



NCALERA **NEWS**

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**JANUARY-FEBRUARY**

**2002**

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**WIRELESS SYSTEMS**  
FORMERLY KNOWN AS WIRELESS/PORTABLE  
SYMPOSIUM & EXHIBITION

**The complete Design Solution for Wireless**  
**10<sup>th</sup> Anniversary!**  
**San Jose Convention Center – February 25-28.**

“This event is dedicated to the engineers who have set the foundation of an inspiring technology that is strong enough to withstand the unimaginable heights of the next generation. See your peers and mentors being recognized for their great works and dedication to the industry.”



As in previous years, ERA will be there. **Visit Booth 140.** Not only our local volunteers but also a staff person from the National Office, Chris Kosch, will be

there with brand new “New Membership” brochures. After the year experienced by many of these customers, we may be able to see and hear some great new forecasts.

Of course, Reps interested in knowing more about ERA can pick up all kinds of information. See you there during the show to verify that good things are really happening.

**NCALERA NEWS**

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Association

R.W. (Bob) Parsons, editor

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**MEETINGS &  
SPECIAL EVENTS**

Feb. 5 Michaels at Shoreline  
Regular meeting.  
Feb. 25-28 Wireless Systems Show  
April 3-7 ERA's 2002 National  
Management & Marketing  
Conference  
April 4<sup>th</sup> Michaels at Shoreline  
Regular Meeting

The events of 9-11 have made us all  
aware of our country's greatness. We can  
assure that this greatness continues if we  
take part in the single most important  
contribution we can make – exercise your  
right to vote!

Here is information on this important  
event.

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Visit the

**VOTE AMERICA**  
Website at  
[www.voteamerica.ca.gov](http://www.voteamerica.ca.gov)

to:

- Register to vote
- Obtain nonpartisan voter  
information
- Locate your polling place
- Become a Vote America  
volunteer.

If the above notice appears familiar you  
are to be commended. It is right out of  
the "Official Voter Information Guide"  
mailed throughout the state of California  
for the information and guidance of our  
citizens.

Begin by registering, if you have not done  
so, by the deadline of February 19. If you  
know you will be traveling, you can file  
for an absentee ballot between Feb 4 and  
Feb 26.

And if you want more information, visit:  
[www.ss.ca.gov](http://www.ss.ca.gov) (Secty of IState) or call toll  
free: 1-800-345-VOTE (that's 8683)

## NEWS & VIEWS

**By Bob Parsons**

Welcome to the New Year – 2002! We hope that it is a happy one for you all. It won't have to strain much to far exceed 2001, that's for sure. First business tanked and then -- 9-11!

We have seen some dramatic changes and it isn't going to stop, in our opinion. Reps are taking positive actions. Two large local reps have merged, creating a virtual powerhouse of a company. Several have moved into smaller quarters. Another has spread his people around the territory by allowing (encouraging?) them to re-locate into their homes. Mostly, reps are selling harder! If you don't think so, just try to catch one of these people in their office.



Finally, the Kiplinger California Letter, Jan 2, 2002 indicates that economic recovery is likely sometime this spring in California. There will be steady expansion ahead, but no return to boom years of the late '90s. The recession appears to be short, shallow and spotty. In fact, *if it weren't for Bay Area, the state's economy would still be growing.* (Italics ours) Now isn't that refreshing? Another year of scratching?

State politics favor further growth. We select a Governor in November (see comments on page 2) and the TV airwaves are already full of advertisements. The incumbent is not going to miss any opportunities. He isn't going to willingly make waves in the economy.

Further, everything indicates that reps as a community are prepared for most anything. For those who are not aware – reps are a very special bunch of people. You can count on it!

For instance:

Have you had a chance to review the latest ERA White Paper, “Split Influence Recommendations for the Electronics Industry?” This writer is impressed. The creators of this paper have done their homework.

Included are several paragraphs outlining the challenge reps face; how difficult it is to project success or failure; the investment “risk” made by every design-in rep; and the importance of good tracking of orders and shipments. The real meat and potatoes of the paper are toward the last – especially the last page. For it is here that they discuss attitudes. They do not call it that, but one doesn't have to read far to sense the piercing sincerity of the message.

We have a friend who is a college professor. Professors have an adage that describes the on-going challenge they face in maintaining personal growth: *Publish or Perish!* We think this white paper, while a bit more subtle, could be saying something akin to this to the principals who read the paper – *Protect your rep’s commissions or pay the consequences.*

The last few paragraphs summarize the issues well. They cover:

- Time Limitations
- Split Credit/Commission Tracking
- Split Credit/Commission Dispute Resolution
- Alignment of Compensation
- Exceptions

We were particularly impressed with the paragraph on Alignment of Compensation. It points out the importance of tracking. It notes that when regional managers are paid in the same manner as their reps, i.e. a commission plan with the same split credit provisions, *tracking* tends to become a *non*-problem.

*Editor’s Note: If the principal is small enough to have two or fewer “regional” managers, this doesn’t work as well – for obvious reasons.*

We liked their closing comments as well:

“ERA has developed these recommendations to *help* manufacturers and their field sales reps save time and resources that can be better spent on meeting their mutual sales and productivity goals.”

This leads us into another subject, very related. Sometimes it is almost impossible to track items, particularly those of a commodity nature. Yet often the same design-in selling job is required as it is for the more “engineered” products.

But the principal faces the challenge: “How much should we compensate a rep when we know how much “influence” the rep has had in gaining design-in approval but cannot determine to what extent the influence spreads?” He may, in fact, be seeing overall growth on a given component as a result of several reps’ efforts! To paraphrase another adage, “What’s a principal to do?”

We hear lots of suggestions, some unprintable, but one that continues to pop up has, on the surface, the answer.

**“Fee for Service!”** Now, doesn’t that have a nice ring to it? What a perfect solution to a very complex challenge.

Yes, but . . . let’s consider a few points of discussion. Principals may look upon this as another added fixed cost even as their reps see it as payment earned but not being currently paid. Either could see it as a violation of the basic premise that reps are independent contractors who earn every dime they are paid.

Reps have been subjected to unfair practices for a long time, too long to accept the façade of fair play when in fact there is rarely any change in the principal’s attitude. This could happen. Once in place, a policy of fee-for-service could open the door to new kinds of “extra” service demands.

Lest some think that we have a built-in bias toward the integrity of principals, we want to go on record as saying “Not so!” A very large percentage of principals we worked with during our 20+ year tenure in the rep business were honest and above board. We were *never* confronted with out-and-out dishonesty!

We knew a few who were quite creative with their bookkeeping. But when it came to complying to a request for something special that involved commissions, order reporting, tracking, etc., more often than not we were confronted with the “We are too busy to do that--” or “Our computer won’t do that--” routines. Could it be said that we failed to get their attention?

We are not satisfied that we know enough about this situation to just gloss over the subject and put it to bed with too many unanswered questions. Watch for a survey on the subject and expect phone calls to discuss the matter further.

The logo to the right only tells part of a grand story. We are also going to repeat a message sent to everyone by Ray Hall, our National Executive VP and CEO. Addressed to all ERA Member Firm Owners, Presidents and Managers, it goes like this:

“It’s time to think long and hard about investing in the most important educational and industry event of 2002 -- the ERA National Conference, scheduled April 2-7 near Tampa.



And yes, I know most reps are more concerned about meeting the next payroll rather than spending \$\$ on a trip to Florida. But consider the unique value of networking with your fellow reps and leading manufacturers, coupled with programming geared to bringing you SOLUTIONS. That's what you asked for in our surveys, and that's what our conference committee is delivering ... a program that will:

- Deliver up-to-the-minute status reports and projections about the
- economy as a whole and ALL segments of the electronics industry;
- Introduce industry standards for reporting and tracking new business opportunities;
- Show you how to manage and motivate your personnel in these financially trying times;
- Introduce new guidelines for handling line conflicts;

- Focus on new software to help reps and manufacturers track split commissions;
- Offer many new breakout seminars, including plenty of success stories and how-to strategies.

Airfares are lower than ever ... rooms, and even suites, at the gorgeous Saddlebrook Resort cost well under \$200 a night ... and our conference committee members are working their hearts out to give you real bang for your buck. It's time to act!

The \$695 registration fee (that covers all programs, many meals and much more) is in effect only until Feb. 1st. So click on the link below and go right to the ERA Web site conference page for the further details and to download the registration form.

Here you go ... <http://www.era.org/conference/Conf2002/ConfMain.shtml>

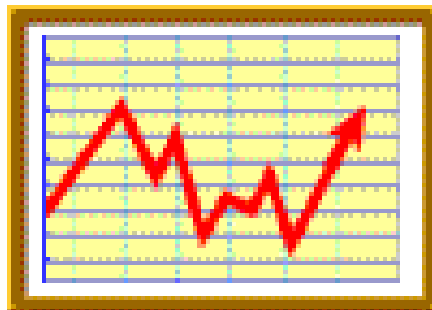
Best regards,

Ray Hall  
ERA Executive Vice President and CEO”

We will barely be to press by Feb. 1, so getting your registration in as a result of reading this may be difficult. Fear not. The conference is still worth it. If you haven't had a chance to review last year's big event here in Monterey, just go to our personal website, [www.reptalk.com](http://www.reptalk.com) and select the “Click here . . .” link on the first page and read on.

Our hats are off to those many valiant souls who serve office manager roles at the various member companies with whom we communicate. Without elevating them to “hero” status, we have come to recognize that there are a lot of disciplines that the more sales-oriented rep owners and sales people never consider. Something tells us that the office administrator is sometimes the glue that holds a rep company together. Let's hear it for them all!

This should be an easier, no, *better* year than before for all of us.



## **NEW OFFICERS**

This past few weeks have been interesting, to say the least. We have elected a new slate of officers, had one ExComm meeting and have had one resignation. We have a few pictures and can introduce you to most of the new officers. The others will be added in future issues, as we get the pictures.



The first is our new Chairman of the Board. Chris Jumper has served as President over the past two years and did a creditable job. He will not be as evident from now on but we know that we can always call upon him for support.

We next show our new president, Brian Everhart. Brian is shown at a recent meeting with Frank Charboneau, our insurance agent. Brian (on the right) has been around the area and in the industry for a long time and we look forward to working with him.



Bill Walsh is now a member of the Board, having served through the chairs over the years, ending up last year as Chairman of the Board.

Our new Secretary is Eric Robinson of ES-West. This is Eric's initial efforts in the chapter officer mill and we recognize that getting in the mainstream may take a day or two. So far, we see absolutely no challenges that he has not been able to handle.

We'll be adding Bill Hedgpeth, Senior Vice President and Treasurer (He's filling in for the retiring Tom Birks). And we'll try to get a better picture of Brian and Lon Hudson, Past President and Alternate National Director. We'll also get Mark Conley of O'Donnell Associates, our incoming National Director. Mark assumes his role at the National conference in April, replacing Jack Heidmiller.



**Congratulations to you all!**

The Northern California Chapter of ERA is one of the more active chapters within the national association. We have received numerous national awards to prove it. Our success is a direct result of the interest and effort put forth by its members and the officers listed below, all volunteers.

### **CHAPTER OFFICERS, CHAIRPERSONS & DIRECTORS**

| <b>OFFICERS</b>      | <b>NAME</b>    | <b>COMPANY</b>           | <b>A/C</b> | <b>PHONE</b> | <b>FAX</b> |
|----------------------|----------------|--------------------------|------------|--------------|------------|
| Chairman of Board    | Chris Jumper   | JEM Electronics          | 925        | 417-1033     | 417-1458   |
| President            | Brian Everhart | Everhart, Inc.           | 408        | 865-0344     | 865-0343   |
| Senior V.P.          | Bill Hedgpath  | Z-Tech Sales             | 408        | 257-5371     | 257-5651   |
| Treasurer            | Bill Hedgpath  | Z-Tech Sales             | 408        | 257-5371     | 257-5651   |
| Mmbrshp V.P.         | Chris Straube  | Straube Assoc.           | 650        | 969-6060     | 964-6526   |
| Secretary            | Eric Robinson  | E.S. West                | 408        | 565-9050     | 565-9055   |
| Past President       | Bill Walsh     | Westech Associates, Inc. | 650        | 961-1422     | 968-9898   |
| Past President       | Lon Hudson     | Ross Mktg.               | 408        | 988-8111     | 492-0197   |
| National Director    | Mark Conley    | O'Donnell Assoc. No.     | 408        | 956-2950     | 943-8243   |
| Alternate Nat'l Del. | Lon Hudson     | Ross Mktg.               | 408        | 988-8111     | 968-9898   |

### **DIVISION V.P.'S**

|                 |                   |                           |      |          |          |
|-----------------|-------------------|---------------------------|------|----------|----------|
| Communications  | Hugh Shyba        | Shur Sales                | 408  | 399-7487 | 399-4767 |
| Components      | John Latimer      | Luscombe Eng.             | 408  | 370-2020 | 374-8663 |
| Computer Prods. | Eric Robinson     | E.S. West                 | 408  | 963-1008 | 565-9055 |
| Instrumentation | Brian Levien      | Sentech Measurements      | 530  | 792-0175 | 792-0515 |
| Materials       | Doug Evans        | Paxcell Group             | 775- | 831-1333 | 831-1367 |
| RF/Microwave    | Charlie Dickinson | C/G Associates            | 510  | 790-1193 | 790-1383 |
| SAVE            | Phil Kipnis       | Pacific Coast Visions.com | 408  | 988-1444 | 988-1707 |

### **COMMITTEE CHAIRS**

|                    |                |                           |     |          |          |
|--------------------|----------------|---------------------------|-----|----------|----------|
| Ambassador         | Hugo Shane     | Executive Director        | 408 | 243-3372 | 246-4413 |
| Ambassador         | Tom Mollard    | Life Member               | 650 | 968-1581 |          |
| Archivist          | Jean Lape      | J.E. Lape Co.             | 650 | 345-3021 | 345-3952 |
| Directory          | Steve Ross     | Ross Marketing            | 408 | 988-8111 | 968-9898 |
| Education          | Michael Onken  | Bridge Marketing          | 650 | 827-3600 | 827-3609 |
| Golf Tourney       | Ron Jenkins    | Westech Assoc.            | 408 | 961-1422 | 968-9898 |
| Internet           | Edward Blake   | Edward Blake Assoc., Inc. | 408 | 934-3955 | 956-9732 |
| Scholarship        | Brian Trankle  | Jack Logan Memorial Fund  | 650 | 343-2416 |          |
| Distributor Coord. | Shirley Burres | Recht Associates          | 650 | 964-6321 | 964-8165 |
| Nominating         | Chris Jumper   | JEM Electronics           | 925 | 417-1033 | 417-1458 |
| Newsletter         | Bob Parsons    | Chapter Office Manager    | 408 | 243-3372 | 246-4413 |

### **SERVICES, INC.**

|           |            |                |     |          |          |
|-----------|------------|----------------|-----|----------|----------|
| President | Bill Walsh | Westech Assoc. | 650 | 961-1422 | 968-9898 |
|-----------|------------|----------------|-----|----------|----------|

### **CHAPTER STAFF**

|                    |             |  |     |          |          |
|--------------------|-------------|--|-----|----------|----------|
| Executive Director | Hugo Shane  |  | 408 | 243-3372 | 246-4413 |
| Chptr Office Mgr.  | Bob Parsons |  | 408 | 243-3372 | 246-4413 |