

VanNest Company evolves to meet industry changes

After a tumultuous year, **VanNest Company** is standing strong as a legacy manufacturers' representative agency serving the professional beauty industry. Under the leadership of **Kevin VanNest**, president, the firm has continued to adapt to industry changes, as it specializes in three key territories—the Southeast, the Southwest and the West. **Beauty Industry Report** recently checked in with Kevin to learn about the rep firm's transition firsthand and what Kevin has planned for the future.

BIR: Welcome, Kevin. Please give our readers a brief history of VanNest Company and your role in its evolution.

Kevin VanNest (KVN):

Thanks, Mike. I joined the rep organization of **Bienvenu Cottam** in 1984, bringing my prior distributor experience and knowledge to the team. I eventually became a partner and ultimately principal and steered VNC through significant industry changes and distributor consolidations of the 1990s.

Over the ensuing years, VNC achieved tremendous growth and enlarged territory coverage, solidified partnerships with distributors and manufacturers and still maintained a close-knit, family feeling with the sales force and office team.

In 2015, VNC changed directions. We reorganized our company, making the decision to focus initially on the territories where we have the greatest strength—the Southeast, Southwest and West Coast—with specifically targeted accounts in the Midwest and Northeast, as needs demanded. Those adjustments generated significant personnel changes and a new vision for VNC. Our restructuring has clarified our focus and strengthened our ability to serve both our distributors and our vendors in a more impactful way, and we are delighted with how it has progressed.



Kevin VanNest serves as president of the VanNest Company, a manufacturers' representative firm serving the Southeast, Southwest and Western territories of the United States.

BIR: How did you do that?

KVN: VNC continues its history of adapting to industry changes. We have made coverage changes to better utilize our strengths, and are focusing on reinforcing our foundation in three key territories.

Our success is attributed to our ability to work closely and personally with both vendors and distributors. Today, we have to be more than just "order takers." We must stay in tune with trends, new avenues of distribution and new business and social media technology to ensure growth for us, our vendors and our manufacturers.

We look for opportunities at all levels. We seek out new and up-and-coming vendors that bring fresh products and innovation. We work closely with our distributors to effect positive results with more creative promotions, fresher outlooks from our long-time vendors and new distribution opportunities for those vendors.

Whenever the opportunity arises, we look to outside resources for improvement with our sales techniques and business follow-through. Our industry and business, as a whole, is evolving so rapidly, and we try to be hyper-vigilant

in keeping up with the pace of change.

BIR: Tell me about your operation today.

KVN: Today, VNC includes an experienced field sales team of 10 covering beauty distribution channels, including several major national distributors. We provide focused sales and support across 25 states in the Southwest, Southeast and Western territories. Our field team is supported by our knowledgeable, friendly and qualified office staff.

VNC continues to grow through partnering with new, innovative product companies, and researching and connecting with new channels of distribution, while maintaining the long-term

relationships with our traditional distribution channels. Our job is to focus on connecting our manufacturers with the right distributor partners, providing them with a platform and guiding them on their path to success.

There are so many different distribution avenues within our industry today; we must understand where our vendors fit. With opportunities in full-service, OTC, barber, internet, redistribution, nails, skin care and more, we are a more segmented industry today than ever before, and not every brand or product category is right for every distributor. It is our job as a rep group to understand both our distributors' needs and our vendors' visions.

The larger full-service distributors require vendor partners that can supply consistent product AND support their marketing needs. We can't, for example, take in a "boutique" brand, no matter how hot it is, if it isn't geared up and ready to do business on that large of a scale.

In the same vein, we would not want to take a vendor into a distributor that did not serve its targeted customers or provide optimum exposure for the brand. Our expertise and value lie in knowing the targeted distributors, advising our vendors and making the right marriage between the two. It's definitely a high-wire balancing act!

BIR: What does a brand need to do to be successful when working with your rep firm?

KVN: In order for us to build a strong partnership with a brand and connect it with



John Madia, territory manager, with Kevin VanNest, president of the VanNest Company.

the right distribution, it needs clear and understandable product knowledge, and creative marketing tools are vital to success. Next, a brand must have a clear understanding of competitive items and a clear definition of its products' points of difference. Third, it needs dynamic packaging and proper pricing of products for the industry. Fourth, it must have clearly defined sales goals. Finally, to succeed, a brand needs the flexibility to understand and meet its customers' needs.

BIR: What types of manufacturers can benefit from working with a rep firm? Which are a good match for VNC?

KVN: A rep firm needs to work as an extension of the sales arm for any partner company. Both large and small companies can, and do, benefit from working with independent rep organizations. Smaller companies can benefit from the long-term relationships VNC has with distributors in all of our territories, providing them entry where they couldn't generally go on their own. It is usually financially beneficial for them to work with commissioned sales teams, as well. Larger, more established manufacturers also consider the financial benefits of working with a commissioned rep group, and it is often easier to manage sales efforts with them, rather than trying to field a proprietary sales force.

VNC looks for innovative products that serve a purpose for the end user, whether that be the salon professional or consumer. Established brands can benefit from the territory knowledge, distributor relationships and internal team support that VNC offers.

BIR: How do you provide guidance to help your brands grow?

KVN: Reps must understand the mission of our vendors and the needs of our distributors to make the right connections. You wouldn't take a barber manufacturer into a nail distributor—there is no need for its products. The more a rep knows and understands the products our vendors offer, AND the more we know and understand the business model of our distributors, the more successful we will be in connecting the right dots.

Too often, manufacturers have a misty vision of where their products should be—particularly those who are new to the professional beauty



The VanNest Company team from left: Jennifer Dillon, Cindy Enloe, John Madia, Carmen Goya, Justin VanNest, Missy Madia, Kevin VanNest, Russ Stuckey, David Harrison and Kenny Rogers. Not pictured: Cathy Chavez.

industry. The first thing a good rep organization should do is clarify the target markets and distributors for its new manufacturers. We help them understand WHY their product fits in some avenues and not others. From there, it is important to make sure they have a very clear understanding of the needs of the distributors. Our job is to make sure they completely understand the business of the distributor BEFORE they present their products. Once again, it can be a serious balancing act!

BIR: How do you provide sales support to your distributors?

KVN: Our job is to work as the liaison between the manufacturer and the distributor. If we are successful, we can streamline and clarify the communication. Larger distributors are requiring more and more from their vendors, and if there is not a clear channel for the back-and-forth flow of documents and information, it could become a complete mess. We are fortunate to have an office staff that also has relationships with our distributors and our vendors, and can serve as the "switching station" for this flow of information. This keeps (hopefully!!!) everything moving, and keeps our sales team in the loop on what is happening.

We also work with our medium and smaller distributors to make sure they are aware of new products, promotions, advertising opportunities and any other information that is key to their business with our manufacturers.

BIR: The industry continues to evolve. What are the most significant changes? How do they impact how you do business? How is your business evolving, as a result?

KVN: First, the consolidation of traditional distributors and manufacturers creates challenges for new manufacturers breaking into the industry. Connecting with the right mix of vendors and working with them to create a strong partnership with appropriate channels of distribution is one of our biggest challenges today. We must embrace and understand new avenues of distribution—the most significant being the internet—and how they impact business for us and our manufacturers. That means expanding our connections and knowledge constantly.

BIR: As one of the industry's legacy rep firms, do you and your team feel a responsibility as an industry leader?

KVN: Yes, our 30-plus years of commitment to the beauty industry, the relationships we have developed with our vendors and distributors, along with our reputation for integrity and good business ethics, are a vital part of who we are and why we continue to thrive. Maintaining the trust of all of our partners is a primary focus for VNC. We will continue to manage and grow these relationships to the benefit of our vendors, distributors and our sales team.

BIR: Any final thoughts to share?

KVN: Change is good. We believe the choices we have made this year will create a strong foundation for our immediate and future success. We have relocated to new facilities to better serve our team and field sales force. Our streamlined territories will better serve our manufacturers and distributors and will strengthen those partnerships. VNC is moving forward with a strong commitment to our business and to maintaining the personal touch that is so important in this industry.

For more information on VanNest Company and how you can work with its team in 2017, contact Griselda Mendoza, key account manager, at 800-888-7377 or griselda@vncsales.com. Visit vncsales.com.