

K·S Connections

Special Edition • 2008

HOW TO BE A SAFE HARBOR IN A STORM

As I travel around to our domestic and international dealers and distributors, it is obvious that there has been a change in the spending habits of some of your best customers over the past months.

As we have learned over the past few weeks, there are fundamental issues in the US credit markets that are affecting both cash flow and overall net worth for all of us, including our customers. Over the past few days, it has become obvious that this is not solely a US issue, but a global one.

What does that mean for our customers and our businesses? First of all, it does not mean all of our customers will stop purchasing completely. It probably means that our total business will be lower, and that customers will make "wiser" decisions about how they will part with their money.

In my "life before Kubala-Sosna" I spent 28 years selling and managing sales of products and services to the construction industry, as well as the owners of those buildings.

My experience was that in the "good times" when money flowed freely, customers were willing to purchase almost anything and risk installing it. They had tremendous cash flow to rescue themselves if a mistake was made; and stood to gain if their gamble paid off.

In less certain times, there was less gambling and much greater care taken in the purchase as there was much less margin for error. Customers were drawn to the lower risk of the suppliers that were "safe harbors."

Does that mean that all of a sudden they were willing to pay anything for the top brands? No, of course not. But, they were willing to look at more than just initial purchase price when making their decision.

In other words, they were assigning more value to suppliers that they had the confidence would get it right the first time. There was no longer money in a project to do it a second time if it was improper to begin with.

That meant that there were preferences paid to the "safe harbors" in the bad times - in other words - a flight to quality. We saw it thru every economic downturn, and we profited from it. Our company was a safe harbor, and, certain sales people were more of a safe harbor than others.

It boils down to doing the right thing. It takes leadership and a firm belief in the principles involved to motivate your staff to make the right decision even when it hurts a bit.

It is important to note that in times like this you can make customers for life, as they will not forget who abandoned or supported him/her now.

As far as your product lines, you will decide which lines to support by choosing those that do the right thing for you and your customers.

In that regard, we trust that in the five years that we have been providing cables to you and your customers, that we have established ourselves as a safe harbor to you.

As you think of cables to offer your customers, please consider what our Peace-of-Mind and Upgrade Programs mean to you and them.

They are witnessing the shrinking opportunity to sell their used products on the Internet with many products languishing there at ever lower prices.

Contrast that to our upgrade program which is not only a pathway to one of the absolute best performing cables on the market (Emotion), but offers a guaranteed value for their used K-S cables.

Sales will not go away completely. Think of the VALUE we offer with Emotion performing with, or outperforming, ANY CABLE made at ANY PRICE - yet costing a fraction of what others are charging.

Along with that, a path to buy in further down the line today, and easily upgrade to their preferred cables as we move past these harder times.

Kubala-Sosna ... A Safe Harbor!

Connect to the performance

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