

25 Things That Don't Change

I see no end in sight with regard to the challenges of economic stagnation, downsizing, and government regulations. Much has been written about our changing marketplace and how it affects the vending & food industry. There are some things, however, that have not and will not change which operators need to keep in sharp focus. I suggest you take a moment to review the following listing of the fundamentals.

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- 1) Vending is primarily a morning business; be there, where the action is.
- 2) Consistent attention to detail is required.
- 3) Stay out of the office and in the field.
- 4) The client relationship, left adrift, soon becomes adversarial. Seek the customers out, know them, listen to them, or lose them.
- 5) The P&L never gets too tight to run a clean operation, at headquarters or in the field.
- 6) The money is made when the account is sold. If you low-ball a bid, expect to live with it.
- 7) The lower the inventory the better the cost.
- 8) Suppliers are important business associates. Treat them fairly, but expect much.
- 9) Approaching price increases, commission reductions and general cost relief with clients is guaranteed to resurrect distant memories of all you have done wrong. Strive to stay above criticism.
- 10) The customer is only entitled to what he can pay for. Freebies and break-even events set a precedent that can be very hard to live with.
- 11) If you would not be proud to serve it to your family, don't sell it to your customers.
- 12) Theft and defalcation of cash and product are profit drains that can be avoided by heads-up management.
- 13) Most supervisors split their time between performing direct labor activities and busy work. They need to be continually directed towards managing and controlling.
- 14) New sales is everyone's job. It is not just more work; it must be viewed as a labor of love.
- 15) Your sales people on the street are your future; respect them and promote their efforts at every opportunity.
- 16) Trust everyone, but keep checks in place. Cash and inventory are in constant movement; be sure it moves into the right pocket.
- 17) You cannot know your cost if your product portions are inconsistent. If you don't know your cost, you can't manage your business.
- 18) First-line food/vending supervisors are the backbone of the business. Select them carefully and train them well.
- 19) Where good service and value are delivered, you are entitled to a fair profit. Don't allow your good accounts to subsidize your dogs. Know when to quit.
- 20) Despite all good efforts, you're going to lose an account every once in a while. Keep your chin up, never let them see you sweat and go out through the front door as ladies and gentlemen.
- 21) Certain suppliers and trade association junkies love to gossip and carry tales. Discourage infatuation with these good-old-boy networks. It seldom adds value to your company.
- 22) It is a tough, competitive business. Glamour boys and girls soon peter out. There are no cushy, executive positions in this industry.
- 23) Accurate inventory counts, commission accruals, tax accruals and timely payment of invoices, when taken for granted, are P&L busters.
- 24) Front-line supervisors cannot manage what they don't see, understand, or own. Departmental budgets understood and owned at the front line are the key to having these people think like businessmen and women.
- 25) Forgive the competition for always nipping at your heels, and excuse the client for always demanding more for less. In the absence of the proactive management of your operations, by your people, the client and the competition are the only supervisors.

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