

# *Spring Arbor's*

RECOMMENDED

MODEL

INVENTORY

PROGRAM



# *Our* Recommended Model Inventory (RMI) Program

- Eliminates guess work on what product you need to order
- Saves you time and money by consolidating your order through one supplier
- Provides you the opportunity to earn higher discounts and extend payment terms
- Allows you additional time to make product returns

Opening a new store can be overwhelming. With an endless list of suppliers (over 700) and products (over 100,000), it's difficult to know what product you need to carry, where to get it, when to order it, where to put it, how to process it, and, finally, when to reorder it. Not to mention paying for the product, which could result in reconciling hundreds of invoices!

Spring Arbor Distributors, Inc. has been serving Christian retailers for over 29 years. We carry Christian product from over 700 publishers and suppliers, so you can **OPEN ONE ACCOUNT** and **PLACE ONE ORDER** for the majority of your book, Bible, music, video, and Communionware product for your opening store inventory. **All product comes stickered and packed by category for easy receiving and shelving.**

Additionally, we'll assign you your very own New Account Representative, who will also assist you in locating the other resources you need, such as:

- Store Design & Layout
- Store Fixtures & Supplies
- Point-of-Sale Systems
- Giftware

# Benefits of placing an RMI order with Spring Arbor

*"The RMI was indispensable in opening our new store. It is probably the number one reason to use Spring Arbor as a vendor of choice in starting a Christian bookstore from scratch. There is no way I had access to the kind of data or analysis power that Spring Arbor provided to us.*

*Equally important is Spring Arbor's commitment to be a partner after that initial sale. In the first 12 months of our operation, Spring Arbor never once backed off its commitment to that initial shipment, taking any items in the RMI assortment back with no questions asked. I recommend them highly as a vendor partner in our business."*

*Frank Turk  
Kingdom Bound Books*

## **1. Spring Arbor has the most comprehensive inventory in the industry.**

Not only do we offer the largest selection of Christian product, but because we're a division of Ingram Book Group, you also have access to thousands of appropriate general market titles, such as cookbooks, travel books, dictionaries, craft and hobby books, and much, much more.

## **2. Spring Arbor recommends titles based on actual sales information.**

Because we serve over 9,000 Christian retailers, we know what's selling in the marketplace. We take that data and let you know which products have strong, consistent sell-through, plus we'll let you know what new titles have the potential for strong sell-through, based on our industry knowledge.

## **3. Spring Arbor has the best backlist information available.**

We know that your store is unique and has specific product needs. That's why we will work closely with you to customize your selections of product categories and quantities to insure that you have the right inventory for your customers.

## **4. Spring Arbor offers additional discounts and free shipping.**

Depending on the volume of your order, you may qualify for higher discounts on your RMI order. We also give discounts for early payments. Plus, any shipment of 15 units from your primary distribution center OR 15 units from your secondary distribution center will qualify for free freight. \*A \$1.00 fuel surcharge will be added to each shipment.

## **5. Spring Arbor gives you FREE inventory ProTags.**

Each item in your RMI order comes pre-stickered with its own inventory label or ProTag. These labels, designed for easy removal at the point-of-sale, provide you with important information for receiving product, tracking sales, and keeping your inventory clean.

## **6. Spring Arbor boxes your RMI order by category.**

Your RMI order is easy to receive and shelve because we sort it by category before we ship it to you!

## **7. Spring Arbor helps you reduce your paperwork.**

By opening only one account for the majority of your product needs, your paperwork is significantly reduced. An average RMI order represents over 250 suppliers!

## **8. Spring Arbor gives you the information you need to succeed.**

When you place an RMI order, you will also receive two reports that will help you make your future buying decisions.

- **The 80/20 Report**—a list of "must carry" items that is based on actual sales information. This helps you identify the 20% of titles that make up 80% of your sales. This quarterly report is divided by subject category and can be sorted by title, author, or sales rank.
- **New Title Report**—a monthly report that lists all titles coming out in the next two months. We include Spring Arbor's on-order quantities to help you assess what your demand might be.

**OnPurpose, a guide to Spring Arbor's programs and services, is located in your new account packet. Please look through this carefully, as many of these programs will be extremely helpful in making your store a success from the start!**

Dear Spring Arbor,

When I opened my first Bible Bookstore several years ago, I really didn't know what I was doing and had to trust in your judgment. I can still remember having a store full of fixtures with no books and wondering how in the world you could possibly know exactly how many books and what books to get, having never seen our store. Yet when the shipment came in, our store was filled and I was amazed to hear how we had things that our competitor did not, even though they are 4 times larger than our small store. With Spring Arbor's help, we were in the top 20% nationwide for our size within our first quarter.

I eventually sold the business to owners who decided that they could do it better by making many accounts direct with different suppliers for what appeared to be a greater discount percentage. What appeared to them as a better bottom line turned into a nightmare that eventually forced them into bankruptcy.

There were three significant factors that they underestimated. First, they no longer qualified for free shipping. So, what appears at first as an increase in bottom line profits was quickly eaten up in shipping costs and actually netted them a significant loss when compared to Spring Arbor's competitive discounts with free shipping.

The second significant factor was that the inventory selection was limited to the inventory from their selected suppliers. This frustrated the customers that were accustomed to the wide selection that I carried with no problem since Spring Arbor stocked product from all the vendors.

The last significant factor is that they lost control over managing their accounts. With one main supplier, it was easy to manage. I only had to take a few minutes to track my orders or manage account payments, which made it easier for me to manage my cash flow.

I have now restarted another Bible Bookstore with your help in the same location as before, using the remaining inventory from the previous business. I sent Spring Arbor a list of my current inventory and I received a report of what I need to order and what I need to liquidate. The store is quickly rising back to its former status. Customers are returning back to the store and we are adding 100+ new customers every week to our small store of 2,600 square feet.

I can't thank you and the Spring Arbor team enough for all the help that you have given me to bring this store back to profitability within only 4 months.

Under His Grace and Power,

Steve Sautbine  
True Vine Christian Store

# RMI Policies

## Terms

Qualifying opening store orders of at least \$25,000 may be eligible to receive extended payment terms. Orders require pre-approval from Spring Arbor's credit department.

Orders not qualifying for extended terms must be prepaid in whole, prior to the order entry and shipment. These orders receive a 1% cash discount if paid by check or wired funds. Orders must be paid via certified funds. This includes certified check from bank, cashier's check, credit card, or wired funds.

## Free Freight Requirements

Any shipment of 15 units from your primary distribution center OR 15 units from your secondary distribution center will qualify for free freight. Shipments containing less than 15 units will incur a flat rate freight charge of only \$4.00. A \$1.00 fuel surcharge will be added to each shipment.

### Exceptions/Restrictions:

Free freight is available to certain areas of Alaska through the Spring Arbor delivery program. All other areas of Alaska have free freight available if standard shipping instructions are book post insured. Qualifying orders from customers in Hawaii and U.S. territories (Guam, Virgin Islands and Puerto Rico) will receive a credit of 1% off invoice value. Free freight does not apply to Canadian or international orders.

## Returns

Spring Arbor recognizes the risk during your first year in business and allows a more liberal return policy for RMI orders. You have 12 months from the invoice date to return any "returns eligible" Bibles, books, or audio purchased from Spring Arbor up to the dollar amount of your original RMI order of at least \$1,000. Simply state on your packing list that this is an RMI return. You will be assessed a restocking fee equal to 5% of suggested retail price.

If during the first 12 months of business, you decide to close your store and request that we use returns to offset any monies due Spring Arbor, said returns will be credited at a penalty rate of 65%.

Any product sent to you damaged, defective, or in error may be returned using the hassle-free form located on the back of the packing list. Spring Arbor Customer Service can provide you with a form if you do not have access to one. Return a completed form to the distribution center of origin within 30 days of the date your RMI order was shipped.

Products with publisher defects (missing pages, etc.) may be returned at any time. Please specify the defect. Shipment discrepancies (shortages, etc.) are not automatically reordered for you, so you should add these to your next Spring Arbor order.

## Calculating your RMI Order

First, compute your start-up inventory costs.

To calculate your initial investment for wholesale product:

1. Determine the amount of space you have available for retail sales. Do not include office, receiving, customer service, counter, or restroom areas. Leave 6 - 8 feet of clear space for your entrance.
2. Multiply this square footage by \$35 to calculate your wholesale investment.

Keep in mind that, on average, the cost to put product in your store will be a minimum of \$35 wholesale per square foot. The average cost to design your store will be a minimum of \$25 - \$30 per square foot.

Now that you have an idea of your wholesale cost, simply complete the form on the following page to initiate your RMI order.



# RMI Product Mix Worksheet

Account #: \_\_\_\_\_ Store Name: \_\_\_\_\_  
 Contact: \_\_\_\_\_ Phone: \_\_\_\_\_  
 Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Store Opening Date: \_\_\_\_\_ Total Dollar Amount: \$ \_\_\_\_\_  
 Square Footage: \_\_\_\_\_ Would you like the file to include Catholic product? \_\_\_\_\_

All stores do not take all product types. Please choose only those you wish to stock in your store. The industry standard percentages are provided as a guideline. Please fill in your percentages based on your store's needs and interests.

Category	Industry Standard	Your Desired Percentage	Dollar Amount (Your Percentages x Total Dollar Amount)
ABK Adult Books	34%	_____	\$ _____
ACC Accompaniment Tapes	1%	_____	\$ _____
AUC Audio for Children	1%	_____	\$ _____
AUD Audio Books & Bibles	1%	_____	\$ _____
BIB Bibles	10%	_____	\$ _____
CBK Children's Books	5%	_____	\$ _____
EDU Educational Materials	2%	_____	\$ _____
GFT Gifts*	25%	N/A	\$ N/A
MUS Music	14%	_____	\$ _____
SBK Songbooks	1%	_____	\$ _____
SFT Software	1%	_____	\$ _____
SPL Church Supplies**	2%	_____	\$ _____
VID Video	3%	_____	\$ _____
<b>Total</b>	<b>100%</b>	_____	\$ _____

Please indicate choice of report format: Excel Spread Sheet e-mail\* \_\_\_\_\_ or disk\* \_\_\_\_\_.

\*E-mail or disk format requires a program such as WinZip, PKZip or compatible software.

A 1% deposit is required for creating the RMI. This deposit will be credited towards your RMI purchase.

\*Gifts are not available through Spring Arbor

\*\*Spring Arbor stocks a limited selection of Church Supplies, primarily Communionware.

The CBA industry standard for Gifts is 25%. Since Spring Arbor does not carry gift product, we recommend that you purchase your gift items direct from vendors.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please mail or fax completed form to:  
 Spring Arbor Distributors  
 M/S 671 • Attn: RMI Coordinator  
 14 Ingram Boulevard • La Vergne, TN 37086  
 Fax (615) 213-5285 • Phone (800) 395-4340, ext. 33319





(800) 395-4340

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*Your Partner in Purpose*