

November 2020, Issue 67



SafeSourcing e-Newsletter

Have comments, questions, or suggestions about the SafeSourcing e-Newsletter? Let us know what you think by emailing us at the following address. We look forward to hearing from you!

events@safesourcing.com

Trivia!

What does Reverse Logistics mean?

www.safesourcing.com

Industry News

New Trends

The Demand for Goods Struggles

From cars, to appliances, to cans of paint, U.S. manufactures are falling behind as the pandemic continues. For the most part consumer products have largely recovered after the country shutdown, but as companies restock their shelves consumers are snapping up items at a higher pace. Car dealers are seeing their stockpiles dwindle as public transit-adverse buyers flock to the new car lots. Many people that once resided in the city have now moved to the suburbs in order to distance themselves from neighbors.

There has been a surge on home improvement projects making it difficult for paint companies to keep up with the demand. That holds true with major appliances companies as well. The supply chain is further impacted with absentee workers, and challenges to virus-proof the workplace.

For consumers, shortages have been discouraging, but for businesses there is an upside. For instance, car dealerships have tight inventories, which allow them to increase their prices, which lead to higher profits. Lower interest rates and extra money from stimulus checks have benefited consumers. ■

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COMING NEXT ISSUE

Dec.	Answer to our Trivia!
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Recent Savings

Breaded Chicken

Savings were 32.63% of total spend. ■

Receipt Paper

Savings were over 57.38% of total spend . ■

*Please [contact SafeSourcing](#) to schedule your RISK FREE event today.

Retailers Gear Up for the Holidays

It may be a bleak year for retailers during the holidays. Spending is expected to drop by 7% from 2019 to an average of \$1,387 per household according to a Deloitte survey of 4,000 consumers. This is troubling for retailers as they expect their biggest revenue between Thanksgiving and Christmas. Americans have tightened their spending and reduced foot traffic in the malls. “The S&P 500’s consumer-discretionary sector — home to Target Corp., Nike Inc., and Hasbro Inc., as well as Amazon.com Inc.—is up 11% over the past three months. The staples sector, which includes Proctor & Gamble Co., Costco Wholesale Corp., and Estée Lauder Cos., is up 5.5%.” It is expected that the retailers that survive this year will have an upside in the years ahead.

Amazon and Home Depot have greatly benefited with consumer spending habits during the pandemic. Both Carvana Co. and GameStop profits have doubled since March. Gap Inc. (also owner of Old Navy and Athleta) saw a 14% gain in its shares. Some of these increases are due to closures of some of their stores, executive and staff pay cuts, slashed inventory and cut capital spending. There have been 527 bankruptcies in the U.S. this year, the highest number through mid-October since 2010. For the survivors it means a chance to compete for market share. ■

Paul Vigna, WSJ, 10/26/2020

Mattel Inc.’s Barbie Doll is a Pandemic Winner

Mattel’s Inc. flagship doll posted a 29% increase in the third quarter, the largest quarterly growth in at least two decades. The brand is now 62 years old. After years of struggling with the competition, Mattel reinvigorated the brand by introducing new doll body types, skin tones, hair colors, and career paths. As the pandemic moved on, parents looked for ways to entertain their children that didn’t involve technology and gravitated to familiar brands. The price point for this is fairly low for parents to keep their children entertained. “Alyson Johnson said the pandemic has been hard on her 8-year old daughter, who isn’t able to socialize with her friends like she used to. But her daughter has been doing a lot more imaginative play during the past six months, which Mrs. Johnson tried to encourage with purchases like a four-pack of election-themed Barbies, including a candidate and campaign manager.”¹ Mattel is now focused on the holiday season and anticipates a robust fourth quarter. ■

Paul Ziobro, WSJ, 10/23/2020

QUESTIONS AND ANSWERS

Q: How can I subscribe or unsubscribe to these newsletters?

A: You can subscribe or unsubscribe to these free newsletters by simply going to our [website](#), and clicking the option “e-Newsletter” or by contacting us directly at events@safesourcing.com.

Q: I have run events in the past, is there any chance I could be saving more?

A: Yes. No matter when your past event ran, the team at SafeSourcing can find ways for your company to save.

Q: I want to know more about what SafeSourcing does. Who can I talk to about this?

A: You can contact a customer services representative by calling us at 1-888-261-9070 or by going to our [website](#) and trying our “Risk Free Trial” offer.

Trivia! From October 2020 Issue

What does Qualitative mean?

The term qualitative refers to descriptions or distinctions that are based on some quality or characteristic rather than on some quantity or measured value. Generally, qualitative is based on quality as opposed to quantitative, which is a description that can be measured, like size, weight, number, etc. Qualitative properties cannot be measured and can only be estimated. Things like ethical issues and human factors, like motivation and participation, are all qualitative.

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