

The Consignment Process (Women)

10/1/18

Important Reminders

1. FLIP, more than anyone, has the incentive to keep every item. Unfortunately, due to either a blemish, outdated style, or an original retail price that doesn't leave enough room to be sold on the secondary market, there will most likely be some items our clients aren't seeking to buy so we'll not be able to consign them.
2. No appointment is required to bring inventory. You can bring inventory anytime between 11-7 (Monday thru Saturday) & 12-5 on Sunday
3. Hangers - we don't return hangers, we recycle them to the clients who purchase your items so to help us process your clothes quickly, please make sure they are on disposable hangers that you are ok with leaving with Flip. Bags, shoes & accessories do not have to be on hangers.
4. Boxes (shoe, jewelry, hand bag) & dust bags – we do not keep these. Bring in your items but keep your boxes and dust bags. If you do bring in your items with a box or dust bag, you must request this back at the time of consigning

Inventory Process

1. What to do before bringing inventory to consign? Make sure to do the following:
 - Read the Important Reminders above
 - Items need to be clean & pressed
 - Items need to be on disposable hangers. We do not return hangers.
 - Please do not bring items in plastic clothing bags or dry cleaner bags. We do not return these bags
 - Accessories – if you have the original bags, please do bring these
2. What do I do when I pull up the store? Park in front or close as possible to the Reserved Parking sign, leave your inventory in the car, come inside and let us know you have inventory. One of our inventory specialists will take it from there!
3. Once the inventory is brought into Flip, what happens next?
 - Step 1 – The first step in our process is the preliminary review (PR). This review takes approximately 10-15 minutes and is performed while you are onsite. The goal of the PR is to separate the items into two categories:
 - Items we can't sell. These items will be given back to you while you're onsite
 - Items we can look at further. Note: these items have not been approved for consignment. These items proceed to step 2.
 - Step 2 – The second step in our process is the final review (FR). The FR is completed within 21 days from the day you bring inventory. After the FR is done, there are two categories of items:
 - Items we have accepted for consignment. For these items, you will receive an inventory report via email that shows you the inventory we accepted.
 - Items not accepted for consignment. When you brought inventory, you selected either PU or GW for items not accepted. See below for details related to your selection:

<i>If you selected the Pick Up (PU) option:</i>	<i>If you selected the Goodwill (GW) option:</i>
We notify you via text of items to pick up. This text is sent immediately after we send the inventory report. If you don't have a textable #, the inventory report serves as the pick up notification	We have sent these items to Goodwill. You do retain tax write off privileges.
When the text is sent, we do not provide details of the items we are not able to accept. Our focus is now 100% dedicated to the items we accepted. If you'd like to have a full accounting of what we kept, we ask you to inventory the items prior to bringing them to us and then when we send the inventory report of what we kept for sale, you can cross reference this report with the list you made.	
We hold the items for 3 business days. There are no extensions to the 3 day period but we do understand your plans might change so we do allow a friend or family member to come pick up the items for you.	

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Inventory Report FAQ's

Q: Is the "Price" shown on the inventory report the amount I will receive?

A: The "Price" column shows the beginning price of your items of which you will receive between 40% to 60% depending on the final price

Q: Does this report mean my items have sold?

A: No, this report is showing all of the items that have just been put on the floor to be sold

Q: This report only shows 'X' number of items; what happened to all the other items I brought in?

A: There could be multiple answers to this question such as:

- a. If you marked your contract as "GW," the other items were taken to Goodwill.
- b. If you marked your contract as "P/U," you will be receive a text to come pick these items up.
- c. If you are referencing inventory you've brought in previous to this most recent inventory "drop," this report only shows the items brought in on the most recent "drop."
- d. On occasion, clients will bring in inventory multiple times within a short period of time (i.e. within a week or two.) If this report doesn't contain all your items for these multiple "drops," the other items are still in process and you will get a report for those items as soon as they're processed.

General FAQ's

Q: What is the commission paid to the consignor?

A: See below:

- 40% commission for items \$0 to \$199.99
- 50% commission for items \$200 - \$499.99
- 60% commission for items \$500 & up

While this question is an important one, we like to say no matter what consignment store you might do business with, there are two questions that are even more important. These questions are:

Q: Does the store have a good sell through rate (i.e., does the store do a good job selling their inventory?)

A: Our stores have a sell through rate over 95%. Another way of answering this question would be to say we have thousands of inventory clients and they wouldn't continue to bring us their inventory if we weren't selling their items.

Q: Does the store sell the items at the best price possible?

A: We're extremely selective and we merchandise well thus we're able to command a good price for the items. As you can understand, the simple logic is the fact no one more than FLIP wants to sell items at the highest price possible

Q: Can you provide me details on the items that don't pass your final review

A: We aren't able to provide that information. We need to dedicate that time to selling items that pass the final review.

Q: What is the selling period for my items?

A: The selling period is a minimum of 100 active days on the sales floor. At the end of 100 days, Flip either continues to market items or expires them. Expired items are donated; client retains tax write off privileges.

Q: Is FLIP selective in the items they accept?

A: Yes, we are but for many reasons we have to be. We always like to remind our inventory clients that no one more than FLIP has the incentive to keep every item. Unfortunately, due to either a blemish, outdated style or an original retail price of less than \$75, there will most likely be some items we just can't keep.

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General FAQ's (Cont'd)

Q: *Are there specific items we are looking for?*

A: Yes, there are. These items include the following:

- Accessories:
 - Bags
 - Shoes
 - Designer Jewelry
 - Sunglasses
 - Watches

- Clothing:
 - Dresses
 - Jeans
 - Outerwear
 - Tops (sweaters, long sleeve, short sleeve, sleeveless)

Q: *Are there specific items you do not accept?*

A: We do not accept slacks, bridal, swimwear, undergarments.

Q: *How will I get paid & how often do I get paid?*

A: FLIP pays monthly via check & checks are postmarked no later than the 10th of each month. As a reminder, you can always use your store credit at any time for in store purchases.

Q: *How do I check my account status/balance?*

A: Send an email to info@hip2flip.com. In your email, make sure to include the first & last name on the account along with the request of your account status.

Q: *Do you have a minimum or maximum # of items I can bring?*

A: No, there is no minimum or maximum.

Q: *What are you going to price my items at?*

A: We use our 13 years of experience combined with internet research to accurately price items for the secondary market. Remember, the simple nature of the consignment business model gives Flip the incentive to price the items at the highest price possible.

Thank you again for the opportunity to serve you!

-The FLIP team