

Global Pet Expo

Presents

The Value \$ of Store Design

By Chris Miller

What stores have unique or cool designs that you like to shop?

What does Store Design "Affect" in the retail environment?

1. _____
2. _____
3. _____
4. _____
5. _____

PAYBACK ANALYSIS – RESULTS BUSINESS PLANNING

Return on Investment ROI Formula

Sales / Year X % increase X Average Gross profit margin = Additional Gross Profit

Gross Profit – Cost of design or Remodel /payment = Net Profit

\$ SALES _____ x 15% increase = \$ _____ yearly sales

\$ Yearly new sales _____ x GPM 40% = \$ _____ Profit/Year

Year Profit / 12 Months = Net \$ _____ available towards payback design and remodel of a _____ Lease or loan.

Example 4,000 sq. foot store doing 1,200,000 \$ a year in sales.

Design 10 % 90 % remodel breakdown + 15 % increase in sales

30\$ a square foot remodel 3\$ for design and 27\$ for remodel

120,000 \$ remodel Lease @ 60 months 2,900 \$ month cost for Money.

Or

120,000\$ Remodel bank or LOC @ 6 % = \$ 2,320 month cost for Money

\$1,200,000 in sales x .15%= 180,000 \$ yr x .40 % GPM = \$ 72,000 net

72000 / 12 = 6000 Month – 2320 = 3680 NET x 12 = 44,160 yr.

2320 x 12 = \$27,840 /1.2 mil. = .023 % ~ < 3 % risk factor (Break even)

What if just the design affected the increase in sales by 5% alone?

5 % x 1,200,000 = 60,000\$ x .40 GPM = 24,000\$ a year

10 % of 120,000 remodel = 12,000 \$ - design paid for itself in 6 Months

AND works for **free the next 5+ years...**

Store Design Elements that you have to work on?

- 1. Exterior Store Design – Traffic Flow starts outside**
- 2. Interior Store Design – Traffic Flow is the lifeblood to sales**
- 3. Traffic Flow – department locations. Get customers to walk further to see more!**
- 4. Color Textures and finishes (FEEL) attract the senses !**
- 5. Store Fixtures – space saving ideas and creative displays**
- 6. Space Planning – Space allocation**
- 7. Flooring – drive aisles – comfort for humans and their companions**
- 8. Graphics and Signage**
- 9. Lighting**

The 3 A's of Lighting

A_____

A_____

A_____

3 Layers of Light –

1 General

2 Accent

3 Task

Review

What Areas of your store need help???

Exterior

Interior

Merchandising – Visual Merchandising

Employees

About your trainer:

CHRIS MILLER, President of Pacific Store Designs, has been active in the design and development of the retail pet industry for the past 38 years. He served on Superzoo's board of directors from 1996-2002, and was the trade show chairman 1997-98. A contributing editor to Pet Age magazine for 2003-06 columns titled "Problem Solvers," Chris welcomes any questions that may be considered for future titles.

Chris's firm has completed stores worldwide and within most of the 50 United States, including Alaska, New Jersey, Hawaii, and St. Thomas USVI+BVI. International locations include Guam, Finland, New Zealand, Guatemala, Canada, and Australia.

Pacific Store Designs was awarded 2013 Supplier of the Year by Global Pet Foods, Canada, for their work at the following locations: Orangeville, New Market, Markham, Bolton, Edmonton, Red Deer, Winnipeg, and St. John. Currently under design, upcoming projects include Waterdown, Burlington, Waterloo, Brimley, London, Oshawa, Stouffville, and St. Laurent. Stateside projects include Pet Wants, Brea, CA, and Soldan's Pet Supplies Flagship Store in Okemos, Michigan. Just finished: Bones-N-Scones in Palm Desert, CA and My Pet Naturally in Santa Monica, CA.

Pacific Store Designs offers retailers: design services, fixtures sales, custom cabinetry, vented animal enclosures, general contracting, architectural services in all 50 states through permit procurement, professional installations, merchandising assistance and educational seminar presentations/training. His expertise ranges from business planning, costing and budgeting to sales projections and payback analysis. Chris has designed well over 3,500+ retail stores worldwide--you will not find a more diversified or experienced retail expert for the pet industry.

Chris's design center and custom manufacturing facility is located in Garden Grove, CA. However, PSD offers a variety of drop ship points throughout the US. Featured Lozier Store Fixtures ship from Omaha, NE; Scottsboro, AL; and Joplin, MO. Many other fixtures ship from Atlanta, GA and Hazelton, PA.

Chris currently resides in Costa Mesa, CA with his wife of 33 years, Jeanne. They have 29-year-old identical twin daughters: Danielle, a DO practicing in Scottsdale, AZ, and Rachel, a scientist and DNA Lab Manager in Berkeley, CA. Their 27-year-old son, Ryan, is living the dream in Maui, Hawaii.

**Pacific Store Designs Inc. President Chris Miller BOOTH # 3617
11781 Cardinal Circle
Garden Grove Ca 92843
800-772-5661 Office Fax 714-636-4442 Cell 714-920-0897
Email psd4cmiller@sbcglobal.net
Web Site www.pacificstoredesigns.com**