

Peak Season Trading Guide How to get ahead during the busy summer season

As we head into our peak summer trading season, we want to help you get ahead of any challenges we think may have an impact on day-to-day business over the next busy quarter of the year. We've been speaking to our team for their expert knowledge so we can keep you updated with the latest information on stock levels, lead times and price fluctuations as well as our recommendations on how to tackle these, so that you can plan accordingly and be prepared for the months ahead.

This guide will cover:

- ✓ Latest information on stock levels and lead times
- ✓ Ongoing situation in Eastern Europe
- ✓ Price fluctuations
- √ Maximising opportunities in Q2

Latest information on stock levels & lead times

Scott Evans, Purchasing Manager
Mike Symons, Director of Sales, Marketing and Customer Service

Why are some key styles and SKUs out of stock?

Shipping challenges

We know that there may still be issues with some stock levels and understand the frustration this can cause when you have orders to fulfil for customers. There's a 'perfect storm' with the ongoing effects of the pandemic combined with the more complex supply chains post-Brexit which continue to pose production and shipping challenges for many of the brands. High infection levels in garment manufacturing countries means that production has been interrupted and Covid closures have again been affecting capacity at ports, causing a backlog of container traffic.



Logistics shortages

Exceptional demand globally for containers has meant everyone is fighting for capacity, and escalating costs are also making it harder for brands to plan shipping. Additionally, once the goods reach the UK, many suppliers are still limiting volumes to their customers, which, combined with staff shortages due to self-isolation and difficulty recruiting post-Brexit, is leading to an increase in lead times.

What is PenCarrie doing to help the situation?

PenCarrie and our suppliers are investing heavily to build and maintain stock levels

We generally have a good level of stock on most styles, however there are still gaps. We've made significant stock orders with the brands to fill these gaps as quickly as possible and are continuing to monitor levels and order accordingly.

Working with our brands

Our brand partners are keeping us updated on their stock levels, but unfortunately there is a lack of visibility for both us and the brands on delivery dates due to the shipping issues mentioned before. We're working together to get the most up-to-date information available. You can see multiple 'due in' dates online (approximate) which are updated as we get new information from the brands.

How can you get ahead with these challenges?

Check stock levels online

The easiest way to keep up to date on the stock situation by brand and style is to check back regularly. We know this isn't ideal, but we update our stock levels online as soon as anything changes – and this happens daily.

You'll also see a '+ days' figure on stock levels. This is the stock available from our suppliers and gives you an indication of what's available to us within that time frame, should you want to place an order for more than we currently have in stock. (The timeframes are approximate, and due to shipping challenges, some brands are currently experiencing longer lead times.)

If a product is completely out of stock, we'll display a 'Due in' information button. This will tell you what stock quantities we're expecting and approximately when.

Sometimes you'll see 'Call' in place of a due date. We may have due date info from the brand for these items, but it's not confirmed. If you give us a call, we'll be happy to give you any information we have as a guide.



Place orders early on styles you know you'll need

Ordering earlier than you usually would is advised. Key styles sell out very quickly, so buying your stock as soon as it's available will help you avoid disappointment later on.

Use the 'Similar products' and 'Compare' features on our website

We offer similar styles for almost all our products online, so if something you need to order isn't in stock, there may be alternatives that will help you to fulfil your customer orders.

- Our 'Similar products' feature at the bottom of each product page of our website will help you see what similar styles are available.
- Use the 'Compare' button at the top of each product page to add up to four styles to
 easily compare all the key features, so you can see what differences there are between
 products.

Remember, you can always <u>contact</u> our friendly Customer Service team during office hours, and they'll be happy to help you with any queries.

The ongoing situation in Eastern Europe

Tony Lock, Managing Director Andrea Charteris, Customer Service Manager

Will the ongoing situation in Eastern Europe affect availability?

The effect of conflict and sanctions on ports in Europe

We've already been experiencing longer than usual lead times on shipments through ports globally, originally stemming from both Covid and Brexit, and the high container demand that has continued since late 2020. Although there's no direct effects on availability from the ongoing situation in Europe, it's possible that European ports could see congestion and delays due to rerouting of some traffic. This could also put pressure on already rising shipping costs.

In addition, increasing energy and fuels costs are having a significant effect on all of us. These increasing cost pressures will also be adding to the strain of importing goods from Europe.



What is PenCarrie doing to help the situation?

We're making sure that we give you both stock and price updates as soon as we hear about them. If we hear of any specific delays due to this situation, we'll add updates to our service messaging on our website.

Price fluctuations

Scott Evans, Purchasing Manager Andrea Charteris, Customer Service Manager

Why are brands changing their pricing?

Rising commodity, production and freight costs

Price changes are never welcome news, and throughout last year, and into this year, our suppliers have seen the continuing rise in commodity and freight costs which has resulted in price increases. Our brands are continuing to work hard to ensure any increases are as low as possible. More recently, we've all seen the escalating energy and fuel costs, which have had further impact on production costs.

What is PenCarrie doing to help the situation?

Giving you prior notice

We're making sure that we give you updates on price changes as soon as we hear about them, aiming for a minimum of two weeks' notice where possible.

Make these changes clear

With each price update, we update our Price Lists and clearly mark which prices have been affected and on which date, so you can keep track of any new changes. <u>See recent updates.</u>

How can you get ahead with these challenges?

Check for updates online

Any price updates are always posted on our website so please check back regularly. We also email this information to customers, so if you haven't signed up to emails and want this sent directly to you, please update your marketing preferences in the 'My Account' section of our website.



Check your despatch date

The prices you'll be charged are the prices on the day your order is despatched not the day the order is placed. You can check our latest order-to-despatch lead-times on our website.

Be mindful when issuing large quotes

It's important to manage your customer's expectations when issuing quotes for large orders. As things may change, we'd recommend factoring in potential changes.

Sort by price online

If you're looking for products within a certain price range, you can use the handy 'List price' drop down on our 'Product by use' and 'Product by type' pages and filter 'High to Low' or 'Low to High'.

Making the most of the peak trading season

Becky Davies, Digital, Marketing and Communications Manager

What are the key opportunities in Q2?

With the easing of restrictions and our 'new normal' starting to take shape, it's exciting to see that events and festivals are back on the cards, which opens up a great opportunity for merchandise and branded goods.

Along with the Queen's Jubilee, garden parties and overseas travel, it's a great time to get ahead with celebratory, as well as practical, ideas for your customers.

What is PenCarrie doing to help the situation?

With specially curated collections, along with offering customisable brochures in our Brochure Hub, we've taken the hard work out of choosing the best styles for these occasions.

You can also filter within these collections using the handy side filters, making it even simpler to refine what it is you're looking for.



How can you get ahead with these challenges?

Our market-leading selling tools are free and easy to download at the touch of a button. We always make sure these collections and brochures are available to you ahead of time, so you have the opportunity to sell to your customers with enough lead time.

And remember, you can share these collections with your customers using our completely unbranded www.fullcollection.com website as a catalogue link within your own website.

For the latest updates and information about PenCarrie, please see our website.

You can contact us anytime at sales@pencarrie.com or on 0800 252 248.