Security Hardware Distributors Association

February 2011

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Any Exciting Company
News or Articles that you
wish to share?
Please email them to
nweber@shda.org.

## SHDA Bids Farewell to the Hoffman Brothers

The past year has been one of loss for SHDA. We have said goodbye to many long time members and contributors to the industry. Most recently, SHDA lost two of our long-time members, two brothers – Jerry and Al Hoffman.

Jerry Hoffman was the founder and long-time President of HPC, Inc., in Schiller Park, Illinois. Jerry was devoted to locksmithing and was a staple in the industry for more than 50 years. He prided himself on never missing an ALOA Show and being a member of SHDA from its beginning as NLSA. His early years were spent in the Coast Guard and working with his dad and brother, Al, at the family business. His love of invention and creative design drew him to manufacturing and HPC was born. He was many things to many people: businessman, inventor, chef, fisherman, photographer – too many to name. He will be sorely missed.

Then, in late February, we lost Al Hoffman, President of IDN-H.Hoffman in Norridge Park, Illinois. Al was a founding member of NLSA, the National Locksmith Suppliers Association, the precursor to SHDA. A leading figure in the industry, Al went out of his way to make everyone welcome at SHDA meetings. He was a World War II veteran and in the mid-50's, Al took over the management of the distribution portion of the family company from his father, Harold. Al was a huge proponent of education for members of his beloved security hardware industry and served as a Trustee for the Ben Silver Education Fund. His contributions to SHDA are too numerous to count. He touched the lives of many, many people - his family, his friends, and countless people throughout the industry. He was an inspiration to all, and he will be greatly missed - but his memory will live on forever.

Al's family shared that memorials may be made to The Ben Silver Education Fund, Security Hardware Distributors Association, 105 Eastern Ave., Suite 104, Annapolis, MD 21403. There is also an online donation form at <a href="https://www.shda.org">www.shda.org</a>.

Virl Mullins, Past President of SHDA and a founding member of NLSA, along with Al, noted "They were both so active in moving NLSA from just a gab session to our present structure. Al was active in the actual changing and decision making process, while Jerry with his parties at the annual meetings, was such a big draw that no one wanted to miss them and therefore attended the NLSA conference."

### SHDA EDUCATIONAL CALENDAR

There is never a better time to train your employees and provide them with an edge on the competition. Due to the success of the sales webinar series last year, SHDA has again partnered with AEA to provide business relevant webinars throughout the year. SHDA is also again sponsoring the Don Buttrey "Sales Bootcamp" and the University of Industrial Distribution program this year. More detailed information, including registration is available at www.shda.org

March 7-11, 2011
University of Industrial Distribution – IUPUI

September 6-8, 2011 Sales Professional BootCamp with Don Buttrey, Dayton, Ohio

More Details and Secure Online Registration for all of these exciting events are available at <a href="https://www.shda.org">www.shda.org</a>.



## Don't Miss This Year's SHDA SUMMIT



April 25-29, 2011

Squaw Peak Hilton Phoenix, Arizona

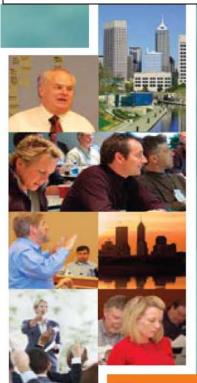
SHDA's 41st Annual Industry Advancement Summit returns to sunny Phoenix, Arizona on April 26 – 29, 2011, with an opportunity to extend your networking and enjoyment of the Phoenix sun by participating in a golf outing on Monday, April 25. The Pointe Hilton Squaw Peak Resort, host of SHDA's 2005 and 2009 Summit, is an ideal venue for the quality of networking, education and interchange of ideas that members' have come to value so highly. For more than 40 years, the annual SHDA Summit has served the security hardware industry by featuring invaluable One-on-One business appointments where leading Distributors can meet with more than 60 industry supplier partners in one convenient location, saving their companies hundreds of hours and thousands of dollars annually.

The Summit offers two full days of the traditional 20-minute One-on-One appointments and **one half day of expanded 30-minute appointments** to allow partners who need to spend a bit more time to get the full benefit of tailored attention, allowing distributors to make up to 49 appointments. SHDA encourages distributor companies to bring more than one principal to enhance their capacity to expand their exposure to all manufacturer participants. A full "dance card" of appointments will allow all attendees to leave Phoenix with a full complement of business contacts completed and work goals achieved.

SHDA's Annual Industry Advancement Summit will provide you with tangible, take-home knowledge that will help you run a better business.

SHDA, for the first time ever, will combine the Annual Summit Directory and Membership Directory, providing a year-round reference for our industry. Great advertising opportunities are available – please see the advertising page in this newsletter for details. Don't miss this one of a kind opportunity!

# REGISTER FOR THE 18<sup>TH</sup> UNIVERSITY OF INDUSTRIAL DISTRIBUTION – CLASSES ARE FILLING UP DON'T DELAY!



UNIVERSITY OF INDUSTRIAL DISTRIBUTION

INDIANA UNIVERSITY/PURDUE UNIVERSITY

MARCH 7-10, 2011 INDIANAPOLIS, INDIANA www.univid.org

▼ UID CLASS SCHEDULE

### MONDAY, MARCH 7

- 001. Marketing Strategies [Marks] Morning
- 002. Pricing Strategies [Marks] Afternoon
- 003. Improving the Distributor's Bottom Line [Bates]
- 004. You can Always Sell More How to Improve Any Sales Force [Pancero]
- 005. Creating a Competitive Distinction [Underhill]
- 006. Leadership & Delegation for Distribution Managers [Land]
- 007. Differentiating Your Distribution Company A Winning Strategy [McCleave]

### TUESDAY, MARCH 8

- 008. Achieving Effective Inventory Control [Schreibfeder]
- 009. From Dull to Dynamic: Transforming Your Presentations [Boyd]
- 010. The Power of the Spoken Word [Boyd]
- 011. Productivity Tactics for Branch Managers [Merrifield]
- 012. Profit Myths in Wholesale Distribution [Bates]
- 013. Managing the Account Portfolio [Monoky]
- 014. Real World Branding Strategy for the Industrial Products Manufacturer [Marks]
- Managing Distributor Sales Activities for the Manufacturer Territory Sales Executive [Marks]
- 016. Proving Total Cost Savings [Underhill]

### WEDNESDAY, MARCH 9

- 017. Branch & Operations Management [Workman]
- 018. Sales Planning for Industrial Distributors [Monoky]
- 019. Creating a Winning Marketing Plan [McQuiston]
- 020. Planning and Managing the Distributorship for Greater Profits [Rice]
- 021. Hiring the Right Salespeople [Ellers]
- 022. Improving Profitability Thru Joint Sales Calls [Ellers]
- 023. Value-Added Selling [Reilly]

### THURSDAY, MARCH 10

- 024. Personnel Productivity Improvement [Newton]
- 025. Customers: How to Keep The Best for Life [Rice]
- 026. Increasing Your Sales Force's 'EQ' [McQuiston]
- 027. Negotiation Skills for Distributors [Schatzki]
- 028. New Process of Distribution Sales Management [Ellers]
- 029. Fundamentals Business Skills and Leadership Training for Today's Distribution Branch Manager [Ambrose]
- 030. Creating Shareholder Value in Wholesale Distribution [Deist]



Serving Industrial Distribution for 18 Years!

## 11 ways to prepare for the recovery

Businesses that have cut to the bone to survive the economic downturn could be caught off guard when business starts to pick up again. In a recent article from the Houston Chronicle, Jacqueline Taylor advises business owners to stay connected and to nurture key relationships. Other tips: Focus on the customer, and make sure every action is designed to help draw in more business.

- Q: I've seen some signs that business is picking up, and I want to be as prepared as possible to take advantage of an upturn. Do you have any tips for getting my business in shape for the new year?
- **A:** Become customer-centric. Do everything with an eye toward getting those customers coming through your door.
- Learn to leverage your time, money and manpower. Take advantage of tools and resources and utilize your employees to their full capacity.
- Focus on outcomes and not outputs. Don't confuse activity with productivity.
- Commit to profitable products and services. Drop lines that are costing more to produce than they're worth in sales.
- Commit to profitable customers. Don't let problem customers be a drain on your time and money.
- Become a marketing master. Look into better ways to touch your current customers and reach new ones.
- Master your <u>financial statements</u>. Regularly review your income statement, <u>balance sheet</u> and cash flow statement, and be sure you understand what all the numbers mean.
- Control expenses. Find ways to lower your cost of goods and reduce your operating expenses.
- Continue your professional development. Learn something new or take classes that will improve your current skills.
- Develop key relationships. People who can help your business stay on top include your accountant, attorney, banker, insurance agent, vendors and suppliers.

Continued in next column

### 11 Ways - continued

 Stay connected. Join your <u>Chamber of Commerce</u>, <u>professional association</u> or get involved with your local economic development organization.

Jacqueline Taylor is associate region director of the UH Small Business Development Center, a partnership of the U.S. Small Business Administration and the university's C.T. Bauer College of Business Administration, at 713-752-8444. Information is intended to provide general guidance only.

### **SHDA Member News**

### LOCKEY® EXPANDS LINE TO INCLUDE GATE CLOSERS Hydraulic Garden/Pool and Pedestrian Gate Closers

Recently, Lockey® USA has added additional Gate Closers to the product line. These Gate Closers include models TB175, TB400 and TB100. The maintenance on these gate closers is minimal, installation is simple and they can be installed on a variety of fencing materials.

All of the Lockey® gate closers push the gates closed. For information regarding Lockey® Gate Closers or any of our products, please go to www.lockeyusa.com.





# How High Is Your Sales IQ? By: Mark Heerema



You see, when you are with a prospect, you only have so much time before your meeting ends. Once you leave that meeting, your opportunity is only as good as the information you receive. The information you receive is generally determined by the questions you ask. We only get what we ask!

### The Treasure Is There, You Just Need the Combination

Imagine every prospective customer's mind is like a sealed vault, and that behind its metal, locked doors lay the treasure you are looking for. You know, due to the strength and size of the door no human is strong enough to force it open. Rather, the only way in is to get the information from the person who knows the combination. Obviously though, the owner of the treasure does not give the combination out willingly. Someone looking for this information would have to be very skilled in asking specific questions that might give them clues as to what the combination might be.

That is exactly how the sales game plays out. Inside of your prospects mind is all the information you need. The question isn't, where is the information? But rather, will you get it! Then, as answers unfold, the information you receive slowly opens up the opportunity until you eventually have all of the necessary information to present a "no-brainer" solution. Every question you have that has a strategic measure behind it is like you getting another number in the combination. Questions must be strategic.

You need to have a <u>specific intent</u> behind **EVERY** question, otherwise why ask it! The more precise and effective your questions are, the more numbers of the combination you get! But, you don't get numbers for the combination when your questions are generic, because the information from those questions don't provide you with any clues about the treasure.

How High is Your Sales "IQ"?

It might seem like a small difference, but the ability of asking intentional questions (IQ) IS the difference between one salesperson having AN opportunity, versus

another having a WINNING opportunity!

Here's how I explain the importance of our questions to those I coach. The more information I have the more confident I feel in my opportunity and the quality of the information that I collect is determined by the questions I ask. If you only take one nugget from this article, take this:

The better your information, the better your odds are of closing the deal.

The quality of information you receive =
the effectiveness of your questions.
How good your questions are WILL me a MAJOR factor
in your success.

### A Strategy Should Accompany Each Question

You see, when you are with a prospect, you only have so much time before your meeting ends. Once you leave that meeting, your opportunity is only as good as the information you receive. The information you receive is generally determined by the questions you ask. We only get what we ask! During that meeting you only have so many questions; you must make them count. Getting the most of each question means that the questions you ask need to have intent behind them. Know why you are asking the question you are asking! Otherwise you will neglect to receive the information you want.

If you don't know what you are looking for, you will never find it.

Here's a common example I see while coaching sales people. A sales person will ask the prospect who they are currently buying their widgets from. This question by itself is a good question, and gives you some helpful information, but it is only the start. Many sales people stop there because they are not thinking strategically about what information that could lead too. They ask that question because they were told to or heard someone else ask it. The problem is that question is not followed up with additional questions, and that's where the gold is!

Look at how valuable the information is if you add these two simple questions after "Who are you buying from?"

Continued on next page

How High Is Your Sales IQ? Continued

Reason behind the question: the length of the relationship is the best indicator of how deep the relationship is. If the relationship has existed for a number of years, the likelihood of a quick and drastic change is slim. But if the client has not been buying from your competitor for too long, your chances of them making a change improve dramatically.

### "Would you be willing to switch to me if our package is a better solution for you?"

Reason behind the question: people want to believe they have the power to make decisions, but in reality, few actually do. Many times I have heard people say something like, "I would need to get corporate approval first." Or, "Maybe...we'll see." Then you know there is more. This question qualifies your time before you go spend it pursuing them! (Bonus: An additional bonus to this question is it forces the client to imagine what they would do if your package is better. Certainly, I would much rather have them answer that question while I am face to face with them versus leaving it to chance when they are alone reviewing a proposal without me present).

## Bonus time: Want to know a great way to ease tension and break down the walls that prospects put up? USE HUMOR.

The tip I am about to reveal to you works almost EVERY time I use it. What I suggest you do is combine the importance of the "commitment question" with humor. Because you MUST ask the prospect if they will use you, but when done with humor it makes it much easier and not such an awkward time.

Here's what I'd say: "So, John. If I save you money and can come through with the other requirements we discussed, would you be willing to break up with your current girlfriend and go steady with me?" Most people will at least chuckle, but if not, they will definitely understand what you want them to do.

See, I always know before I step foot in my prospects facility, that the reason for me asking who they are buying from is to find out how good my opportunity really is. But, I don't know that if I only know who they are buying from now. I only know who their current vendor is!

### Additional benefits of "IQ":

Asking intentional questions also give you direction, focus, and clarity. We never know where a conversation is going to go. It could go in a million different directions, and sometimes, it is necessary for us to follow suit. However, it is still in your best interest to leave with the information YOU need. Equipping yourself with a series of purposeful questions gives you a course of action to revert back too, even when the client pulls you off the trail.

If you don't have intent in your questions you won't ask them because you don't know why you need too!

So, guess where you will find yourself at the end of every meeting? Wherever the client takes you! The key is to go "with them" when necessary, and then skillfully bring them back to your strategic line of questioning, or back on your path.

Asking intentional questions also provides you with an open door to uncover hidden needs of the customer. Like someone who holds the combination to a vault, they aren't going to willingly tell you what it is. You have to skillfully ask questions to get the information you want. A sales pro understands it is up to them to find that combination, and they know how to get that information out of the person holding it!

Once you have strategically put together questions that dig into uncovering their issues, then you have given yourself an opportunity to first find out if they are TRULY interested, and two put yourself in a position to provide a solution.

Continued on page 8



Reach the leaders in the security hardware industry through effective low-cost advertising in the **NEW 2011 SHDA INDUSTRY CONFERENCE GUIDE AND MEMBERSHIP DIRECTORY.** 

That's right, for the first time in 2011, the annual Membership Directory will be combined with the onsite Program for the 41st Annual Industry Advancement Summit.

And, if you reserve a 1/2 page ad placement or larger, you will receive a free placement of your ad in one issue of SHDA's newsletter SHDA *UNLOCKED*! Newsletter circulation (members and industry leaders) is currently over 1,200. Directory circulation includes all SHDA member companies and industry trade press (complimentary).

This new publication will be distributed to all attendees at the 2011 Industry Summit and will be mailed to any company key contact not in attendance. *Reserve Now!* Information may be submitted by mail to:

SHDA, Attention Editor 105 Eastern Ave, Suite 104, Annapolis, MD 21403 Or by fax to: 410.263.1659

Select your advertising options from the available listings. Act now! A complete publication schedule, including copy submission deadlines for the newsletter is included with this flyer.

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# 2011-2012 SHDA ANNUAL MEMBERSHIP DIRECTORY AND CONFERENCE GUIDE

TO RESERVE YOUR ADVERTISING, RESPOND BY FEBRUARY 18, 2011!

### FIRST COME, FIRST SERVED!

Standard Black &White Rates Please check box and fill in amount	
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☐ Directory Ad − 1/4 page - \$350	\$
☐ Directory Ad — 1/3 page - \$500	\$ \$
☐ Directory Ad = 1/2 page - \$600	\$ \$
☐ Directory Ad = 1/2 page - \$700	
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☐ Directory Ad — Full page - \$850	\$
☐ Directory Ad – Logo Ad - \$200	\$
☐ Directory Ad — Business Card Ad - \$	150 \$
Full-Color and Special Placement Opti	ions
☐ Add Four Color to any size ad - \$500	0 \$
☐ Special Placement in Section of Cho	ice - \$200
(See Special Placement Instructions to	\$ the left)
Special Placement Pricing	
☐ Back Cover - 2,500	\$
☐ Inside Front Cover - \$1,750	\$
☐ Inside Back Cover - \$1,500	\$
Computation Section	
Directory Ad selection from above	\$
Color and Special Placement Options	\$
Or, Special Placement Pricing Newsletter Ad Placement (with 1/2 pa	y uge or larger) \$ 0
Grand Total	\$
	X
Insertion Order due by: FEB	RUARY 18, 2011
Ad Copy due by: FEB	RUARY 18, 2011

How High Is Your IQ? Continued

### Finding the gold:

- 1. Write down the five most important questions you want to ask every prospective customer you speak with. Take them with you. Do not leave until you get the answers. Also, run these five questions by the most successful person in your office. Ask them if those questions will get you inside the "vault" to where the treasure is.
- 2. Commit to putting your "IQ" to work in the next 3 meetings you have. You will find your information puts you in a premium position to serve a new client.

### **About the Author:**

Mark Heerema is the author of six books, owns his own speaking and coaching companies, and is being recognized for his unique and proven position on sales achievement. Mark attributes the success of his message to, "finally revealing why traditional sales training hasn't worked, while providing sales people with a real and proven solution that shows them how to get exactly what they want so they can use the strategies they know!"

Ambrose - Continued

Ambrose's approach is to focus on improving Return on Effort put forth by salespeople. "If ever there was a best opportunity to increase your sales discipline, the time is now because you can significantly improve your business if you increase your salespeople's activities to go after low-hanging fruit, or crack the easiest accounts. Your competitors are assuming that if they're losing business right now it's because of the economy. If you go in there with a new approach to sales, you could start to pick up some share at these accounts. Maybe they're slower today but if they're not out of business, they're still buying product."

Jim has more than 30 years in the wholesale distribution industry. He specializes in doing "turn-arounds" and conducting his popular workshop "Business Skills and Leadership Training for the Wholesale Distribution Branch Manager." Jim Ambrose can be reached at (315) 430-5631 or <a href="mailto:jambros1@twcny.rr.com">jambros1@twcny.rr.com</a>.

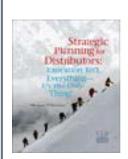




Tip: Retrain Your
Salespeople to
Go After
Market Share,
Jim Ambrose

A big challenge for distributors is that salespeople tend to get comfortable in their account packages - a problem when those accounts are buying fewer items thanks to a still-down market. Jim Ambrose, author of Cracking Accounts, says that salespeople need to be retrained and reenergized to find where sales are. For those who aren't willing to take a new approach to their work? He says: "You might want to take them out because they're not adapting the reality of economics and coming up with a more disciplined approach."

Continued on next page



At last, a strategic planning book just for wholesaler-distributors!

Creating and executing a successful business strategy is every distribution leader's No. 1 job. Order the brand-new book Strategic Planning for Distributors: Execution Isn't Everything -- It's the Only Thing! It provides 11 proven best-practice strategy steps to apply to your business in this rapidly changing, competitive environment. It draws on more than two decades of distribution research with strategy execution secrets of successful wholesaler-distributors.

More Info on this essential book to strategically plan for 2011 here.