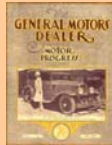


The Free Rider



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- ***Someone who markets a new product without paying royalties.***

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- Why spend a year producing the better mousetrap?

Exclusive Sales Territories

- You are managing a large sales force on commission.

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Customers who ask Slick Willie questions are told "just send me the order".

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- Slick Willie posts a sign on the web saying "I'll share my commission with you, just e-mail me your order."
Customers get the product info from other sales representatives, then go to Slick Willie for the best price.

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- The other members of your sales force will quickly adopt Slick Willie's tactics or they will die.
- And so might you, for without a sales force promoting your product, your sales may well plummet.

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- One dealer came up with the idea of cutting service to the bone and then advertising new GM cars slightly above wholesale.
- GM quickly forced him out of business by simply restricting deliveries of new cars.

End

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