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Good morning! I recently got to thinking about the work I've been doing for the past 13 years, and the results my clients have achieved. Unlike some consultants, I rarely if ever work on new products or new markets, preferring to help manufacturers improve the results of their core businesses. The hard truth is, it takes a long time and some smashing successes with new products or markets to move the needle much. But incremental increases in revenue and decreases in cost on the base business have significant short-term and long-term impact.

So I've summarized three programs which have consistently produced excellent returns for my clients, and describe them in the "3 Surefire Ways" White Paper - I hope you enjoy it!

And for 30 years I've been in and around the complexities of the manufacturer-distributor relationship; the second commentary provides one perspective on a key friction point.

Finally, you're invited to participate in a quick and simple survey, the sole purpose of which is to foster discussion and stimulate your thinking. I'll share the results next month.

*Dave*

*"The principle goal of education is to create men who are capable of doing new things, not simply of repeating what other generations have done - men who are creative, inventive and discoverers."*

-Jean Piaget

### "What's New?"

Over the years, I've helped foodservice manufacturers with a variety of projects. Nearly all of them share the common thread of helping manufacturers improve profitability from existing customers and products. We do this by tightening the link between Sales and Marketing decisions and Supply Chain realities.

So I wrote a paper about it, called "**3 Surefire Ways to Build Profit From Your Existing Customers and Products.**" And I'm offering it to you with my compliments, in appreciation for your loyal readership and friendship. (This issue marks 6 years of the newsletter!)

When you click on the link below, you'll also gain access to a new "hidden page" on my website, called **Franklin Foodservice Resources**. It contains a lot of articles, presentations, worksheets, and other materials designed to help you build your business. You may have seen some of this before, but please take a minute to have a fresh look; chances are, you'll find something of interest.

And while you're there, please take a minute to click through my **newly-renovated website**. I'll appreciate any and all feedback on the White Paper, other resources, and the site in general.

Finally, if there are any other Sales, Marketing, Supply Chain, or Finance people at your company who should be getting Foodservice Marketing Insights, please let me know so I can offer it to them. Or you can direct them to my website, and they can decide for themselves if they'd like to subscribe.



**Thank you. Now you can**

**to get your copy of the White Paper.**

*"Everybody counts, everybody deserves a chance, everybody has a responsible role to play and we all do better when we work together." - Bill Clinton*

## "Role Players"

*"What is the foodservice distributor's role?"*

If I had to explain it to someone new to the industry, I'd probably say something like *"to buy and store products from hundreds of manufacturers across the country, and to sell them in bundled small orders with short lead time to the operators in their local market."* Seems like a pretty safe definition that few people could quibble with, doesn't it?

But I'm pretty sure most distributors would say "that's just a small part of what we do." The above definition is all about buying, selling, and logistics. And a cursory look at distributor websites shows that distributors no longer consider themselves to be the "drayage houses" of the past (if in fact they ever were).

They all emphasize "marketing," asserting that they help branded manufacturers market their products, as well as marketing their in-house brands. Many aggressively promote their service offerings including menu design, facility consulting, promotions and anything else an operator might need to improve his business. It doesn't take long to discover that the margins on marketing and services are a lot better than the margins on storing and moving commodity products!

My point is that some manufacturers insist on trying to keep their distributors in the "drayage box." Their mindset is "all I want you to do is buy and sell my product; you should be able to make money like that without pushing me into buying marketing programs of dubious value." (I don't know how many actually say that, but a lot of people think it!)

But it's time for these manufacturers to get past that wishful thinking and come to grips with reality. Distributors are what they are, they operate how they operate, and they hold a lot of power in determining what gets sold. No amount of pining for the good old days will change that.

At the same time, distributors should acknowledge that branded manufacturers have a right to be skeptical about promises to effectively promote a national brand, when in most cases the distributor would rather sell their house label. It's no wonder the manufacturers often feel coerced into participating in a program, with no real expectation of business-building results.

It's not my intent to dwell on the negative; I know there are plenty of positive, productive and respectful manufacturer/distributor relationships out there. And I'm betting that in most cases, they are a result of getting these "role" issues on the table and having an honest discussion about them.

As a Supply Chain VP once put it, upon hearing a bunch of us bashing one of our distributors, "hey, they're our customer! If we don't want to do business with them, let's call them up and tell them that; otherwise, let's knock it off and get on with serving them!"

## "Place Your Bets"

A friend called me a few weeks ago and asked, "if you had \$10,000 to spend in a market, how would you spend it to get the best results?" We talked about whether he was looking for short term volume to make a number vs. long term growth, the competitive situation, and his relationship with the local broker agency, distributors, and large operators. And in the end, I gave him some general thoughts but avoided making any recommendations.

After we hung up, I wondered if my thoughts would be shared by most manufacturer Sales and Marketing people, or whether there was a broad range of opinions.

So just for fun, I put together a quick survey for Foodservice Marketing Insights readers. It'll take you about 30 seconds to complete, so I'm hoping to get a large response.

If you'd like to participate, please [click here](#) and weigh in. And next month, I'll share the results as well as some interesting comments.

*Comments? Questions? Further Thoughts? Criticism? All are welcome at [Tell Dave](#)*

My Website: [Franklin FS Solutions](#)