run*
- *Challenging golf and tennis tournaments*
- *An optional PTR A-only dessert reception at Epcot that includes entrance to the park & evening fireworks*
- *A new Hospitality Contest*
- *A gala 30th Anniversary dinner celebration*
- *A new Raffle with great prizes*
- *An optional evening at Cirque du Soleil*
- *Special rates and entrance privileges to all Disney parks and attractions*



We've searched high and low but can't find a mailing address for the following PTRA Past Presidents, who we want to invite to our 30th Anniversary! Can you help? Drop a fax to 817/561-7275 or email info@ptra.org if you have info for Tom Grace, Hal Hallet, or Wayne Prince.

Some Tips for Sharpening Your Powers of Speech

If you notice nothing else in watching the news coverage each night, says Art Sobczak, president of Business-By-Phone Inc., a telesales training and consulting firm, you should notice that "strong speakers have enormous power, and the person behind the words makes a huge difference in how a message is interpreted." This is particularly important to remember when your first contact with a potential customer is over the phone. That's why to be your best, you need to work on voice and speech habits. Here are some ideas.

Get rid of the nonwords.

When a listener counts how many times they hear "uh" instead of focusing on the message you know there's a problem. Persuasive speakers, on the other hand, don't use these filler sounds, or at least their use is minimal.

Action step: The first step is to identify the enemy. Record yourself and count how many fillers you use. Once you're aware of your most common non-words, consciously replace them with pauses. This also applies to habits such as "you know," "like," "I mean," and anything else you use too often.

Enunciate. "A guest on one talk show mumbled so much I had to turn up the volume and watch his lips so I could try to make out what he said. Some prospects might not work that hard for you," says Sobczak.

Action step: Read this several times (it will force you to enunciate): "If, I, place, an, invisible, comma, after, each, word, and, an, invisible, semicolon; after, some, words, my speech, has, presence."

Get up to speed. Persuasive speakers make their talking points quickly and don't mince words. We all can

learn from that. After all, why use 100 words when 50 could make the same point? And when you speak too slowly you could be perceived as boring, tired or less intelligent than you actually are.

Action step: Practice getting to your point more quickly. Ask yourself a question you get during calls. Use a stopwatch and give yourself 45 seconds to answer. Then cut it to 30, then 20. Tape your response and refine your answer content and delivery.

Finish with strength. Don't let your voice rise at the end of a sentence. It sounds as though you are asking a question, are tentative. If you tend to swallow your last few words, that reduces the impact of what you're saying.

Action step: Practice finishing sentences completely and drop your pitch slightly while keeping the volume strong.

How to Close the Sale ~ You've Got to 'Open' Before You Can Close

By Dave Kahle, DaCo Corporation

Every salesperson talks about "Closing the sale." The best salespeople understand that before you can **close** the sale, you must **open** it.

"Opening" means using well designed and delivered questions to thoroughly uncover as many aspects of

the buying decision as possible. Too many salespeople mistakenly concern themselves with only the technical aspects of the sale, and neglect entirely some of the other issues. Most competitors are able to meet the prospect's technical needs. The sale often goes to

the supplier who takes the time to understand the personal and situational aspects of the buying dynamics.

I made a joint sales call with a client's salesperson which illustrates this important skill.

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The Case of the Oral Contract...

in Houston, Texas. The case was tried in 1999 to a jury. We argued that Moore & Kimmey was owed the difference between the 5% that was orally contracted for, and what was paid, 2½%. Defendant argued that the announcement of the reduction, and acceptance of the reduced commission, was an oral modification of the contract binding on the plaintiff.

The Texas Supreme Court, in an earlier case, had decided that while there can be oral modifications of written contracts, the modification must be made unequivocally. The jury found that the reduction was not unequivocal because Moore & Kimmey had protested and Price Pfister continuously told them it would be taken care of.

The jury awarded

\$161,000.00, the amount of non-paid commissions. However, Texas, like many states, has a commissioned rep statute providing for multiple damages and counsel fees if commissions due are not paid within a short time after the relationship ends. Trebling of the award, counsel fees, costs and interest has now put the award, which has been appealed by Price Pfister, at \$650,000.00, and growing with 10% interest on the unpaid amount.

Moore & Kimmey engaged us immediately after the termination to see whether the termination was improper. We realized that the real case involved commissions not paid. By being engaged early on, we were able to advise our client on what to say, do and write to avoid mistakes that could have cost it its case.

Moral: If you think you have a problem, even if you are not sure just what it is, call a knowledgeable lawyer at once.

Suggestions:

- If you are terminated by a principal, your commission is cut or you are not being paid commissions on time, talk to an attorney who understands your business even if you think nothing can be done.
- Find out what laws, if any in your state, protect reps.
- Keep copies of everything you get from each manufacturer you represent including letters, commission statements and contracts.

PTRA's 30th Conference . . .

Continued from page 1

All of these things beckon your attendance. But another important reason to attend this PTRA conference is to celebrate the 30 years the Association has devoted to helping manufacturers representatives and their principles bring power transmission components to today's market! The conference committee, working closely with the PTRA staff, has been putting to-

gether an excellent program that we know you will appreciate. We have gathered some very special speakers on hand that all attendees, including the spouses, will find both interesting and entertaining! Yes, there is an assortment of reasons for attending the 30th anniversary of your PTRA. The best reasons are what you get out of it, and what you take home - the camaraderie,

the friends, and the contacts we have all made along the way. We hope to see everyone in Orlando April 17th through the 20th in 2002!



**PTRA's 30th Anniversary:
Our Quest for Success
April 17-20, 2002
Wyndham Palace Resort
Orlando, FL**

How to Close the Sale . . . Continued from page 4

After measuring the area and recording the specs for some new equipment the prospect was interested in, the salesperson I was coaching said to the prospect, "I'll fax you a proposal in a couple days, OK?" He had done an excellent job of noting the technical requirements, but a non-existent job of "opening" the sale. As the salesperson was preparing to leave, I intervened and asked the following "opening" questions.

In order to qualify the prospect, I asked, "What's the possibility of you ordering this within the next few weeks?" His response? "None at all. I'm just collecting information for the budget."

The salesperson would have vainly tried to close a sale that was never opened! He didn't realize that because he didn't take the time, nor have the courage, to correctly open the sale. Here are the rest of the questions I asked.

"What's your situation?"

The answer to this helps you understand the underlying motivations for the prospect, and gives you a broad view of the pressures on him/her. The more you understand the situation from the prospect's perspective, the more prepared you are to close the sale.

"What are you looking for in a proposal?"

This is a simple question that so many salespeople neglect to ask. It helps you understand specifically what interests your prospect. Don't assume you know the answer. You may be surprised! In my illustration, the salesperson assumed the prospect wanted a quick, thorough proposal. That assumption almost killed the sale.

"Why?" Delivered with the right tone of voice (friendly and concerned), "Why" questions can be powerful tools for you and the prospect to understand the motivation for his/her interest, as well as the thought processes that led

him to you. A "why" question can also frequently reveal some other approach to the problem and provide you with opportunities for other solutions.

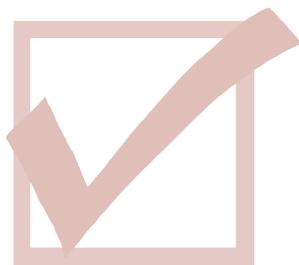
"How will the decision be made?" The answer to this question helps you understand the decision-making process and thus deal with the customer in the way he/she wants to be dealt with.

All of these "opening" questions pave the way for you by further revealing the prospect's situation, motivations, interests and processes. If you take the time to prepare them and have the courage to use them, you will gain sharper insights into the mind of the prospect and the situation he/she is in. Doing so will provide you far more information with which to close the sale when the time comes.

The best "closers" are often those salespeople who take the time to properly "open" the sale.

The PTRA Code of Ethics is enclosed. Please take a moment to refresh your memory on its content!

Commission Survey Available



The Manufacturers' Agents National Association has just released its latest bi-annual commission survey, which lists the average commission and range for 134 different product classifications for end-user, distributor and

OEM customers. The survey costs \$5 for MANA members, \$39 for nonmembers and may be ordered by contacting Paula Middagh at 877-626-2776 or pmiddagh@manaonline.org.

Members' News

Philippe G. de Gail has been appointed Director of Marketing for **Leeson Electric** with overall responsibility for all internal and sales representative marketing activities of the industrial electric motor company. De Gail came to Leeson from GE Industrial Systems in Fort Wayne, IN, where he had served as distribution channel manager for GE electric motors in the U.S. and Canada. He had previously held sales and marketing positions for Baldor, Leroy-Somer and Teleme-canique.

Perry Elliott of Hampton PT says the company introduced a new wormgear line in September. The design is based on a new worm profile which increases efficiencies and ratings for a given model center distance. The line covers a range from 1.33 inches C.D. through 6.00 inches C.D. and is dimensional "drop in's" for most major brands.

Larry E. Buttram, president of **Dyna-Reps, Inc.**, is pleased to announce the hiring of **Porter Trimble** for the Louisiana market. Dyna-Reps, Inc. currently covers

AR, LA, MS, western TN, MO and KS. Porter will cover the state of LA, while living in the center of the state in Alexandria. His PT background in distribution, positive attitude, aggressive work ethic and knowledge of the firm's market products will be a winning combination in Louisiana.

Poklar Power Motion Inc. is pleased to announce its recent agreement with **WorldWide Electric Corporation**. Poklar will represent WorldWide electric motors in OH, KY, IN and western PA. The aggregate and fluid pump industries will be the initial focus of these ISO 9001, CSA certified motors. With next day delivery available from WorldWide's New York and Indiana warehouses, Poklar is excited to bring these to market.

Advantage Sales Network Corp., based in Mississauga with offices in Montreal and Ontario, is pleased to announce the appointment of **Edmonton Roberto Robert** to the position of Regional Sales Manager—Quebec & Maritime Provinces. Advantage was recently appointed

as the stocking warehouse sales agents for Diamond Chain in Canada and has just opened a new 8,000 sq. ft. warehouse in Edmonton to go along with their 7,000 sq. ft. Toronto warehouse.

Daido Corporation is excited to announce the signing of two new manufacturers rep groups to handle its Power Transmission Division's products. Fulfilling an opening in the Kansas City territory will be **Motion Control Systems/MCKC, Inc.**, while **D.L. Hermanson & Associates** have agreed to work the Pacific Northwest territory.

The companies that set the standard for seal coverage just raised the bar. Two industry leaders, **Garlock Sealing Technologies** and **Transcom, Inc.**, have combined marketing, sales and distribution efforts to offer a single source for virtually any seal from small bore to large bore. As TCM president **John Rice** puts it, "Some things just belong together. Combining our resources lets us offer customers one-stop shopping for all their seal needs...plus faster service."

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 PTRA before February 15!

Post Attack Business Predictions

Following the September 11 attacks on our country, Jack Berman of Berman Publications, surveyed his subscribers on their predictions for the future of the rep industry.

Here are the results of his survey.

Expected Sales Volume
Representatives:
29% predicted an increase
21% predicted "about the same"

50% predicted a decrease
Manufacturers:

18% predicted an increase
32% predicted "about the same"
50% predicted a decrease

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Renewing Our Commitment . . . Continued from page 1

again and ask yourself how you can positively impact those you communicate with.]

We have a unique influence to help revive the spirit of the people we call on and work with. When calling on our customers, from the receptionist to top management, we communicate the future

optimism through our presentations and actions. A true entrepreneur is a "winner" and we should project the optimism of a winner in all of our communications.

The most energizing arena PTR A offers each year is the Annual Conference. We are fortunate to share our 30th Anniversary year, 2002, with

that of the 100th Anniversary of the birth of Walt Disney. Through his entrepreneurial philosophy just ask yourself, "how many people did he influence to not only find moments of happiness but incredible success?"

I hope I see you in Orlando in April.

Happy holidays to you!

Post Attack Business Predictions . . . Continued from page 7

Expected Trips in the Territory

Representatives:

17% predicted an increase
43% predicted "about the same"

40% predicted a cut back

Manufacturers:

16% predicted an increase

29% predicted "about the same"

55% predicted a cut back

In general, both reps and manufacturers stated their immediate plans were to cut overhead, reduce travel, spend more time in front of customers and capitalize on areas of their business where there might be more activity

as a result of the country's atmosphere. Manufacturers stated their planned to review product development, and reps said they planned to add more lines.

Calendar of Upcoming Events

2002

January 6-10

CPMR Course Work
Tempe, AZ

March 19-20

MRERF Managing Your
Manufacturers Rep Network
Seminar
St. Charles, IL

April 17-20

PTRA 30th Anniversary
Conference
Orlando, FL

May 7-8

MRERF Managing Your
Manufacturers Rep Network
Seminar
St. Charles, IL

Welcome New Members

American Autogard
Mike Hutchings
Tom Lupinacci
Rockford, IL

Drive Solutions
Fred Louwersheimer
Clermont, FL

Worldwide
Electric Corp.
Rick Simmonds
Pittsford, NY

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