Sales management in general and in the meat industry in particular is today facing some of the greatest challenges of all times. There are some companies in the packing industry that are making forward strides. The difficulty is that there are not yet enough doing the kind of job that should be done so that the impact can really be felt. Trace over the last fifteen years the growth made by the sales oriented packers and you will see that their share of the market has continued to grow. Credit in part is due to their management concepts--- their devotion to performance--- to their training and leadership of their sales people--- to their relationship with their accounts. And probably most important of all is the fact that their production has met the specifications on which basis the sales force has sold. The customer has a feeling of confidence that the product is going to be delivered as agreed; be of the quality he agreed to purchase; and, have the consumer acceptance that assures quick sale and builds for repeat business.

Meat sales management today has the responsibility to upgrade itself to meet the needs of today's market. It must attract and hold aspiring, energetic and enthusiastic young men. The young, raw recruit has to feed himself on challenges, individuality of expression and the taste of success--- and failure. But remember he is fresh from an environment of challenges and if he is equipped with the basic qualifications for which he was hired the number of failures will become fewer and fewer as management allows him the opportunity to express himself, experiment under guidance, and develop within the structure of a well programmed developmental program that has been designed especially for him. As long as money has been invested in recruiting and interviewing a little additional outlay can assure a proper and appropriate return on the investment. And if you think the turnover rate on salesmen might be high---- what do you think it is for sales managers? It has been stated that the average sales manager's position is held by a man for 4½ years.

Let me quote from the June issue of Nation's Business and an article by Robert N. McMurray. He states, "In most sales forces of more than a few men, 20 per cent of the personnel regularly produce 80 per cent of the sales; 30 per cent sell enough to make a profit for their employer; 30 per cent just pay their way, and 20 per cent cost more than they produce." He further states these reasons for such "silt" creeping into the sales staffs, "1) Management's ineptitude in selecting and training; 2) Its inertia in appraising salesmen's performance, with a consequent failure to see their shortcomings; and, 3) Its conviction that replacing them is pointless because their successors will be no improvement".
The point of these preliminary comments is to emphasize that the sales management representatives must face up to their shortcomings before they can actively engage in the broader concept of sales marketing for their company. The sales staff is the hub around which all the action takes place and it has been proposed "that nothing happens until someone sells something". That statement can be amended to add "at a profit". This is the challenge facing the meat industry today. If sales management is to take its place in the marketing structure of the company and to participate in new product development and acceptance, it must begin to operate under a well developed and defined program of sales that contributes to the total performance of the company.

One more quote from McMurray's article - "Five elements are necessary if the sales force is to be stable, productive and satisfied. First, the right people must be recruited, selected and properly placed. .....Second, they must be trained. .....Third, they must be adequately compensated. .....Fourth, his performance must be periodically appraised. .....Fifth, he must be competently supervised because it is particularly at this level that his motivational needs must be analyzed and adroitly exploited."

Have a sales force that is properly staffed, adequately trained, sales oriented and backed by an operating group that is quality conscious and you will be assured of increased sales, additional profits and a growing company. It may cost additional dollars but the production from those dollars will mean more net profits for the company.

Just what then is the sales organization's function in new product development and acceptance? To me it breaks down into three distinct areas of activity. Stimulation --- Activation --- Initiation. The sales force is on the front line of action and certainly because of this exposure should be a source of new ideas and innovations. As they observe the "vacuums" that exist they can alert management to the opportunities that exist.

Since truly new products are few and far between in the meat area let me cite one extremely good example from the packaging approach. Luncheon meat sales have switched from the bulk, sliced-on-the-premises state to increased tonnage moving in packaged form. There have been many advances made in the packaging field and many will be made in the future. One regional packer caused quite a stir when he introduced to the market a packaged luncheon meat designed for a vertical display. This meant the consumer saw the package at eye level; got the full impact of the appearance of the meat; and the retailer always had the appearance of a full display. The idea may have been borrowed from the cheese display or from the "rack merchandisers" but no matter where it came from it gave the company and its sales force something to talk about with their accounts. The company and its sales force activated the market-testing phase, keeping accurate sales records in order to learn the true values of the packaging concept from the point of view of the retailer. It wasn't long before almost every available vertical display was converted to accommodate the product. The line was expanded to include many other items so that a whole "family" of products was available.

Hams have seen a variety of changes in shape and packaging that reflect observations that have been made of consumer and retailer needs.
Yes, sales personnel certainly can stimulate the new product development or presentation technique.

Once the new product or new package has passed through the developmental stages within the company the sales force can then aid in the market testing and evaluation. Not all the sales force will participate in this activity but within the structure of the sales organization should be the type personnel that can be called upon to aid the market testing group. Such personnel should be particularly trained for this activity and oriented in such a manner that the results will be reliable, accurate and complete.

The third, and probably by far the most important as far as the sales force is concerned, is the "initiation" stage of new product development....initiation on a positive and success-oriented basis. And this is where the work comes in. To take a new item or concept into the field without a full understanding of its value can make it short lived. Such training and orientation will take time. It will take time on sales management's part to assure that all the details are thoroughly worked out and so conveyed to the men so that there is a complete understanding. It will mean organized and planned sales meetings and training sessions with the salesmen. It means the development of the selling aids that give the salesmen assurance when he calls on the accounts.

The consumer-size package of packer-branded products is only one side of the coin. On the other side of the coin looms "the tails you lose" --- fresh meat classification. Here the amount sold under a packer-brand remains small. Here the tonnage soars. Here the profits seem to fade. And here exists the greatest challenge of them all. It is the area of greatest opportunity. We are going to witness some rather drastic changes in the distribution techniques for fresh meats in the immediate future. The costly distribution pattern that we now follow must of necessity change and change it will. The number of packers with special programs on pork continues to grow each year and this will gain momentum. It will gain momentum as our ability to produce and recognize values increases. It will expand as the ability and desire of our operating people to select out and properly care for such products,become a part of the overall philosophy. Too many programs suffer defeat as a result of "immediate-profit" oriented operating people taking the reins and beginning to "short change" the program. Any action along these lines is short sighted indeed.

Both fresh pork and beef are on the threshold of an interesting series of changes. The sales force can stimulate these new concepts---they can activate the market testing and evaluation ---- they can initiate the sales results that will spell success.

But most of all is the need to establish, to everyone's understanding, the long and short term goals. "Success is the progressive realization of a predetermined goal," states Earl Nightingale. Sales management at the packer level must take inventory of its standing.... establish its goals and then with energetic enthusiasm step out in stride for successful performance and reward.
WILLIAM STRINGER: Promotion and Advertising. This part of the program will be given by a person who is no stranger to Cornell and to you people in the local area. I am sure that those of you in the New England States and particularly New York know about P & C markets. They have about 40 markets of their own and I think they supply about 100 others. So it's a real pleasure to present Mr. Tom Rich, President and General Manager of P & C Food Markets, to give this part of the program. Tom. (Applause)