How To Choose The *RIGHT* Load

7 Questions to ask Before Buying Customer Returns





How to Choose the Right Load

7 Questions To Ask Before Buying Customer Returns

It's all about ROI, (Return on Investment). Whether you are new to the industry or a seasoned pro, it is important to select the *Right* Load before investing your cash with the intention of reaping a profit. Following are 7 things to consider when making your decision to buy distressed merchandise by the truckload.

For clarity:

The Definition of Load (or Truckload); "A quantity of goods to be transported in a truck." In our industry we are referring to the contents of the load as merchandise for resale. Such as; Customer Returns, Closeouts, Overstocks or Salvage (distressed merchandise). All consumer items from various categories.

Before making a commitment, You should ask the following questions. Never buy until you have a <u>high level of comfort</u> with the answers given.

1. What Categories Can I Expect to Receive on This Load? (Is This Right for My Market?)

When first considering a load, it is important to fully understand the categories included in the offer. You know your market and you know what types of merchandise you need. You should be given a *Representation* based on knowledge about the load you are considering. Factual knowledge about the load should originate from the owner of the load or from previous buyers of this load type, with first hand information.

AML answer:

AML has agreements in place to relocate many category mixes of prime merchandise by the truckload and by the pallet. Though AML specializes in mixed assortments, some unwanted categories can be <u>excluded</u> if not wanted. For Example: General Merchandise with or without Clothing, or assorted Clothing without Winterwear. There are many combinations that can be discussed with your AML account representative.

2. Do You Provide a Written Description of the Load?

When shopping for truckloads of merchandise, many companies offer a verbal representation of the contents. It is wise to have a written description of the load before your purchase, should there be discrepancies after delivery. The load representation should include basic information about the load, along with any other description or claim made by the seller.

AML answer:

AML provides written representations on all the loads we sell. AML is the First to offer "Load Snapshot". Our proprietary design. Confidence in the accuracy of our SnapShot is based on first hand experience through our visits to the facilities, physical examinations of the loads in our warehouses and thorough reviews from our customers. Some loads are offered with a complete manifest of the items. Some loads do not have a manifest. When loads are not manifested they are considered "Sold in Bulk". There is usually a static price per pallet for these loads.



Load #: 123-XYZ Original Source: Retail Giant

Condition: Assorted Customer Returns (with up to 20% new closeouts)

Contents: 85% General Merchandise, 20% Tools and Equipment, 5% Clothing.

Pallet Count: 24

Manifest: Yes, Complete with wholesale cost figures.

Piece Count: Not known
Waste Factor: Allow for 5-15%
FOB: St Louis. MO

Dealer Cost: \$10,800 (\$60,000 in wholesale value @ 18%)

3. How Will This Load Be Packaged and Shipped?

Is there a manifest on each pallet? Is the trailer loaded in a way to prevent over-the-road damage to the merchandise? What measures do the processors use to limit trash on the load (broken glass, wood, plastic, etc.). There is a cost associated with shipping the trash and also with disposing of it.

AML answer:

AML buyers make it a priority to negotiate for **secure packing** and also for **cleaner loads**, before we make agreements to purchase them. Though we ship direct and do not see every load, follow ups are made with our customers to verify our requirements are met. Allow for a minimum of 5%-10% waste on all salvage related loads.

4. Are Preferred Freight Rates Available To Me?

The distance between the load location and your delivery location will affect the freight rate. The closer you are to the shipping point, the lower the rate. (FOB Point = the shipping point where the trailer is loaded).

AML answer:

With more than 18 shipping points AML has merchandise convenient to most areas of the USA. We use established shipping sources to provide carriers who are already in these areas where needed. By saving travel distance and time, you get the benefit of on-time delivery and a lower cost of freight.

5. How Can I Be Sure There Has Been No Cherry Picking?

Cherry picking is dishonest unless the customer is made aware and reduced pricing becomes a major factor. The level of security is very high at most processing centers. There should be little cause for concern unless the load is <u>Not shipped</u> directly to you from the center or from a reputable liquidation company.

AML answer:

AML negotiates directly with retailers and with processors who actually have no use for premium items and who have no reason to remove them from your load. AML ships most loads directly to customers from our processors with few exceptions. Cherry picking by AML does **NOT** happen.

6. What Happens if My Load Doesn't Ship as Agreed?

Never buy a load that doesn't come with a guaranteed ship date. There are a number of reasons why loads do not ship as expected. Your primary concern should be that you have an option for an **immediate** refund if your load doesn't ship when agreed. Beware of Scams! Be sure that your source OWNS the load before you pay for it. A dishonest broker can tie up your cash for a number of reasons, which may take weeks. Don't procrastinate - Investigate! Check out the company online before sending any money. Check with the BBB. Visit their place of business. If visits are not allowed, Do Not buy!

AML answer:

AML understands your need for merchandise now. You can't stay in business without items on the shelves. Planning ahead for the purchase and delivery of merchandise should include a shipping date. AML guarantees your load will ship when we make the original agreement or you can simply say, "I would like my money back." Never buy a load without this guarantee. AML OWNS the loads we sell. You can visit our home office. We would love to welcome you.

7. Do You Have The Cheapest Price?

Did you buy the cheapest Car you could find? Did you buy the cheapest House you could find? Did you invest in the cheapest Stocks you could find? Wise buyers and investors compare the benefits of ownership (such as Return on Investment) and always choose <u>Value</u> over price. Price matters mostly in the <u>Absence of Value</u>.

When the cheapest price is advertised, (We'll beat any price), do you think, "Value" or do you wonder what's wrong with it? Buying the cheapest truckload could be like buying the cheapest Rolex from the guy on the sidewalk in a trench coat, later to find the inner workings are missing. BUYER BEWARE, There are a number of ways to Cut value to lower the price. The lowest price doesn't always bring the Greatest Results.

In Conclusion:

This report is truly all about your Return on your Investment as well as the Safety of your Investment. AML sees the big picture. We understand that Successful customers return again to buy more. Your success is our success.

There is value in knowing that you are working with a company like AML who has served thousands of customers successfully and has maintained a solid reputation in business for more than 22 years. At AML we have a policy that states,

" When In doubt, Just Do The Right Thing."

We believe that we offer the most competitive Price / Value available in this industry.

Best wishes for your success,
Whether you buy from AML or another source.



We appreciate your business!

www.amlinc.com (251) 970 -1100

Copyright © 2015 AML

"BONUS:

Tell us that you read this report and we'll take \$250 of your next purchase with AML.

Expires 1-1-2016 - one discount per customer