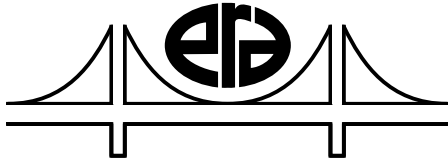


Electronic Representatives Association



NORTHERN CALIFORNIA CHAPTER

NEWS

July-August

1999

Let's Look at the Chapter

The Northern California Chapter has always been one of the larger chapters in the country and has exemplified growth and progress. We have on several occasions won Chapter of the Year awards by the National office. We have supplied two National Presidents, the late Chuck Ault in 1962 and Clark Moulthrop in 1997-8.

Fifteen of our members have been honored over the years by the receipt of the Lebell-Logan Award, an honor bestowed upon chapter members by the chapter leadership who have contributed the most toward the advancement of the principles of the independent manufacturer's representative. An award is not automatically made each year, as the count illustrates.

Our membership rolls have fluctuated as the years go by. Each year, our chapter secretary assembles a listing of each member and their affiliation with each National Product Division. You will find the results interesting.

The Components Division represents, by far, the highest registration. Fully 68% of members belong to this division, over 80 firms. This is followed by the Communications Div., 16; Material, Assembly & Production Div. (MAP), 14; RF/Microwave, 13; Instrumentation & Sensors, 12; Computer Products, 12; Sound, Audio-Visual, Electronic Security (SAVES), 6; and finally, Consumer, with 3 members. Keep in mind that many of our 100+ members, 30 to be exact, belong to multiple divisions. (One firm is registered in them all!) This makes the apparent count above appear *higher* than our total membership.

Chapter member companies hire over 700 people. Over 80% of these are in the Components Group but we must again remind you that some of the companies divide their interests with other Divisional sales activities. This count represents total employees, including the owners, secretaries, inside sales people, or what-have-you. We should

also note that these figures are "compiled." No accurate survey is conducted each year, beyond the collection of dues. (Yes, Virginia, we pay for membership.)

No one knows how much in gross sales these companies generate. The advent of Contract Manufacturers (CMS) has seen to that. Commission splits have become a way of life, not entirely pleasant. This is compounded by the fact that reps pay all their own expenses. Since gross sales mean so little to the daily operations of a rep company, most reps have come to think in terms of commission revenue generated.

If you are a principal or perhaps a customer reading this, shed no tears. We are a hearty bunch, with a healthy attitude — long adjusted to the rigors of day-to-day life. Given a choice, you couldn't run most of us off with a bucket of dung and a broom. But, generally speaking, our performance for either of you depends upon fair and equitable treatment. Sometimes we need a break, thank you. Sometimes it is information that is of value. Regardless, know that we are here when you need us.

We are a hearty bunch, with a healthy attitude. . .

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Capacity Field Expected for ERA Golf Tourney

The annual ERA Golf Tournament will be at Crow Canyon Country Club in Danville. The date is Monday, September 27th with a 12:15 shotgun start. This is 3 weeks prior to WESCON, so as not to conflict in any way.

The entry forms were mailed late July. If you have not received one please contact Ron Jenkins at (650) 961-1422 for a copy. It will be faxed out the same day.

Many prizes will be awarded. We expect to have three divisions with up to 5 different flights in each division. Multiple winners will be honored from each flight. Divisions are Gross, Net (NCGA Index for Sept. required) and Callaway (non handicap players).

Schedule of events is:

10:30 - 11:30	Check In and Match-Making
11:00 - 12:00	Lunch (Grilled Chicken, Burgers & Dogs)
12:15	Shotgun Start
5:00 - 6:00	No-host Cocktails
6:00 - 7:30	Awards Dinner

Sorry, the practice range is not available. However, we will play 19 holes. The first hole is for warm-up. For additional information you may contact the golf committee chairman, Ron Jenkins at Westech Sales (650) 961-1422.

GOLF
CHAIRMAN
Ron Jenkins



Editor's note:

Please note that the official October meeting is held at the clubhouse after the golf tournament. Those who do not play golf are still welcome for the festivities afterward.



We mourn the passing of Zack, this past June 14th. Founder and President of Zack Electronics from 1931-1986, Zack was past president and chairman of the Board Emeritus of the National Electronics Distributors Assn., Past President of the Electronic Industry Show Corporation, Past President of Radio's Old Timers, as well as being active in his church, and fraternal organizations including the Elks.

More than a legend, Zack was a tradition in our industry. Our sorrows go out to his family — five children, eight grandchildren, five great-grandchildren and two great-great-grandchildren. Our publication date is long past the celebration of Zack's life but we wanted to remember him. His lodge said it best, "Good-bye Brother Zack. You cannot be replaced!"

In Memoriam

**Zacharia,
Victor N. (Zack)**

January 17, 1905 -
June 14, 1999

1999 Electronics Industry Christmas Party

This year, we are pleased to announce our annual holiday party, which will be held at Villa Montalvo in Saratoga on December 8th. The “Villa” is considered by many to be one of the most beautiful settings for a holiday event in the Bay Area.

The event will feature gourmet catered hors d'oeuvres, a full no host bar and relaxing (live) background music. As always, the event supports local charities and a good portion of the cost of your ticket goes directly to those charities.

Valet parking will be available at the Villa for our guests.

Please put down December 8th on your calendar!

More information to come.



Craig Smith

Calendar of Events

Here is a tentative schedule for Chapter Activities for the year 1999. It is subject to revision, so check this listing from issue to issue.

MEETINGS

- Aug 3 (Tues) [Chapter Meeting](#)
- Sept 27 (Mon) [Meeting & Golf Tourney](#)
- Nov 2 (Tues) [Chapter Meeting](#)

SPECIAL EVENTS

- Oct 19-21 **WESCON 99** at the San Jose Convention Center
- Dec 8 **All Industry Christmas Party**
- April 9-13, 2000 — Baltimore, MD
Plan for the next **National ERA Conference**
[Field Sales 2000: Redefining the Profession](#)

ERA NEWS

is published bimonthly by the
**Northern California Chapter,
Electronic Manufacturers
Representatives Assn.**

Edited by R.W. (Bob) Parsons

Note: You may receive this newsletter as an attachment to an e-mail message. Just send an e-mail request to: info@brmsales.com

The newsletter is sent in .pdf format, which gives you a full color presentation when viewed on Acrobat Reader, available free from Adobe Systems.

To download Acrobat Reader go to:
<http://www.adobe.com>

Mid-Year Report

The **Computer Training Program** is about to wrap up for this year with only a few classes remaining. It has been a huge success thanks to **Jon Bunce, Sharon Root** and **Marie Lape** just to mention a few. We have provided training for almost 200 of our members. Because of popular request, we will do it again next year.

The order forms for this year's new *Rich's Business Directories* have been sent to you. As usual the discounts for this year's program are very special. It's the best deal they offer to anyone. I would also recommend that you check out their new Web Site Subscription.

Several of our members are active on the committee for the **All Industry Christmas Party**. And from what I hear, this year's party will be bigger and better than ever before. Be sure to plan to attend.

As I have indicated before, your Internet Committee is in the process of creating a **New Web Site**. We believe this activity is very important to the future of our Chapter. It will become the single most important benefits that we offer to our membership. If you have any suggestion or feel you can contribute to this project please contact **Ed Blake** or myself. Your help is needed and will be greatly appreciated.

Kevin Frost and the Wescon team are hard at work to make sure that year's **Wescon** is a great success. As you know this show is very important

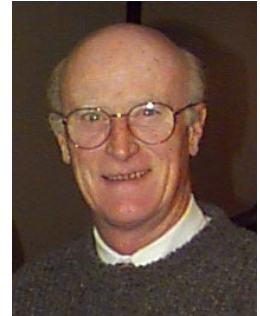
to our chapter and to each of our individual companies. Your support in whatever way possible is greatly appreciated.

In my last column, I indicated that there were several **Leadership Opportunities** open in our chapter and if you were interested please let me know. As a result, several people contacted me and they will be filling some of these positions. We greatly appreciate their interest and willingness to help. There are still a few opportunities, let me know if you can help.

As we enter the new millennium, I think we should be looking into how we can improve our Chapter and what new benefits and services we could and should be offering our membership. Toward this end, it might be a good idea to form a long range planning committee. The purpose of the committee would be to study our needs and make recommendations to Excom. I would appreciate your comments and/or suggestions.

PRESIDENT'S COLUMN

Bill Walsh



SPEAKER ANNOUNCEMENT

Our speaker for August 3rd is **Paul Esling**, Manager of Sales and Business Development for **Celestica Corp.** the third largest Contract Manufacturer in the world. Prior to this, Paul was the Area Director of the **Avnet Integrated Materials Services Division**. Paul is an experienced speaker, talking primarily on electronic commerce and how it affects the supply chain. He will be talking to us on the future of Distribution and Repping, as effected by Electronic Commerce.

This should be a most appropriate subject given to us by an expert.

NO ONE SHOULD MISS THIS TALK.



Al Telford
Sr. VP

NEWS AND VIEWS

EDITOR'S COMMENTS

Bob Parsons



Our last meeting was a delight. Thanks to **Al Telford**, we welcomed **Ed Markiewicz**, VP of Sales, **Sharp Microelectronics of the Americas**. Ed had spoken at another conference Al had attended and remembered him as an entertaining speaker who had some good ideas to share. Al's memory was good. His subject was . . .

INTERVIEWING FOR A HIGH TECH LINE

In fact, Ed talked more about how things are in our industry today and where he sees us going. Yes, he did get to the questions you can expect to have to answer, at least in his interviews, but the build up was excellent.

He started by defining where Sharp Microelectronics fits into the market. Their line of components include LCD's, IC's, RF components, optoelectronics, CCD Cameras and Modules. They also sell Value Added Solutions. With this kind of product spread, Mr. Markiewicz, identified their Sales Process, integrating Engineering, Marketing, Production and Forecasts into the overall Concept. All this led to the question of how each of their reps contributed to the process.

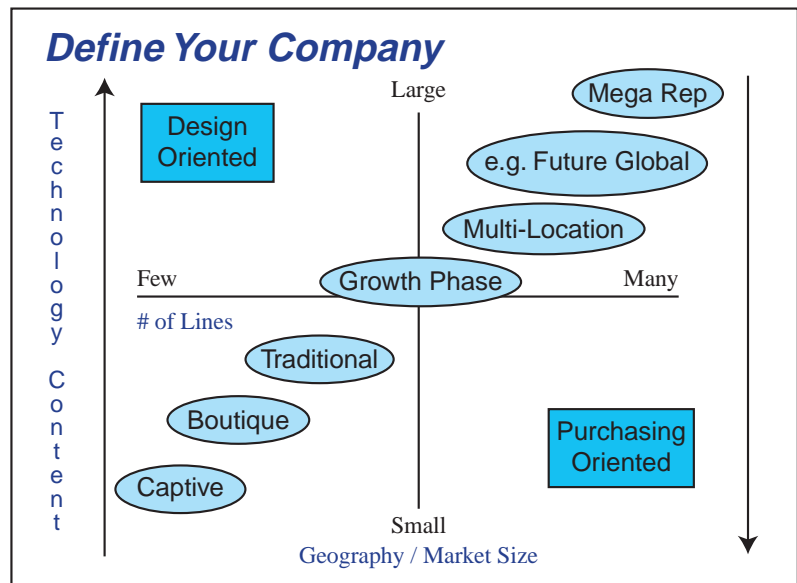
This writer was quite taken with his lead into the next portion of the presentation. The slide on the right illustrates the variations of reps as we know them and where they may be going. It illustrates what kind of a rep you are or could become. The smaller reps with fewer lines, for instance, tend to become captive reps. As one progresses up and right on the curves, we see that only a few become multi-location (super?) reps.

(The future global, mega rep is making more sense each day as we observe local reps with branches in the Far East. But that is a whole 'nother discussion.)

One of the more threatening aspects of our sometimes-tenuous position (according to an EET Internet Usage Survey) is the influence of the Internet on our lives. Ed pointed out some interesting bits of data. He noted that 78% of all engineers prefer to get their technical data on the Internet. Over 60% now actually use the 'net and another 14% use company supplied CD's, an ever-increasingly popular way of providing the customer

with catalogs. As ever more highly engineered products become closer to "commodity" status (the classic illustration of this is power supplies), more engineers are going direct to the factory for information.

Mr. Markiewicz went on to discuss one of the more serious trends of our industry — Contract Manufacturers (CMS). He emphasized the necessity for manufacturers to reduce costs in order to compete in the global market. And then he discussed the very real challenges the rep faces; declining ASP's (Average Selling Price); split (or no) credit (spelled commissions) for offshore assembly; commission rate squeeze; and house



accounts. All this is happening at a time when employee costs and benefits are climbing; related operation services and infrastructure costs are rising

Continued on page 6— NEWS & VIEWS

Continued from page 5— NEWS & VIEWS

for the rep. (We can remember when our accountant raised his prices to over \$100 per hour. Now, we pay that for computer support – when you can get them!)

(Editor's note: The entire concept of CMS will be surveyed this summer for future articles. Note also the upcoming August meeting speaker who will directly address this subject.)

Next came the “Top 20 Interview Questions” which pretty well cover everything a principal might want to know about us. Some are not really questions as much as they were demands for information or actions on your part. Some answers might be difficult to ascertain without the principal's help. (Not everyone is as large as Sharp.) Most are pretty obvious — a few not always welcome. All in all, they demand a level of thought that (when done) may work to our advantage. We list them without comment.

1. Are you prepared? Know the line you are interviewing, especially the product line. Where do they have business? Where do they not have business?
2. Are you in ERA?
3. What is the role of the owner/president? Does he call on accounts?
4. May I see your Distributor/Line Card matrix? Cross reference lines/distributors.
5. Profile your staff. Degrees; Work Experience; Account strengths.
6. What can or do you do to help the customer streamline his operations?
7. What are your customer relationships? Show organization charts, business cards.
8. Productivity enhancement tools? Notebook computers, communications devices?
9. How do you pay your people? Profit sharing? 401K?
10. Profile your communication infrastructure. How do you maintain visibility with your principals? How often do you visit them?
11. Show me your lead management process.
12. Demo your systems infrastructure. Who handles your MIS work?
13. Articulate why your line card is synergistic. Share percent revenue and percent time for each line. What if anything will suffer if you add my line? How do I know my line will get the attention it deserves?
14. How has your company responded to change? When you're through changing, you're through!
15. What is the financial position of your company? Prove that you can weather industry cycles.
16. Reports (“The principal's revenge!”) Show your flexibility and capabilities.
17. May I meet your Staff? Require outside sales staff to present themselves.
18. How do you market your company? Web site? Direct Mail?
19. Demonstrate your selling skills.
20. Customer Loyalty.

Ed Markiewicz talked as long if not longer than any recent speaker did, although it didn't seem that way. People milled around for quite a while afterward, talking among themselves about what he had given us. Those who don't attend meetings (for whatever reason) read this and try to imagine the “meaty” stuff you missed by not being there. This was proof that meetings can be a real member benefit!

Y2K

For those of you worrying about Y2K on your computer – that's not all! Your VCR is very likely going to get confused, as well, when it comes to recording stuff. It will probably not recognize the year 2000. To correct the problem, just set (change) your program's date to 1972. The days will be the same as 2000.

GUEST SPEAKER

Ed Markiewicz



People milled around for quite a while afterward, talking among themselves about what he had given us.

The Northern California Chapter of ERA is one of the most active chapters within the national association and it has won numerous awards for its service to the electronics industry. The chapter's success is a direct result of the interest and the effort put forth by its members.

1999 Chapter Officers, Chairpersons & Directors

EXECUTIVE COMMITTEE

OFFICERS

			Area	Telephone	Fax
President	Bill Walsh	Westech-Featherstone	(650)	961-1422	968-9898
Senior Vice President	Al Telford	Marcon Sales Inc.	(408)	263-3660	263-3695
Treasurer	Tracy Rodriguez	Ewing-Foley, Inc.	(408)	342-1200	342-1201
Secretary	Pat Kehoe	Recht Associates	(650)	964-6321	964-8165

DIVISION VICE PRESIDENTS:

Communications	Eric Robinson	E. S. West	(408)	565-9050	565-9055
Components	Chris Jumper	JEM Electronics	(510)	417-1033	417-1458
Computer Products (CDC)	Les Zoltan	Computer Modules, Inc.	(408)	496-1881	496-1886
Instrumentation	Ted Tilton	Gado Meas. & Control	(650)	493-8600	493-8522
Materials, Assembly & Production	Doug Evans	Evans Associates	(510)	855-0618	855-0921
RF/Microwave	Mark Logie	RSVP Associates, Inc.	(408)	467-1200	467-1250
Sound, A/V, Security	Brian Trankle	Brian Trankle & Assoc.	(650)	595-4004	595-0292
Membership	Brian Everhart	EVERHART, Inc.	(408)	865-0344	865-0343

EXECUTIVE COMMITTEE (The following plus officers noted above)

BOARD OF DIRECTORS:

Chairman of the Board	Lon Hudson	Rock & Associates	(925)	462-6211	462-6206
Past President	Kevin Frost	Ross Marketing Associates	(408)	988-8111	492-0197
Past President	Craig Smith	Prism Technical Sales	(408)	248-0700	248-2797
National Director	Jack Heidmiller	The Heidmiller Group	(650)	960-3933	390-0650
Alternate National Director	Craig Smith	Prism Technical Sales	(408)	248-0700	248-2797
Director: Wescon, Senior	John Latimer	Luscombe Engineering	(408)	370-2020	374-8663
Director Wescon	Kevin Frost	Ross Marketing Associates	(408)	988-8111	492-0197
Director: ECI	Dick Foley	Ewing-Foley, Inc.	(408)	342-1200	342-1201
Secretary: ECI	Hugh Shyba	Shur Sales	(408)	399-7487	399-4767
Director: ECM	Hugo Shane	Caltron Components Corp.	(408)	748-2140	748-2141
President: Services, Inc.	Charles Shaw	Shaw-Tech, Inc.	(408)	866-6628	866-6620

COMMITTEE CHAIRS

Ambassador	Ray Del Bucchia	Life Member	(510)	736-8797	
Ambassador	Tom Mollard	Life Member	(650)	968-1581	
Ambassador	F.W. Moulthrop	Life Member	(925)	284-7509	284-1315
Chapter Archivist	Jean Lape	J.E. Lape Company	(650)	345-3021	345-3952
Directory	Steve Ross	Ross Marketing Associates	(408)	988-8111	492-0197
Education	Jon Bunce	Agenda Sales	(408)	437-0777	437-0587
Golf Tournament	Ron Jenkins	Westech Sales	(650)	961-1422	968-9898
Internet	Edward Blake	Edward Blake Assoc., Inc.	(510)	770-9058	770-9698
Membership	Brian Everhart	Everhart Inc.	(408)	865-0344	865-0343
Newsletter Editor	Bob Parsons	BRM Sales	(408)	246-4582	246-4413
Showcase	Gary Zabel	James S. Heaton Co., Inc.	(650)	367-9000	367-7158
Distributor Liaison	Steve Martin	Caltron Components Corp.	(408)	748-2140	748-2141

NATIONAL OFFICERS

National President	Clark Moulthrop	Moulthrop Sales, Inc.	(510)	461-7100	461-7120
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CHAPTER STAFF

Executive Director	Hugo Shane		(650)	341-3596	345-3952
Executive Secretary	Marie Lape		(650)	341-3596	345-3952

1 "Key issues regarding the rep business are presented to help you **grow** your business — and stay in business."

2 "Having manufacturers in attendance provides **unique insight** into the rep-principal partnership."

3 "Networking face-to-face with peers, manufacturers and consultants is a **big-time** opportunity for growth."

4 "The body of **knowledge** presented by conference speakers (reps, manufacturers, academics and consultants) is informative and **worthwhile**."

5 "ERA puts together conferences that prepare its members for what's coming, not what's past."

6 "Every rep who attends — large or small — is **better prepared** to manage changes in the rep business than those reps who don't attend."

7 "The table top suppliers' exhibits offer hands-on **opportunities** to try out the newest technology and services being used by reps today."

8 "The breakout sessions contain tons of **'how to'** information and alone are worth the price of admission."

9 "The program is designed for reps by reps, which gives you the edge on knowing what reps will need to

succeed in the future."

10 "ERA's conference is the most **valuable** learning tool reps have."

10 Reasons Why You Should Attend ERA's 2000 Management & Marketing Conference

Education You Can't Get Anywhere Else!

This message contributed by your fellow reps who believe ERA's conference is the best way to enhance their professionalism and business growth.

**April 9-13, 2000
Omni Hotel
Baltimore, Maryland**



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