

Summary of Managers Meeting 11th October 2011

As there were a lot of topics discussed at Tuesday's meeting I have summarised the meeting decisions below. If you have any queries please contact me for clarification.

- **Sales** - The correct sales figures for the 1st 4 months of our financial year June – September show sales year on year at £1,070,036 which is 11.68% up on 2010 and orders at £1,122,560 which is 21.26% up on 2010. All figures are + VAT.
- **Extra Fitting Capacity** - We decided we will actively look for more hard flooring and carpet fitters as some of our existing fitters are now working for Paul and Roy Herridge is booked up to far in advance if we intend to increase Karndean sales. I am also talking to Alan Gent and helping to organise him to set up another van and 2 assistants so he and Jamie can operate separately and I will back to you ASAP.
- **De Branded Samples & Cuttings** - John Barton is working on building up the stock of samples of our de-branded ranges at Head Office. If you require samples sent to customers of our de-branded ranges please send details in an email to John and he will post them directly (normally the same day) or advise you if he does not have any sample material available.
- When drawing cutting plans for ANY of our stock or de-branded ranges if there is any waste please mark as "samples - leave at warehouse" John will save it if he needs it or through it away if he has enough sample materials in stock.
- **Karndean Stands & Sales** - I am looking at ways to increase Karndean sales as it is an area we can look for growth and I am willing to discount the tiles for 6 months to enable us to do so. I will get back to you with some offers to promote sales but meanwhile if you are quoting for any Karndean supply & fitting work please speak to me ref pricing.
- **Simply Stock** - Cormar ranges will increase at the end of October by 9%. I have negotiated with Cormar that the price increase on Cobalt & Cobalt Elite and the Sudbury 32/40/50 will raise by 4.5% in November and the other 4.5% in January. It was also agreed that if we have the stock twist 2 colours specially made in a 36oz then the simply stock price can remain at £19.25m2 rather than increase the price. **Please be advised that the delivery time for the 36oz custom stock is 7 days.** Stock delivered after 30th October will be 36oz and stock with a roll number prior to this date will be 42oz.
- We will also be adding 3 colours of Michigan Velvet into the Simply Stock range **BUT WE WILL NOT BE STOCKING THEM.** You can order the carpet in cuts from Victoria but we will offer the STOCK COLOURS ONLY at a net price of £34m2. The colours are: 620/26 (Sandstorm) 620/27 (Lentil) & 620/28 Gunsmoke).
- **Value Collection Ranges** - It was also decided that we would add a few ranges and de brand them as the Mr Carpet "Value Collection" **products in this collection would be net priced** and available for next day delivery if ordered before 12 noon. There is an attached price list and the samples will be available in approximately 2 weeks.
- **The Internet** – The subject of the internet is an emotional one that is not going to go away and as a result we need to consider what effect it will have on carpet retailing and be a jump ahead. Not everybody does search the internet to actually purchase their flooring but we need to find a better solution for those that do. I do not want to encourage the change but equally I don not think we should fear at as much as we do. I made some proposals to demonstrate how we could consider capturing additional sales that might otherwise be lost and I will welcome your comments and ideas on this subject.
- **Added Value** - I also suggested and will work on a card/letter that we can send with our estimates (I will also produce a pdf version for emailing) to point out to potential customers the high level of service they get when they purchase from Mr Carpet. I will also work on a written guarantee on all labour to be sent to customers on completion. To my knowledge none of our competitors are doing this and it is something that will cost us nothing as we stand by all our installations anyway.