

# **Store Service – Mkts 15, 20, 116, 75, 234**

## **March 31<sup>st</sup>, 2008**

### **The Day of the Service Group**

1. Introduce yourself to HD employees
2. Take pictures of the aisle before work
3. Straighten all skus into proper locations
4. Cull (Pull all damaged stock and fill out markdown sheet)
5. Pack down any new orders
6. Replace and damaged or missing price labels
7. Make sure we are FLAT, FRESH and FULL
8. Take aisle picture after work is completed
9. Work with IMA to place orders
10. Work to correct on hand counts
11. Clean area – sweep floor, throw away trash

### **Culling**

The success of the board service program in THD stores will depend on Dept 21 labor helping the service groups accomplish the goals in maintaining the board aisle. The service group goals will be to use there labor 80% of the time for “packing out” skus in the entire board aisle. 15% of their time will be dedicated to culling and 5% to POP maintenance.

Being in stock and driving sales is the goal. Culling the aisle is “the key” to success of the program. Just like the produce department at the supermarket, our Board aisle at THD must be kept fresh!! Blemishes and defects will cause lost sales and eventually shut down the aisle.

Culling procedures must follow S.O.P. and be executed with a partnership between the store and the service group. The service groups will cull (and tally the cull by sku and retail) the aisle and develop two piles of culled product. One pile will (with a separate tally) be high velocity skus that labor should be minimized for recovery. This pile should be goods marked down to \$0 and cut back to 3’ and 4’ cull items for the cull cart. The second pile (with a separate tally) will be items that can be recovered and cut back to shorter lengths of in stock sku’s. This would be 10’ or 12’ items that can be taken back to 6’ or 8’ lengths. This will be done for maximum recovery of dollars and minimal labor to cut and re-sku the product.

The service group will not be allowed to cut lumber on THD lumber saws or use mechanical equipment in THD. Thus, the stores will be required to supply the department labor to work the two piles of cull goods, cutting recovery lumber for the cull cart, maintain the cull cart, cut high retail dollar recovery sku’s and pack out that recovered cull.

## **HD Store Associate Responsibilities**

**You need to maintain responsibility of this aisle. The service groups are used to help support the HD associates not replace them. The Home Depot associates will need to:**

1. Utilize the forklifts to drop material for the service group personnel
2. Support the cull process mentioned above and process the markdowns. The HD associates will want to help train in providing which products should be culled.
3. Continue to make the product look Flat and Fresh everyday, when the service group is not there
4. Pack down product that is out of stock on days the service group is not at the store
5. Process orders as recommended by the service group
6. Check service group work before they leave

## **Products Covered**

1. Class 5 Boards
  - a. Subclass 2 Whitewood Common Boards
  - b. Subclass 3 Doug Fir
  - c. Subclass 4 Southern Yellow Pine
  - d. Subclass 5 Cedar
  - e. Subclass 7 Selects
  - f. Subclass 8 Pattern Stock
  - g. Subclass 9 Trim Boards
  - h. Subclass 12 Laminated Products
  - i. Subclass 14 Composition
  - j. Subclass 18 PVC
2. Class 10 Melamine. (HD will still be responsible for putting down the 4x8 panels as that requires a forklift)
3. Class 15
  - a. Subclass 4 Shims (Service group will cross merchandise the product)

## **Products Not Covered**

Class 5, Subclass 10 Hardwood Boards. The hardwood boards are not delivered by the D.C. so this product is already being serviced by the vendor.

Class 5, Subclass 11 Furring Strips. This should be flat stacked all ready. This is a highly commoditized product that should be maintained by the HD associates.

## **DC Truck Schedule**

See attached schedule.

## **Service Group Schedule**

## **Week Before Service Begins**

Service group to meet with store associates to go over

1. Work Schedule Days and Hours

2. Products that are going to be serviced
3. What functions the service group will be doing
4. What functions the HD Associates will maintain

### **Market 116 Select Boards Only**

1. Irving will remain the vendor but will now sell by the piece
2. The 18 stores in market 116 will have over stocked products RTV'd while the stores are set to rate of sales.
3. Let it go till June. Check GMROI to see if it has improved.

### **Future Markets**

1. BYO 3 & 7 market expansion
2. 2 months down the road