



# LOOSE LIPS SINK COMPANIES!™



Includes ***How to Stop Back Door Selling***

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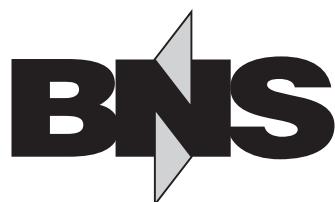
# LOOSE LIPS SINK COMPANIES!™

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# **Robert Benedict's Recommended Responses to a Salesperson's Back Door Questions**

## **When do you need this by?**

On the first question regarding delivery: “When do you need this by?”, I like to respond by asking three questions:

1. What is your standard delivery?
2. What are you currently delivering at?
3. If push came to shove, how fast could you have it here without an expediting fee taking place?

Now here the salesperson might ask again, “Well, when do you need it?” at which point I repeat my third question:

“No, I’ve asked all of your competitors the same question. If push comes to shove, how fast could you have it here without an expediting fee taking place?”

That way you’ve gained information without giving any up.



## **How's business?**

I like to respond by saying (if it's true):

"Business is steady, and how's your business?"

What have you now done? You've put them in the same position that they tried to put you in.

If they say, "Business is great! We're running every line 3 shifts a day", you might want to check it out to see if they can get you the delivery you're after.

If they say, "Business is really slow, certainly could be a lot better," you might want to check their financials. If they're having a cash flow problem, quick payment in exchange for lower overall price might be a real WIN/WIN trade. You might also want to check how bad off their financial situation is so you don't get stuck with someone who is going out of business.

At the very least, when they say business has been slow, it usually means they're hungry and it should substantially build your leverage in getting concessions.



**Regarding delivery, price, quality, warranty, terms, what's the most important factor in this buy?**

I'd say, "They're all important."

Assuming the salesperson followed that up and said, "But surely one must be more important than another?" Then I'd say, "You're right. The total package."

**What's your budget?**

If you're a non-purchasing person, you might say: "That's proprietary information", or "Company policy does not allow me to reveal that."

Those two responses can serve you well on a number of back door questions.

Probably the easiest response is to say, "Ask purchasing. They handle anything dealing with the overall cost."



## **Does Purchasing have veto power?**

Remember that if you intimate in any way that purchasing has no authority and simply places the order, you are cutting their legs off and destroying valuable leverage for your company's negotiating situation.

My client's recommendation: "It's a team buy. We have our role. Purchasing has their role. You need to convince both parts of the team."

## **What if it's not true? What if purchasing doesn't have veto power?**

Well, don't lie! Not on this or any other question. With laws of sowing and reaping in the universe (some say what goes around comes around), if we lie, sooner or later someone will start lying to us.

But you could deflect it by saying, "How we decide here is really not the appropriate discussion. We want to know what's the best you can do for us on every area affecting this buy."



## **Regarding quality, how do we stack up?**

I wouldn't build their leverage by praising their quality. I'd say: "You meet specifications." Or I'd say, "As with your competitors, you meet spec, they meet spec, so what we're looking for now is the best total package."

## **What don't you like about your current supplier?**

I have clients who have been successful in responding with the comment:

"We are generally quite pleased with our current supplier's performance, but we're always on the look out to improve the total package."

If the supplier persists and says: "Yeah, but where specifically could the current supplier improve their performance on the total package?"

The successful follow-up is: "Would you really want me talking to your competitors about your company's weaknesses?" And then move them to the next question.



## **Who besides yourself will be signing off on this agreement?**

If it's a team buy, as it often is, tell them: "It's a team buy, but everything will be coordinated through me."

What if the salesperson follows up like this one and says, "What are their names?" I immediately respond by saying, "Why is that important to you? Do you intend to go behind my back?" Most salespeople will back off and say, "Oh no, I was just interested." Then I'll say, "Fine, what's your next question?"

## **Who's the end user?**

Again, I'll immediately respond defensively by saying, "Why is that important to you? Do you intend to go behind my back?"

They'll usually back off and say, "Oh no, I just had a number of technical questions I wanted to ask." At which point I'll say, "Fine, get me a list of those questions and I'll submit them to the end-user for you."

Remember, we're talking about non WIN/WIN suppliers, those who take this information and would use it on you to get "sped in" and then destroy your leverage in the negotiation.



## **Who is my competition?**

When the salesperson asks, “Who else are you looking at? Who’s my competition? I like to respond by saying:

“You know who your competitors are.”

If they say: “No I don’t.”

I respond, “Well you ought to!” and then move them on to the next question.

Are there any additional approaches?

Sure. You could answer with a fogging response and a question. Something like:

“Company policy doesn’t allow us to reveal who the competitors are (if this is true), but let me ask you this, who do you regard as your major competition?

I’m amazed how many clients have said they’ve received the names of companies they’d never heard of, and after researching them, ended up working with some of those previously unknown suppliers.

## **What are your projected volumes?**

When the supplier asks, “What are your volumes?” I like to respond by asking the salesperson: “Where are your breaks?”

If they respond by saying, “There are breaks at the 5,000, 10,000, and 15,000 levels”, I’ll ask, “Are there any breaks above and beyond that?”

They might say, “Well, I guess there was a break at the 22,000 level.” I’ll ask what was that break?

By asking questions of the salesperson, I’m finding out how low a price he or she could go to and still make a profit.

## **Could I have a plant tour?**

I’d say, “Absolutely you can have a plant tour if you are selected. In fact, if you’re selected, we want you in our plant to suggest how we can improve our processes. But until the selection process is over, it would be premature and inappropriate to have you take a plant tour.”

## Examples of Information that may be considered Confidential or Actual Intellectual Properties

1. Patents – used and not used
2. Copyrights
3. Trademarks
4. Agreements with other companies
5. Designs, sketches, photographs, videos
6. Plans, graphs, drawings
7. Reports and internal memos
8. Customer lists
9. Internal pricing information
10. Internal studies
11. Internal findings
12. Inventions not yet patented
13. Ideas not yet copyrighted
14. Marketing plans
15. Production volumes and projected volumes
16. Cost of materials
17. Investments in future products
18. Earnings, sales and forecasts (if a private company)
19. Marketing strategies and advertising campaigns
20. Test Methods
21. Formulations
22. All lab data, results and conclusions
23. Breakdown of materials used in your current products and materials being evaluated for future use
24. Internal processes used by your company
25. Equipment and equipment being evaluated for future use

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