

## David Guyan

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**To:** MRC-Shop Staff

**Subject:** MEMO - Urgent price update

Despite a lot of haggling I have been unable to stave off 2 significant price increases.

### Underlay

Interfloor hit me with a £7.00 per roll (nearly 50p m<sup>2</sup> + vat) cost increase on their 8mm & 10mm pu foams. I haggled them DOWN to a 50p m<sup>2</sup> + vat price increase which would have pushed the retail price up by £1m<sup>2</sup> but this prompted me to look again at the PU underlay market as I have had reports recently of poor and incoisistant quality.

I have found an alternative supplier and their underlay is better than the Interfloor product and only slightly more than what we are paying now for the existing underlay. I am expecting some samples and inm the next 1-3 weeks the existing underlay will be replaced with the new underlay.

**I will need to increase the PU underlays by 25p m<sup>2</sup> as of 1st August to cover the increase in cost but by then the new quality will be in stock.**

I hope that Interfloor wont turn around and put up the prices of the other underlays we buy from them as we but the Low tog and Durafit from them also.

### Shiruku

We have enjoyed a very special cut length and a competetive roll price on this range for some time now and have been able to gain a higher than average margin on this product. Again I have failed to defer a 21% increase in the cut length price & an 8% increase in the roll price. I have pointed out that they have more competition in the market now and that the prices we have help us to win Halebourne over to Shiruku and their order in March was for 650m<sup>2</sup> but they wont budge.

However our prices are still 7% less than BRM members prices that are usualy slightly better than average retailers. I am not happy and I am still pushing for a reduction. **The order in the system for Putney is at the old price and the estimate Sheen have out will be held at the old price if ordered before 15th July.**

I have reduced the markup slightly on cuts to not hit the customer with the full impact of the increase but I have told JC it may be the first product to be replaced on the raqnges selected for the new Tombola layouts.

**The revised prices for Shiruku are**

**Cuts Ticket £59.00 m<sup>2</sup> less 20% = £47.20 (was £55.50 less 20% = £44.40)**

**Rolls net price ££43.56 (was £43.50)**

Attached are replacement price tickets for the tombolas

Putney Fulham and Raynes please print Tombola 3B price tickets and replace the ticket on the tall tower tombolas.

Sheen please print Tombola 5 A5 price ticket (Can you cut down a sheet of A4 card)

**Please replace the ticket with imediate effect as this price increase came into effect as of 1st July.**

**Please confirm the price tickets have been updated.**  
Thanks DG