# Fantastic Importers and Distributors and Where to Find Them

### by Scott Rosenbaum, Ah So Insights

This article is available as one of Ah So Insights' newsletters. You can find additional newsletters in the Start A Brewery Library or by linking to the Ah So Insights site <u>here</u>.

## Whether you're a potential employee or supplier, here are the qualities you should look for.

No one wants to end up with a dud. No one wants to settle for less than they believe they're worth. This is true in business as in love. Sadly, too many employees and suppliers settle for what suffices rather than what satisfies when it comes to business relationships. The issue doesn't stem from the lack of longing on the part of the job candidate or prospective supplier. Problems arise in the search for "the one" when we mistake our own desire to be accepted for attractiveness.

#### Like I've said before:

The best importer or distributor isn't always the first one that wants you.

It is not just a matter of whether they like you; you must like them as well. Don't let fear, doubt, and uncertainty rob you of your agency. This isn't a middle school crush. Like in romance, it pays to be selective, especially if one knows what to look for. Here are some of the "hidden" qualities and important considerations that reveal more about an importer or distributor than just their charm: (1)

- Your success with that partner is independent of any one relationship. You should not be reliant on only one contact. You'll need many cheerleaders as well as auxiliary supporters should that key contact leave the company.
- Their communication is proactive, consistent, and honest. They are comfortable saying things others would be too cowardly to share. You can find this out by speaking with some of their customers and other suppliers. A quality importer or distributor should be able to furnish serious contenders with a shortlist of business references.
- Are you in good company? As a supplier, you'd still be happy if your best product were shown alongside the importer or distributor's worst. As an employee, you're confident that you can sell their entry-level products alongside their flagship offerings.

### Fantastic Importers and Distributors and Where to Find Them (Page 2)

- Retention matters. Good importers and distributors hold on to their most valuable
  assets: their employees and their suppliers. Pay attention to their staff <u>turnover rate</u>
  and supplier churn. The company should be keeping tabs on this. If they aren't, it's a red
  flag. Stability and tenure are key. One quick hack for checking median employee tenure
  is to check a company's LinkedIn page. (2)
- They are as good at breaking up as they are at getting together. Not every relationship has a fairy tale ending. That doesn't mean things have to end acrimoniously. Speak with a former employee or supplier and see how things ended.
- Self-awareness is a yardstick for ego. Well-run companies don't let ego get in the way of success. Of course, no company is ever going to admit that ego is a part of their "strategy." A great way to account for this is to ask them: on a scale from 1 to 10, how would you rate yourself on supplier communication (or some other such trait)? Then reach out to a few suppliers and ask them to rate the same attribute(s) for the company in question. Are the numbers similar or do they diverge? It's alright if both parties rate a trait a 5; this means they're in sync, even if that aspect could be improved. However, if the importer rates themselves an 8 and the supplier rates them a 4, there's a problem.
- They know how to grow. Growth in size or selection <u>must be planned</u>. Simply throwing more people at a problem or task is <u>no sure solution</u>. There must be a plan.
- Dealbreakers: Are they nice? Do they pay their employees/bills on time? Are their values aligned with yours?

The above list serves as a starting point. You might want to add some qualities that are important to you or remove ones you find completely off base. Ultimately, you're the arbiter of what makes for an attractive partner. The key is being mindful and any list should serve you well during the courting phase.

(continued)

### Fantastic Importers and Distributors and Where to Find Them (Page 3)



Contributing Author

Scott Rosenbaum

CEO, Ah So Insights

Scott Rosenbaum is CEO of Ah So Insights, a wine and spirit industry newsletter and consultancy. Scott was formerly the vice president of T. Edward Wines & Spirits, a New York-based importer and distributor. Scott holds an MA in Food Studies from NYU. He is an adjunct professor at Hudson County Community College and a contributor to SevenFifty Daily.

- (1) I'm not going to assign attributes or absolutes to these qualities because everyone's needs and wants differ. Everything is relative when it comes to choosing whom to do business with. Merely being aware of these qualities will give you an edge, particularly when it comes to comparing two companies.
- (2) The median tenure for a Southern Glazer's employee is <u>5.8 years</u>. Republic National's median tenure is <u>6.5 years</u>, Winebow's is <u>5.3 years</u>, and Breakthru Beverage's is <u>5 years</u>.