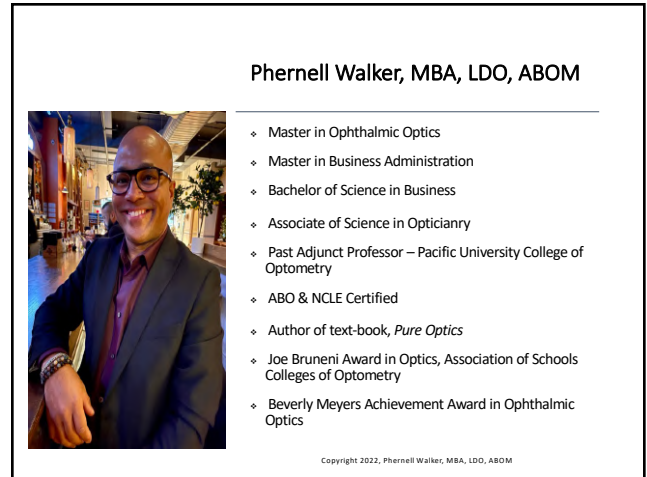
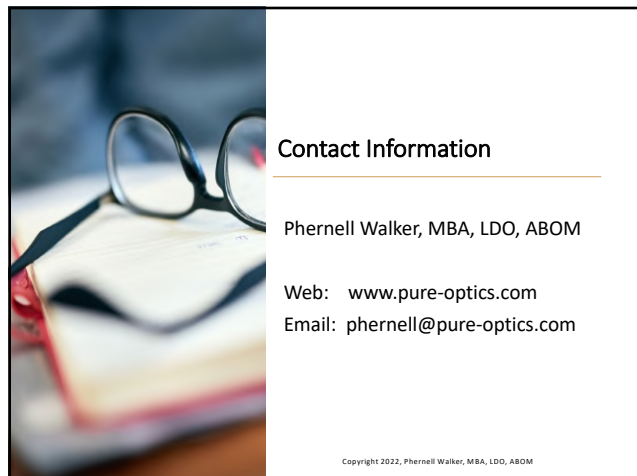


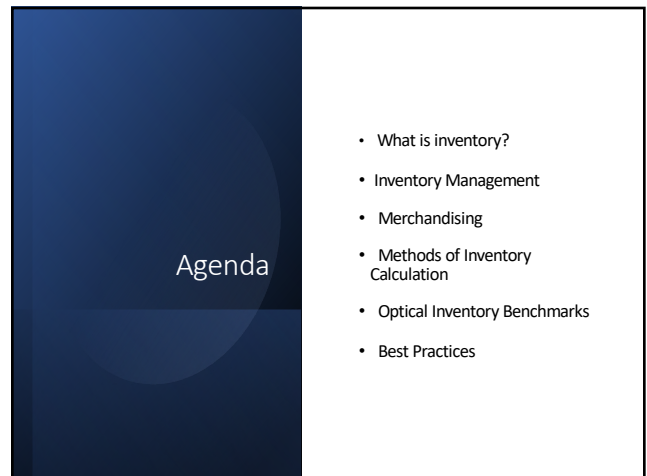
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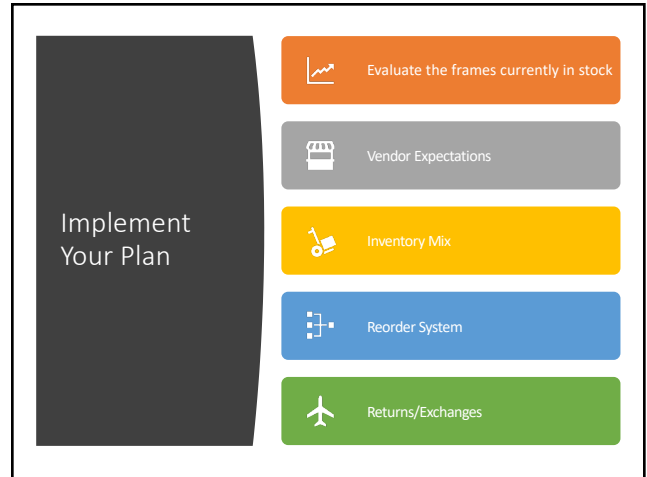
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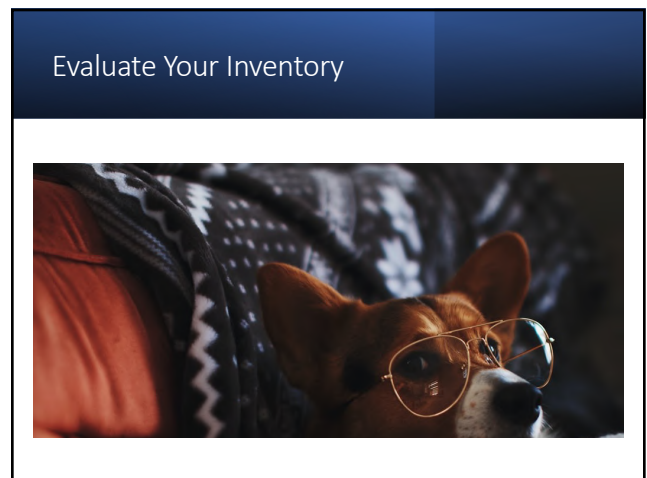
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7



8

Brand Personality

- Brands have unique personalities
- That personality is reflected across the entire line of products



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Luxury Eyewear Brand Examples

- Cazal
- Cuttler & Gross
- FACE À FACE
- Faniel Eyewear
- Lafont
- Lindberg
- Luke Mills
- Salvatore Ferragamo



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The Art of Eyewear

11

Inventory Something for Your Entire Demographic



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Feel the Quality

- Beyond just the look
- Luxury frames feel very different



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Persona of the Brand Driven Consumer



FASHION
CONSCIOUS



NAME
RECOGNITION



IMAGE



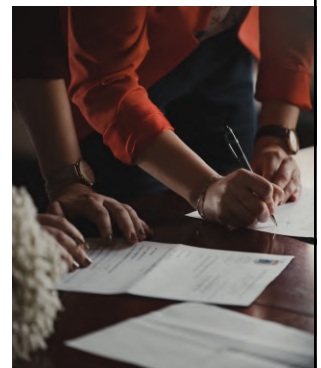
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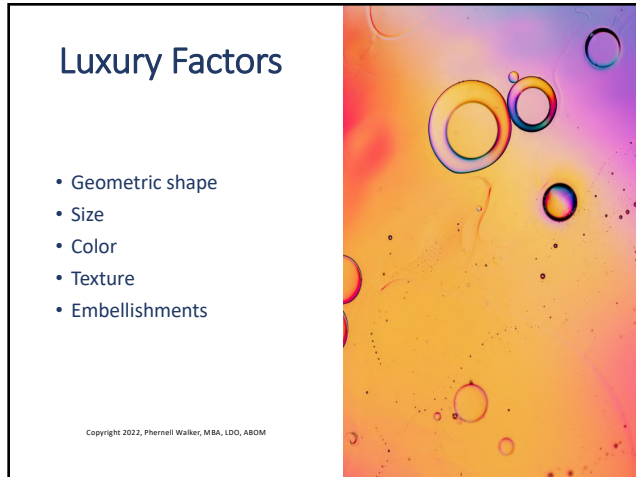
Brand Licensing Requirements

- Pricing
- Visual merchandising
- Collection grouping
- Logos
- Marketing collateral
- Exclusivity

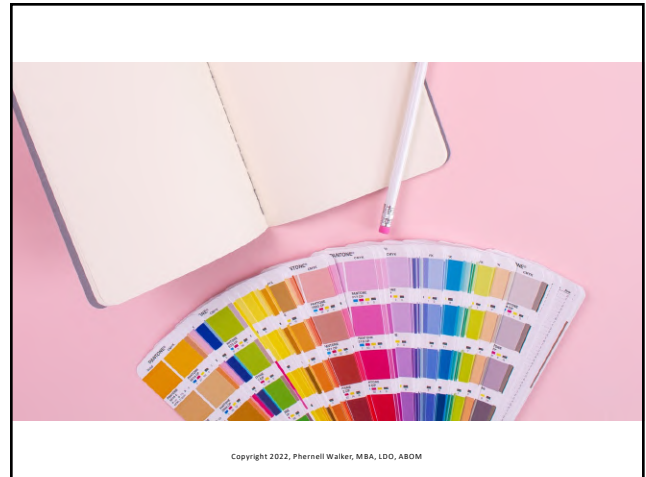


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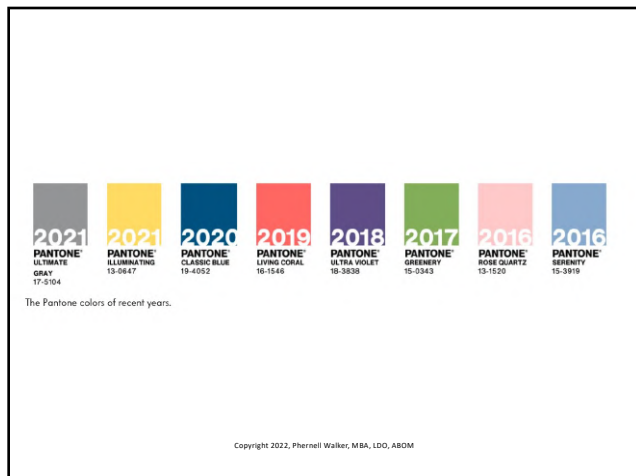
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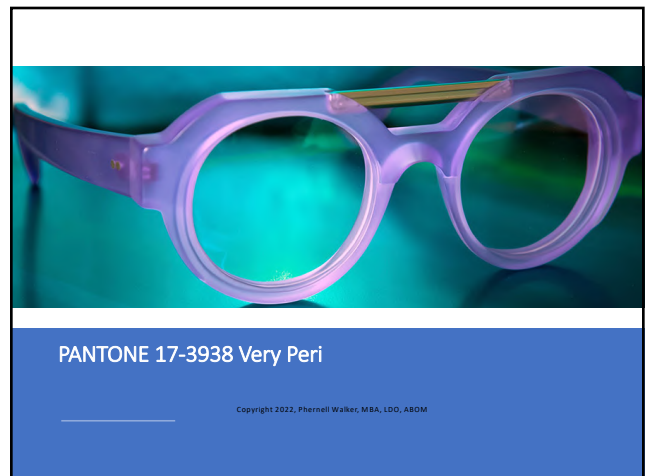
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19



20



DOGS and DISCO


- Free second
- Discount
- Build special price packages
- Vendor buy back
- Donate

21

YOUR FRAME REP WORKS FOR YOU

FIND	FIND A FRAME WHEN YOU NEED IT
OFFER	OFFER STAFF EDUCATION ON THEIR PRODUCT
SHOW	SHOW NEW PRODUCT
INFORM	INFORM YOU OF SPECIAL OFFERS
AGREE ON	AGREE ON HOW OFTEN THEY WILL SEE YOU


22




VENDOR EXPECTATIONS

23

Not This



24




SET FRAME REP EXPECTATIONS

- BOOK APPOINTMENTS IN ADVANCE
- PHYSICAL COUNTS
- PULL DISCO FRAMES
- PULL FRAMES THAT HAVE NOT SOLD
- LEAVE A COPY OF THE RETURN AUTHORIZATION
- DO NOT SEND FRAMES WITHOUT APPROVAL
- BOOK THE NEXT APPOINTMENT

25

INVENTORY MIX






26

QUESTIONS TO ASK NEW VENDORS

WHAT DISCOUNT CAN YOU OFFER?	WHAT ARE YOUR RETURN/EXCHANGE POLICIES?	WHAT WARRANTIES DO YOU OFFER?
CAN WE GET FREE SHIPPING?	DO YOU OFFER TIERED BILLING?	DOES YOUR COMPANY OFFER CO-OP DOLLARS?

27

REORDER SYSTEM

		
PHONE ORDERS: DAILEY – WEEKLY – MONTHLY	WAIT FOR THE REP APPOINTMENTS	ORDER AT SHOWS

28

EXCHANGES AND RETURNS



EXCHANGE FRAMES ACCORDING TO
YOUR PLAN



KEEP TRACK OF RETURNS

29

FRAME MIX EXAMPLE

BOARD SPACE	MEN 30%	WOMEN 45%	KIDS 10%	SUN 15%
400	120	180	40	60
600	180	270	60	90
800	240	360	80	120

Adjusted based on MSA and patient demographics

30

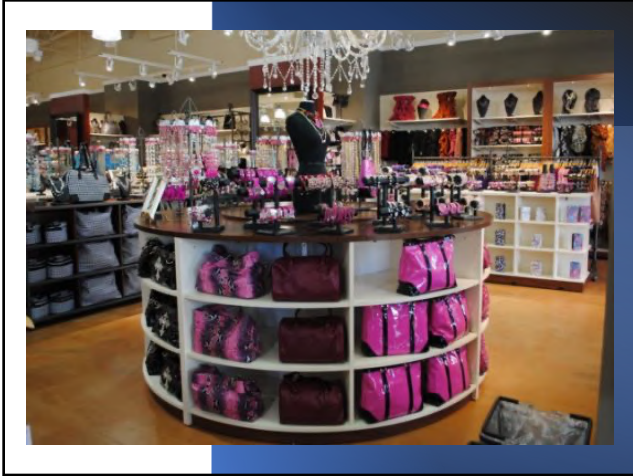
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Would You Buy
Frames Here?



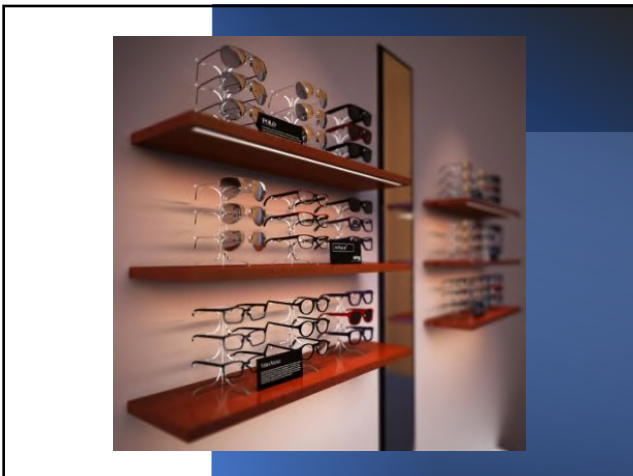
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33



34



35



36



WHAT IS
"P.O.P." AND
WHERE DO I GET
IT?

37

HOW DO I ACHIVE THE
PERFECT INVENTORY?

38

Vilfredo
Pareto

- Everything can be reduced to Pareto's 80/20 Rule
- 80% of the effects come from 20% of the causes

80/20

39

Principle of Factor Sparsity

80/20

- 80% of profit from 20% of customers
- 80% of complaints from 20% customers
- 80% of a profits from 20% of the time its staff spend
- 80% of sales come from 20% of products
- 80% sales are made by 20% of the staff

40

Analytics - Know Your Customer

- anticipate your customers wants and needs
- Ability to pre-determine inventory mix and count based on past results



41

Inventory Essentials



- Unique Item Identifiers (UPC)
- Units of Measure (Qty)
- Assigned Cost of Goods (COG)
- Accurate Beginning Count
- Point of Sale Software for Tracking
- Established Inventory Policy
- Compliant Staff
- Organized Location Plan

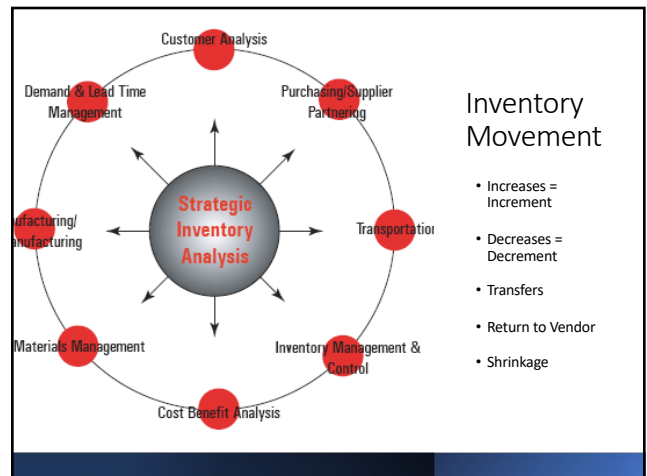
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Why Track Inventory?

- Most Costly Investment
- Primary KPI
- Primary impact on P & L
- Determine Shrinkage

43



44

Inventory Physical Counts

- What is the importance of Physical Counts?
- What is the best frequency to perform physical counts?



45

Inventory Buying Methods



Assume that you purchase 100 frames at the beginning of the year for \$45.00 each.



The total investment on those frames is \$4,500.

46

By the Numbers



If each frame was sold for \$179.95 within a year, your gross profit on all 100 frames is \$13,495.*



*See incredibly small legal sized print below for any attorneys that may be in the room.



(\$17,995 revenue - \$4,500 investment)

47

COGS



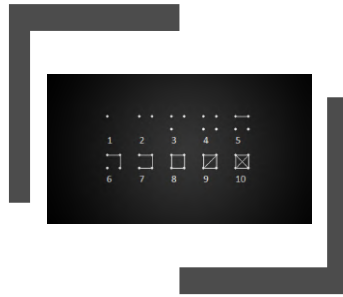
The inventory investment costs a total of \$4,500 to produce \$17,995 in gross revenues in the course of one year.



Cost of Sales (COG) = \$4,500.

48

Best Method

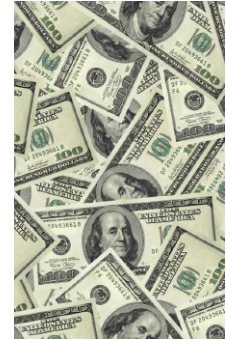


- Most efficient way to manage inventory
- Order 25 frames every three months vs. ordering the 100 frames at the beginning of the year.

49

Bottom Line

The initial investment for the inventory was reduced from \$4,500 to \$1,125 (that is 25 frames x \$45



50



Common Misconception

- A common purchasing misconception is that *“frames don’t really have a shelf life.”*
- Nothing could be further from the truth!

51

Physical Inventory Count Sheet

[illegible]

What About Consignment Inventory?

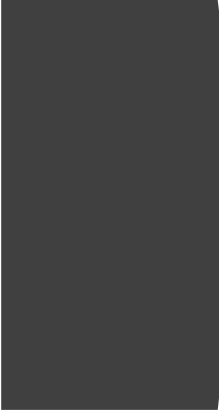
- Consignment Inventory does not have a Cost of Goods
- The COG's will be assessed once the inventory is physically decremented

52

Revenue / Avg.
Inventory = T.O.

- Revenues
- Avg. Inventory
- T.O. = Turn Over

53



Frame Rev. \$66,000 (in 3 months)

Valuation \$42,000 / 3 = \$14,000

Turn Over = 4.71

54

Benchmark

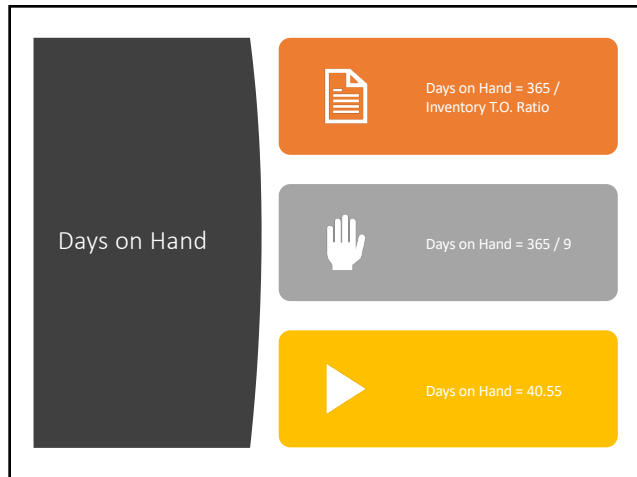
- Ideal inventory turn over 6 to 9x

55

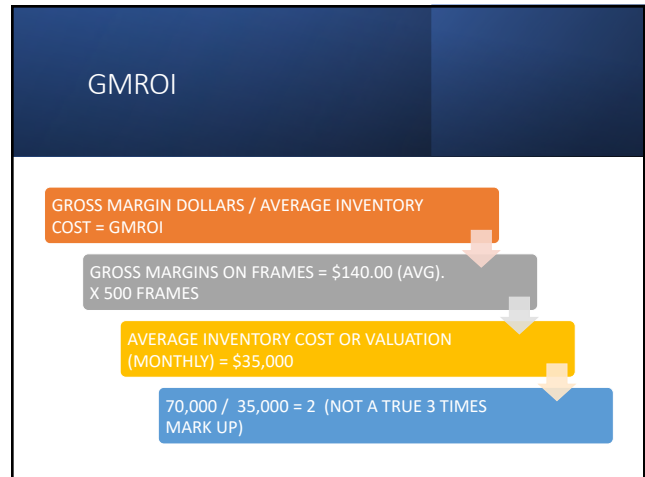
Inventory
Days on Hand

Days on Hand = 365 / Turn Over

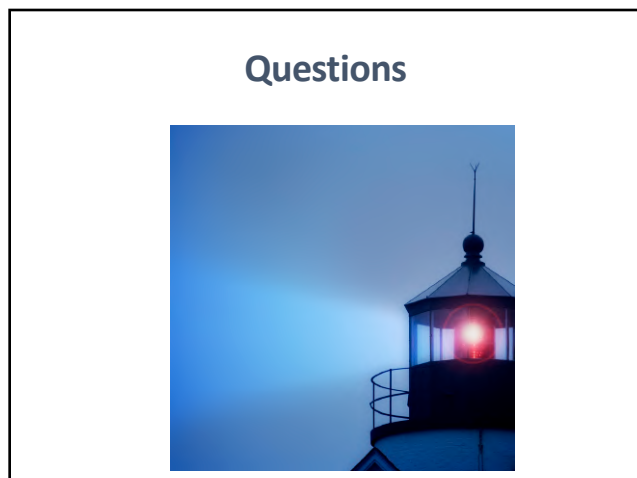
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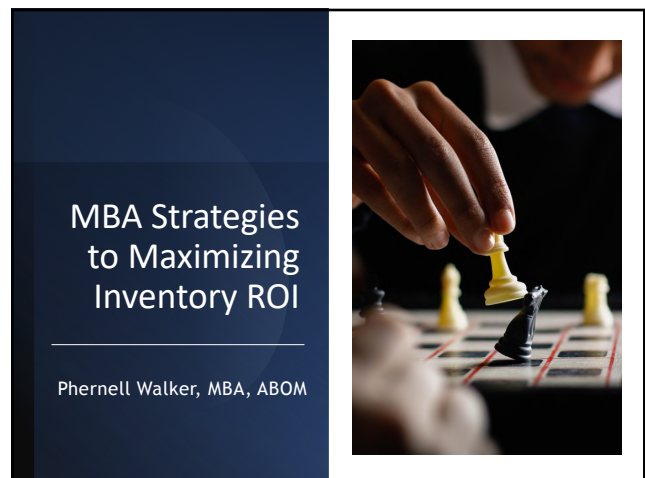
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