



fresh

trends, ideas and products take center stage
at the West Coast's leading marketplace.



PACIFIC
MARKET
CENTER
SEATTLE

A World of Style at Your Doorstep
6100 4th Avenue South
OPEN ALL YEAR ROUND
www.pacificmarketcenter.com

A Premier Feature Of
seattle **marketweek**
your source for gift, home and lifestyle

August 13-19, 2008

Buyer Resource Guide

TABLE OF CONTENTS

General Information

Welcome

Admittance Policy

Buyer Services & Amenities

Pacific Market Center Personnel

PMC Directories

Ordering from Showrooms

Shopping 101

Top Questions to Ask When Ordering

The Purchase Order

Canadian Resources

Canadian Custom Brokers
Importing Into Canada

Glossary of Buyer Terms

Pacific Market Center Personnel

Welcome to PACIFIC MARKET CENTER!

Our goal is to make your visit here as convenient as possible. In this packet you will find information on our admittance policy, hours of operation, tips on making the most of your time, and much more.

Pacific Market Center (PMC) is the only permanent gift mart in the Pacific Northwest Region. PMC offers 110 showrooms representing over 4,000 local & National product lines, and serves a retail marketplace encompassing Washington, Oregon, Idaho, Montana, Alaska, British Columbia and beyond.

HOURS OF OPERATION

Pacific Market Center is open Monday - Thursday 9-5

Pacific Market Center showrooms are open every Monday and Tuesday from 9:00 a.m. to 5:00 p.m., and the rest of the week by appointment. Refer to your PMC Directory for additional showroom open days.

GENERAL INFORMATION

206.767.6800 or 800.433.1014

www.pacificmarketcenter.com

LOCATION

6100 4th Avenue South
Seattle, WA 98108

DIRECTIONS

From Interstate 5 North or South, take exit 162 (Corson Ave./ Michigan St). At first light (Michigan St.) take a right. Proceed 2 blocks to 5th Avenue South and take a right at 5th street. The parking lot is on the right. Additional parking is available in the front of the building (4th Avenue South).

BUYER SERVICES

Our Buyer Services Desk personnel are here to assist. If you have any questions regarding registration, showroom information or planning a seamless buying trip, ask at the Desk or call 800.433.1014 or 206.767.6800 Extension 0.

INTERACTIVE TOUCHSCREEN DIRECTORY

Use the on-site interactive touch screen directories to access products, lines and representing Showrooms.

BUSINESS CENTER

For your convenience, internet hook-ups and phones are available on the second floor.

WIFI

Wireless access is available in the main lobby area and the central elevator lobbies on each upper floor. Access is also available in the 3rd Floor Conference Room.

CONFERENCE ROOMS AND MEETING SPACE

Conference and meeting space is available to Buyers. Audio visual equipment is available for your next meeting. See Buyer Services for scheduling.

LOST AND FOUND

Please see the Buyer Services Desk for items which have been 'gathered' without owners.

CONCIERGE

Concierge services are available always through Buyer Services. A convenient Concierge desk is offered during show times in the lobby.

WHEELCHAIRS

Wheelchairs are available free of charge to our Buyers. See Buyer Services for access.

SCOTTY'S NW BISTRO

Located at the south end of the first floor, Scotty's NW Bistro offers a breakfast and lunch menu, including espresso service. Catering is also available. 425.741.2640.

Open 8:30 a.m. – 3:00 p.m. Market Days and Show Days;
9:00 a.m. – 3 p.m. Wednesday. Closed Thursday and Friday.

TRAVEL AND HOTELS

<http://www.seattlesupersaver.com>

Go to this link for complete travel planning.

PACIFIC MARKET CENTER PERSONNEL***BUYER SERVICES:***

Lisa Maroni, Buyer Services Manager	206.788.4873 Direct
Angela McGregor, Buyer Services	206.788.4874 Direct
Vanessa Barnes, Buyer Services	206.788.4875 Direct

PROPERTY MANAGEMENT:

Andrew Hoffner, Property Manager	206.788.4860 Direct
Karen Neyman, Assistant Property Manager	206.788.4861 Direct

LEASING:

Lisa Goodman	206.788.4862 Direct
--------------	---------------------

PROPERTY SERVICES:

Dave Vranizan, Directory of Property Services	206.774.1011
---	--------------

MARKETING:

Lisa Goodman, Director of Marketing	206.788.4862 Direct
-------------------------------------	---------------------

BUILDING OPERATIONS:

Tim Chew, Senior Engineer	206.788.4871 Direct
---------------------------	---------------------

USING PMC DIRECTORIES

The Pacific Market Center Printed Directory is a handy reference to the building. The directory is divided into the following sections:

Floor Plans and Numerical Showroom Index

This section tells you where a particular showroom is located, its suite number and its phone number.

Alphabetical Listing of Showrooms

This section lists all PMC showrooms alphabetically, along with the names of showroom personnel and a listing of all product lines carried by the showroom.

Classified Index

This section lists all merchandise carried in PMC by category.

Manufacturers' Index

This section lists all manufacturer/product lines carried at PMC.

Personnel Index

This section lists all current showroom personnel – owners and representatives

- ***Virtual Online Directory***

Use the Pacific Market Center website www.pacificmarketcenter.com to access showrooms, lines and get results! Use the directory to send an inquiry about the product lines you need. Showrooms will respond automatically to your request!

- ***Touch screen Directory***

Your touch screen directory enables you to quickly access showroom information once in the building. Locate showrooms with specific lines and categories to make your buying trip more productive.

ADMITTANCE POLICY

Pacific Market Center is open to the trade only. In order to protect legitimate buyers, we require that all people seeking admission into Pacific Market Center adhere to the following admittance requirements. We appreciate your understanding and cooperation. **All PMC visitors must check in at the Buyer Services Desk.**

Buyer Registration Requirements:

- All Buyers must show picture identification upon registration.
- Washington State Businesses: Please show a copy of your resale tax certificate/master license (number alone is not sufficient).
- Out-of-Washington State Businesses: Please show a city business license or federal ID number.
- Proof of commercial bank account and business card.
- For EACH buyer, a personal printed business card or copy of canceled paycheck.
- All business must provide a minimum of \$2,000 of recent volume wholesale trade invoices. Invoices need to be submitted within 90 days from registration and can be from any wholesale facility.
- We honor buyer passes from other national gift marts as acceptable entrance identification for out-of-state businesses.
- All buyers & guests must wear badges at all times while in the building. Badges are issued at the main lobby desk.

Guest Policy:

The following policies apply to non-registered buyers when visiting PMC.

- One guest per store is allowed. Guest badges are \$10 per person per visit (\$30 during showtimes.)
- Children under the age of 14 are not allowed in the building other than infants carried in a backpack or front pack. Sorry, strollers are not permitted at PMC.
- Interior designers are eligible to bring clients or guests into the building. The appropriate guest fee will apply.
- Guests are not permitted to buy at Pacific Market Center
- Guests must be accompanied by a registered buyer at all times while in the building.
- Guests are asked not to engage a salesperson in the showroom.
- Manufacturers are welcome to tour the building. Upon entering any showroom, please ask permission to tour the showroom.
- Any guest seen unaccompanied by a buyer or showroom personnel will be escorted from the building.

Sample Policy

The building is “wholesale to the trade” only and geared to drop shipments from manufacturers. To maintain the integrity of the building, there will be no sample selling during shows or on Monday/Tuesday market days. Check with the Buyer Services Desk for a current list of showrooms selling samples.

ORDERING FROM PACIFIC MARKET CENTER SHOWROOMS

ALL FIVE FLOORS!

Make a point to see it all before buying. Lines come and go, so stay on top of it. Always look for new products and ideas and trends. Change is vital, so keep an open mind. What didn't work ten years ago might show up in a variation that is great today. Don't overlook the smaller showrooms — a lot of great products (often with limited distribution) can be found.

Showrooms at the Pacific Market Center are individually owned and operated. Each showroom has a diverse business model. So requirements will vary. Most showrooms represent many manufacturers.

Your rep has knowledge that can help you down the road — so ask questions!

Questions to ask when ordering:

- Do other retailers in the area have this?
- What is the competitive retail price for this?
- What can you tell me about the product? What are its selling points? What makes it unique?
- Can you show my staff how to use the product so they can educate our customers on its use?
- Remember, your rep is a valuable resource. All of the showrooms at Pacific Market Center are here to help!

MONEY TALK

Establishing Credit

Establishing proper credit can be one of the most crucial things a new business can do. One of the first steps is to contact a credit-reporting agency Dun and Bradstreet (D&B). Inform them of your plans. You may also want to establish a line of credit with a U.S. bank if you are importing to a foreign country or Canada.

Setting up your banking information is critical. Make sure you have the information with you when you buy: Business bank account #, phone # and contact person. A minimum of 5 current trade references. Credit cards and lines of credit are helpful for initial buying.

PURCHASE AND SALES ORDERS

When buying one of many lines in a showroom, it will be important for you to note the manufacturers of each line being purchased. Each manufacturer has their own terms and guidelines. At gift shows, you place an order with the manufacturer's representative, who sends the order to the manufacturer, and they “drop” ship the goods from various locations.

When first buying from a company, ask whether the showroom accepts credit cards or requires C.O.D. C.O.D. shipments incur additional charges. Many buyers begin as C.O.D. (“cash on delivery”) customers or pre-paying buyers. Most showrooms will accept credit cards, C.O.D. payment or prepayment. This will build your credit history. Ask whether your credit card information is kept on file - or whether you need to resubmit your card information with each order.

Make sure your store information is correct. Your store name and address should appear prominently. If there is a separate shipping address, make sure it is clearly marked. You may have a post office box address for mail, and a street number for deliveries. Deliveries to homes may incur additional charges.

Specify the date the order is written and the date you desire receipt of the order. It is always wise to include a cancellation date.

The vendor's/manufacture's terms should be written to avoid later confusion. Terms describe payment practices and if discounts for prepayment are allowable. The vendor's style numbers and stock descriptions should be included when writing your order. Your own descriptions of the merchandise should be detailed whenever the description is vague.

It is up to you to put in writing anything you will need to identify the merchandise when it arrives.

Make sure the cost per item is clearly written and extended. The price per set, dozen, each, gross, etc. will determine at what price you can sell the goods.

Finally, make sure the purchase order is completely filled out and you receive a copy of any and all orders.

Finalizing The Order

Be smart when buying. Be sure to receive your confirmation copy of the order (request one if it is not offered). Make sure it includes ship date and terms (net30, C.O.D., F.F.A., etc.). F.F.A. stands for "full freight allowed." Cancellations and changes on orders are time-consuming and costly for everyone. Many firms charge restocking fees for returned or refused orders. Shipping charges will also be assessed to return goods.

Follow Up

When you are back at the shop, be sure to follow up. Review with your staff what you ordered, any new ideas you have for the store, etc. You should have at least five to ten ideas for every new line or product bought. Successful buying demands smart, well thought-out merchandise decisions. Anticipating customer needs, shopping around, and asking questions leads to better buying, increased profits and retail success.

SHOPPING 101

Here are some tips on getting the most out of shopping a gift show:

- Pre-register for all show badges, seminars and special events — this will save you from standing in line! Visit the website www.pacificmarketcenter.com
- Make a habit of putting your badge in a standard place the moment you take it off each evening so you don't lose it. Badges must be worn in the building at all times.
- Know your inventory needs before the show; try to plan six months in advance.
- Come to the market with specific goals. This is the best way to evaluate what you originally set out to do at the market.
- Review the show guide before you begin walking. Mark off the vendors you do not want to miss, then map it out on the show's floor plans for the most efficient route.
- Some buyers prefer a quick walk-through first to note vendors to return to for more detail.
- Keep notes! Carry a small digital device to capture the day's details, and to remind you of things you don't want to forget when you return from the show.
- Ask suppliers, representatives and retailers what are their best two or three "Hot" selling items.
- If you are considering a new line, ask your representative what retailers are carrying it in your area. The response may disclose the marketing intent and impact your decision.
- Ask what estimated freight costs are to your area. Make note on the purchase order.
- Ask about show specials. Some suppliers offer incentives such as dating and freight allowances, early buying promotions, etc.
- Ask about co-operative advertising opportunities for lines.
- Shipping is important too, not just price. Make sure what you are buying does not have an impossible backlog of orders even though the price may be great.

- Each evening review purchase orders for accuracy of details while they are fresh in your mind. Total up your orders so you have an idea of what you have spent so far.
- Ask questions. This is an excellent opportunity to learn from experts about selling, visual merchandising and networking with other buyers.
- Consider strengthening your relationship with a supplier and offer to test market their product and provide them with feedback.
- Wear comfortable shoes! You'll be doing a lot of walking.

PACIFIC MARKET CENTER PUBLICATIONS

Pacific Market Center offers a variety of publications for buyers. In addition to our directory, which is published twice a year, you can also visit our web site, www.pacificmarketcenter.com for the most current information about happenings at PMC. PMC also publishes a yearly calendar with all market days, show dates and holidays in one handy place, and postcard mailings regarding upcoming PMC events. You will receive all PMC publications automatically after you have registered and are part of the database. Make sure that you have given Buyer Services your email information so you can receive information and notifications about events and opportunities at the Pacific Market Center. Resources will be seeking credit information from D&B on your business, and may use it as a basis for determining whether or not to ship your merchandise.

YOU AND YOUR REP

Your local rep can be your best friend. Far from being “order takers,” local reps can play an integral part in the success of a retail business. Given the nature of their jobs, reps spend a lot of time in stores; consequently, they know what’s hot and what’s not. They are usually the first to know what the competition is doing, and can suggest merchandise or a category not carried by a competitor. Here are seven secrets to maintaining a good relationship with your rep:

- Keep appointments with reps. Unless it’s an emergency, don’t cancel next-day appointments the night before.
- Be at the store when you say you will. Remember, reps have schedules to keep too.
- Work with the rep by giving him or her the time and opportunity to present the product.
- Return phone calls. Even a quick call to let the rep know you’re not ready to buy is appreciated.
- Be honest. If you’re not ready to buy now, tell your rep.
- Pay on time. As with all business relationships, people give better service when they are compensated in a timely manner.
- Be open-minded when your reps call. You never know: they may have something in mind that would be wonderful for your store.

Top Questions to Ask a Showroom When Ordering

Your rep has knowledge that can help you down the road — so ask questions! Here are some questions to ask when ordering:

- Do other retailers in the area have this?
- What is the competitive retail price for this?
- What can you tell me about the product? What are its selling points? What makes it unique?
- Can you show my staff how to use the product so they can educate our customers on its use?
- Remember, your rep is a valuable resource. All of the showrooms at Seattle Gift Center are here to help!
- It is also important to know that each manufacturer/importer has different credit requirements including:

Business bank account #, phone # and contact person. A minimum of 5 current trade references (this is very important to have). When buying one of many lines in a showroom, it will be important for you to note the manufacturers of all lines being purchased. Each manufacturer has its own terms and guidelines. At gift

shows, you place an order with the manufacturer's representative who sends the order to the manufacturer, and they ship the goods.

When first buying from a company, ask whether the showroom accepts credit cards or requires C.O.D. Many retailers start out as C.O.D. ("cash on delivery") customers. Manufacturers and reps like to see a credit history. If paying with a credit card is not an option, C.O.D. payment or immediate prepayment is a quick way to build credit. Once credit is established however, paying completely in advance is inadvisable as the vendor may be out of stock on some of the items purchased, and will be holding your money for goods not delivered.

The Purchase Order

Make sure your store information is correct. Your store name and address should appear prominently. If there is a separate shipping address, make sure it is clearly marked. You may have a post office box address for mail, and a street number for deliveries.

Specify the date the order is written and the date you desire receipt of the order. It is always wise to include a cancellation date.

The vendor's terms should be written to avoid later confusion. The vendor's style numbers and stock descriptions should be included when writing your order. Your own descriptions of the merchandise should be detailed whenever the vendor's words are vague.

The goods will arrive four to eight weeks after the order was written, so it's up to you to put in writing anything you will need to identify the merchandise when it arrives.

Make sure the cost per billing is clearly written. The price per set, dozen, each, gross, etc. will determine at what price you can sell the goods.

What documents do you need from the vendor or exporter of your shipment?

The vendor or exporter (the person or company that sold you the goods) should give you a sales receipt or invoice that describes the goods in detail and shows the purchase price.

The vendor or exporter should also provide you with a certificate of origin so the goods may qualify for lower duty rates, such as those outlined in the [North American Free Trade Agreement \(NAFTA\)](#), or the [Canada-Israel Free Trade Agreement \(CIFTA\)](#).

What books and records do you have to keep?

As an importer, you have to keep books and records to substantiate what goods you imported, the quantities, the prices you paid, and the goods' origin. You have to keep records in Canada, in either paper or electronic format, for six years after the year you import the goods. If you want to keep your records outside Canada, you have to get our written approval.

Even if a customs broker carries out customs activities on your behalf, you should also keep the records on your premises. As the importer, you are responsible for all records on reporting, releasing, accounting for, and paying for goods, as well as any later adjustments.

What is a carrier?

A carrier is the person or company who transports your goods. As the importer, you can be your own carrier. Your carrier can bring your goods into Canada by air, highway, marine, rail, or international mail.

What records does your carrier have to keep?

Your carrier has to keep records at the place of business in Canada for three years after the year it transported your goods to Canada. These records can include charts of accounts, trip logs, movement history reports, and bills of lading. They may include paper documents or those stored electronically. Carriers can keep these records outside Canada if they receive written permission from us.

Where will we process your shipment once it arrives in Canada?

We process most shipments at the border point (e.g., highway border, rail border, international airport, seaport, or customs mail centre). We can process and release international mail only at the three customs mail centres across Canada. However, you can choose to have us release the goods at an inland office, which is a customs office not located at the border.

For example, your shipment arrives at Fort Erie, Ontario, but you want us to release it in Toronto. In this case, after your carrier reports the goods at Fort Erie, it must have posted security with the CBSA to carry them to one of the approved inland Toronto sites.

Only carriers who have posted security with us (bonded carriers) can transport non-duty-paid goods between points in Canada.

Is the office an alternate service site?

We process commercial goods for some of our smaller service points at nearby larger offices, called **hubs**. You can forward your release documentation directly to the hub by facsimile or electronic transmission, or the warehouse operator can do this on your behalf. Once we make a release decision, we will transmit this information immediately to you or the warehouse operator, who will then release the goods to you. For more details on alternate service, [call the CBSA's BIS](#) and speak to an agent.

What is the difference between duties and customs duty?

Duties include any duties or taxes levied under the *Customs Tariff*, the *Excise Tax Act*, the *Excise Act*, or the *Special Import Measures Act*. Customs duty includes only the duties prescribed under the *Customs Tariff*.

Who prepares your customs documents and presents them to the Canada Border Services Agency?

Carriers provide us with the appropriate documents to report the arrival of your shipments. The transportation mode determines what type of reporting document the carrier must use.

As an importer, you also need to submit release or accounting documents, which you can either prepare yourself, or hire a customs broker to do on your behalf. In this document, when we refer to **you**, we are talking about you as an importer or your customs broker in all matters except the reporting of goods by the carrier.

What is a customs broker? What do brokers do?

We license customs brokers to carry out customs-related responsibilities on behalf of their clients. A broker's services include:

- obtaining release of the imported goods;
- paying any duties that apply;
- obtaining, preparing, and presenting or transmitting the necessary documents or data;
- maintaining records; and
- responding to any CBSA concerns after payment.

You will have to pay a fee for these services, which the brokerage firm establishes.

Brokers do **not** work for the federal government—they are not federal public servants.

As the importer, you remain liable for all duties owing until either you or your broker pays them. This applies regardless of whether or not you paid the amount to your broker.

How can you determine in advance what duties you will have to pay on your shipment?

Before your shipment arrives, we can assist you in determining the duties you will have to pay on the goods. It is important that you have a thorough description of the goods and know their value and origin. We can also give you advice about the appropriate valuation method, tariff classification, and tariff treatment. You

can also request an Advance Ruling or a National Customs Ruling on tariff classification, origin, marking or valuation.

You can contact us by calling the CBSA's [BIS](#) line and speaking to an agent. The agent will refer you to a staff member who specializes in these matters.

All commercial goods you bring into Canada are subject to customs duty and the goods and services tax (GST), unless they are exempt or free of duties. Regardless of the currency you use to pay for your goods, you must always convert the value of the goods into Canadian funds to determine the duties payable.

Depending on the goods or their value, some other charges or taxes may apply, including excise duty and excise tax on luxury items like jewelry or alcohol

A & A CONTRACT CUSTOMS BROKERS LTD. 120 - 176th Street, Suite 101 Surrey BC V4P 2K2T: 800-663-4270F: 800-565-3010E-mail: service@aacb.com Location(s) in British Columbia: Huntingdon, Pacific Highway, Vancouver, Victoria

ABC CUSTOMS BROKERS LTD. #211 - 744 Hastings Street, Vancouver BC V6C 1A5T: (604) 685-8501F: (604) 685-2043 Location(s) in British Columbia: Vancouver

CONVEX SERVICES LTD. 5635 Admiral Blvd., Delta BC V4K 5B7T: (604) 328-6329 Location(s) in British Columbia: Vancouver

COURTNEY AGENCIES LTD. 535 Thurlow Street, Suite 802 Vancouver BC V6E 3L2T: (604) 684-7505F: (604) 683-7004 Location(s) in British Columbia: Vancouver

D.H. CARGO INTERNATIONAL LTD. 2160 - 5000 Miller Road, Richmond BC V7B 1K9T: (604) 278-5833F: (604) 273-5218 Location(s) in British Columbia: Vancouver

D.H. CARGO INTERNATIONAL LTD. 2160 - 5000 Miller Road, Richmond BC V7B 1K9T: (604) 278-5833F: (604) 273-5218 Location(s) in British Columbia: Vancouver

EAJ CUSTOMS BROKERS INC. 2200 - 5200 Miller Road, Richmond BC V7B 1K8T: (604) 244-3136F: (604) 244-3137 Location(s) in British Columbia: Vancouver

FEDERAL EXPRESS CANADA LTD. 5985 Explorer Drive, Mississauga ON L4W 5K6T: (905) 212-5364F: (905) 212-5505 Location(s) in British Columbia: Vancouver

UNITED PARCEL SERVICE CANADA LTD. 6285 Northam Drive, Suite 400 Mississauga ON L4V 1X5T: (905) 676-6050F: (905) 676-6035 Location(s) in British Columbia: Vancouver

- **VANCOUVER** Suite 117- 5200 Miller Road Richmond, BC V7B 1K5T Tel.: (604) 270-9449 Tol Free: 1 800 416-4086 Fax: (604) 270-9860 Mon-Fri 8:00 a.m. - 5:00 p.m.

- **Use this handy link to UPS Canada:**

<http://www.ups-scs.ca/about/>

VANCOUVER CUSTOMS BROKERS LTD. 2695 Granville Street, 4th Floor, Vancouver BC V6H 3H4T: (604) 733-8881F: (604) 733-5045 Location(s) in British Columbia: Vancouver

GLOSSARY OF BUYER TERMS

Allowances:

Ad Allowance: Monetary contribution by the vendor toward cost of advertising.

Customer Allowance: Deduction from sale price to customer in lieu of return of unsatisfactory merchandise.

Vendor Allowance: Partial reduction or cancellation of charges to store for damaged merchandise, price competition, or in lieu of return of unsatisfactory merchandise

Anticipation: The deduction of an additional discount by payment of the invoice before the due date.

Automatic Cancellation Date: The date specified by buyers on purchase orders as latest acceptable shipment date.

Automatic Reorder: The reordering of staple merchandise on the basis of predetermined minimum quantities. When minimum is reached, the quantity of initial order is ordered again.

Back Order: Additional merchandise reserved by manufacturers at time of initial order so buyer can get fast delivery on subsequent order.

Backup Stock: Additional goods available in warehouse/stock area. Particularly important for best selling staples.

Basic Stock: The smallest number of units deemed permissible to have on hand without losing sales during the lowest sales period of the season.

Beginning Inventory: The total inventory investment with which a department or a store begins a season, a month, or any other prescribed period of time. May be expressed in cost dollars or in retail dollars.

Big Ticket: Items of an unusually high price or size.

Bill of Lading: A document for shipments as evidence of carrier's receipt of the shipment and as a contract between carrier and shipper. In air shipments— an air waybill.

Blanket Order: A pre-season order to meet certain anticipated needs, placed before production has started. Buyer orders against blanket order, to meet needs, as season arrives and progresses.

Breakeven Point: The number of dollars required to pay the total cost of all merchandise purchased plus all other direct and indirect expenses (payroll, advertising, etc.)

Carrier – Method of transportation.

Carry-Over Merchandise: Goods left over from one selling season to the next.

Charge Backs: Vendor debits, i.e. billings to vendors for returned or damaged merchandise, cooperative advertising or adjustments.

Claim-In Transportation: A statement of charges for damages to goods while in shipment or in possession of the carrier.

Classification: A grouping of similar items within a department.

Close Out: Offer at reduced price to clear slow-moving or incomplete stock, also, an incomplete assortment, the remainder of a line of merchandise that is to be discontinued, offered at a low price to ensure immediate sale.

C.O.D.: Cash on delivery (collect on delivery). Payment must be made upon receipt of goods.

Conditional Sales Contract: Agreement under which title does not pass to the buyer until he/she has fulfilled contract obligations. Buyer assumes responsibility and payments.

Confirmation: from the store's standpoint, the official order by a store for goods made out on the store order form (purchase order) and countersigned by the buyer.

Consignee: Party or agent to whom products are assigned and/or delivered.

Consignment: Title remains with vendor until goods are sold by the retailer. Unsold goods can be returned.

Consignor: The originator of a shipment.

Consolidated Delivery Service: A private business organized to deliver products to retailers. A fee is charged for each package delivered.

Cooperative Advertising (Co-Op): A policy whereby a firm pays for the whole or part of advertisements of its products, which are sponsored by the retailer.

Cost: Price charged by vendor for merchandise.

Cost Complement (CC): Cost plus freight. May be expressed in dollars, but is usually expressed as a percentage of the retail price (CC%).

Cost of Goods Purchased: Purchase price of goods plus transportation or delivery. Does not usually include cash discounts.

Cost of Goods Sold: Cost of merchandise less discounts, but including transportation costs.

Common Carrier: Transportation firms franchised by a government regulatory body that requires them to accept shipments from any party, maintain regular service over established routes and move freight at published rates.

Cumulative Mark-up: The amount by which the total retail value of all merchandise offered for sale (by a store) during a specified period of time, exceeds the cost value for the same merchandise.

D.F.I.: Deduct from invoice.

Dating: The length of time a vendor extends to a retailer for the payment of invoices. Often offered by manufacturers to better gauge production quantities of items.

Depreciation: A decreasing of value. An inventory's or an item's value is depreciated by markdowns, theft, damage, etc. Depreciation reduces profit.

Discount Earned: The dollars by means of cash discounts. These dollars are added profit.

Distributor: An entity who buys from the manufacturer or importer to resell to the retailer.

Drayage: Charges for hauling goods from one area to another.

Drop Ship: Merchandise sold to a customer then shipped from a third party location.

DUN: A demand for payment on an account.

E.O.M. Dating (End-of-Month): Discount counted from the end of the month rather than the invoice date.

E-commerce: Electronic commerce.

Extra Dating: Form of deferred payment. Purchaser is allowed a specified number of days before terms begin.

Free On Board (FOB): The location from which the retailer pays freight charges, and takes title to the merchandise.

Freight Collect: Buyer pays freight charges at delivery.

Gross Margin: Net sales minus the total cost of merchandise sold. Gross margin is the cumulative mark up adjusted by the cost of markdowns and shortages, plus cash discounts.

Gross Sales: The total of all transactions in the cash register or on sales tickets – expressed in retail dollars.

Guaranteed Sale: A security measure to remove buyer's risk. Assigned agreement, whereby the buyer can return unsold goods after they have been exposed for sale at a given period.

Hard Lines: Generally considered housewares, appliances, furniture and general home furnishings.

House Brand: Private label.

Initial Mark-On: The mark-on (retail \$ minus cost \$) based on the original retail price of the merchandise.

Inventory, Book: The original retail value of all the merchandise charged to a store, adjusted to reflect increases or decreases in the value of that stock.

Inventory, Costs: Under the retail method of inventory, this relates to the calculated cost of inventory (cost compliment times retail value of the inventory) and not the original vendor invoice cost.

Job Lots: The promotional grouping of merchandise by which vendors dispose of end-of-season surpluses and incomplete assortments, usually at reduced rates.

Jobber: A distributor buying from manufacturers and selling to retailers.

Keystone: Fifty percent mark-up.

Keystone Discount: A trade discount of 50 percent off the suggested retail price established by the vendor.

Keystone Retail: A method of establishing a retail price by doubling the vendor's wholesale price.

Landed Cost: Total cost of merchandising including crating and transportation fees, but prior to customer's fees. Generally for overseas items.

List Price: A printed price, as in a catalog, subject to trade and cash discounts.

Loss Leader: An item priced in an ad or in a store at substantially less than keystone mark-up. Generally used to generate sales volume for regularly priced merchandise.

Maintained Mark-up (MMO): Net sales less the gross cost of the merchandise sold. Expressed in dollars (MMO\$) or, more frequently, as a percentage (MMO%).

Manifest: Shipping form used by a carrier listing all pertinent information including consignor, consignee, number and weight of packages, cost, etc.

Markdown (MD): A reduction of a retail price.

Markdown Cancellations: Any restoration of a markdown price to the original retail price.

Markdown Money: Money given by vendor to retailer to enable retailer to reduce selling price of a slow seller.

Mark-up: Differences between cost price as billed (before cash discount) and retail price at which goods are sold.

Memorandum Purchase and Dating: Purchase whereby buyer gains title to merchandise when goods are shipped, but vendor is committed to accept and issue full credit for unsold goods after a specified time.

Merchandising: The special efforts and selling techniques by which merchandise is presented to prospective customers.

Net (net terms): Calls for billed amount of invoice with no cash terms.

Net Purchases: Cost of purchases, including freight, but excluding returns, allowances and cash discounts earned.

Net Profit: Gross margin minus all direct and indirect expenses (operating costs).

Net Sales: Gross sales minus customer returns.

Odd Lot: Broken lot or unbalanced assortment.

Open Account: Sale of goods on credit.

Open Stock: Items kept on hand in inventory and sold either in complete sets or in separate pieces.

Open to Buy (OTB): Total planned purchases of merchandise for a given period minus receipts and merchandise on order for the same period.

OH: On-hand, and **OO:** on order.

Overbought: A condition whereby a buyer has become committed to purchases in excess of the planned purchases. Also can be said to occur when purchases of merchandise are in excess of customer demands.

P.M. (premium money, pin money or post mortum): Money paid to sales clerks for items sold, on merchandise that must be sold.

Price Lines: Setting selling prices within a classification or department within pre-established ranges (price lines) or pre-established amount (price points).

Product Mix: Varieties and sizes of goods comprising the basic stock, assortments.

Profit: The dollars remaining after the subtraction of all direct and indirect operating expenses from the gross margin dollars.

Promotional Stock: Stock of goods offered at unusually attractive prices in order to obtain volume trade. Generally represents special purchases.

Rate-to Sale: The sales quantity in units for a given period of time.

Return to Vendor (RTV): Returns of merchandise to the vendor who shipped it. May occur as the result of item substitution, violation of their store's shipping instructions, or by special agreement with a vendor to remove discounted merchandise from inventory.

Seasonal Discount: A special discount to all retailers who place order for seasonal merchandise well in advance of the normal buying period.

Shrinkage: Includes pilferage, errors in record keeping and sales incorrectly recorded.

SKU: Stock keeping unit, the lowest level of identification of merchandise for inventory management.

Soft Goods: Generally apparel and dry goods.

Staple Merchandise: Merchandise the average customer expects to be in stock at all times.

Stock to Sales Ratio: The ratio of retail stock, at either the beginning or the end of a month, to the sales made during the month.

Stock Turnover: The number of items that the average stock has sold and replaced during a given period of time, usually a year. Expressed based in retail dollars.

Total Merchandise Cost: Gross cost of merchandise adjusted by the effect of any cash discounts or alteration costs.

Trade Discount: The discount off suggested retail as suggested by the manufacturer.

Turnover: See stock turnover.

Unit Control: A control system capable of tracking individual pieces of merchandise from the time they are ordered until they are sold.

Vendor: A supplier from whom goods for resale may be purchased.

Vendor Analysis: A report by vendor, typically showing sales, merchandise purchased, mark-on markdown and gross margin.

Want Slip: Slip on which a salesperson records a customer request that cannot be supplied from stock.

Wholesaler: Buys goods in bulk from manufacturer or importer and resells in small quantities to the retailer.

Workroom Expense: Charges, to the store or the department, for the maintenance (cleaning, pressing, repairs) of stock in saleable condition. These expenses are charged against profit.

Workroom Income: Expenses incurred in getting merchandise ready to deliver to a customer after the sale. Called alterations, these expenses are charged to the customer and set high enough to cover costs and leave a profit.