

# Special Insert for Reps

## Developing New Markets with Professional Field Sales Reps

An ERA-MANA White Paper for Manufacturers without Market Presence

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### Sample Clauses for Contracts between Manufacturers of Missionary Lines and Pioneering Reps

**The following examples are for specimen purposes only. Do NOT use these without consulting your attorney.**

- **Sample Shared Investment Plan Clause: Market Development Fee**

In consideration of the fact that Manufacturer has little or no business in the Territory, that Representative will devote substantial time and significant expenses in establishing and developing the Territory for Manufacturer and will provide important sales and marketing information to Manufacturer, and in consideration of the services rendered and/or to be rendered by Representative to Manufacturer in connection with the sale of the products in the Territory, Manufacturer agrees to a Shared Investment Plan wherein the Manufacturer will pay to Representative a Market Development Fee of \$\_\_\_\_\_ per month for \_\_\_ months. Said fee payment shall begin on the 1st day of \_\_\_\_, 20\_\_, and shall be paid on the 1st day of each month thereafter.

The Shared Investment Plan payment shall be in addition to and not in lieu of commission payments pursuant to the terms of this Agreement.

- **Sample Shared Investment Plan Clause: Menu of Services**

In consideration of the fact that Manufacturer has little or no business in the Territory, that Representative will devote substantial time and significant expenses in establishing and developing the Territory for Manufacturer and will provide important sales and marketing information to Manufacturer, and in consideration of the services rendered and/or to be rendered by Representative to Manufacturer in connection with the sale of the products in the Territory, Manufacturer agrees to a Shared Investment Plan wherein the Manufacturer will pay to Representative a Service Fee of \$\_\_\_\_\_ per month for \_\_\_ months. Said fee payment shall begin on the 1st day of \_\_\_\_, 20\_\_, and shall be paid on the 1st day of each month thereafter.

The Shared Investment Plan Service Fee shall be in addition to and not in lieu of commission payments pursuant to the terms of this Agreement.

Manufacturer and Representative shall agree on the service activities to be performed by Representative. Such agreed activities shall be documented in Exhibit \_\_\_ attached to this Agreement and incorporated in it by reference.

## Example of Rep Menu of Services for Missionary Line Launch Program

Services and information provided by REP COMPANY	SILVER	GOLD	PLATINUM
1 Six-month trial basis with no listing on line card or web site	•		
2 Sales training conducted by rep (with no training time schedules)	•		
3 Rep to provide internal target list, accounts visited and opportunity analysis	•		
4 Specific PPM (principal product manager) assigned within rep firm	•		
5 Leads followed up at discretion of rep and inside sales engineer	•		
6 All samples, quotes and technical information requests followed up 100%	•		
7 Listed on rep firm line card, including principal's URL		*	
8 Sales training (half-day) conducted at rep office(s) by principal		*	
9 Rep firm target list created and shared with principal for refining and defining		*	
10 Target list converted to new business opportunity (NBO) report, sent monthly to principal (after 90 days)		*	
11 Specific PPM (principal product manager) assigned within rep firm		*	
12 Leads followed up at discretion of rep, with results sent to principal		*	
13 All samples, quotes and technical information requests followed up 100%, with results sent to principal		*	
14 Announcement of new line e-mailed to specific account base		*	
15 Distributor promotion (if appropriate): two in first 12 months		*	
16 Principal to visit top accounts / NBOs twice in first year (two-three days each visit)		*	
17 Listed on rep firm line card, including principal's URL			+
18 Sales training (half-day) conducted at rep firm office(s) by principal			+
19 At least two rep salespeople to visit principal's factory for training (one day)			+
20 Rep firm target list created and shared with principal for refining and defining			+
21 Target list converted to NBO report, sent monthly to principal (after 60 days)			+
22 Specific PPM assigned within rep firm; PPM to call principal monthly with updates			+
23 100% of leads followed up with results sent to principal			+
24 All samples, quotes, technical information requests followed up 100%, with results sent to principal			+
25 Announcement of new line e-mailed to rep's entire account base			+
26 Principal to visit top accounts / NBOs quarterly (two-three days each visit)			+
27 Distributor promotion (if appropriate) quarterly, with results sent to principal			+
28 Forecast of all existing accounts (at six months, for next 12 months)			+
29 Written marketing research analysis for principal's products in rep's territory, including all targets, accounts and action needed to grow			+
Existing commission plus monthly service fee to total	\$2,400	\$3,600	\$4,800
Estimated annual sales dollars to reach this level (at 5% commission)	\$576,000	\$864,000	\$1,152,000