

Suppliers

Suppliers are a Buyer's Best Friend!

From the buyer's perspective, your supply base is your life blood – you need them as much as they need you. Suppliers are experts in their field and building the relationship with them, developing good ways of working, will all deliver a better and more profitable business.

Good suppliers are a major asset, and below is a list of things you should consider:

- Reliability and efficiency – speak to others who may have used the supplier before
- Service levels – be very clear about your expectations and that the supplier can achieve this – make it a part of your contract if necessary
- Competitive pricing – talk to several suppliers to get a feel for how the costing of a product should be – remember to make sure you are comparing like-for-like

Deciding which suppliers to work with – consider:

- Balance between current and new suppliers
- Avoid one item one supplier
- Far east shipment lead times
- Local suppliers and designer/makers

Finding suppliers

There are many ways to find new suppliers – it's best to have a strategy in place to save time – and remember your product selection criteria – that should save you wasting time on suppliers who don't fit.

- Current suppliers
- Trade catalogues eg Heritage Shop Catalogue
- Word of mouth
- Media – consumer and trade
- Other museum shops
- Comp shopping
- Internet searches
- Trade shows
 - Top Drawer / Home / Craft, London – January & September
 - Museum Connections, Paris – January
 - Spring / Autumn Gift Fair @ NEC – February & September
 - Cultural Enterprises Trade Show
 - British Craft Trade Fair, Harrogate – April

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- Pulse, London – May
- Harrogate Gift Fair – July (also January for Christmas)
- Special interest shows: Toys / Food / Christmas / Publishing / Remainders
- Craft and design fairs NB time investment in young designers

Developing the Plan – supplier terms pros and cons

These are topics that you may need to discuss with a supplier as part of your negotiations.

- Wholesale price structure
- Minimum order value
- Pack sizes and minimum quantity
- Delivery charges
- Carriage paid
- Payment terms
- Early settlement discounts
- Retrospective discounts
- Sale or return / guaranteed sale
- On consignment

Placing orders

Once your sample is approved and signed off and you are ready to place an order, you must consider:

- How many to order – look at your sales budgets / forecast and OTB, look at your plan and how many do you think you will realistically sell in 12 weeks
- Have you got enough to fill where you are displaying it
- Supplier minimum order quantity
- What the packaging is and how this is costed
- Carriage paid order values
- How many forward weeks stock cover you are willing to hold
- Storage space!

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Receiving orders

- Check the stock matches your agreed sample
- Check the quantity received against the purchase order – notify any overs/unders within 24 days (check their terms and conditions)
- Undertake a random quality control check – esp. for bespoke lines check a higher percentage of these
- Check price on the supplier's invoice against the price on your order
- Check delivery charges
- Check the bar codes scan

Top Tips From the supplier's perspective

1. Dig out as much source material as possible
2. Check the copyright so that you are sure that you have the rights to use the material
3. Plan ahead!
4. Trust your suppliers – don't be afraid to ask.
5. Enjoy it!