

# Distributor Protocol Guidelines

1. New opportunities and leads should be explored with and pursued through the Distribution channel first. In some cases, a Schroeder Industries person may “pre-qualify” a lead or opportunity prior to involving Distribution but, any further activity would be explored through Distribution.
2. In the event that a product, application or entire customer cannot be serviced profitably by Distribution, Distribution will assist Schroeder in gaining the business on a direct basis, with the expectation that each decision, to classify an account direct or shared, must be made collectively by Schroeder and Distribution Management. Schroeder Management and Distribution Management will collectively make the decision to change an account status. Market conditions and competitive situations will guide us in the process. In the event that an account is handled on a direct basis, compensation will either be a commission or some other form that Schroeder Industries and Distribution mutually agreed upon. Each case will be reviewed on its merits and will also include amounts, duration, and definition of ongoing involvement. Please refer to Schroeder’s Direct Sales Policy, L-3054, for more information on this subject.
3. In the event that a Distributor salesperson is not meeting Schroeder’s expectation (e.g. call frequency, refer to #4) at a particular customer, Schroeder’s National Sales Manager will contact the appropriate Distribution Sales Management. A corrective action plan will be developed to rectify that situation, up to and including reassigning the account to another sales person.
4. Schroeder Industries and Distribution Sales Management will create a joint Target Account Sales Plan (and Direct Account List) to be reviewed quarterly. This needs to be the “backbone” of our working plan. It needs to be comprehensive, and focus on how we are going to promote Schroeder Industries products and how we are to operate when Distribution is selling a competitor’s product. There must be a clear understanding of each other’s expectations. The plan will include:
  - Target customers
  - Products to be focused on
  - Call frequency: Schroeder Industries Regional Sales Managers & Distributer Salespersons
  - Scheduled call frequency of Schroeder Industries Product Managers
  - Assigned specific responsibilities
5. If Schroeder Industries does not meet with the Distributor’s expectations, Distribution is to initiate review with Schroeder Industries National Sales Manager and Management.
6. Schroeder Industries and Distribution are to have a standing monthly communication meeting to review the Distributor/ Schroeder Industries joint Target Account Sales Plan and provide feedback (progress update) via Tour de Force updates.
7. Schroeder Industries needs more interaction with the Distributor Sales Force. We need to be in front of the customers more now than ever before. We are looking for Distributor sales calls as specified in the Schroeder Industries joint Target Account Sales Plan to be scheduled with the appropriate Distributor Regional Sales Manager. Coordination of the sales calls including setting the appointments should be handled by Distributor sales. In some cases, it may be appropriate for Schroeder Industries to make sales calls without a Distributor salesperson involved. In these cases, the appropriate Distributor salesperson would be informed and provided with a call report. In the event that Schroeder Industries’ expectations are not being met, the first response should be a meeting between Schroeder Industries and the appropriate Distributor Sales Manager. A corrective action plan will be developed to rectify the situation.
8. Continue to promote communication in all levels of the sales chain.
9. Continued development of the sales chain 2/3 OEM, 1/3 MRO.



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