



THE
DISTRIBUTION
TEAM

TURNING BUYERS INTO INVESTORS (60-75 MINUTES)

Who do you think spends the most money in your company? Every time one of your buyers generates a purchase order, they are essentially cutting a company check. The idea is to get the best return on that investment of company money. This session is designed to help buyers learn how to analyze the performance of inventory so that they can make more prudent investments in the future. Looking at the Gross Margin Return on Inventory Investment provides a better understanding as to the success of our sales and purchasing efforts. Comparing gross margin analysis by supplier line gives us a good idea where we make and lose our net profit. Further exploration of the Turn and Earn ratio provides a basis for future purchasing dollars invested, giving us a more targeted net profit approach. The goal of the session is not only to buy smarter, but get a better return on the dollars we've already spent.

LEARNING OBJECTIVES:

1. Change the focus of the buying team.
2. Learn how to measure return on investment.
3. Learn how to discover and improve low performance lines.
4. Use return on investment as a tool in vendor negotiations.
 - a. Analyzing Customer Profitability
 - b. Finding the Balance Between Turns and Customer Service
 - c. Gross Sales is for Vanity, Profit is for Sanity
 - d. Finding the balance: People, Product and Profitability
 - e. Preparing for the Transition: Do you own a Business or a Job?