

Short Supply

Most shops have lost technical muscle, a gap that the shrewd supplier will fill.



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FOR THOSE WHO sell equipment, services, film, chemistries, etc., this one's for you.

It's no secret that the past few years have been very rough, not just for board shops but also the companies who sell to them. We all feel the squeeze. But the underreported fact is that our vendors have had as rough – if not rougher – a time as anyone. Things seem to have stabilized, and the feeling of cautious optimism in the air seems to portend (to a degree) that business is returning. With that in mind, here are some tips, ideas and thoughts on selling to the PCB industry.

Understand your customer. According to FabFile the typical North America board shop has revenues of less than \$10 million. Cash flow is almost always tight. They are not only fighting each other but also offshore competition. To survive, most have laid off some key people, including some very good technical staff. This has left them short when it comes to bench strength, or what I'd call "technical muscle." Corners have been cut on maintenance, and equipment showing its wear. Thanks to the "Band-aids, duct tape and wire" approach, machines are running, but firms are getting to the point where they are about to start updating equipment. They have also become much more frugal and smarter when it comes to buying goods and services: They will shop around, and they have had a very serious lesson in the meaning of ROI.

Shops seek technical solutions. When it comes to consumables – film, soldermask, chemistries, etc. – shops are looking for much more from a vendor than just the product itself. They view the vendor's applications engineers as their own. If, for example, you supply film or soldermask, be prepared to fill the process engineer's role for your customers. Find solutions for them; make yourself valuable. If you are not willing to do this – if you sell on price, not value – your days are numbered.

Help shops with their customers. Board shops need someone on their side to resolve customer technical issues. If said issues are in your area of expertise and concern your product, help them. Offer to work with them and their customer to solve the problem. Integrate yourself; make sure they see you as an ally.

You are a PCB shop's R&D resource. Boards shops aren't doing much R&D anymore. Most of the mid-to-large and captive shops that used to be able to afford this are gone. Smaller shops – the ones who survive on their knowledge of material "recipes" – don't have the resources to go it alone, what with all the new materials in the pipeline.

They are putting their futures in their vendors' hands. The smart ones feel they should be able to rely on you to help them develop a credible technology roadmap. They need to be able to trust you to keep them abreast of the latest technology developments.

Be very flexible financially. Most board shop owners are good people. They want to pay their bills, but the fact of the matter is cash is very tight. If you are in the equipment business, you are going to have to devise some attractive financing options. If you fail, you'll miss the sale. Board shops are at the point where they need to upgrade, yet they just can't afford to do so in the traditional way. It's up to you to come up with a way to help them get that new LDI, flying probe tester or drill machine.

Work with their sales people. That's not a typo. When you visit a PCB shop, spend some time with the sales manager. Here's why: The sales manager is often the No. 2 person in the organization. He is often the best communicator, and he has the owner's ear. He also spends most of his time selling and very little in marketing and market research. The best vendors conduct a great deal of market research and have a trove of data that the sales manager would love to see. There is nothing wrong with sharing. If you develop a good rapport with the sales manager you will also gain valuable information about the future of that company, the type of customers they are going after, and the type of technologies they are trying to win. This is a great opportunity for you to help them on new technologies and to advise them on which to choose. You'll know you've made an impact if they ask you to speak at their national sales meeting. Do not underestimate this.

Look out for your customers. The relationship should not be adversarial but rather one based on trust and partnership. Help them as much as possible, especially when they are having a hard time. Treat everyone with respect. If a customer is not paying, it is not necessarily the fault of the people you deal with. This is a small industry: The people at a company going bankrupt today will inevitably show up as decision-makers somewhere else, perhaps at your largest customer.

Until next time, let's all try to bring one another the best value possible. **PCD&M**

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