

May 2012 Milestones Promo Items

Effective 5/01/12 (early sales apply also) (Program includes sales thru 06/01/12) Qualifying goal is 0.75% of sales.

Outside Sales have their promo goals calculated based on their own personal sales volume. Goals for all other positions are based on store totals, which is <u>all</u> sales. If the goals are achieved, not only will you have fulfilled your milestones goal (this year 0.75% of sales), but you will also receive bonuses according to the calculation shown on your milestones sheet. Bonuses achieved will be paid in early 2013.

All team members, including managers, are eligible for promo bonusing. However, in order for bonuses to be paid, the target goal must be met. Bob Stahmann will keep you informed of your progress throughout the year. <u>Once the goal is met, keep going.</u> You have achieved your milestone, but the more you sell the higher your bonus will be.

The calculation for bonuses will be based on the "bonus year", which is December 2011 thru November 2012. Even though it is an annual program, the selected promo items themselves will still have a monthly focus, although some will carry over longer. Dollars will accumulate based on the selected items for a given month. As before, exceptions can be made when a customer commits to something during the bonus month, but wants it billed the first of the following month. Items that get sold slightly before the month begins because inventory was available will also count.

If items are discounted on the invoice further than the sale price, they are not eligible <u>unless forced</u> by pre-programmed mfg. special pricing, as long as that pricing is discounted from full list, not the sale price. When there is no sale price on a flyer, that is because it involves a brand that experiences a wide variety of pre-programmed customer discounts. The focus is just on getting the new products out there. All sales count in that case.

Some customers have a pre-programmed discount off the whole invoice. Calculate what that customer's normal price would be on the item if it were <u>not</u> on sale. If that comes out <u>less</u> than the sale price, it will still count because we have no choice. Just make sure the item is placed on the invoice at full list (or overstrike if necessary) and not the sale price, or it won't count as it was double-discounted. If it comes out <u>higher</u> than the sale price invoice that gets them the sale price.

Exceptions:

- Items discounted to match a competitor's verifiable sale price on the same item will still count most of the time.
- Items discounted to match a verified online price may or may not count judgment call ask Bob.
- Items discounted an extra 10% due to a customer's one-time discount by signing up for our monthly promo e-mail list will still count.
- If a customer pays cash and has a pre-loaded 2% discount, that is just for prompt pay and the sale will count.

Items sold but then returned will not count.

Store transfers - when receiving remember to answer Y on the "Prevent Sales History?" question in order not to create an artificial sale in the transfer store.

Order levels will initially be set by Bob and will appear on your regular 99 or National Oak orders. Managers reset levels and reorder as desired. KEEP UNSOLD ITEMS IN SALABLE CONDITION, SO THAT OVERSTOCK AT THE END OF THE PROMO PERIOD CAN BE RETURNED. SOME ITEMS ARE NOT RETURNABLE AND MUST BE SOLD OFF. BOB WILL LET YOU KNOW EACH MONTH WHEN, WHERE AND IF ITEMS ARE RETURNABLE.

May Promos (see also "Silent Promo" at the bottom)



 SEM has created another great deal on popular texture products and undercoat. The 6-pack includes one each of 38373 cleaner, 39853 texture coat, 39793 heavy texture chip guard, 39803 clear chip guard, 39813 satin black chip guard and 40523 rubberized undercoat. Priced individually before any discounts, the total of all 6 products comes to \$114.60, but we are promoting the package at \$78.95. In addition, the customer receives a 4-aerosol tool box rack free!! Counter sales: Due to various preprogrammed SEM discounts, this is an <u>overstrike</u> promo. Remember not to double-discount.

Computer part number: SEM.79012

Target: Shop, tech or store item,

Promo price: \$78.95 – must overstrike List price: \$114.60

Sales tips: Outside sales – carry it into the shop with you. Especially show to the guys with tool boxes. Hang it on the tool box. All products are usable – no dogs. They save about 30% and the tool rack is free. Stores – set up a display. Flyer available.

Web links:

http://semproducts.com/index.php/news/new-promotion-buy-the-79012texture-aerosol-kit-and-get-the-7901/



2. Ullman Manufacturing is new to Ben's. They market all sorts of specialty tools, many involving the use of magnets. This work light looked fairly unique and even with a charger is priced right, under \$40 to the end user. There is a model that costs even less, but you would need to be replacing batteries all the time. We are only stocking the rechargeable model but the other one is available too on special order. Due to its compact size, swivel base and bright 24-bulb LED display, it fits in and lights up smaller areas than most work lights can think about. Has a magnetic base and the LED's won't burn your hand. Made with an aluminum housing. A 48-LED bulb model is also available for special order, but again it takes batteries.

Computer part numbers: ULL.RT2-LTCH (stocking) - rechargeable ULL.RT2-LT (special order) – takes 3 AA batteries ULL.RT-48LT (special order) – takes 3 AA batteries

Target: Tech or store item.

Promo price: RT2-LTCH: \$39.95 pre-programmed RT2- LT: \$22.95 pre-programmed RT-48LT: \$32.85 pre-programmed

Sales tips: Might be more for the body man or frame machine guy. Also sell to mechanics or anyone for home use. Outside sales – carry it into the shop with you. Attach to a ferrous metal base and switch it on. Do it under the hood if possible. Also helps in any area of the car that is hard to see, especially if the car battery has been disconnected. Other non-automotive uses too – don't avoid industrial accounts. Flyer available.

Web links:

http://www.ullman-devices.com/Lights.html



3. Ingersoll-Rand has come out with an <u>extra special</u> package that includes a very reasonably priced composite body DA sander at \$159.00 and a ¼" collet **right angle die grinder for <u>free!</u>** I know, we just did a round of DA's last year, and we routinely stock a great deal with the ETS DA's AT \$119.00, but this deal was too much to pass up! I think we can move a few of these bad boys anyway!

Computer part number: IR.IRC-4151P

Target: Tech or store item, industrial accounts that buy tools for their techs.

Promo price: \$159.00 pre-programmed. List price: None; special temporary package

Sales tips: Outside sales – carry it with you and it will sell. Only flag the techs that pay their Ben's bill or will use a charge card. Use dated billing on good pay accounts. Both tools have a 1 year (repair only) warranty. Counter sales – keep them prominently on display. Flyer available. See extra bonus below in the sales tips area for the Steck Oiler.

Web links:

http://www.ingersollrandproducts.com/am-en/products/tools/surfacepreparation-finishing-tools/sanders-polishers-buffers/maintenance-automotivesanders-polishers-and-buffers/random-orbital-sanders/4151

<u>http://www.ingersollrandproducts.com/am-en/products/tools/surface-preparation-finishing-tools/grinders/maintenance-automotive-grinders/right-angle-die-grinders/301-angle-die-grinder</u>



4. A new product from Steck is their wall-mounted (or tool box mounted) air tool oiler. <u>These did not arrive in April but are expected soon.</u> I will send an e-mail when we have inventory – they have been promised since January. This tool provides a central location for shop techs to oil non-paint related air tools daily without the use of an inline oiler. The reservoir is easily refillable and metering of the device is adjustable. The unit itself does not require compressed air; it's all mechanical. Just its prominent presence helps techs remember to oil their tools, DA's included.

Computer part number: STK.16600

Target: Shop, tech or store item.

Promo price: \$44.95 pre-programmed. List price: \$55.00

Sales tips: Again, outside sales should carry this one in. It comes with double-sided tape for mounting, but can be mounted using the existing screw holes as well (no screws provided). It can be mounted in a central location as a shop tool, or on an individual tech's tool box. It can be turned to suit any mounting angle desired. Sell the \$10.00 discount and note it is temporary. Flyer available but <u>see note below</u>. Sell them some oil to go with it! The unit holds 8oz. Unadvertised bonus – take an extra \$5.00 off if they order it with an IR DA deal above!

Web links:

http://www.steckmfg.com/16600_AirToolOiler.html

Video:

http://www.youtube.com/watch?v=x3goX63MIVA&context=C4355af1ADvjVQa1P pcFM5MLxIHjCYwI-0qkn24BOEMNHQGWaV26M

<u>NOTE: the video link listed on the flyer is incorrect. The flyer</u> was one made for me by someone else. Use above link.



 Special promo for walk-in customers only. The sign above will be posted inside the stores at the counter. The tape to be given away is NOR.6157. Bill it N/C on the invoice and Norton will "settle up" with us after the promo is over July 1. Remember that it's only the value of the Norton items on the invoice that count towards the \$20. \$40 is 2 rolls, \$60 - 3 rolls, etc.

What will count towards your store milestones is the value of the Norton items on the invoice. I will track those invoices by flagging a report that shows all Norton 6157 rolls sold at N/C.

Please avoid talking to shops over the phone; the purpose is to improve Norton sales OTC. Outside sales should avoid this one. If a shop tech comes into the store, try this argument: It's for customers that pay retail prices. Bottom line is you will still need to exercise judgment if you think it puts a good account in jeopardy by not offering it to them. If that happens, discuss what to do with your Norton rep.

This promo will not show on the website.

Sales tips: In addition to the sign, verbally call the customer's attention to what they could earn. The retail value of a roll of 6157 is \$2.19, so effectively a 10% discount off the invoice if only Norton items were on it.



6. AES Industries is now another direct line with Ben's. As such, we will be able to buy deals on import style items. Yes, the cheap stuff. But some of it has its place. Like this 3-gun, 3-cup plus regulator kit in an aluminum carrying case. This promo is a rare one in that it's one that **outside sales should avoid for the most part**. The guns are not verifiable rule 40 compliant, so the market is really the walk-in trade at the stores.

Each kit contains a 1.0mm touch-up gun, a 1.4mm basecoat/clearcoat gun and a 1.7mm primer gun....plus the regulator plus an aluminum carrying case. The guns are all HVLP. Those oriental workers must get paid in rice!

Computer part number: AES.111

Target: Store item, walk-in trade

Promo price: \$99.95

Sales tips: Sell price. Be straight with the buyer as to what they are. High quality precision machining is not what they are about. You cannot get parts. But with care and cleaning, they should easily get \$100 worth of use out of them. This is for the low end market, home owners and hobbyists. Do not sell to shops; shops must be rule 40 compliant. There will be no flyer – only a large sign to place on the store display. If a customer begins to balk about the quality issue but they don't want to spend much money, that's your clue to upgrade to the FLG4 promo below. The AES.111 kit does carry a 90-day warranty.

Web links: <u>http://buyaes.com/air-tools/spray-guns/deluxe-4pc-hvlp-spray-gun-</u> set.html



7. Karajen booth accessory products has offered us a 10% discount on their entire product line during our promo period. We did the mini booth boxes and dual gun hangers last year, but they have several new products. Cliff Silverman, owner and sales rep, has already made some shop visits with some of our sales people and made several sales. We are not stocking all products, but special orders are pretty easy. If you think something will sell but we don't stock it, let me know. We do have display samples of the air blower holders for waterborne shops, and the airbrush work station.

Computer part numbers: Refer to catalog pages being sent in e-mail.

Target: Shop, tech or store item.

Promo prices: Take 10% off Perfection price. Prices are <u>not</u> pre-loaded with the discount. Call Bob if price or P/N not in the system. Be careful if an account has a pre-loaded invoice discount.

Sales tips: One tip – take the items into the shop, slap the magnets on the booth wall or tool box and they will sell themselves. This is the technique Cliff used with our folks while visiting in Florida. Let me know if you need a price on an item not in the computer. For water shops, we have a couple blower hangers that you can show around, including one that holds (and comes with) the lwata Windjets. Flyer available (two-sided – so much stuff).

Web links:

http://www.karajencorp.com/



8. Unlike the AES.111 gun kit and Norton free tape deals, this one is more for outside sales only and not for stores, except that stores can still benefit from the sales in their numbers as they always do.

SEM's "Factory Pack" program kicked off about 1½ years ago but hasn't been moving due to folks just not understanding its value. 12 colors are produced in just the "A" movers for Ford, GM, Honda and Toyota, so 48 colors total. The market for these is cut-in, trim, mirrors and the savings in time from mixing a formula, then loading and cleaning a gun. Shops find them very handy and they help speed up production. To a very minor degree, it would cut in a bit to PPG color, but if we don't at least offer this program, our competition will, and then wonder why we didn't tell them about it. It has that kind of impact. David Maus Toyota is already using the program before we even began the promo and they really like it. <u>This product is also suitable for waterborne shops</u> (cut-in should precede waterborne coatings). David Maus Toyota is an Envirobase shop, for example.

To kick it in the pants, SEM is offering a free cabinet that holds 12 colors (up to 3 cans deep). Plus they are offering the initial round of 12 cans free! So for instance a Toyota dealer would get their <u>12 most popular colors for free and</u> <u>place them in a free cabinet.</u> Then it's a matter of acceptance in the shop – they have zero initial investment. We will have to decide on a case-by-case basis if they wish to buy back-ups or wait and see. We buy SEM direct so this should be a money-maker. No "D" movers – all A's.

I have ordered color charts and information for everyone, plus SEM is willing to commit the manpower locally to help us get it going.

This promo will not appear on the website at the present time and there will be no flyers except what SEM already has. Everyone will be sent those and some color chip pages.

If everything is free, you ask, how do we gain dollars towards milestones

numbers? It's the back-up sales. All aerosols sold through June will count towards your numbers.

Computer part numbers: Refer to the color charts. Each number will also have programmed the same part number with a "P" after it for Promo. We want to bill out the free cabinets and free aerosols for inventory and sales tracking. We want to be able to check history to see who got the cabinets.

Target: Shop item

Promo prices: None. Customers buy with whatever SEM discount they get, if any.

List price: Price 5.

Sales tips: After the free color, aerosols range from \$20 to \$29, depending on the color, and before any programmed discount. Obviously reds are at the higher end, whites at the low end. Compare that to the cost of a mix, even at 3 oz., plus the fact that you will get 3 – 6 cars from one aerosol, and then the time savings, you will see the advantage. These are full-size aerosols, not the traditional small cans sold at Wal-Mart for touch-up. They have a wider fan spray pattern than normal. Obviously, only use where there is no need for a specific factory variant. Most mirrors would fall into this category.

Take the cabinet into the shop, the aerosols too if you want (or just one for show) and explain that it's free to try it out. Show the SEM flyer. Target specific car dealers; avoid independents at first, except if you know an independent that is doing the work for a car dealer that doesn't have a body shop. We will get more sales with 4 car dealers that do mostly Toyota, Honda, GM and Ford, than an independent that dealers. Don't forget competition accounts if they can buy outside their contract.

From a production and cycle time standpoint, progressive shops will see this program as a game changer.

Web links:

http://semproducts.com/product-catalog/specialty-products/factory-pack/

Video:

http://www.youtube.com/watch?v=0__5vssD0Cg&feature=channel



9. This is a special promo just for waterborne shops. For the most part it will be a non-stocking promo. Infratech has a unique angle with an electronic version of the blowers needed in water shops. It will not tie up shop air needed for other tools and remains very portable. The fan head is adjustable up and down on the stand, and can even be tilted vertically. It will actually dry the panels faster as it covers more surface area. A second model includes a heater, which overall makes the panels dry 50% faster than venturi style blowers, according to them. I will send out a tech sheet on these units with the e-mail that arrives with this promo description sheet. Most units will be special order, but we will have a non-heater version to physically take to shops, plug in and show how it works. We will share this unit with all outside sales on a scheduled basis. As with all electronic appliances in the booth, do not use while spraying.

Computer part numbers: INF.15-1000 INF.15-1015

Target: Shop item.

Promo prices: \$249.95 (INF.15-1000) - \$50 off \$399.95 (INF.15-1015) - \$100 off Sales tips: Outside sales: take the demo unit around to your water shops. We'll transfer it around from store to store. Plug it in, even use it to dry some paint. Might be able to sell the heater version as the cold weather approaches. For some shops this will be their first winter using waterborne. Flyer available.

Web links:

http://www.infratech-usa.com/automotive/products.php?c=WBS



10. SEM products cabinet. Promoted as a Lo-VOC cabinet but contains mostly popular products that are already in use. For the dual cartridge products, the gun is also part of the package. Pull up quote 4-1624368 and that will show the value of all the items in the cabinet purchased individually at list price. Because we bought direct, we can sell the same contents <u>plus</u> the **free cabinet** for \$300 less! Losing our shirt? – no, that's still 33% GP. We also bought before the price increase. We can get more, but then it will be closer to 30% GP. This is an <u>overstrike promo</u> due to various customers having pre-programmed SEM discounts. *Make sure that the \$394 price is not discounted further due to account setup. Call me if you need help.*

Computer part number: SEM.70080

Target: Shop item.

Promo price: \$394.00

Sales tips: Sell the savings and the free cabinet. Use dated billing on good pay accounts. Promote to current SEM users and use sales history functions in Perfection on the part numbers that are in the cabinet (shown on the quote and on the flyer) to find potential customers. Also use sales history on equivalent products in other brands. Good one for competition shops too. Flyer available.

Web link:

http://semproducts.com/Catalog.asp?prod=338

"SILENT" PROMO

One promo will be available that will have no flyer. It is primarily for outside sales, but telephone-assisted sales are possible. <u>Managers & Counter sales</u> <u>need to be filled in on the billing options.</u>

Special discount on RTI's PERF 25 and PERF50 dual chamber dessicant drier. You may remember these units from Terry Moore's presentation a couple months ago. PERF25 just means 25 CFM and PERF50, 50 CFM. So these tend to be for larger shops. We have one of each a PERF50 in Daytona. Remember that these do need to be put together.

- If you are behind in milestones for promo items, selling one of these could get you back in the game.
- Remember that Terry's demo unit is available to us (mounted on a dolly).
- We also have an air quality test kit that you can check out from the library (I am the library). This kit almost always shows some dirty air and can help you sell the units.
- Discount down to a minimum of 25% GP and it will count towards milestones. That translates to:

RTI.PERF-25 is sold

RTI.PERF-50 is \$2699 list. Minimum selling price \$2,020.44

• Use dated billing on good pay accounts.

MILESTONES SALES GOAL – 0.75% OF TOTAL SALES

(individual goal for Outside Sales, store goal for others)

- Sales Goal period runs from December 2011 November 2012
- Cash bonuses paid to all team members in early 2013 if goals are met. Bonuses paid per your Milestones sheet.
- Goal must be met in order for cash bonuses to be paid.
- Bob Stahmann will periodically report on your progress, keeping you informed of where you are at and how much you or your store needs to sell by November 30 in order to meet or exceed your goal. Excess promo sales increase the cash payout next year.