EIGHTY20 PUBLISHING

FREE SAMPLE

The 80/20 Salesman

Ebook preview

Chapter One: Everybody Knows

Read the opening chapter.

This is a limited preview. The complete ebook is sold separately. Original page numbers are retained.

See the complete editions at
eighty20publishing.com/books/the-80-20-salesman

Copyright 2026 Bill Canady. Eighty20 Publishing.

1 — Everybody Knows

Start here · This chapter asks nothing of you but a pencil

Why do I rob banks? Because that's where the money is.

— Willie Sutton, attributed. In his 1976 memoir, *Where the Money Was*, Sutton swore he never said it and blamed a reporter. It is still the best one-sentence strategy in the trade.

A FRIDAY IN JANUARY · PRUITT FABRICATION, XENIA, OHIO

At twenty minutes to four on a Friday, Ray Mercer was standing in a four-man job shop in Xenia with a bearing in his hand that was not the bearing Gene Pruitt had ordered.

It was the right size and the wrong seal. Gene had caught it before it went into anything, which was the kind of thing Gene caught, and he had called Ray at 7:40 that morning the way he called most mornings. Ray had said he would swing by. It was not on the way to anything. Nothing in Xenia was on the way to anything.

"I'm not mad," Gene said, and poured him a coffee he had not asked for. "I just figured you'd want to see it."

Ray did want to see it. That was the thing about Gene. He was sixty-seven, he had built the shop himself, and he treated Ray like a nephew who had turned out all right. Every visit came with a story. This one was about the winter of 2009, when the bank called his line of credit and Gene kept the doors open by taking any job anybody would pay for, including a run of trailer hitches for a man who paid in cash and was later arrested. Ray had heard it twice. He laughed in the right place anyway.

The phone buzzed in his jacket at ten to four. Marlow Castings. He stepped out onto the gravel to take it.

It was not Phil Hensley. Phil had retired in December after twenty-two years as Marlow's buyer, and Ray had taken him to lunch and

given him a fly rod. It was the new one, Carla Voss, who had come over from a foundry in Indiana. Ray had met her once, in her second week, about a late order.

"I wanted you to hear it from me," she said. "We're moving bearings and power transmission to Ostrander on the first of the month."

Ray asked why, and he tried to make it sound like a question rather than a complaint.

"Their rep has been in here every two weeks since I started," she said. "He knew our press line before I did. He brought me a list of what we'd spent on expedites last year." She paused. "I've seen you once, Ray. And that was about a late order."

He thanked her. He meant it, which surprised him. Then he stood in Gene's gravel lot with the engine of his truck ticking and did a piece of arithmetic he had never once done in nine years of carrying a bag.

Marlow bought about $300,000 a year from him. Bearings and power transmission were a third of it, give or take. Gene Pruitt bought about $8,800 a year, all of it in ones and twos, and Ray had been in this lot, he figured, two or three times a month since the summer. He could not have told you when he had last walked Marlow's floor for a reason of his own. He could tell you exactly what Gene's coffee tasted like.

He was not stupid, and he was not lazy. He had worked fifty hours that week. He had driven ninety miles on Tuesday to keep a line running at Marlow, the same Marlow, because a coupling had failed on second shift. He had been there every time they called.

That, it turned out, was the problem. He had been there every time they called, and not once when they didn't.

Gene came out with the bearing in a bag. "You look like somebody ran over your dog."

"Lost a piece of business," Ray said.

"Big piece?"

Ray looked at the bag. "Bigger than I'd have guessed."

MONDAY · THE LEADERSHIP MEETING, RIDGELINE INDUSTRIAL SUPPLY

Hal Brody read the Marlow note out loud on Monday morning, because Hal read every lost-business note out loud. He was the vice president of sales and had been at Ridgeline for twenty-six years, and he believed a sales force should hear its losses the way a ship's crew hears the weather.

Ellen Marsh let him finish. She had been Ridgeline's president for less than a year. She had a habit, which some of the room found unsettling, of waiting a beat longer than people expected before she spoke.

"I'm going to say something everybody at this table already knows," she said. "Our salespeople spend half their week on customers we don't want and don't need. I have known that for twenty years, at three companies. Hal, you've known it longer than I have. Every branch manager we employ knows it."

Nobody argued. That was the strange part. Nobody even looked surprised.

"We tell them," Hal said. "Every sales meeting. Focus on the big accounts."

"And they nod," Ellen said, "and on Monday the phone rings, and they answer it, because that is what we built them to do." She had a list, and she read it. The top-fifty account list in 2019. The customer system in 2021, which now held a very accurate record of how the week had been wasted. The call-count contest, won by a man who called his friends. The memo about small accounts, which had been forwarded to a small account.

"We know the problem," she said. "We have always known the problem. What we have never had is a way to fix it that doesn't blow something up."

She turned to the far end of the table, where a woman in her late thirties sat with a yellow legal pad and a mechanical pencil. Dana Ruiz had been Ridgeline's district sales manager for the Great Lakes for three weeks. Before that she had spent six years in pricing and inside sales at a plumbing and heating distributor called Tillman, where she had watched this exact problem get fixed.

"Dana," Ellen said, "tell them what you told me."

Dana put the pencil down. "It isn't a people problem," she said. "It's arithmetic, then a decision, then a habit. The arithmetic takes about ten days. The decision takes about a month. The habit takes a year." She looked at Hal. "Nobody gets fired for it. Nobody has to work more hours. The hours just have to go somewhere else."

"Then we start today," Ellen said.

* * *

Everybody Knows

I have asked one question in every company I have run or advised, and I have asked it of chief executives, sales vice presidents, branch managers and salespeople. Do your salespeople spend too much of their week on customers who do not matter to the business?

Nobody has ever said no. Not once. Most people laugh before they answer.

Walk into any distributor at eight o'clock on a Tuesday and you can hear the answer. The phones are ringing. The branch sounds wonderful, busy and cheerful and well run. Then pull the call log against the customer file, which I have done more times than I can count, and you find that four calls out of five before ten o'clock come from the bottom 80 percent of the customer list. Those are customers who, together, buy about a fifth of what the branch sells, at a margin that does not cover the cost of answering. Your best customers rarely call in the morning. They have plants to run and purchasing systems that reorder without anybody picking up a phone.

So the room is fast, friendly, and aimed at the wrong customers. It is not a secret. It is the most widely known problem in selling, and it survives in plain sight because everybody knows about it and nobody knows what to do about it.

Why Nobody Fixes It

It is not for lack of trying. Every company I have walked into had tried something, and the somethings were always the same five.

The memo. *Focus on your top accounts.* Everybody agrees, and nothing changes, because nothing else changed. The territory is the same, the pay plan is the same, and the phone still rings at 7:40.

The contest. Count calls, count visits, reward the winner. It rewards motion, and the cheapest motion available is a small customer who answers the phone. You get more of exactly what you were trying to stop.

The lecture. *They don't want it badly enough.* They want it fine. Ray Mercer drove ninety miles on a Tuesday to keep a customer's line running. His problem was never effort.

The purge. Somebody from outside draws a line through the bottom half of the list and tells the field to stop serving them. It blows up in a month. A good customer gets insulted, the best salespeople

revolt, and the whole idea gets a reputation as the thing that nearly cost you the Henderson account.

The software. A customer system records the week beautifully. It does not choose it.

Underneath the five failures sit four fears, and they are worth naming, because every one of them is reasonable. You are afraid you will lose revenue. You are afraid you will lose customers. You are afraid you will lose good salespeople. And you are afraid you will look like a company that stopped caring about the little guy.

Every one of those fears has an answer in this book, and not one of the answers is to leave things as they are. You will give up some revenue, and make more money doing it (chapter 11). You will lose some customers, and they will be the ones costing you money, and most of the rest will be served better than they are now, by somebody who costs less (chapter 11). You will lose a few people, and you will lose fewer than you fear if you tell them the truth early (chapters 12 and 15). And the small customer, handled properly, gets faster answers than he gets today (chapter 11).

It Isn't the Salesman

Before anything else, get this straight, because everything in this book rests on it.

Ray did not lose Marlow's bearings because he was a bad salesman. He was a good one. He knew the product cold, his customers asked for him by name, and he was the man who showed up when a line went down. He lost Marlow's bearings because his company had built him a week in which the loudest customers got him and the most valuable ones got whatever was left.

Four decisions built that week, and every one of them was made in a conference room by somebody who was not carrying a bag. The territory was cut by counting customers. The pay plan paid on revenue. The report measured motion. And any customer could reach the most expensive person in the company for the price of a phone call. Chapter 2 takes those four apart. For now, notice that not one of them is about the salesman's character. If the week is wrong, the design is wrong, and designs can be changed.

Now There Is a Way

The method in this book is three moves. Everything else is detail.

Sort. Rank your customers by what they buy and keep. A small number of them, usually about one in five and often fewer, produce most of your gross profit. Gross profit is what is left of the sale after you pay for the product, and it is the money that pays everybody's salary, including yours. Those few customers are the ones you cannot afford to lose. I call them the Fort. Chapters 4 and 5.

Count. Find out where your hours actually go and what one of them costs. Not a guess. A number, with a dollar sign on it. At Ridgeline an hour in front of a customer costs $150. Once you know that, an afternoon at a shop that makes the company $630 a year stops looking like good service. Chapter 3.

Move. Move the hours to the Fort, with a reason every time, on a pattern you set rather than one the telephone sets. Then move the customers who do not need a field salesperson to a way of buying that serves them faster and costs less. Chapters 6 through 12.

Then the leaders make it stick, with a short weekly review and five numbers that tell everybody whether it is working. Chapters 13 through 16.

That is the whole of it. Sort, count, move. You can explain it in a parking lot, which is where Ray first worked it out.

Willie Sutton, if he ever said it, said it better than I can. Go where the money is. He was describing a strategy, not a method, and knowing where the money is turns out to be the easy half. Spending your Tuesday there is the hard one.

And a Plan

The reason this problem outlives every memo is that nobody gives the salesman a plan. They give him a goal, *focus on the big accounts*, and a goal without a plan is a wish with a deadline on it.

So here is the plan, and you do not have to swallow it whole. It comes in four steps, and each one pays for the next.

When	The salesperson does	The leader does	Chapters
This week	Ranks the list, counts last week's hours, moves three hours to the Fort	Asks who was on the phones before ten o'clock	1–4

When	The salesperson does	The leader does	Chapters
This month	Colors every account in the Account Book, tags the Fort, starts the weekly Scan, cleans up the quotes	Runs the weekly review with the managers first	4–7, 9, 13
This quarter	Works the blank cells, maps the big accounts	Moves the small customers inside and to the web, prices the unprofitable ones	8–11
This year	Holds the Fort and grows it	Redesigns coverage and pay, reports five numbers	12–16

If you do only the first row, you will have done more than most companies ever do. Three hours a week, moved on purpose, is 150 hours a year in front of the customers who pay for everything. That is about seven weeks of a good salesman's selling time, and it costs nothing but a decision.

What This Book Is Not

It is not a book about working harder. Ray was already working hard. Nobody in these pages works a longer week.

It is not a book about firing customers. Some customers will leave, and I will tell you which ones and why you will be glad. Most of the customers who stop seeing a field salesperson will keep buying, faster and more cheaply, through a channel built for them.

It is not a script. I cannot tell you what to say to your customer. I can tell you which customer to say it to, and how to bring a reason he will want to hear.

And it is not a software project. Everything you need is in files your company already owns, and an analyst, a spreadsheet, or the AI tool your company already pays for can pull it in an afternoon.

Who This Is For

Two people.

The first is the salesperson who wants to be worth more per hour, to his customers, to his company, and to himself. Not busier. Worth more. The unit of measure in this book is gross profit per selling hour, and once you have seen your own number you will not be able to stop



Willie Sutton, the bank robber who denied ever saying the line, ran out of luck in Brooklyn on February 18, 1952.

FBI, public domain, via Wikimedia Commons

seeing it. Being worth more per hour does not need a bigger territory, a better product line, or a personality you do not have. It needs the same forty or fifty hours to land somewhere else.

The second is the leader, who has the harder half of the work, because no salesperson can fix a coverage design from inside his own territory. If your people are reactive, it is because you staffed them by customer count, paid them on revenue, measured them on activity, and left the phone line open. Blaming the field for the results of the design is the cheapest move in management, and it is the only one I will ask you never to make.

The 80/20 CEO was written for the person who runs the company. This one is written for the person who runs the account, and for the manager who runs him.

The Company You Will Follow

The story in this book happens at a company called Ridgeline Industrial Supply. Ridgeline is invented. It is a composite of distributors I have run and advised, rounded together so the arithmetic can be

followed from the first chapter to the last. Ray Mercer, Dana Ruiz, Ellen Marsh and the customers they sell to are invented too. Every one of them is made out of people I have worked beside for thirty years, and if you have spent time in this business you will recognize most of them by Wednesday.

Ridgeline sells maintenance, repair and operating supplies, MRO in the trade, along with engineered parts, to industrial plants across the middle of the country. It does $240,000,000 a year and keeps $72,000,000 of gross profit on it. It sells 38,000 products to 2,400 active customers, with forty-two outside salespeople, nine inside salespeople and six sales managers. The numbers are illustrative. The arithmetic is exact, and you can check every line of it with a pencil.

What Is Not Mine

Almost none of this is original, and I would rather you knew that now.

The arithmetic belongs to Vilfredo Pareto, who published it in 1896. The idea of pointing a sales force at its best customers is older than I am, and every competent selling method in print tells you to do it. What is mine is the foundation I have put it on. Most selling methods are built on the psychology of the salesperson. This one is built on margin, segmentation, coverage and operating rhythm, the same material I use to fix a company at the profit-and-loss level. A salesperson's hours are capital. Spend them the way you would spend capital and most of the rest follows.

I claim the method for one reason. I have used it, in more than one company, and it has worked. It takes a year, it will cost you a few customers you will be glad to lose and a few people who decide the new design is not for them, and it does not hold unless a leader runs it out loud, every week. There is no faster version. I have looked.

The Short Version

- Everybody knows salespeople spend too much of their week on customers who do not matter. The problem survives because nobody has had a way to fix it that doesn't blow something up.
- It is not the salesman. Four decisions built his week, and all four can be changed.
- The way is three moves: sort the customers, count the hours, move the hours. The plan comes in four steps, and the first one takes a week.

Do This

This week, if you carry the bag:

1. Pull twelve months of sales by customer, rank them from largest to smallest, and draw a line where the running total reaches 80 percent. Count the names above the line.
2. Write last week's selling hours against each customer by name. Rough is fine.
3. Put three hours on next week's calendar with customers above the line, each with a reason you can say in one sentence.

If you lead the people who do:

4. Ask each of your managers who was on the phones before ten o'clock this week, and make them get the answer from the call log, not from memory.
5. Put the plan on one page in front of your leadership team, and name the person who owns it.

Every account you hold this morning, somebody else wants. They have it on a list, with a reason, and they are going to call it this week whether you do or not.

Get there first.