



ELECTRO  
FEDERATION  
CANADA

**EFC**

# Annual Planning Between Agency Reps and Manufacturers

Best Practice document developed by EFC's CMG Committee

**EFC**  
CEMRA - CMG

# Goals of Planning

- A clear definition of and mutual agreement on each party's expectations.
- A clear definition of and mutual agreement on the actions related to these expectations – actions linked to each expectation of each party.
- A clear definition of the anticipated outcome if the mutually agreed upon expectations are achieved.

# Suggested Meeting Topics

1. Market landscape
2. Planning: Strategic and personnel
3. Goals and objectives
4. Distribution
5. Compensation
6. New product introductions and pioneering
7. Promotion
8. Training
9. Reporting
10. Factory visits and joint field calls
11. Sales operations
12. Annual written business plan:  
priorities, objectives, actions, responsibilities, timeline

## 1 Market Landscape

### Suggested Topics:

- Review of market expectations
  - Review of competition
  - Strengths and weaknesses vs. competition
  - Review of potential threats
- 

## 2 Planning: Strategic and Personnel

What changes at the agency and factory need to be discussed?

### Suggested Topics:

- Strategic plans and direction: both at the agency and manufacturer.
  - Ownership/succession plan.
  - Personnel changes and assignments.
  - Key contacts at the agency and manufacturer.
  - Policy changes.
  - Future markets
- 

## 3 Goals and Objectives

A clear, concise summation of the goals and objectives for the coming year.

### Suggested Topics:

- Increase or decrease for the agency's expectations as compared to the prior year.
- Increase or decrease for manufacturer's expectations as compared to the prior year.
- Review of the quota spread.
- Key product line emphasis and points.
- Review of possible key account targets.

## 4 Distribution

### Suggested Topics:

- Channel focus.
  - Critical strategic distribution moves/changes: supply chain, buying group, target market, niche, and specialty markets, etc.
  - Planned additions – who, when, and what product(s).
  - Planned deletions – who, rationale, and when.
  - Distributor Rebates.
- 

## 5 New Product Introductions and Pioneering

### Suggested Topics:

- Planned introductions, schedules and expectations/responsibilities and additional compensation, if applicable.
  - Training schedules and locations.
  - Sales goals and competitive analysis.
  - New product rationale and applications.
  - Field input on new product potential and results.
  - Follow-up feedback and monitoring.
- 

## 6 Promotion

### Suggested Topics:

- Promotional target audiences (distributor, end-user, specifier, etc.).
- Available and planned promotions (both local and national).
- Collateral available or needed (brochures, catalogues, sell sheets, etc.).
- Advertising schedule, if applicable.
- Review for local applicability and effectiveness.
- Trade show schedules, promotion and collateral required.
- Electronic media and/or e-commerce where applicable.

## 7 Training

It is important to identify the key objectives in the coming year specific to the representative's involvement with training for distributors and end-users. In addition, identify the objectives and plans for training the manufacturer and the representative, if applicable.

### Suggested Topics:

- Required training skills for the representative by product and application.
  - Rep training sessions for distribution.
  - Rep training sessions for end-users, specifiers, engineers, etc.
  - Timing/frequency and scheduling for all of the above.
- 

## 8 Factory Visits and Joint Calls

### Suggested Topics:

- Factory visits:
  - Who? (Rep, distributor and end user);
  - Why? (Objectives and expectations);
  - When? (Planning, timing and schedule); and how will costs be handled?
- Field visits and joint calls: (all see best practices for branch visits and joint calls)
  - to see whom? (Distributor and end-user);
  - Why? (Objectives and expectations);
  - When? (Planning, timing and schedule); and how will costs be handled?

## 9 Sales Operations

What are the expectations/roles of the rep and manufacturer to facilitate local service to customers. Detail timing expectations/tools required /processes.

### Suggested Topics:

- Lead time information: Standard vs. special
- Pricing: Regular vs. special
- Order entry
- Order confirmations
- Expediting
- Inventory: Local at rep? At manufacturing warehouse?
- Design services
- Technical support
- Samples process/requirements
- Marketing/trade show requests and budgets
- Rebate and incentive program management
- Co-op programs

What will be the communication protocol between the Rep/manufacturer/distributor/specifier/end user?

---

## 10 Compensation

### Suggested Topics:

- Commission program by product.
- Review any or add incentive/bonus plans.
- Additional compensation for value-added service (warehouse allowance, specification work, co-op programs, end-user calls, engineering work, etc.).
- Discuss whether the compensation program and contract is structured to accomplish both party's expectations and the marketing goals and objectives, e.g., contract length, severance agreement

## 11 Reporting

Discuss any objectives and expectations specific to reporting. These should be thoroughly understood and agreed upon

### **Suggested Topics:**

- Objectives and expectations.
  - Specific to the previous seven discussion topics and points listed above.
  - Format and frequency by type. For example, competitive analysis: use form provided by the manufacturer, twice a year.
- 

## 12 Annual Written Business Plan

The final step in the planning process is to summarize the discussion results in a written business plan. This will provide a progress report for direction, benchmarking and monitoring. The objective of the annual business plan is to have a concise, written document that summarizes expectations and removes doubt and assumptions from the planning process.

### **Suggested Topics:**

- List: Priorities, specific objectives, actions, responsibilities, and timelines by manufacturer and by representative.
- List those program components that are unclear at this point but will be reviewed and when.
- List the process for updating the business plan if necessary.
- Representative and manufacturer should review and “sign-off” on the plan.