In summary, it is best to be completely honest about your capabilities as a supplier, as well as realistic about your expectations of an agent, especially in the short term. Such an approach can get your interviews off to a good start.

Are You Ready to Be Interviewed?

It will come as no surprise to you that manufacturers' agents in the United States will be interviewing you while you are interviewing them. There are some steps you should follow to prepare for the agents' questions.

An experienced agent will be examining three areas of interest during the interview with a manufacturer:

1. financial status
2. management enthusiasm and integrity
3. product quality and marketability

A Canadian manufacturer should refer to the guideline "Important Points to Cover with a Prospective Principal", and be able to answer questions from prospective agents on these points.

Important Points To Cover With A Prospective Principal*

I. Product Information

A. Please name, give short description and principal applications.

B. List the advantages and disadvantages of each product in relation to competition and industry requirements. Be objective and include:
1. Quality/performance.
2. Production.
3. Current delivery time from receipt of order.
4. Service policy.
5. Are you prepared to communicate with your agency on all matters influencing the market ing of your product?
6. Are you prepared to completely inform all members of this agency of your product knowledge?
7. Are you prepared to work in the field with members of this agency?

II. Pricing Information

A. Describe method used to establish price.

B. What are the policies on price? (Discounts, returns, allowances. etc.)

C. Show your price in relation to the principal competitors' prices for each product.

D. If your prices are higher than those of your competitors, can you justify them in terms of quality, service and delivery?

E. Are you prepared to provide quotes on time and follow them up in writing?

III. Market Information

A. Estimate total industry sales and unit volume attainable on each product for this territory on a short-range (1 year) and long-range (3-5 years) basis breakdown by classifications, i.e., commercial, institutional, schools, etc.).

B. Estimate the percentage share of this sales volume you now have and expect to have (breakdown by classification).

C. Estimate the share of this volume your principal competitors have (short-range by product).

D. Please give your annual volume for the last three years.

E. Long-range trend on each product.

IV. Customer Information

A. Estimate number of customers for each product in this territory (short- and long-range).

B. Description of purchasing procedures for each product:
1. Initial orders.
   a. Primary buying influences.
   b. Secondary buying influences.
2. Orders after being specified.
   a. Primary buying influences.
   b. Secondary buying influences.

V. Competitive Information

A. Companies in competition by product.
1. Number and size,
2. Location,
3. Characteristics,
4. Policies,
5. How long have they been in business?
6. Evaluate their trade relations.
7. Are they making a profit? Estimate.
8. Are they growing? How fast?

B. Competitive sales situation.
1. How good are their salesmen?
2. What kind of reputation do their salesmen have?
3. Is the morale of their contact people good?
4. Do they have a high rate of turnover?

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