



# A.M.P.A.

*Association For Merchandise Planning and Allocation*

The latest AMPA meeting was held on Tuesday, January 19, 1999 in New York City at the office of Coach Leatherware.

The following people were present: see attendee list

### ***AMPA Highlights***

- **AMPA Now:** 130 Members - 80 Companies
- **Annual Meeting and Luncheon:** To be held at Retail Systems 1999 Tradeshow - Chicago, June 6-9<sup>th</sup>
- **AMPA Sponsorship:** Program being developed - sponsors being contacted
- **AMPA Website and Forum:** Established and underway
- **AMPA Booth at Retail Systems 1999:** Scheduled - Planning is underway
- **Planning Survey:** In-Progress - Is Yours Complete?
- **International AMPA:** Underway in Europe, South Africa and Australia

### ***Membership To Dos***

- Obtain an e-mail address (if you do not have one) and provide the address to Regina Beischer (rbeischer@rs-s.com)
- Return your Merchandise Planning Survey if you have not done so already
- Review the AMPA website and provide comments
- Volunteer to help us at the Retail Systems 1999 AMPA Booth

### ***AMPA Meeting/Major Discussion Topics***

At the AMPA meeting we conducted an extensive business meeting to review our status and on-going progress. This meeting was followed by a general discussion among the members present concerning Planning Methods and Philosophy.

The major discussion topics for our meeting included:

- Membership & Directory
- E-mail Requirement
- AMPA Website
- Working with Retail Systems Alert Group (RSAG)
- AMPA Sponsorship Program

- AMPA as Legal Entity
- Retail Systems 1999: Luncheon/Annual Meeting/Booth
- Merchandise Planning System & Process Surveys
- Merchandise Planning Forum/Chat Area
- International AMPA
- Merchandise Planning Course

### ***Membership and Directory***

Membership has grown and continues to grow. We added approximately 40 new members and 10 new companies in 1998. In order to keep the member list up to date it is important that we have current information. Please contact Regina Beischer, AMPA Coordinator, with any changes to your member information (i.e. new company, job title, phone/fax number, or e-mail address). It is also important for current members to promote AMPA and solicit new members by contacting former colleagues and others in the industry. We have also begun working internationally to build AMPA (see topic below). We have an Excel based member list (latest AMPA list is attached) as a short term vehicle to help keep our "membership" current and communicate quickly with members.

A new directory is being prepared and will be ready in the fall after the Annual Meeting update. We are looking toward our sponsorship program to help with the printing costs - or possibly a member company in the New York area can help support the development of a directory. Our future directory will include the following:

- The AMPA Organization (History, Purpose and Scope of Activities, and Past Meetings)
- Administrative Contacts (Executive Committee, AMPA Coordinator)
- Member Directory (Alphabetical list of members)
- Company Directory (Alphabetical list of member companies)
- Member Information (Info gathered from initial Background Survey)
- Merchandise Planning Courses (AMPA Accreditation)
- AMPA On-Line (Website Information)
- Merchandise Planning On-Line Forum (in conjunction with the Retail Systems Alert Group)

Any suggestions or ideas for the directory should be sent to rbeischer@rs-s.com. Keep in mind the directory is produced infrequently so dated material is not practical.

### ***E-mail Requirement***

It has been agreed that e-mail is our main vehicle for communication. Costs are too great and administrative manpower is lacking for mail or faxing, except for major items like directories. Regina Beischer has been contacting all members to get e-mail addresses. If you don't have an e-mail address please arrange for one or arrange for a colleague with e-mail to

pass along future correspondence. ***Please contact Regina with addresses or changes to EMAIL address***

*AMPA Website*

Website Access: [www.rs-s.com/ampa](http://www.rs-s.com/ampa)

The AMPA website will continue to provide announcements, results of meetings, surveys, vendor presentations and other items of interest for AMPA members.

There is a link to leave your comments, suggestions or questions. The long term plan is to have our own separate AMPA website as part of the Merchandise Planning Community Center working with Retail Systems Alert Group

### **Working with the Retail Systems Alert Group/**

### **Merchandise Planning Community Center**

Retail Systems Alert Group will be working very closely with AMPA to support our activities. A Merchandise Planning Community Center is being established to serve the Merchandise Planning needs of the retail industry. RSAG will develop and maintain the Merchandise Planning Community Center (MPCC) while AMPA will organize and provide the content. Major sponsors are being sought to fund the center. As part of this program, AMPA should have a source of funds (although probably very limited at first). The activities that will evolve are as follows:

- **Merchandise Planning Forum** - we will continue to hold an on-line Merchandise Planning Forum as part of the Retail System Alert Group website, Retail Info Systems ([retailsystems.com](http://retailsystems.com)). A live interactive discussion forum will be held one Friday each month built around a particular theme. The forum can be accessed by [www.retailsystems.com](http://www.retailsystems.com) or [www.rs-s.com](http://www.rs-s.com). All sessions begin at 12:00 noon EST. The upcoming schedule is as follows:  
**Membership Directory** - an on-line version of the member directory will be developed in a "secured AMPA" area - only AMPA members will have access.
- **Forum/Bulletin Board** - will allow AMPA members the opportunity for an on-going interchange of ideas by providing a place to leave messages, questions, etc. as well as providing a vehicle to respond. Also, links to retail planning information will be provided.
- **Surveys** - RSAG will help expand our planning surveys through its database.
- **Annual Meeting** - RSAG/MPCC will promote our Annual Meeting and Luncheon to be held at the Retail Systems 1999 annual trade show. We have space in the trade show promotional material (brochure).
- **AMPA Booth** - as part of the MPCC, AMPA will have a booth at Retail Systems 1999 (see separate item below).
- **General Support** - other support will be provided as we decide on needed programs.

## ***Sponsorship Program***

The Retail Systems Alert Group as part of the Merchandise Planning Community Center, is administering the process to secure sponsorship funding for AMPA. This funding will be part of the overall RSAG/MPCC program. AMPA members have opted to try and secure funding through the sponsorship program in lieu of "dues". This sponsorship program will allow us to offer free membership to all retailers and hopefully pay for our various activities and services. If the sponsorship funding falls short, we will then try to have "volunteers" among our membership to complete various functions

## ***AMPA as a Legal Entity***

At this point we must consider establishing AMPA as a formal trade association. We must consider all or some of the following:

- Legal name and logo
- Incorporation or other legal aspects
- Setting up to do business (receive money, write checks, etc.)
- Establish a Board of Directors with Secretary and Treasurer as well as officers
- Establish legal and financial guidelines
- Develop by-laws

RS&S will be working with RSAG to help finalize AMPA as a legal entity. If any member companies can provide support in this area please contact Regina Beischer.

## ***Our Next Meeting - Retail Systems 1999: Luncheon/Annual Meeting/Booth***

- Annual Meeting will be held on Tuesday, June 8, 1999 from 10:00 a.m. to 5:00 p.m. at McCormick Place, Chicago - Agenda/Registration flyer will be sent soon.
- The annual AMPA meeting will be held to discuss the latest techniques and issues facing Merchandise Planning practitioners. The program will include the first annual AMPA luncheon among members and invited guests.
- A guest speaker will be included in the regular program to provide a forum for discussions. A short business meeting will be held to discuss past accomplishments and future plans.
- AMPA Booth at Retail Systems 1999 - AMPA will have a booth to promote the organization and recruit new members. We will need member volunteers at the booth to distribute AMPA information, discuss membership, answer questions etc. Please contact Regina Beischer as soon as possible if you can help us with the AMPA Booth at Retail Systems 1999

## ***Merchandise Planning System & Process Surveys***

- To date we have received 35 completed surveys of the 100+ that were sent to AMPA members in late August.
- Regina Beischer has been contacting members who have not yet completed and returned their planning survey to try to increase the number of responses. In order to provide a good database of information for members and have a good sample for

analysis, we need all AMPA members to complete the survey as soon as possible (only one per company is necessary).

- The survey results will be summarized and distributed to all participating AMPA members. Non participating members can purchase the survey results for \$99.00 and non AMPA members can purchase the results for \$199.00.
- Future Surveys - The group discussed various survey topics including:
  - Planning Methods - Store Attributes, Product Attributes, Hierarchies, Alternate Hierarchies, Store Groups and Clusters, etc.
  - Planning Function, Buying, Distribution, Allocation - How are they Structured, How People Interact, Roles and Responsibilities, Authority, etc.
  - Planner Requirements - Capabilities, Review, Performance Criteria, Skills, Training, Career Path, etc.
  - Overall System Interaction (what is driving what) - Strategic Plan, Merchandise Plan, Assortment Plan, Allocation, Space Plan, Store Planning, Merchandise System Reporting, etc.
- It was also suggested that the surveys be made available for completion on the website.

### ***Merchandise Planning Message Board/Forum/Chat Area***

We will be working with Retail Systems Alert Group to establish a Merchandise Planning Message Center capability. This Forum/Chat area will allow AMPA members to post messages, chat on-line and interact through e-mail. We will contact you shortly with more information about the Forum/Chat Area.

### ***International AMPA***

AMPA has generated interest among retailers internationally. We are in the process of working with the following representatives to establish International AMPA chapters:

- Europe - Stephen Hull & David Beattie
- South Africa - Sean Kristafor
- Australia - Todd Wilner

The following policies and points of consistency have been discussed:

- **The Association's Goals & Charter** - All chapters should have a common set of goals and charter. All chapters can discuss and share thoughts.
- **Annual Fee** - There will be no annual fee. Individual chapters could have a fee to cover expenses for a specific meeting, conference, activity etc.
- **Organization and Timing of Conferences** - Local chapters would organize their own conferences but would be welcome at US AMPA functions.
- **Sponsorship Program** - Our current sponsorship program would cover all chapters. International chapters can provide vendors for us to contact
- **On-Line Discussion Groups** - International chapters could have own discussion group or become part of US group. Since time differences would be an issue, individual discussion groups using the RSAG existing site would probably work best.
- **Website** - International chapters can have their own section in the existing US AMPA site or develop their own local site conforming to the overall structure and theme of US site. All international sites would be linked to US AMPA site.
- **Member Requirements/Benefits** - The membership requirements should be

consistent in all chapters as should the benefits.

- **Future Training for Members** - US AMPA is developing a Merchandise Planning course. International chapter input would be welcome.

***Merchandise Planning Course***

It was decided to develop a Merchandise Planning course to standardize the knowledge base of a "planner". This course would provide AMPA accreditation for a Merchandise Planner.

- RS&S will provide an initial outline for the course based on its seminar program.
- Member suggestions will then be gathered to enhance the outline.
- We will then work on the actual development of the course material.

Carolyn Goodman	Coach Leatherware	Dir Factory Mdse Planning
Vanessa Yee	Coach Leatherware	Planning Manager
Anthony Candella	Coach Leatherware	Dir Retail Mdse Planning
Rebecca Metz	Coach Leatherware	Sr. Planning Manager
Kyra Kelly	Coach Leatherware	SR Planning Manager
Elizabeth Quaro	Coach Leatherware	
Lorraine Helfgott	Coach Leatherware	
Steve Hendel	Office Depot	Dir Systems Development
Terry Donofrio	RS&S	President
John O'Leary	RS&S	Sr Consultant
Stephen Hull	RS&S/Europe AMPA	Sr Consultant
Casie Siegel	The Limited Inc	Sr Manager Internal Audit
Karen Montgomery	The Limited Inc	Sr Manager IT
Robin Gray	American Eagle Outfitters	

The group held a general discussion to look at various aspects of planning. The discussions included organization structure and frequency of planning. The main points arising from the discussion were:

- Coach Leatheware presented their approach. Coach Leatherware is unique in that they have few vendors and are mainly the retailing arm of the manufacturing company. Buyers are responsible for planning, buying and allocation. Plans are developed down to SKU level. Merchandise Coordinators are responsible for the management of on-hand inventory in the stores. The extension of product lines such as watches may necessitate a change to the current structure. The group discussed the overall buyer/planner approach given the special requirements of the Coach

Leatherware business.

- Coach Leatherware plans at SKU level for the coming six months and develops higher level plans up to 12 months out.
- Robin Grey explained how American Eagle operated. Planning, Buying, and Allocation are separate functions. Buyers are responsible for markets, product focus, strategy and design. Planners are responsible for all planning. Distribution is performed by dedicated distributors. American Eagle plan around floor sets. AE have 9 floor sets per year with 30% of merchandise changing with each floor set.
- The Limited presented their approach with Buyers, Planners and Allocators as separate functions. The respective members work together as a team.
- The discussion moved on to the reconciliation process, frequency of planning and re-planning. Typical reconciliation approaches for Dept/Class, Division and top level plans were discussed. Multi level reconciliation was a consensus. Everyone agreed that although some weekly activity takes place most larger re-planning efforts occur on a monthly basis.
- Both The Limited and American Eagle have moved beyond chain-wide planning and were moving towards micro-marketing. The various aspects of micro-marketing were discussed.