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# The seventh dollar of sales –

A special interest group (SIG) discussion

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Discussion leader:

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# Outline

- Opening remarks
  - Recognition of sponsors
  - Role of CEPA and SCHB in helping chemical professionals transition from industry to consulting and related activities
- Agenda
- Background for discussion
- Objective
- Conclusions

# Opening remarks

- Recognition of sponsors
  - Division of Small Chemical Business
    - Dr. Ronald J. Versic, Chair
    - Dr. John H. Lauterbach, Program Chair
  - Committee on Economic and Professional Affairs
    - Dr. Martin L. Gorbaty, Chair
    - Dr. Stephen C. Waller, Program Chair
- This SIG is part of a continuing effort by CEPA and SCHB to aid chemical professionals transitioning from industry to consulting or other forms of chemical entrepreneurship

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# Agenda

- Opening remarks
- Objective for the SIG
- Background for special interest group (SIG) discussion – The seventh dollar of sales
- Discussion including questions from the audience
- Other programming of interest at this meeting
- Concluding remarks

# Objectives for the discussion

- Learn from each other
- For those already in business, learn how to keep your business going after the initial euphoria of the first six dollars of sales
- For those contemplating chemical entrepreneurship, learn the problems of becoming a chemical entrepreneur
  - What to do?
  - Who to do it with?
  - How to be a commercial success?

# Background -- 1

- Mid- and late-career chemical professionals are losing their jobs without good prospects of finding similar jobs with other employers
- Ability of such scientists to relocate for new employment may be limited on account family considerations and/or cost of relocation
- Thus, chemical professionals may be forced into going into business for themselves to have relevant employment

# Background -- 2

- For those still employed the time to start thinking and planning is now, not later
  - What do you want to do?
  - What can you afford to do?
  - Who you can do it with?
- When there is a mass termination, it is generally too late to find partners
  - Some have already made plans
  - Some have been given deals
  - Others are not willing to form partnerships

# Background -- 3

- Thus, you are likely going to be a solo practitioner and do all from chemistry to management including marketing and sales
  - Time to do the chemistry
  - Time to do the marketing and sales
- However, many chemical professionals do not have training in marketing and sales
  - A lucky few have business come to them
  - Most have to learn how to market their businesses and make the sales

# Definitions of marketing and sales

## ■ Marketing

- ❑ Means to make a communication about a product or service a purpose of which is to encourage recipients of the communication to purchase or use the product or service ([www.preemptinc.com/definitions.html](http://www.preemptinc.com/definitions.html))
- ❑ Means the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to satisfy customers ([cfdccariboo.com/glossary.htm](http://cfdccariboo.com/glossary.htm))

## ■ Sales – Transactions that involve the transfer of services or products for money (adapted from ([www.faststart.state.ri.us/bfs\\_glossary.html](http://www.faststart.state.ri.us/bfs_glossary.html)))

# Chemical professionals as salespersons?

- Most chemical professionals would not do well as used car salespersons
  - Personality
  - Perceived veracity
- However, some chemical professionals have done very well in sales
  - Where technical skills and personality important
    - Scientific instrumentation, particularly high \$\$\$
    - Contract research and high-value analyses
  - With proper training, many chemical professionals can market and sell technical services/products

# So, you have decided to go into business

- Starting your business can be very easy
  - Just say, “I am business now”
  - However, to do it “right” there may be other steps
    - Business
    - Legal
    - Professional
  - These will be addressed in symposium, “Working as a Solo Practitioner after Early Retirement from Industry,” Monday, 8:00 a.m., BCEC 212
- Getting your first dollar of sales may or may not be easy depending on what you chose to sell

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# What can you afford to sell?

- What to sell depends on several things
  - Your technical expertise
  - Your knowlegde of the markets
  - Your access to space, capital, staff, information
- If you will need to work with hazardous chemicals and/or equipment to have something to sell, starting your new business could be complicated
- If you sell your expertise, you may not need anything more than your home PC

# If you sell your expertise, who will buy it?

- Those who know your expertise could be your best clients
  - Are you known outside most recent employer?
  - Do you serve on technical committees?
  - Are you a frequent presenter, author, and/or reviewer in your field of expertise?
  - Is your expertise known in the local technical community (e.g., local ACS section)?
- Don't expect former employers, related companies, and/or close competitors to be clients

# The telephone is your friend

- Once you have pushed the “start” button, it is time to get on the phone and start calling potential clients and ask for their business
  - If possible, start with smaller companies first where you likely know senior executives
  - Follow up with an e-mail with your resume and other relevant information as attachments
  - If potential client does not get back with you as promised, make sure you call to follow-up
- When you are not on phone with potential clients, start interviewing attorneys and bankers so your will be ready for first contract

# When a former colleague calls

- Your knowledge and expertise form the base of your business – don't give them away
  - Watch for fishing expeditions by former colleagues
  - Turn the fishing expeditions into business
    - Explain you are in the business of providing expertise
    - State that you would like to have his/her business
    - Ask what you need to do to get his/her business
  - Know what you are going to do and say when your former colleague transfers the call to the department that handles professional contracts

# Cold (semi-warm) calling

## ■ Getting leads

- ❑ Colleagues and friends
- ❑ Professionals servicing your business
  - Accountant, Attorney, Banker
  - Webmaster (and your website)
- ❑ Journals and other trade publications
- ❑ Trade and industry-related websites
- ❑ Newspapers and news websites (e.g. local TV)
- ❑ Business, civic, and professional organizations
  - Chamber of Commerce
  - Downtown/neighborhood associations
  - Local ACS section
- ❑ Trade shows

# Warm calling

- Businesses and organizations that help pair consultants with clients
  - Examples of those will nominal or no fees
    - Chemical Consultants Network
    - The CECON group, Inc.
  - Examples of those will higher fees
    - ACS ChemInsight program
    - eWork Markets
- Such organizations solicit client requests for consulting services and match them with available consultants

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# Hot calling

- Agents who represent chemical professionals in consulting and actively market them to clients
  - Practice analogous to artists, musicians, and other entertainers having agents
  - Practice analogous to speakers and writers having agents
- Does anyone do this for chemical professionals?

# Getting the seventh dollar of sales

- Tax regulations give us limited time for our business to show a profit
- It's hard to show a profit without sales
- Sales must continually grow if business is to provide significant income
- Mix of sales needs to favor higher-value services over lower-value ones to keep time commitments reasonable
- How to do, make money, and still have fun?

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# Discussion

- Questions and comments from the audience

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# Related programming in Boston (1)

- Age Discrimination – Information for the Mature Chemist, a symposium presenting a balanced view of the age discrimination issue, from different perspectives
  - Monday, August 20, 2007, 8:30 AM to 11:55 AM, Sheraton Boston, Back Bay Ballroom A
- Opportunities in Open Innovation, a symposium on open innovation, the sharing of knowledge and technology beyond a company's borders
  - Monday, August 20, 2007, 2:00 PM to 4:50 PM, Sheraton Boston, Back Bay Ballroom A

## Related programming in Boston (2)

- Working as a Solo Practitioner after Early Retirement from Industry, a symposium for chemical professionals who are facing early retirement and want to stay in chemistry
  - Monday, August 20, 2007, 8:00 AM to 11:30 AM, BCEC, Room 212
- Preretirement Considerations: Financial and Otherwise, an instructional session for those near or not so near retirement
  - Monday, August 20, 2007, 2:00 PM to 3:30 PM, BCEC, Room 212

## Related programming in Boston (3)

- True Stories of Small Chemical Businesses, a symposium featuring chemical entrepreneurs telling how they started and have grown their chemistry-based businesses
  - Tuesday, August 21, 2007, 8:25 AM to 10:00 AM, BCEC, Room 260
- Best Steps for Chemical Entrepreneurs, a panel discussion featuring experts on starting, financing, and managing new chemical enterprises
  - Tuesday, August 21, 2007, 2:00 PM to 4:00 PM, BCEC, Room 260

# Concluding remarks

- In this SIG session, we have focused on steps the new chemical entrepreneur who likely will be working as a solo practitioner needs to take to sell his new service/product
- We have outlined steps that can be taken to increase sales once initial sales to friendly clients cease
- More details on starting a new chemical business will given during tomorrow morning's symposium, Working as a Solo Practitioner after Early Retirement from Industry