



**2020 ADI Virtual Education Conference**

# **“Working with Distributors”**

## **Participant Workbook**

**Presenter:**

**Bob Brown**

**President**

**Sales Systems Development, Inc.**

**Spirits Training & Consulting Firm**

**Mountain View, CA**

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**URL: <http://www.salessystems.net>**



## PROFILE: BOB BROWN

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**S**ales Systems Development, Inc. and its President, Bob Brown, have been serving clients for over 30 years. Bob is widely recognized as one of the leading beer, wine and spirits industry sales training and organization development consultants. As president of Sales Systems Development, Inc. and prior to that National Director of Sales Training and Recruiting for the E & J Gallo Winery, Bob has conducted over 500 seminars and his programs have involved over 10,000 supplier and distributor sales and management personnel in Asia, Canada, Central America, Europe, India and the United States.

Bob has served as selling, merchandising and sales management consultant for leading beverage and consumer product manufacturers, brokers and distributors. Among his clients are major U.S. beer, wine and spirits supplier and wholesalers. Specific clients include Alaska Distributors; Anheuser-Busch; Bacardi; Boston Beer Co.; Breakthru Beverage; Brown-Forman Corporation; Columbia Distributing; Constellation Brands; Diageo; FIJI Water; Glazer's Beer & Beverage; Herradura Tequila, Mexico; Hood River Distilleries; Pepsi Cola USA; and Reyes Beverage Group. As a result, Bob is able to deliver insights on the sales processes and best practice training methods used by major consumer package goods, retail and foodservice organizations as well as the full range of beverage industry distributors & suppliers.

Bob has also been a featured speaker at ten annual Wine and Spirits Wholesalers Association and over 20 National Beer Wholesalers Association conventions as well as the 2019 American Craft Spirits Association, the 2014, 2015 Craft Beverage Expo's and three American Distillery Institute national conventions.

### Credentials

- Certified Management Consultant (C.M.C.) — the highest accreditation available in the consulting field.
- American Society of Training and Development — recipient of two national "Special Appreciation" awards.
- National Speakers Association — "Professional Speaker" designation.

### Experience

- E & J Gallo Winery — National Director of Sales Training and Recruiting
- Kepner Tregoe, Inc. — Organization Development Consultant
- Kimberly-Clark Corporation — Consumer Product Sales and Sales Management
- Commissioned Officer — United States Army

### Education

- Post Graduate — Universities of Michigan and Alabama
- M.B.A. Brock School of Business— Samford University, Alabama
- B.S.B.A. — Kent State University



## BOB BROWN'S CLIENTS (PARTIAL LIST)

Agri-Mark Dairy Cooperative  
Alaska Distributors Company  
Alliance Beverage Distributing Co.  
Allied Domecq Spirits and Wine  
Anheuser-Busch InBev.  
Atlas Distributing, Inc.  
Bacardi-Martini USA, Asia Pacific and India  
Bacardi Global Travel Retail  
Beatrice, Inc.  
Beverage Specialties, Ltd.  
Blue Nectar Tequila  
Borden, Inc.  
Boston Beer Company  
Brooklyn Brewery  
Brown & Williamson Tobacco Corp.  
Brown-Forman Corporation  
Cabot Creamery  
Caldbecks Wine & Spirits, Ltd.  
✓ Peoples Republic of China  
✓ Hong Kong  
✓ Taiwan  
Casa Pedro Domecq, Mexico  
Charles Fradin, Inc.  
Charmer Industries, Inc.  
Chateau Ste. Michelle  
Churchill Distributors  
Coastal Distributing Companies, Inc.  
Columbia Distributing, WA & OR  
Constellation Brands  
Corby Distilleries Ltd., Canada  
De Crescente Distributing Co.  
Diageo Beer  
Diageo Wine & Spirits  
Dr. Pepper/Seven-Up, Inc.  
Dun & Bradstreet Educational Services  
Empire Distributors, Inc.  
Evolution Craft Beer Company  
Faust Distributing Company  
FIJI Water  
Frederick Wildman & Sons, Ltd.  
Fremont Brewing Company  
Fresh Samantha Juices  
Glazer's Beer & Beverage  
Grosch Export B.V., The Netherlands  
Henry A. Fox Sales Company  
Herradura Tequila — Mexico  
Heublein, Inc.  
Hood River Distillers, Inc.  
Houston Distributing Co, Inc.

Jardine Wine & Spirits, Inc.  
✓ Malaysia ✓ Philippines  
J.J. Taylor Companies, Inc.  
Kitchens of Sara Lee  
Major Brands, Inc.  
Manhattan Beer Distributors  
Marie Brizard Wine & Spirits  
Merchant du Vin  
Merrimack Valley Distributing Co., Inc.  
Mesa Beverage Company, San Diego, Santa Rosa  
Mission Beverage Company  
National Wine & Spirits  
✓ Indiana ✓ Michigan  
New Belgium Brewing  
Oak Beverages, Inc.  
Odwalla Juices — Division of Coca Cola  
Ole Smoky Distillery  
Pacific Time Wine & Spirits, Inc., PRC  
✓ Beijing ✓ Shanghai  
Pepsi Cola USA  
Philip Morris, USA  
Premier Beverage Co.  
Ralston Purina Company  
Reyes Beverage Group  
✓ Chicago Beverage Systems, L.L.C.  
✓ Harbor Distributing, L.L.C.  
✓ Lee Distributors, L.L.C.  
✓ Mesa Distributing Company — San Diego  
✓ Premium Distributors of Virginia, L.L.C.  
✓ Premium Distributors, Washington, DC. L.L.C.  
Rhode Island Distributing Company  
Sanderson Farms, Inc.  
SanPellegrino  
Schreiber Foods, Inc.  
Sheehan Family Companies  
Sidney Frank Importing Company  
Sleeman Breweries, Ltd, Canada  
Snapple Beverage Corp.  
Star Distributors, Inc.  
The Stroh Brewery Company  
Sunbelt Beverage, Inc.  
Terrapin Beer Company  
Union Beverage Company  
United Liquors, Ltd.  
United States Beverage, L.L.C.  
Winebow – CA Distributor Operation  
Young's Market Company OR, WA

### Associations & Trade Organizations

American Craft Distillers Association  
American Distilling Institute  
Craft Beverage Expo  
National Beer Wholesalers Association

Missouri Beer Wholesalers Association  
Ohio Beer & Wine Wholesalers Association  
Washington/Oregon Beer & Wine Wholesalers Assn.  
Wine & Spirits Wholesaler Association of America



## **“WORKING WITH DISTRIBUTORS”**

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### **Three Primary Focus Areas...**

- 1. Gaining Distributor Share of Mind**
- 2. What Distributors Need from Distillers**
- 3. 5 Critical Success Factors**

**Q & A at Conclusion**





# GAINING DISTRIBUTOR SHARE OF MIND

## 1. Positioning

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## 2. Great \_\_\_\_\_

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## 3. Professional \_\_\_\_\_

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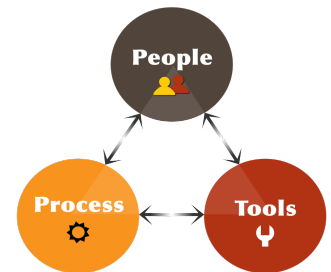
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## 4. Competence

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## Distributors perform best when given...

1. Clarity of \_\_\_\_\_ — Key Initiatives, S.M.A.R.T. objectives, mutually agreement
2. Precise \_\_\_\_\_ — program execution benefits and elements (metrics) defined in detail
3. Competent \_\_\_\_\_ — availability, supply, marketing, selling effort, work-withs, training & education, promotion support
4. Consistent \_\_\_\_\_ — always get “sign-off,” Business Review Meetings, recaps, benchmarking, follow-up



## SUPPLIER HIERARCHY OF COMPETENCY

### Group Thought Question

What Are the Mistakes to Avoid Working with Distributors?

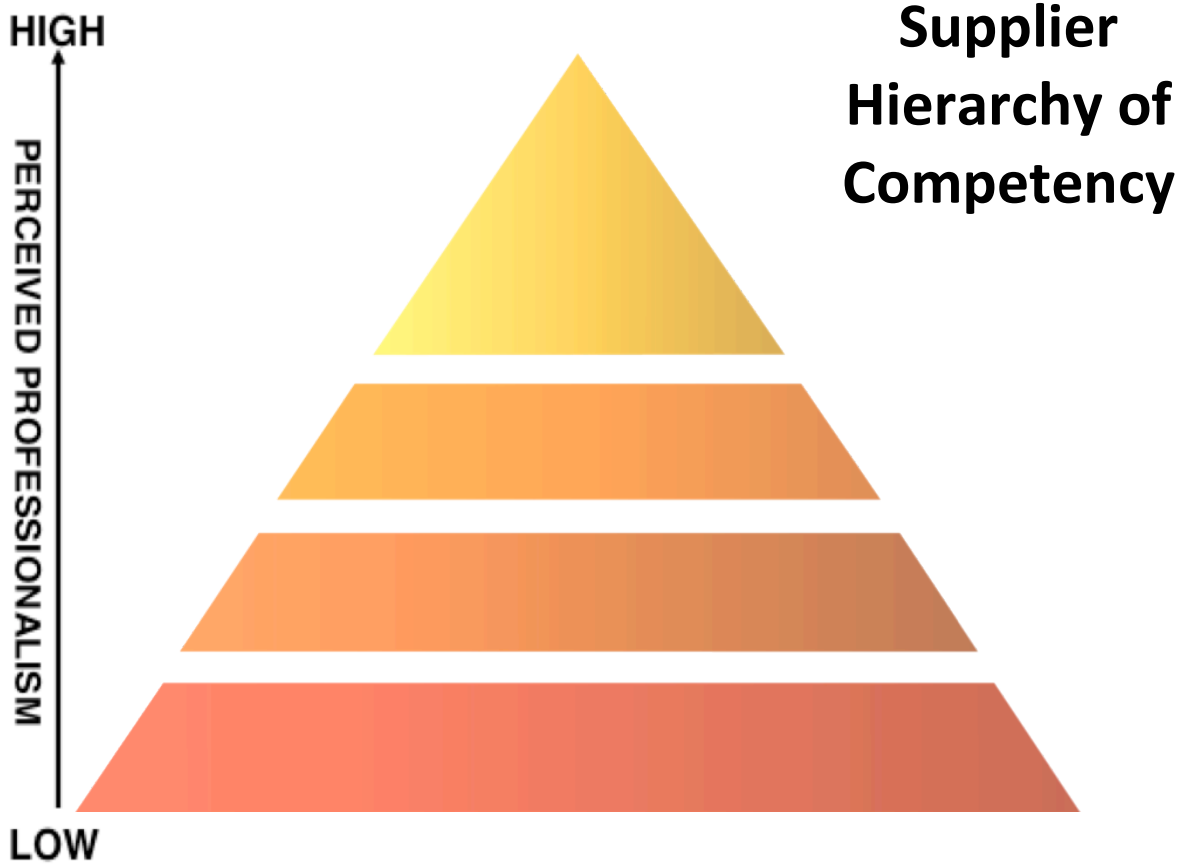
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### Four Levels of Competence





## “CONSULTANT/PARTNER DISTINCTIONS”

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### The “Givens” ...

1. Quality
2. Uniqueness
3. Financial Resources
4. Personal Commitment

### Five Critical Success Factors

#### 1. Penetrates in Depth — cultivate many “\_\_\_\_\_”

##### ⇒ At the Distributor:

- ✓ Distributor sales teams — channels, key salespeople, , chain account, on-premise personnel, tell-sell, etc.
- ✓ Warehouse, Operations
- ✓ General and Administrative
- ✓ Understands distributor systems — how “things get done.”
- ✓ Perceived part of the “team.”

##### ⇒ In the Market:

- ✓ Understands off-premise channels and on-premise segments and which are practical to pursue, given brands positioning and stage of development.
- ✓ What drives volume in the market
- ✓ Learns, understands key account goals, strategies and competitive environment.
- ✓ Develops practical target account lists.
- ✓ Visible and builds relationships.



## FIVE CRITICAL SUCCESS FACTORS

### 2. Relevant, Annual Business Development Plans

- Be prepared — entire team
- Collaboration is key
- It's a “Market” plan, not a “Production” plan
- Have a defined format and process

### Annual Plans — the Process



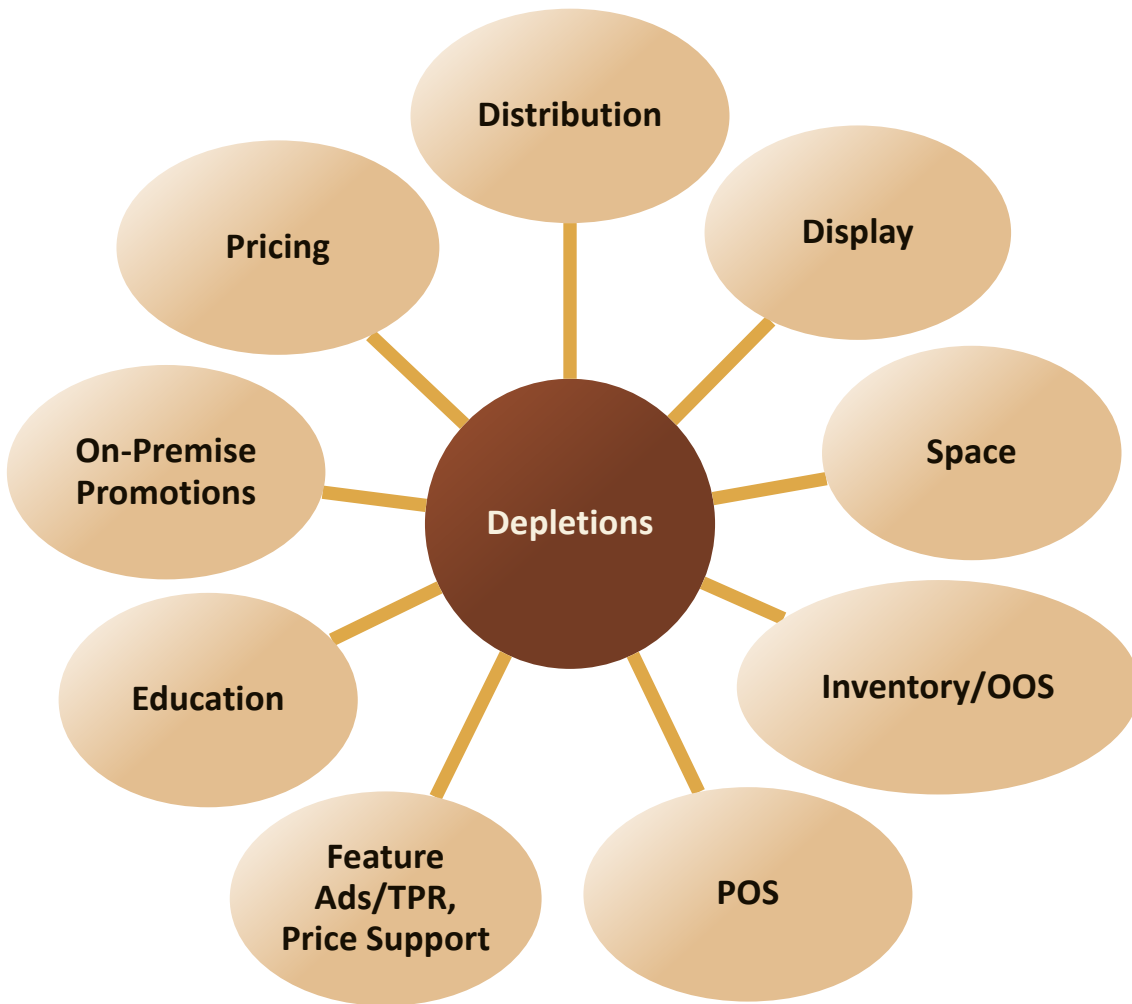
The Key is \_\_\_\_\_ the  
\_\_\_\_\_ is \_\_\_\_\_!





## ANNUAL PLANS – THE FOCUS...

### Focus on the Factors the DRIVE volume



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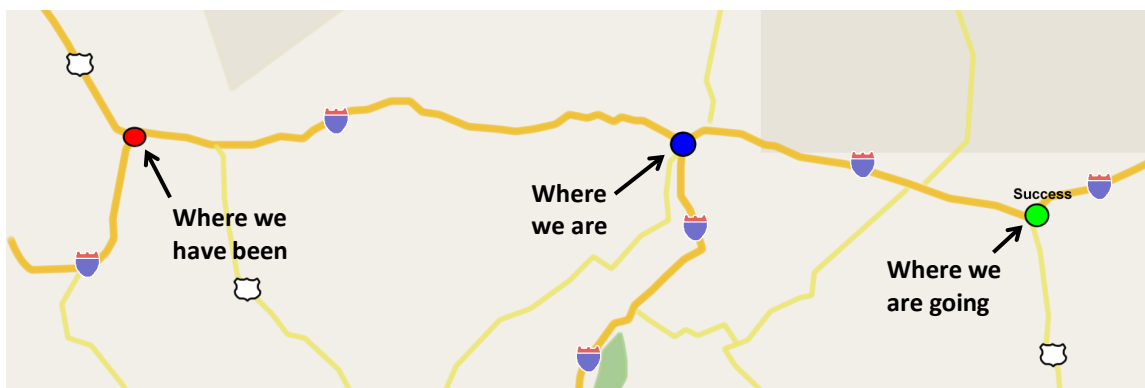
## MAKE THE PLAN A “LIVING DOCUMENT” DO PERIODIC BUSINESS REVIEWS

### The Role of the Business Review with Distributors Is to:

- Insure attention is sustained by having a serious evaluation of what has been accomplished (mutual accountability);
- Review where the distributor stands on current programs and Plan immediate corrective action if needed;
- Gain mutual agreement on:
  - ✓ Actions to bring results back in line with plan,
  - ✓ Objectives and support for upcoming programs or focus periods.

### Effective Distributor Business Review Recommendations

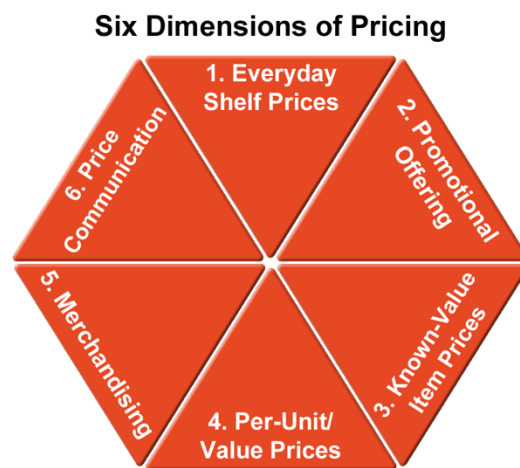
1. Have a standard format
  - Send an agenda in advance
  - Review status YTD vs. Annual Plan
  - Review recently completed programs & status of those in process
  - Market Conditions — merchandising, displays, distribution
  - Plans and programs for upcoming period
2. Timing — consistent, same time each month or quarter
3. Be well prepared — “Last one in the market controls the meeting”



## FIVE CRITICAL SUCCESS FACTORS

### 3. Understands and Manages Pricing

Pricing is a fundamental consideration at each point in the three-tier system. Pricing is also a critical component of marketing, as well as financial strategy for a brand. The pricing decisions have a significant impact on the company's ability to achieve sales volume and profitability goals in any given period. Pricing is an art and a science. Therefore, considerable knowledge and skill is required to make the judgments necessary to successfully integrate pricing into sales and marketing strategy and tactics.



### Trade Pricing Guidelines

1. Always structure suggested retail price on price sensitive SKUs beginning with deepest deal and work back from the target price.
2. "Round" to third digit.
3. Be aware of pricing in different channels within the brands competitive set — retail selling prices and on-premise bottle costs.
4. Understand the retail and wholesale margin needs.
5. Know the percent of your business sold at each pricing ("deal") level.
6. Retail shelf and feature price points should be adjusted to be most attractive to the consumer.



## FIVE CRITICAL SUCCESS FACTORS

### 4. Demonstrates Personal Discipline

#### ➤ Prepared for...

- ✓ Business reviews
- ✓ Work-with's
- ✓ Sales calls, etc.
- ✓ Attention to detail — pricing, etc.

#### ➤ Work Ethic

- ✓ Works as hard as distributor to build brands and execute.
- ✓ Visible in market and at distributor
- ✓ Manages perceptions
- ✓ Surveys



### 5. Educates – Trains – Learns

- Effective General & Team Sales Meetings
- On and Off-premise Staff Training
- Sales Forecasting

#### The Reasons...

- Provide distributor sales personnel with the information needed to effectively present and sell products and programs.
- Make distributor aware of the extent of portfolio selling opportunities.
- Generate excitement and motivate distributor personnel.
- Train the distributor organization on effective merchandising.
- Strengthen your perception of competence and professionalism based on the quality of the meeting presentation.





## CLOSING THOUGHT...

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# Become a “STUDENT” of Wholesale Distribution & Customers You Serve!

## Electronic Trade Publications & Resources

### Beer, Wine & Spirits

1. American Distilling Institute Newsletter and Magazine
2. W.S.W.A SmartBrief, <https://www2.smartbrief.com>
3. [www.beverageworld.com](http://www.beverageworld.com)
4. [markbrown@buffalotrace.com](mailto:markbrown@buffalotrace.com)
5. Shankin News Daily, [email@outbound-email.mshanken.com](mailto:email@outbound-email.mshanken.com)
6. BevNet Newsletter, [newsletter@bevnet.com](mailto:newsletter@bevnet.com)

### Grocery Channel

1. Progressive Grocer [www.progressivegrocer.com](http://www.progressivegrocer.com)
2. Supermarket News [www.supermarketnews.com](http://www.supermarketnews.com)
3. Food Marketing Institute [www.fmi.com](http://www.fmi.com)

### C-Stores

1. Convenience Store News [www.csnews.com](http://www.csnews.com)
2. Convenience Store Decisions [www.csdecisions.com](http://www.csdecisions.com)

### Drug Stores

1. Drug Store News [www.drugstorenews.com](http://www.drugstorenews.com)
2. Chain Drug Review [www.chaindrugreview.com](http://www.chaindrugreview.com)

### Foodservice Industry, On-premise

1. Blackbox Restaurant Industry Snapshot – <http://tdn2k.com/snapshot/2015>
2. Nightclub and Bar Magazine [www.nightclub.com](http://www.nightclub.com)
3. [www.technomic.com/operator/amexmarketbriefs/](http://www.technomic.com/operator/amexmarketbriefs/)
4. National Restaurant Association SmartBrief [www.smartbrief.com/nra/](http://www.smartbrief.com/nra/)
5. [www.restaurantnewsresource.com/Newsletter](http://www.restaurantnewsresource.com/Newsletter)
6. Cheers Magazine [www.cheersmagazine.com](http://www.cheersmagazine.com)
7. Casual Dining Segment [www.inform.com/Casual+Dining+Restaurants](http://www.inform.com/Casual+Dining+Restaurants)



## **BOB BROWN TRAINING PROGRAMS & SALES MEETING PRESENTATION TOPICS**

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### **“Building Brands Through Distributors™”**

Training designed to provide brewery, winery & distillery sales personnel the sales management processes & skills needed to effectively gain the support from distributor as well as understand how distributors are organized, operate and want to work with supplier sales personnel.

### **“Group Communications and Training™”**

#### **HOW TO CONDUCT EFFECTIVE DISTRIBUTOR SALES MEETINGS AND TRAINING**

The ability of a distiller to effectively present their portfolio, educate & motivate distributor sales organizations has a significant impact on sales results & the credibility, reputation and image of their people & brands. Suppliers learn platform speaking skills, how to motivate, organize information, use visual aids, such as PowerPoint™ & generate participation.

### **“Professional Selling and Merchandising Skills”**

A six-module Training on how to plan and make a sales call, deliver effective sales presentations, handle objections, sell displays & new on & off-premise distribution as well as effectively manage shelf space.

### **“Managing & Developing People”**

Leading edge training for sales managers on how to effectively plan, organize, direct and control sales personnel. Techniques and processes are provided on how to recruit & select, train, coach and deliver the motivation and leadership that produces high performance sales teams.

### **Key Account Selling & Category Management**

Understand how major chain accounts are organized and operate — primary retail sales and marketing goals. Learn the information key accounts want from salespeople and practical ideas on how to present to buyers. Obtain format to use on selling new distribution, displays and feature ads. Gain an understanding of concepts and application of category management.

The training & development programs described can be conducted by Sales Systems Development or provided to an in-house client trainer.



## LOW COST, HIGH IMPACT E-LEARNING TRAINING PROGRAMS

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### Multi-media Online E-Learning Training Series

- Flexible, convenient — people learn at the time & place of their choosing
- Low cost — only \$290 per module, plus no trainer fees or T&E expenses
- Participant workbooks are available & tests are built-in to validate learning
- Certificate upon completion & results are communicated to you
- Tailored to selling beverage brands to on and off-premise customers

### “Professional Selling Skills” — your people will learn how to...

- Sell new distribution and displays.
- Prepare & deliver more effective presentations that SELL more spirits.
- Successfully handle objections.

### “Building Brands Through Distributors™” — your people will learn...

- The factors that determine distributor “share of mind” for a supplier.
- Common mistakes distillery representatives make working with wholesalers.
- How to plan & manage program distributor sales execution.

### “Group Training & Communication Skills™” — how to conduct effective sales meetings and training workshops...

- Prepare better sales meetings in less time.
- Overcome nervousness & effectively speak to groups — platform speaking skills.
- Effectively use PowerPoint™ and visual aids — no more “death by PowerPoint™.”

### “Professional Negotiation Skills” — your people will learn...

- Seven negotiation tactics that will impact results.
- Techniques for obtaining & offering concessions.
- How to use power & leverage when negotiating.

### How to View a Demo or Register to Participate in any of the Programs:

- To view a brief demo to learn the goals, key content and structure of any of the four e-learning training programs go to <http://www.salessystem.net>.
- To participate in any of the e-learning program, click the **Create New Account** link to log into E-Learning site (<https://salessystem.digitalchalk.com>) & create an account, click the Catalog tab to register for one of the programs. The cost is \$290. Pay on-line with credit card using the site shopping cart. To ask questions or for clarification, please e-mail [bob@salessystem.net](mailto:bob@salessystem.net) or call (650) 691-9622.