

Managers Meeting July 2012

Agenda

- Review sales figures for financial year 2011/12
- Review simply stock sales January - June 28th 2012
- Agree changes to Mr Carpets standard estimate presentation
- Review stock and de branded ranges
- Discuss showroom upgrade to feature leading products
- Sample Programme automated sample ordering

Sales Figures Y/E 2012

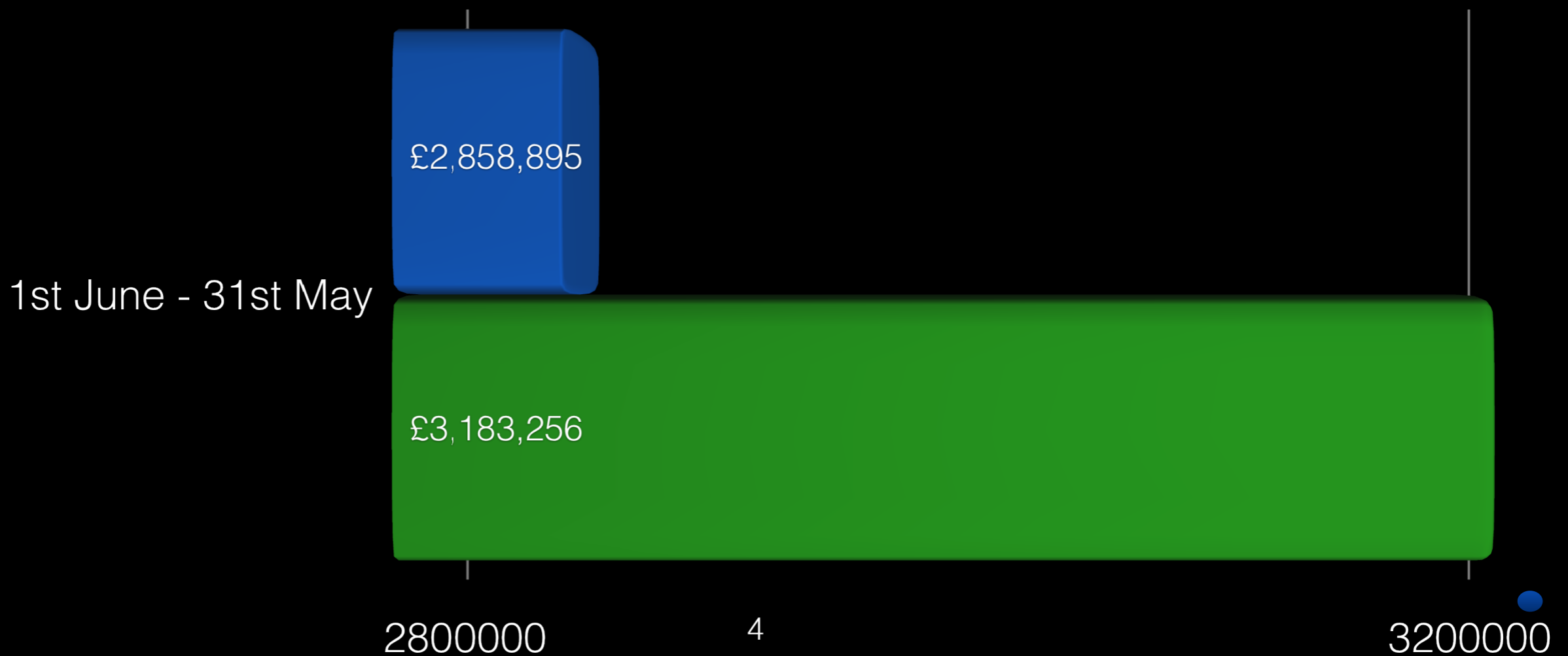
- Orders increased 12.5%
- Sales increased 11.3%
- 12 months rolling orders highest since October 2008
- 12 months rolling sales highest since March 2009

Sales Increase
£324,361 = 11.3%



■ 2010/11 ■ 2011/12

Sales comparison



Orders increase
£358,270 = 12.5%



Order comparison

■ 2010/11 ■ 2011/12



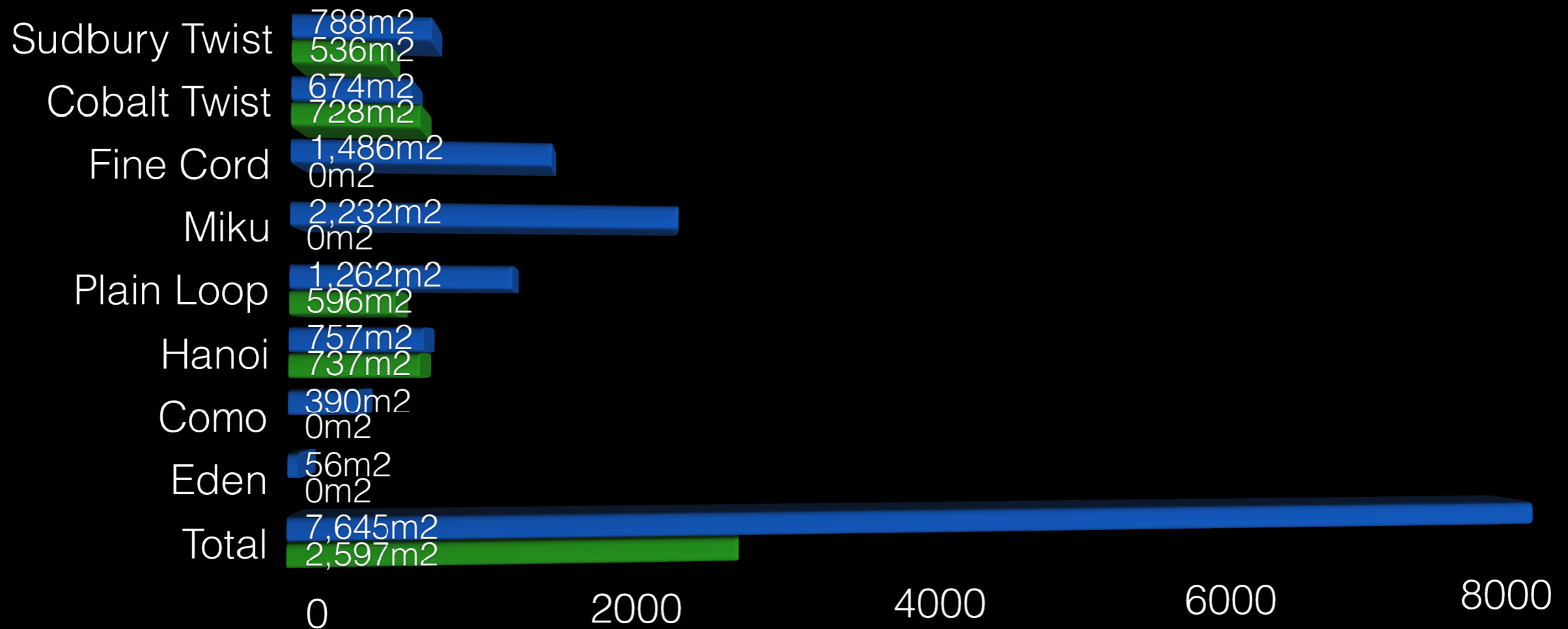
Simply Stock Sales 2012
 1st Jan - 28th June Total Sales m2
 Sales stock 2012 = 11,959 m2



mrcarpets
 DESIGNS FOR FLOORS

■ Stock Sales

■ Bespoke Sales



Stock Sales = 74.60% of Total Sales

Mr Carpet's Estimate Presentation

- Customers are often requesting breakdowns of estimates causing double the work.
- We need to show optional extras separate so competitors estimates without these options do not appear cheaper.
- Quoting possible cheaper stock range options will encourage customers to contact the branch after receiving the estimate allowing the opportunity to discuss our estimate further.
- The proposed new style will work better when we automate database estimates from requisition entry cost sheets.

New Stock Ranges



We need to maintain margins but stay competitive in the market.

Our warehouse does increase our costs compared to some of our competitors.

We need to make our warehouse more advantageous to our sales.

Proposed new stock purchases for improved terms from our suppliers **in addition to our SIMPLY STOCK collection.**

New Stock Ranges



New stock purchase for improved terms.

Cotswold Current

Ticket £36.50

Net Cuts £32.85

Net Rolls £29.95

New prices (2 colours stocked)

Ticket £35.00 Reduced by 4%

Net Cuts £31.50 Reduced by 4.1%

Net Rolls £27.00 Reduced by 9.9%

Stock Colours £28.00 Reduced by 14.8%

Stock Colours - Moreton & Tewksbury

New Stock Ranges



Proposed stock purchase for improved terms.

Elements Current

Ticket £40.75 m²

Net Cuts £36.68 m²

Net Rolls £32.90 m²

Proposed (if 2 colours stocked)

Ticket £37.75 m² Reduced by 7.4%

Net Cuts £33.98 m² Reduced by 7.4% (John Lewis £34 m²)

Net Rolls £30.50 m² Reduced by 7.3%

Stock Colours £31.50 m² Reduced by 14.8%

Stock Colours - To be confirmed

New Simply Stock twist

From 1st week August new stock twists arrive.

Available in 30 & 40oz qualities - in 4 exclusive colours - 4m wide

Stock Twist 30 - £16.00 m²

Stock Twist 40 - £18.50 m²

Colours:

Limestone, Oxford Stone, String & Taupe

New stock velvet

I am visiting Ryalux end of July to finalise details of a stock velvet.

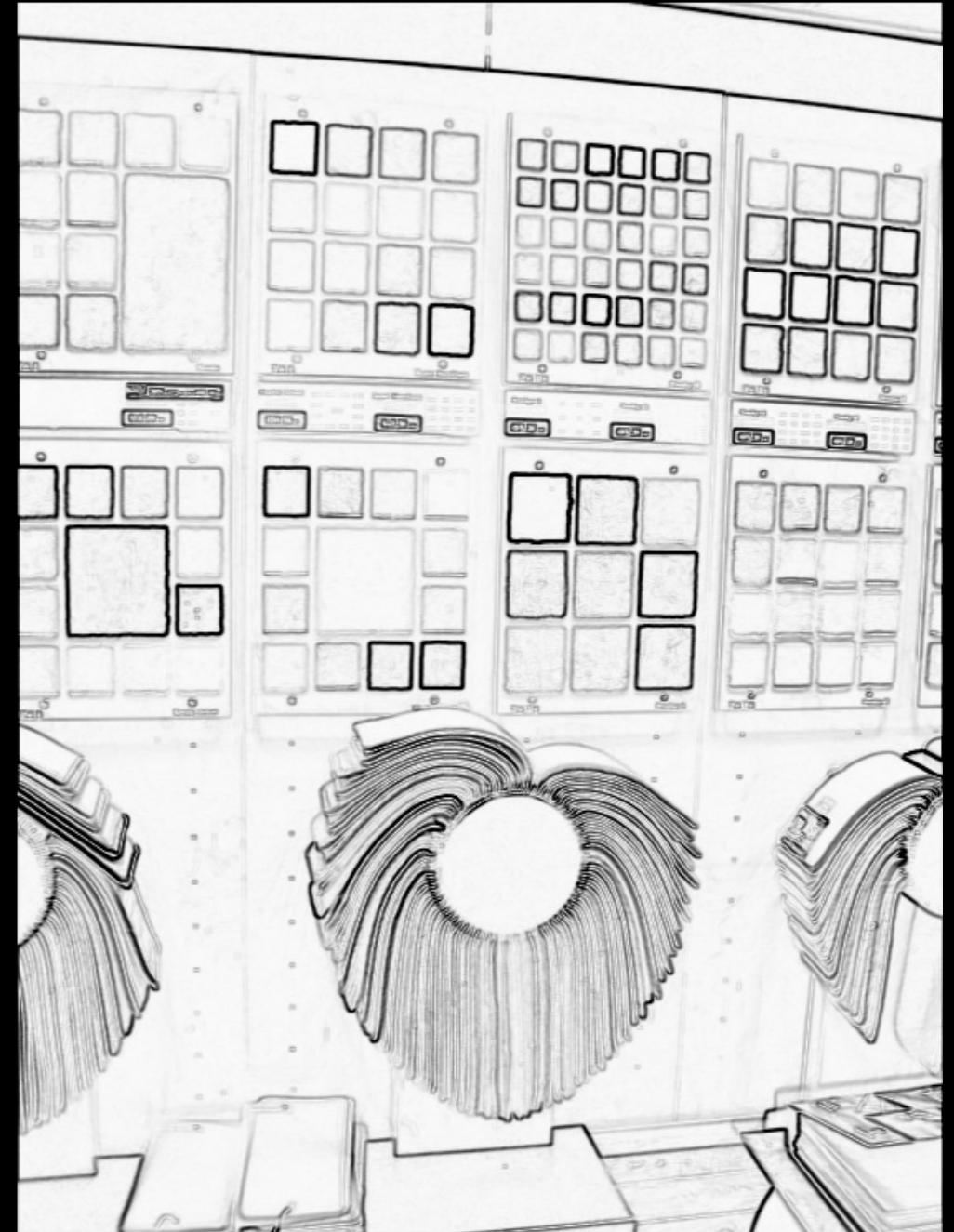
2 ply yarn - 45oz - 5m wide

Retail price £38.00 m² net

New in branch displays

I am currently having wall panels made like Sheen so 1 wall in Putney, Fulham & Raynes Park can be made into feature Walls for stock and best value de branded.

Ranges can be prominently displayed differently from the other products.



Sample programme

The automated sample ordering programme is almost ready to go live.

- Customers orders are entered and sent to head office by email. If a regular customer then their details only have to be entered once.
- A picking list can be printed with sample locations for John to select cuttings.
- When samples are ready to be posted John selects samples ready button.
- When selected a personalised letter is printed addressed to the customer with contact details for the sales person and branch who requested samples.
- An email is then sent automatically to the sales person who ordered the samples, and also the customer (if an email address was given), to advise that the samples are being posted.

End of meeting
July 2012