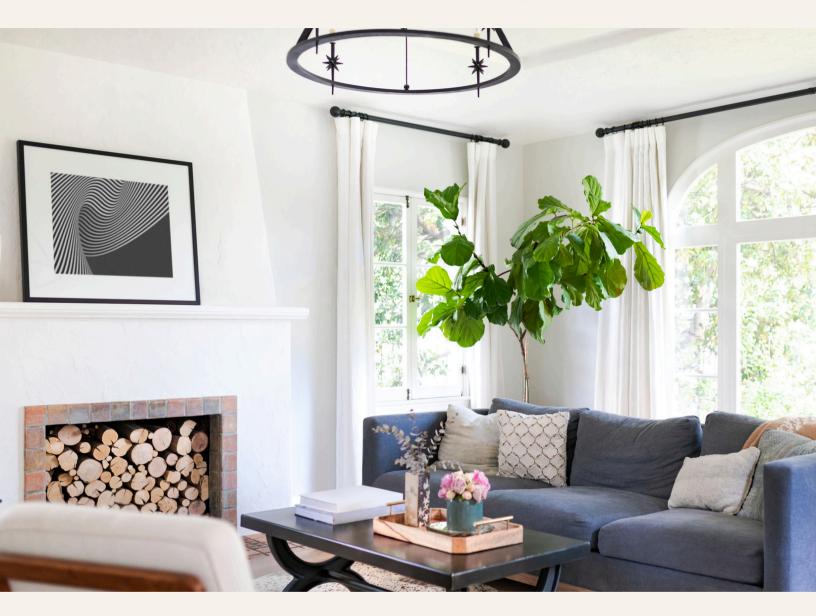
## HOME by Hallan Design



## Procurement

## Contents

Procurement: Selecting, Purchasing, Tracking, Managing Freight, Discrepancies, Damages, and Deliveries through to Installation

Welcome	<u>3</u>
How Designers Earn	<u>4</u>
<u>Trade Vendors</u>	<u>5</u>
Freight & Shipping	<u>6</u>
Receivers	7
<u>Limitations</u>	8
Rates	<u>9</u>
<u>FAQs</u>	<u>10</u>

<u>11</u>

Next Steps







## FOUNDER + OWNER Hi, I'm Karen

The Home by Hattan Design Team is beyond excited that you want to partner with us as you invest in your home. Since every designer runs their business differently, we strive to create transparency for our clients.

Part of the fun when working with a designer is gaining access to our expertise, knowledge, and exclusive resources. We're proud to be a small business and also a retailer! Our hope is that this guide will answer most of the questions you have about what it's like working with a designer to purchase goods.

We'll outline our procurement process, pricing, and cover some of our most frequently asked questions. Please note that procurement for the Build/Reno Team of Home by Hattan is slightly different, and this guide explains Design Procurement only. If you have any additional questions, please don't hesitate to reach out.

WELCOME PAGE 3





## How designers earn money

Before we dive into the Procurement process, let's talk about how designers earn money. For most designers, including Home by Hattan Design, we earn money from two major sources: design fees and selling products. Without the income generated by product sales our design fees would have to double in order to make a living.

When you buy goods through any retailer, us included, the products are purchased at a lower price than they are being sold for so that business makes a profit. A traditional retailer, like Crate & Barrel or Target, purchases their goods at wholesale pricing which increases their profit margin when they resell the products.

As a designer, we operate similarly for our clients. Think of designers like small retail businesses even if we don't have a physical store to sell goods. We research vendors, and form relationships, so that we can sell only the best products to you.

### Trade Vendors

Designers purchase most of their goods through wholesalers that only sell to the design trade. This is why we call them trade vendors. Because they don't sell their products directly to consumers, they offer better pricing to designers based on how much we purchase from them.

We invest thousands of dollars, and countless hours, identifying and vetting our preferred vendors and suppliers. We visit trade shows, private showrooms, and work with an amazing team of sales representatives.

We have our preferred vendors and suppliers, but that doesn't mean we'll only select from them to find the perfect pieces for your home.

#### **KEY BENEFITS**

- Higher Quality
- Customization options
- Potential savings off of MSRP
- Designer coordination
- Wider variety of products
- More unique options than retail stores



#### ABOUT THOSE "DESIGNER DISCOUNTS"

If a vendor's pricing is favorable, we can often pass along some price savings to our clients. Based on our pricing tier with a vendor, our clients can pay less than MSRP for some items, while others may be at MSRP.

TRADE VENDORS PAGE 5

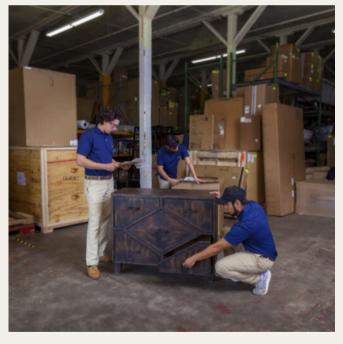
# Freight & Shipping

We don't want to burst your bubble, but there's no such thing as free shipping. In fact, most retailers are hiding the price of shipping and delivery in higher price tags. We want you to know what it means if you see charges for shipping, freight, receiving, delivery, and installation.

When we purchase a piece of furniture from a manufacturer, that item ships to us via a freight service on a large semi-truck. Freight shipping is calculated at a lower rate than shippers like USPS or FedEx.

Freight trucks will only deliver to a Receiving Warehouse that has either a loading dock or a forklift (and a team of people) to unload the truck.





Note: There is ALWAYS a fee for freight shipping. Shipping charges MAY be included with your invoice for products, if known at the time of billing - OR - may be a separate bill that must be paid before your order is released for shipping. Local Receiving, Delivery, Assembly and or Installation are additional fees.

## Working with a Receiver

#### WHAT IS A RECEIVER?

Receiving is a large operation involving warehouses, trucks, storage racks, forklifts, inventory management, moving blankets, and miles of packing material. And we can't forget the teams of detail-oriented, hardworking people we're proud to work with, who are checking your products in and out, and inspecting them for correctness, communicating with us, etc.! We couldn't live without the service of this local business.

The Receiver will unload the trucks, check items against the shipping manifest, and log your items into inventory. Each piece is opened and inspected for damages within 48 hours of arrival.

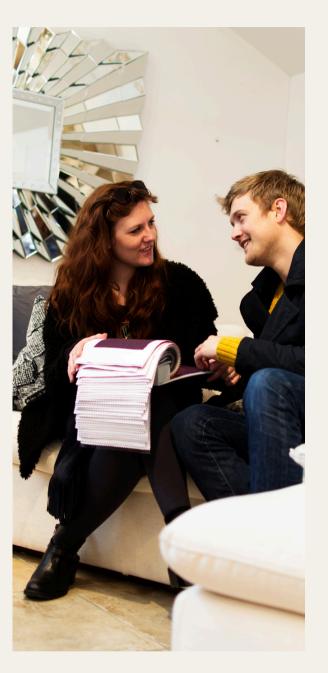
Just like retail stores, we deal with an extraordinary amount of damaged furniture, that you won't have to worry about. Our warehouse will notify us of any damage and work to correct issues with the manufacturer.

#### INSTALLATION

Once items are inspected, they are re-boxed and stored until your install date. All of your pieces will be removed from storage and loaded safely onto trucks. The delivery team will protect your furniture and home during installation while we place furniture and rugs in just the right place.

The delivery team will then load their truck with tons of cardboard and packing materials and take it back to their warehouse. They'll manage the waste and recycling so you don't have to.

The greatest part is that you're left with a beautifully finished space!



## Limitations

We strive to provide you the best possible experience while helping you fulfill your home goals, but in order to keep our commitments to all of our clients we do have some restrictions.

We don't provide support when a client purchases through a retailer directly. Clients are responsible for ordering, shipping, receiving, delivery, damages, and any delays for these items.

We don't spend time searching for the lowest price. We don't want design fees to exceed your savings on a product.

Each trade vendor handles returns differently. This is why we don't process returns unless we're able to secure a 100% refund for the items. Sometimes a client will need to pay a restocking fee or freight charge to return an item.

Our goal at Home by Hattan is to provide you the best possible experience while helping you fulfill your home goals.

LIMITATIONS PAGE 8

### Rates

The procurement rate is the same hourly rate as our design services and applies to all the time spent purchasing, procuring, and managing shipping and delivery. It's also applied to time needed to address damages or replacements.

During the design concept and budgeting portion of your project, we'll help you plan for the costs related to freight, shipping, receiving, delivery, and installation. Once you've approved the final design plan, you should be ready to pay for all items in full. Occasionally shipping fees are not known at time of ordering product, and may need to be billed at a separate time.

We want to help you create a beautiful and functional home that you'll love, so we'll be there at each step to help you anticipate what's next.

HOURLY PROCUREMENT	\$200
FREIGHT/SHIPPING	<b>12%</b> average
RECEIVING	<b>5%</b> average
DELIVERY/INSTALL	10% average
DEPOSIT FOR GOODS	100%

RATES PAGE 9

### Frequent Questions

#### CAN I ORDER CUSTOM?

Of course! We love producing bespoke pieces for clients, whether it's furniture or case goods. We have preferred craftspeople who can create exactly what you're picturing in your mind.

#### WHAT IF I DON'T LIKE SOMETHING?

We work hard to ensure that furnishings are right for our clients during the design process. Returns aren't impossible. However, most vendors will not accept returns, or they charge large restocking and freight charges to do so.

#### WHO HANDLES WARRANTIES?

Your sales receipt/invoice from *us* serves as your proof of purchase when you communicate with manufacturers about warranty issues.

#### CAN I BUY ON MY OWN?

In short, yes. But keep in mind that our projects turn out their best when we manage the entire process. It's very challenging for us to control the quality of a project when we don't.

#### WHAT ABOUT DELAYS?

Supply-chain delays, mistakes from vendors, and back orders are normal. Our job is to coordinate an efficient project to minimize delays as much as possible.

#### WHEN WILL MY INSTALL BE?

Sometimes we'll install an entire room at once, or we'll install large portions of multiple rooms. We'll coordinate the most cost-effective and productive installation date based on when your furnishings arrive at our Receiver.

FAOS PAGE 10





Please schedule a call or email us if you have any questions about this guide or your project's Proposal.

We care about you and your home, and we will always provide the best service and the best products that we can!

We will keep you informed and will be by your side every step of the way. We are so excited to help you create the home of your dreams!

www.homebyhattan.com

@homebyhattan

hello@homebyhattan.com