



AL'S COLUMN

POP QUIZ: The National Association of Wholesalers asked the American Management Association, "What single trait do you think a manager needs most to be successful in today's business environment?" The response was surprising. Communication skills headed the list with 36.96% and leadership skills followed with 28.26%. So, is the effective communicator more valuable than the successful leader? Maybe on a sales call but not in the boardroom. Anyway, integrity and trustworthiness polled 23.91%; listening skills, 6.52%; time management, 4.35%, and conflict resolution and experience, 0%. It is interesting to note that experience, once so highly touted, is now a disdained attribute. They used to say there is no substitute for experience. Now there is: communication skills. If you haven't done it, just say you did.

NEW STUDY: Check this out: The 2010 Miller Heiman Sales Best Practice Study is in progress and concludes on Oct. 30. The annual study of business-to-business selling and sales management best practices is the world's largest on sales effectiveness. In its seventh year, more than 21,000 sales professionals have participated to date. The results are analyzed and sales experts identify the activities that are most effective in the current selling environment. After the survey concludes, analysts compile a number of reports specific to industries, regions and countries. An executive summary will be available to provide an overall analysis of the most significant results. To take part in the study, visit millerheiman.com/2010research. All participants will gain immediate access to the executive summary of 2009.

SAXON'S 7: Miki Saxon poses this conundrum: Do you know the 7 most important words a manager at any level should know? The 7 words that make the difference between engaged, turned-on, motivated people and those who spend

their time polishing their resumes? The 7 words that make you a hero to your team? The 7 words that enhance your reputation and improve your paycheck? The 7 words that are equally applicable in your personal life? Says Saxon, "Have you figured it out yet?" Then she gave a final hint: The 7 words describe two critical actions that we all do every day in one way or another. At that point, I gave up and the 7 magic words were unveiled: Praise in public and criticize in private. Good advice. My 7 magic words: come in early and go home late. It worked for me.

BAD NEWS: One of the oldest and best-known floor covering retailers in the central San Joaquin Valley has filed a Chapter 11 bankruptcy claim, seeking the protection of the court. A&M Carpet Inc. does business as A&M Flooring America and Big Bob's, and continues to operate while reorganizing its finances. A 45% drop in revenue over the past 18 months prompted the move, said Lee Horwitz, president of the second-generation family-owned business established in 1940. Horwitz said he has no plans to close the operation, though two of his four stores have been shuttered. The company's flagship store at Highway 41 and Bullard Ave., and Big Bob's showroom at Blackstone and Dakota Aves., remain open, and stores on West Shaw Ave. in Fresno and on Clovis Ave. in Clovis have been closed. Horwitz hopes to exit bankruptcy as quickly as possible. We hope so, too.

BRAND LAND: Coca-Cola and IBM retained their spots as the world's two most valuable brands, according to Interbrand, an international branding agency. The list's total value, including brands like Google, Nintendo and Sony, fell 4.6% to \$1.15 trillion, the first time in the 10-year history of the ranking. Definition: Brands are promises that we value and are prepared to pay for and they include all the elements of a product from its design, ingredients and manufacture to its marketing, advertising and logo.

checking in

Distributors sound off

The last time we met (FCNews, Oct. 12/19), I randomly listed some thoughts on distributors' minds that came out during networking breakouts at the annual meeting of the North American Association of Floor Covering Distributors (NAFCD) in late September. Most dealt with supplier relationship issues. Here is part two.

Communication

"At the end of the day, we are in business to make money, not sell flooring. Is there a better delivery system out there? Do we have too much redundancy? These are the discussions we should be having with our manufacturers."

"I haven't seen manufacturers with a marketing strategy that they communicate to us, aside from spiff programs."

"Maybe we need to demand manufacturer/distributor meetings. It's like a marriage. It's all about communication. Maybe we need to initiate it. Maybe we need a three-day planning review period where different vendors come in for half a day each. I think that would go a long way."

Taking on new lines

"I have been reluctant to take on new lines in 2009. In 2007, it was like, I know I can sell it. In 2008, it was I think I can sell it. In 2009, it's I don't know."



STEVEN
FELDMAN

"We have become very frugal. We have been slow on new product intros. We are going to take care of what we have, get rid of things that are not working, and then think about taking on new lines."

"We made a commitment to not take on any new lines this year. We'll look at things, but not take it on. We are working on training our customers on what we have. That may be the case next year, too. Money is tight. There is a major investment in taking on a new line."

Buying groups

"One of the big challenges is the intersection of the manufacturing role, distributor role and buying groups. Deals are being negotiated. People are spending my money without asking. They sell a display to a buying group dealer for \$299, but the manufacturer bills me \$899. That's for a dealer who does \$6,000 worth of business on 60-day terms. I'm willing to do the deal, but bill me \$299. It's like they are saying, 'We are going to give away \$400 or \$500 of your money

on every display at convention. Are you in?"

"Ten years ago manufacturers started working deals with the buying groups. They made the deal; they made the rebate. Now that cost is passed down to the distribution level. Don't charge the distributor unless you have him making the right profit so he can shoulder part of the rebate."

Dollars and sense

"We can't make money providing Nordstrom services but working on Costco margins."

"Our margins are being squeezed. And, today, value is being defined as low price as opposed to something that is warm and fuzzy."

"The big buzz is service engineering."

"These days we tell our customers, 'It's about service, quality and price. Pick two!'"

General

"Those of us who can survive until mid 2011 will be in a good position because there will be fewer of us."

"The one thing we can control is our attitude. There still is opportunity. We tell our reps, 'If your territory sold \$500 million worth of wood and it's down 20%, there is still \$400 million of business out there. You sold \$1.5 million last year? Look how much more is out there.'"

SNAPSHOT

Consolidated Carpet provides flooring for Willis Group/Sears Tower

CHICAGO—Consolidated Carpet recently completed a project for Willis Group Holdings, which has become the new anchor tenant of Willis Tower, formerly the Sears Tower, a Chicago icon and the tallest building in the Western Hemisphere.

As one of the nation's largest full-service floor covering contractors, Consolidated furnished and installed floor covering for the more than 140,000 square feet of new Willis office space. Specializing in this area, Consolidated also provided flooring materials and consulted on the installation of flooring at the firm's London headquarters last year.



Consolidated attended the recent naming ceremony for Willis Tower, where Joseph Plumeri, chairman and CEO of Willis Group Holdings, and Chicago Mayor Richard Daley officially introduced the new building name.

The former Sears Tower became the Willis Tower as the company consolidated five local offices and moved approximately 500 associates into its new location at 233 South Wacker Drive.

Willis Tower is home to Willis' retail brokerage business and also houses the company's Willis Commercial and Innotech units.

For more on Consolidated, call 212.226.4600.