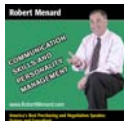




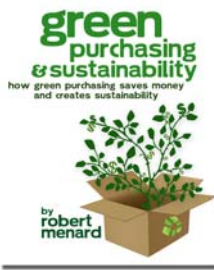
## Negotiations: The Most Essential Skill Whether Buying or Selling

Presented by Robert Menard

1



### Thanks for your invitation



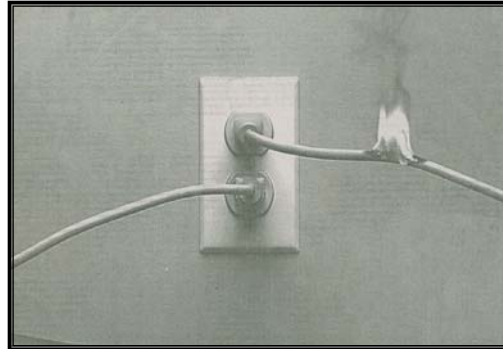
Author Of  
You're the Buyer  
You Negotiate It!



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2

## Does Price = Cost ???



The cord on the right was a price bargain ...

*until a few seconds ago!*

**Best Value = lowest TCO**

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## Total Cost of Ownership (TCO)

### Quality

Trained workers  
Expertise

### Service

Consulting  
VMI

### Delivery

Cycle time  
Storage

### Price



**Best Value = lowest TCO**

**ISSA**

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## Two Simple Models of TCO

**\$1,000 unit**

**Lasts 1 yr**

**\$ and #**

**\$1,000/yr**

**\$1,500 unit**

**Lasts 2 yrs**

**\$ and #**

**\$750/yr**

**Lasik eye surgery**

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## Hot Potato Tactic

**Buyer:**

“Your **Q**, **S**, and **D** are all acceptable or we would not be talking – so it all comes down to **PRICE**. What can you do?”

**You!**

***So, whatcha gunna do???***

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## Where Do I Have to Be?

Implications:

Ethical?

Legal?

Practical?



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## Partnering

### What is your definition

Method to secure higher sales

Way to freeze out competitors

**Way to reduce costs?**

*Long term relationship committed to reducing the mutual costs of doing business*

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## Related Strategies

- **(P)rebates**
- **Customer 'assigned' prices**
- **Qui parle français ici?**
- **Value added sales speak**
- **Dollars (\$) and Numbers (#)**
- **Freight FOB**

