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# InTouch

THE OFFICIAL MAGAZINE OF **NAMA**



## CTW 2015 IN REVIEW





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**CONTRIBUTORS**  
Heather A. Bailey, Carla Balakgie,  
Cathy Carroll, Howard Chapman, Mike  
Kelley, Dan Matthews, Jr., Lindsey Nelson,  
Jeff Parks, C.J. Recher, Jennifer Skidmore,  
Elyssa Allahyar-Steiner, Jeff West, Jr.

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**NAMA**  
20 North Wacker Drive  
Suite #3500  
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**DIRECTOR of PUBLISHING**  
Krystie Dovenmuehler  
**COPY EDITOR**  
Carrie Bethel  
**LAYOUT & DESIGN**  
Jeremy Davis  
**SALES MANAGER**  
Marc Lucia

To submit editorial or request  
information — email [info@vending.org](mailto:info@vending.org)  
p. 312.346.0370

For information regarding advertising  
please contact Marc  
at 800.572.0011 or  
[marc@emconsultinginc.com](mailto:marc@emconsultinginc.com)

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# A **Closer** LOOK

## NAMA CEO • **Carla Balakgie**

## Innovation Calls for a New Mindset—**Dream. Build. Win.**

**A**s we begin this new year, NAMA is laser-focused on promoting innovation and growth. And vending — the channel that spawned our entire industry — is ripe for innovation and the ample benefits it promises.

We're in the midst of a remarkable transformative period, marked by technology developments that fundamentally redefine the consumer experience; exploding product choice and demand; shifting mega societal trends; and whole new avenues for evolution of our traditional business lines such as small drop distribution specialty. In order for businesses to grow, investments in these new concepts and technologies is essential. This requires taking a longer view, far beyond the key operational matters demanding our attention on a daily basis. One of the most ubiquitous "innovation killers" is a sole focus on short-term results.

NAMA sees one of its roles as keeping a strong site on the horizon, anticipating and providing the insights you need to make these strategic investments. Whether it be adopting new consumer and operations technology, updating your product and service lines to better serve your clients, or providing a broader selection of snack, beverage and non-consumable items (including some that don't offer buy-backs), all are important growth drivers.

### **But innovation requires more than capital investments. It requires a new mindset.**

"Innovation has nothing to do with how many R&D dollars you have," said Steve Jobs in a 1998 interview with *Fortune*. "When Apple came up with the Mac, IBM was spending at least 100 times more on R&D. It's not about the money. It's about the people you have, how you're led and how much you get it."

In this vein, I encourage you to evaluate your organization's willingness and ability to take risks, to disrupt business-as-usual processes, and to question whether the things that made and are keeping you great, will do so in the future. The time is right to ask tough questions such as:

- Are there practices in place in your company that inhibit the infusion of new ideas?
- What is holding you back?
- How much time do you spend thinking about and planning for the future, and is it a core discipline?
- Is there someone in your company who has this responsibility in their job description i.e., Chief Innovation Officer?

It's said that the first step toward innovation is awareness, the second intention, and the third trying and trying again.

Stretching beyond the tried-and-true is never easy for any business, particularly one that is "old-line" in any way. But a focus on innovation is imperative for sustainable growth.

### **That's why NAMA has created its first-ever Executive Forum.**

This exciting event will be held February 17-19 in San Jose, California — the geographic heart of innovation. Designed to provide the most accomplished professionals with an experience that fosters individual and company growth, the NAMA Executive Forum will focus on shifting consumer markets and behaviors, and developing a corporate culture that supports innovation to capitalize on these changes.

In undertaking this event, NAMA itself moved beyond its standard operating procedure to provide you, our members, with a thought-leadership opportunity unlike any we've ever offered. We did our homework, tested and refined our strategy, planned carefully, and took a big risk. We are confident it will pay off for you.



For details on the NAMA Executive Forum, see the story on page 13. And I invite you to reserve your spot soon at [www.namaexecforum.org](http://www.namaexecforum.org). Demand is high and attendance is limited to just 100 executives.

**Your success** is our business. Please join us in San Jose, February 17-19 for an unforgettable experience—create your own disruption at the 2016 NAMA Executive Forum! **Dream. Build. Win. ■**

*Carla Balakgie is President and CEO of NAMA. Prior to joining the association in 2011, Balakgie served as CEO of the Electronic Transactions Association and Senior Vice President and COO of the National Association of College and University Business Officers. She began her career in association management at the American Society of Association Executives. A Certified Association Executive and a Fellow of the American Society of Association Executives, Balakgie is the first woman to lead NAMA in its 80-year history.*

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# FIVE SIMPLE WAYS TO OUTSELL YOUR COMPETITION

DAN MATHEWS, JR., NAMA EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

Today's entrepreneurial business landscape can make it difficult to compete for revenue. The marketplace is flooded with thousands of similar products at similar rates all vying for customer dollars. Customers need a reason to choose YOU, and delivering a top-notch customer experience is key to not only attracting more customers, but attracting the customers who are right for you.

Steve Jobs once said, "Get closer than ever to your customers. So close that you tell them what they need well before they realize it themselves." In this competitive environment, companies must have an acute understanding of their customer pool and ideal targets to predict their needs and create customized solutions that stand out from the crowd.

NAMA's membership collectively serves millions of people each day. Whether you're selling snacks and beverages, machines and equipment or the latest industry technology, your business depends on your relationship with your customer base. Below are five ideas to help you strengthen that relationship, think outside the box and grow your business.

## FIVE SIMPLE WAYS TO OUTSELL YOUR COMPETITION

Your competition is out there right now selling to your prospects and customers. That's the bad news. The good news? They are all doing the same few things to try to win prospects' business.

By following these five simple steps, you can completely outsell your competition.

**1. Time to stand out.** Just saying that you're different doesn't make you so. It's time to start actually behaving differently from your competition.

Understand that your competitors are out there right now trying to persuasively pitch their products and services with enthusiasm. Your prospects expect this old-school selling tactic. So don't do it! Instead, be truly distinct by being genuine and following the steps below.

**2. Understand your prospects.** Most salespeople spend the majority of their time in selling situations talking about how great their company, products and services are. This is the oldest trick in the book. If you want to acquire new customers, while closing bigger sales and becoming a long-term strategic advisor to customers, then spend more time asking your prospects questions about their challenges and goals.

**Think of it this way:** Your customers aren't buying products or services from you—they're investing in solutions to their challenges in order to achieve specific outcomes.

**3. Stop persuading.** Most salespeople's pipelines are full of junk. This means the business they expect to close in the relatively near future is often not likely to close at all.

This is because many salespeople are trying to persuade prospects to do business with them. The problem with persuasion is that it assumes that every prospect is a good fit for what you have to offer. In reality, at least 50 percent of prospects are not a match. By changing

your mindset from "How do I persuade this prospect?" to "**Is this prospect qualified for what I have to offer?**" you will begin spending more time with only qualified prospects.

**4. Value informs price.** Salespeople often complain to me that they're getting beaten down on price. This happens for one simple reason: Prospects don't see real value in what the salespeople are selling. When a conversation is all about price, it's a sign that you're not creating value in your sales conversation. How do you create value? **Focus on what the prospect cares about: solving challenges and achieving outcomes.**

**5. Move up the food chain.** We are all more comfortable selling to nondecision-makers. Selling to the higher levels in an organization takes most salespeople out of their comfort zones. But the problem with selling to nondecision-makers is that they can't tell you "yes." All they can do is tell you "no."

**The most effective salespeople are selling at the highest reasonable levels within an organization.** This could mean selling to presidents and CEOs or selling to VPs and directors—it all depends on who the best decision-maker is for what you sell.

In order to dominate the competition, you must adopt a totally different selling strategy. Follow these five steps to outsell and outperform your competitors. ■

*About the Author:* Marc Wayshak is the author of two books on sales and leadership, "Game Plan Selling" and "Breaking All Barriers."

*\*Reprinted with permission from Multibriefs.*



# How Strong Is YOUR BRAND?

Branding is a key element of any business, no matter what size or type. An effective brand strategy gives you a major edge in increasingly competitive markets. But what exactly does branding mean?

Certainly, one element is a company's visual identity, including its logo. But it goes much further than that. Done right, branding can increase the value of a company, boost employee motivation and attract customers.

Some say it's time to update your brand when your organization goes through significant change. In 2011, for example, Starbucks' logo was recast to signal that company's move beyond coffee. The graphic mermaid Siren remained for brand continuity, but the word coffee was eliminated.

Great brands, like great companies, are built over time. My company, Royal Cup Coffee, has been around for 120 years. It has gone through multiple rebrandings in that time—including in 1996 when we celebrated our centennial. One change then was recoloring our trucks from stark white to a memorable black and brown. Prospects began to comment, "Oh, I know you guys—I've seen your trucks!"

Having had the good fortune of working at Royal Cup Coffee for 23

years, I am particularly excited about our latest brand transformation, and I'd like to share the experience with you here.

Let me be clear: I am a coffee guy, not a branding expert. Nor do I intend this as a commercial for Royal Cup. Rather, I think that knowing more about our experience may be helpful to you in your business. File it under "best practices."

In undertaking this branding initiative, it was important for Royal Cup to honor our long history, while also acknowledging that coffee is literally hot right now—that we have unprecedented access to the best quality coffee in the world, and that we are an innovative, growing company. Our new logo reflects that with a crisper, more contemporary look that still incorporates our original lion icon.

We also launched a new website with a cleaner, easy-to-navigate format that better engages customers and shares the Royal Cup story through videos, photos and compelling content. A blog features recipes, articles about coffee, special offers and more. To support our new online presence, we created two new full-time positions—one for the website and the other for digital marketing/social media.

## NAMA News & Views

Howard Chapman - NAMA Chair

### Royal Cup's brand transformation also included a new focus on:

- **Our customers.** We like to say that we "stopped selling coffee and started serving it instead." This meant tailoring our products to the tastes of our customers by creating new blends, roast profiles and flavor combinations. We want to serve them the coffee and tea they want to drink.
- **Our people.** As our CEO Bill Smith says, "It is not some of us, but the sum of us." Our products and services are only as good as the people behind them, and we are very proud of the Royal Cup family.
- **The future.** We are undergoing a \$48 million campus expansion that will increase our capacity and further modernize our processes.

Our promise to be the best has never wavered, but with this brand update, Royal Cup is stronger than ever.

Remaining relevant in the eyes of your customer is critical to your company's growth. Is it time to reevaluate your branding? The beginning of the year is a great opportunity to renew and refresh.

Please drop me a note letting me know about your efforts. And in future columns, I'll update you on the progress we make with our new brand. Stay tuned! ■



# CTW 2015 IN REVIEW

NAMA's 2015 Coffee, Tea and Water show delivered a high-value and collaborative business-building experience for the coffee service channel, while reaching milestone performance metrics.

The eighth annual CTW attracted a record-breaking number of exhibitors, key decision makers and industry leaders including coffee service operators, micro market and vending operators, suppliers, brokers, distributors and industry specialists.

"The increased attendance was marked with new products featured during the tradeshow, providing optimal business growth opportunities for exhibitors and attendees alike," said Chip Potter, NAMA Vice President of Information and Communications. "A sold-out show floor showcased more than 100 exhibiting companies, thirty percent of which were new exhibitors this year."

## **Education**

The show's 13 education sessions were designed to support key operator needs including: business management best practices, how to leverage technology

and key trends, and updates on government regulations affecting their businesses. *Bubbles, Blends and Brews: The State of OCS* delivered key insights on current data trends and future challenges, incorporating active roundtable discussions led by NAMA's Emerging Leaders Network.

Other notable sessions included: *Tech Talks*, which connected operators with technology suppliers; the EPA Energy Star session gathered industry comments on new standards for commercial brewers; a labor session highlighted proposed regulations on





overtime and worker classifications; and award-winning consultant John Healy showed attendees how to leverage LinkedIn and other platforms for business growth.

### **Speakers**

CTW's first TeaEO, Seth Goldman of Honest Tea, gave a keynote address on innovation, growth and success while staying true to a company's mission and core values. Closing general session speaker, Stephen Twining of Twinings Tea, delivered an interactive presentation on current tea trends and ways to leverage them in a fun, "tea time" setting.

### **Coffee Legend**

The Coffee Legend award, a beloved element of CTW, posthumously honored Lowell Shindler, co-founder of U.S. Coffee, for his 44-year career in the coffee business. His wife Barbara

Shindler and their son Douglas Shindler accepted the award on Lowell's behalf.

### **New this Year**

CTW featured a global element this year, welcoming the Costa Rican Ambassador to the U.S., His Excellency Mr. Román Macaya—the show's first foreign dignitary. Ambassador Macaya walked the show floor and gave remarks on his country's coffee history and its relationship with the U.S. coffee business. Kenya's coffee industry was also highlighted as representatives from the country's embassy hosted "One for the Road," a free tasting featuring Kenyan coffee at the close of CTW.

### **WIN FunRun**

Organized by NAMA's Women of the Industry group, the inaugural WIN Fun Run drew 130 runners, walkers and volunteers. The event will support the

NAMA Foundation, benefitting FitPick®, NAMA's signature nutrition program.

"CTW is a unique forum filled with valuable education and networking opportunities in addition to the tradeshow. Business-building relationships forged at this event, whether on the show floor, at an education roundtable or at a reception, all support the growth of this channel and its businesses," Potter said.

"We are already looking forward to next year and invite everyone to join us for **CTW 2016, taking place in Nashville, Tennessee, November 8-10.**"

### **In Case You Missed It**

Education session presentations are available for download on the CTW website at [www.coffeeteaandwater.org/downloads](http://www.coffeeteaandwater.org/downloads). ■







### MAKING A RUN FOR IT

WIN's inaugural FunRun inspired participants to start Day 2 of CTW off on the right foot, networking with industry colleagues as the sun came up. FunRun chair, Heidi Chico and honorary co-chairs Emily Jed of *Vending Times* and Emily Refermat of *Automatic Merchandiser* kicked off the race. More than 100 runners and walkers hit the pavement on a four kilometer course around the beautiful Gaylord National Resort property and received gift bags at the finish line.



In honor of its goal to promote health and wellness in the industry, WIN donated \$2,500 of the funds raised at the FunRun to the NAMA Foundation to benefit FitPick.



The event was organized by WIN's Advisory Committee with the help of volunteers and sponsors. Anyone interested in joining WIN should contact Pam Gilbert at [pgilbert@vending.org](mailto:pgilbert@vending.org).





**NAMA GOES TO THE EMBASSY**

Following his show floor visit and remarks, Ambassador Macaya hosted members of the NAMA Board and Coffee Service Committee at the Costa Rican Embassy for a cocktail reception. Attendees toured the embassy and spoke with the ambassador about his country's coffee history and market trends in Costa Rica today. Ambassador Macaya thanked NAMA for inviting him to CTW, and expressed interest in future collaboration with the association and its membership. The ambassador closed the evening with an open invite to the group to visit Costa Rica and tour its coffee plantations.







## JOIN YOUR FELLOW INDUSTRY LEADERS AT NAMA'S INAUGURAL EXECUTIVE FORUM

NAMA's inaugural Executive Forum will take place in San Jose, California **February 17-19, 2016**. A first for the industry, the Executive Forum is designed to provide the most accomplished professionals with an experience fostering individual and company growth in the context of the emerging business environment.

Focused on trends and opportunities in the areas of **CONSUMER MARKETS, INNOVATION,** and **CORPORATE CULTURE,** the Forum will deliver thought leadership, strategy curation and business relationships, serving participants as a launching pad for future success.

"The Executive Forum is unlike any other event NAMA has offered before," said Carla Balakgie, NAMA's President and CEO. "This revolutionary program will explore some of the most impactful, emerging trends from the macro business world, and their relevance to our industry, helping participants strategize on how

best to leverage these opportunities to ensure future success."

"A key theme for the Executive Forum: better understanding our consumers and fostering a corporate culture of innovation to meet their needs. End-users can have a tremendous impact on overall business decisions, and learning how to leverage consumer trends, expectations and demographics to deliver a positive customer experience can give a business the leading edge in the marketplace," she continued.

"A highlight for Forum participants are site experiences taking place on the campuses of some of today's most innovative companies, including Google, Salesforce, Intel and Visa. Participants will also network with fellow top industry leaders, forging essential business connections. If you are an industry c-level executive driving strategy for your company, there is no question you should be part of the Forum."

**EXECUTIVE  
FORUM 2016**  
*powered by NAMA*

**Confirmed speakers include:** Cameron Herold, business expert and former COO of 1-800-GOTJUNK; Mark Jeffries, communications expert and author; Robert Stephens, founder of The Geek Squad; and Jerry S. Wilson, business and consumer brand expert and consultant.

**Who Should Attend:** C-level executives driving strategy for their organizations. Space is limited to 100 participants.

**Venue:** The forum is based at Hotel Valencia Santana Row, San Jose, CA, with site visits to the Google, Intel, Salesforce and Visa campuses. ■

**To learn more and register, visit:**  
<http://namaexecforum.org/>