



Distribution: Navigating the Currents of Change

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Dustin LeMoine, Avery Brewing Co.
Denice Ingalls, Sky River Meadery
Moose Koons, Peach Street Distillers
David Cordtz, Sonoma Cider

**Featured
Panelists:**





**Denice Ingalls, Founder/Owner
Sky River Meadery
Redmond, Washington**

**Dustin LeMoine
National Sales & Marketing Director
Avery Brewing Company
Boulder, Colorado**





**David Cordtz, CEO & Founder
Sonoma Cider Company
Healdsburg, California**



**Moose Koons, Sales, Marketing
& Creative Director
Peach Street Distillers
Palisade, Colorado**

Ground Rules

- This is a safe space
- No activities are mandatory
- Clarifying questions as we go
- Other questions during Q & A

On which image do you currently hang your hat?



A little bit about our panelists...



Write down the single biggest change that you have seen with regard to distribution within the past 5 years.

Significant changes in the past 5 years:

“Maintaining mind share of the distributors and distributor sales representatives has become increasingly difficult.”

“Distributors used to have 10 - 20 brands, and now they have 50 – 100.”

Significant changes in the past 5 years:

“Increasing distribution consolidation...

...that suppliers have very little voice in directing.”

Significant changes in the past 5 years:

“Tougher access to distribution.”

“Distributors specifically removing sales & building brands from their contractual obligation.”

“High turnover of sales representatives.”

Significant changes in the past 5 years:

“Privatized liquor in Washington.”

“Millennial influence on success of category or brand.”

“Supporting local over what tastes, looks, or sells the best.”

Suggestions and
various approaches
to these changes.

Suggestions for handling these situations:

“Maintaining mind share of the distributors and distributor sales representatives has become increasingly difficult.”

“Distributors used to have 10 - 20 brands, and now they have 50 – 100.”

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...that suppliers have very little voice in directing.”

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Setting Yourself Up for Success



In today's market, how would you advise businesses within your division of the industry to prepare internally in order to improve their success with distributor relationships and therefore improve effectiveness in the market?

Internal Preparation:

“Invest in distributor support and market engagement everywhere it is financially viable, and some places it's not.”

“Plan incentives for reps.”

“Feet on the street: If you think you need one, hire three.”

Internal Preparation:

“Train key players to ‘speak production’ and ‘speak distributor’ so they can be the translator for both parties in the supply chain.”

“Focus on your brand strengths i.e. local, craft, packaging or price point.”

“Understand your place in the distributor’s book and the role you want to play vs. the role they see you in.”

Internal Preparation:

“If you can’t find a way, make one.”

“Make your distributor so much money that you cannot be ignored.”

Gauging Your Existing Distribution Relationship



Table Project

Discuss and arrive at two signs of a successful distribution relationship and two indications of trouble.

It's good when:

“Rapid response times from the distributor.”

“All forms of communication are accessible and responses are quick.”

“You are excited to pick up the phone when they call, and vice versa.”

It's good when:

“Distributor initiates contact.”

“Your distributor reaches out to tell you how things are going (well or poorly) before you discover it for yourself.”

It's good when:

“They deliver to the accounts your team closes.”

“They retain the account(s) after the first order.”

“You feel the constructive dynamic and it shows in sales and market penetration.”

It's a sign of trouble when:

“No communication.”

“Radio silence.”

“General failure to communicate.”

“No response from either side on pressing issues.”

It's a sign of trouble when:

“When they say ‘we’ll get you in every account you should be in’.”

“Lies, not the usual ‘massaging of the truth’, but blatant misdirection.”

“When they refer to your goals in a demeaning way that clearly doesn’t align with their goals.”

How do you work to
improve these
situations?



Ideas to improve the following:

“No communication.”

“Radio silence.”

“General failure to communicate.”

“No response from either side on pressing issues.”

Ideas to improve the following:

“When they say ‘we’ll get you in every account you should be in’.”

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Creativity & Innovation



What are some examples of creativity and innovation that you have used (or) models that you have held consistent in order to deflect/reverse the damage that change/chaos can cause your brand?

Creativity & Innovation:

“Tasting rooms, wine clubs & events to build loyalty.”

“Know what success looks like for you AND them. You'll need both in the long term.”

Creativity & Innovation:

“Cider as a category in the craft segment, and then backing it up with craft cider.”

“Use a more “new school” approach to rare and highly sought after items.”

“Stores listen more to customers and less to reps and wine makers.”

Creativity & Innovation:

“Key market sales approach.”

“Product mix.”

*“If you’re going to get cannibalized anyway,
it’s okay to cannibalize yourself.”*

Creativity & Innovation:

“At the end of the day, you’re the passion side, they are the logistics side, and if all goes well you’re both on the money side.”

Time for Q & A





Education

THE Elements of *Craft*

Business

• 20 • CBE • 16 • CRAFT BEVERAGE EXPO

The Business of Craft Beverage

MAY 18-20, 2016 | OAKLAND, CA

Thank you for
joining us!

