

# Q&A: Caty Di Maggio

## Brother vice president addresses dealer questions

Compiled by: Brent Hoskins, Office Technology Magazine

On Sept. 22, Office Technology magazine interviewed Caty Di Maggio, vice president of commercial sales at Brother International. The questions she addressed were requested from and submitted by Brother-authorized BTA member dealers.

Di Maggio has more than 25 years of experience in sales and marketing for the consumer and technology industries. She has been responsible for managing business units for Fortune 500 companies, achieving double-digit growth with high profitability. At Brother, she oversees a group of 60-plus salespeople responsible for supporting distributors and channel partners, including VARs/SIs, DMRs and dealers.

It was in January 2018 that Di Maggio joined Brother, first with the responsibility of leading the Latin America and Caribbean business transformation in her role as regional vice president of Latin America sales and marketing. She assumed her current position in April 2022.

The following are some of the questions dealers submitted to Office Technology and Di Maggio's responses.

**Dealer: Please provide an update on the status of product availability. Currently, in our case, it takes weeks, if not months, at times.**

**Di Maggio:** Well, first, our production levels are staying more stable than before, and we are working very closely with our partners to secure the forecasting and allocations they are seeking, especially and in particular for the contractual business. What I will say is that we are prioritizing production for these partners and have different teams monitoring every day, every week, every month to better understand what we need to do from a supply-chain standpoint. It looks like production has stabilized. If the supply chain remains like it is today, we believe we are going to secure more business.



**Dealer: Brother has achieved a lot of market share due to the pandemic. The company has managed its inventory very well. As the other manufacturers start getting product, how is Brother going to maintain its added market share and take advantage of the situation?**

**Di Maggio:** Well, our value proposition to the dealer community did not just start from the past two years. It began back in 2015. So, I think it is a result of seven years of constant work, but yes, I think the situation helps us, but the way that we are keeping the dealer community engaged is aligned with our model.

Our value proposition is based on three pillars: we have our portfolio of products and solutions; we have our programs that are well established for the dealer partners; and we also have our people. What we are doing to be very close to the dealer community is listening to what they need, providing what they need and now showing that we are here to stay. We are going to keep having them engaged in the future.

**Dealer: Brother's dealer relations are much better than the industry's full-line manufacturers. How has that level of dealer relations helped the company win business?**

**Di Maggio:** It goes back again to the people — showing the transparency and honesty in our conversations, programs and everything we do along these lines. I think key dealers are helping us to secure more business because, again, they are the proof that what we are doing is good business for them; we have the programs that are reliable; we are agile to adjust if we need to; we are a lean organization; and we can do things quickly. We have that combination of agility, listening and accommodating that I think is well perceived within the dealer community.

We are so grateful for the dealers who are spreading the word and supporting Brother, because they are securing other dealers' trust that we can support their businesses.

**Dealer: I have a concern about Brother's published retail being too low. It is good when our cost is low, but when moving toward the growth of A4 devices, especially in the MPS environment, we need a higher retail when working with MPS and leasing. Please comment.**

**Di Maggio:** I think it goes back to what I mentioned before about being very close to the business. As we evolve, our pricing strategy is evolving as well. But it is not only the pricing. It involves everything around what we offer; what is the value proposition? What we are doing is checking the input — checking with the dealer partners and seeing what new business models they need to address; not only looking at the pricing factor, but the service and the solutions that they are providing so they can secure business for a long time.

**Dealer: We can sell Brother through its relationship with Toshiba America Business Solutions. We do not sell many Brother products, but we do see them in a lot of our commercial clients' printer fleets. I would be interested in any selling strategies Brother can share. What is the range of products it has now?**

**Di Maggio:** The Toshiba dealer partnership has accelerated enormously in the last three years and, of course, there is a Workhorse Series protected model that Toshiba dealers, like our dealer partners, have access to, but they also have access to the rest of the lineup. There is an opportunity to ask the dealer community to engage with our sales representatives and ask them to reach out more, to be more clear in understanding the lineup that we are offering and the opportunities that they have through this partnership.

**Dealer: Will Brother be expanding its existing product line in the A4 space with products that are faster, offer higher volume capability and are more robust in any way? Will there be an expansion to the Workhorse Series? Currently, there is a pretty limited model selection.**

**Di Maggio:** We have been expanding our portfolio lineup in the last 10 years and we have not stopped. This is not only

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related to the hardware, but also based on the solutions that we are compatible with, listening to our dealers on what they need for their particular businesses. In November, we are going to be hosting a dealer meeting where they will learn more about what is coming from Brother. [See the final question for more details.]

**Dealer: When are Brother's control panels going to become more in line with other brands?**

**Di Maggio:** When developing new products and the design of the panels, we have the end-user experience, functionality, the overall design and, also, cost, in mind. So, everything is taken into consideration when we are designing a product, including the control panel. I think our products fit end-user needs and they are happy.

**Dealer: Brother currently uses distributors for consumables (toner cartridges). As a dealer, we have to pick one of the distributors and order only through them. Can Brother allow dealers to order through any of its authorized distributors and still get the purchase credits?**

**Di Maggio:** We do not require our dealers to go to a single distributor for transactional business, but we strongly recommend they secure one distributor for the contractual business. This is because of the way our programs work, especially if there is special pricing involved for contractual business. But, at the same time, if there is any situation where a dealer needs our support, we are here to listen about that situation and adapt as needed. As I mentioned, we are agile to support any situation, but in this case, it is more about the difference between contractual and transactional business. If the purchase credit is related to special programs, it should be the same distributor that they pick for the special pricing, so they can secure the credit.

**Dealer: Is there better pricing for certain vertical markets like government or education? It seems like it is the same pricing no matter who the customer is.**

**Di Maggio:** Our pricing is not specific by verticals. Our pricing is based on volume, depending on the contractual business that they are getting. We work with our channel partners (in this case, the dealers) on that, but from us, it is based on volume.

**Dealer: I would like to know what Brother's supply forecasting looks like and whether the**

**company will have large dumps of products at one time or if it will keep a steady, smaller supply coming in over time.**

**Di Maggio:** I think because the production is stabilizing, especially on consumables, we are in a much better position than months ago. We have steady forecasting that we are receiving from our partners and the sales force is validating. So, by receiving the information and the visibility of what the market is requesting, we can secure future forecasts. It requires planning, but the way we work, when we have visibility of the opportunities that they are working on, we can secure the special pricing or programs that we are giving and establish a plan for that. I would encourage partners to come to us so that we can have these discussions about inventory visibility for consumables.

**Dealer: Is there any leniency for orders that were placed before price changes and then take three-plus months to arrive with new prices? With the extended lead times, our quoted price and cost at the time of ordering may differ from the cost at the time Brother delivers the goods to us. In many cases, it is a tough conversation to have with the customer. Also, in some cases, the customer's purchase order may not be able to be changed.**

**Di Maggio:** Well, I think we are all living the complexity of managing a business through supply-chain constraints and price increases. It is unfortunate to hear this happened to one or to some of the dealers. We do notify them about our price increases well in advance because we want our partners to have the time and the transparency to go back to the end customer and have this conversation. Then, we have or-

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ders placed before price increases. What we commit to is the pricing for the contractual business. For the other pricing, where maybe this happened to some of the dealers, we encourage them to come to us, talk to their representatives so that we can understand, specifically, if something is creating disruption with our end customers that we can help solve.

**Dealer: I understand that Brother is holding a national dealer meeting in November. What information can you share?**

**Di Maggio:** Yes, as I noted, we are hosting an in-person event for our dealer partners in November. The theme of this event is "Bigger Bolder Brother" and it will be the first time that we are hosting an event with so many dealers. We are going to showcase what we have been doing in the last few years, but also share what is coming in the future in terms of our sales force, our business, solutions and products. It will be a great opportunity to have them there so we can interact and connect.

A dealer council meeting will also take place the day before the event. We really trust our council members for feedback. We conduct surveys and ask them specific questions. We want them to be the voice of the channel and have that proximity to what is happening in the marketplace. I think it is going to be a great opportunity for us, again, to engage, connect, listen, interact and show who we are, like the "Bigger Bolder Brother" that we are showing with our business growth. ■

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