



# 2003 Guidelines for Affiliate Status

From the Veritas Affiliate Prospectus (Recruiting Package)

## Is the Veritas Instrument Rental Affiliate Program Right for You?

Now that you've become more familiar with the resources and potential of our program, you should consider the time & resources *you* are willing to invest into its development within your business. While we market ourselves to prospects, like yourself, as offering the most complete & comprehensive rental program in the industry, it is important to understand that it will not operate successfully by itself. Thus, your daily participation in the areas of administration, customer service and market development is required. Here's a brief overview of what we look for in a prospect:

### Knowledge of Basic Business Practices

From time to time, affiliates are asked to assist with administrative tasks such as physical inventories, reconciling & resolving discrepancies and customer service. Although our program is well-documented and readily simplified through the use of multi-part forms, operational manuals and proper training, we ask for good recordkeeping, archiving and inventory control skills from our affiliates.

### Establishing Relationships

Any successful school music vendor will agree that the school music market is relationship-driven. Local music educators are the gatekeepers to your customers (music students & their parents in need of instruments, related accessories and private instruction). Thus, it's no surprise that our Top Ten producing affiliates have cultivated lasting relationships with the educators. They call on schools, participate in rental meetings, support & sponsor activities and even host educator socials. Prospects not currently engaging music educators would be expected to knock on doors as a Veritas affiliate.

### Communication

The success of *any* partnership (business or personal) will depend on the frequency and depth of communication (for better or worse) between the parties. Because we're dealing with month-to-month rental agreements and tenacious collections procedures, timely paperwork mailings are required from our affiliates. It is also necessary to contact our staff members on a regular basis for the purposes of requesting additional inventory & marketing assistance as well as mediating customer inquiries.

### Performance

Each market is unique and deserves the benefit of a complete analysis before any expectations are outlined. In regard to population, number of programs and competition, for example, it would be unfair to size up Atlanta, Texas as having the same potential as Atlanta, Georgia. Nonetheless, it is necessary to establish a benchmark of performance that makes sense to Veritas and its affiliates. With this in mind, we're looking for prospects who can realistically produce a minimum of 100-150 rentals during the back-to-school season (typically August through October). At this level, our inventory outlay is justified and the affiliate's commissions are worth while.