

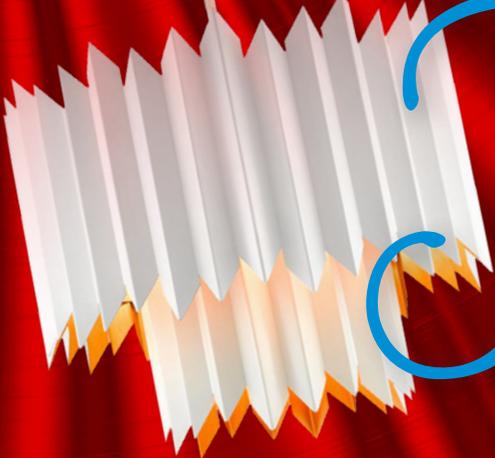


POWER

NOVEMBER 2020 NEWSLETTER

HIGH POINT MARKET:
Fall 2020

Trends



**ALL
DRESSED UP**

**COVID'S IMPACT
in Retail and the
2020 Holiday Season**

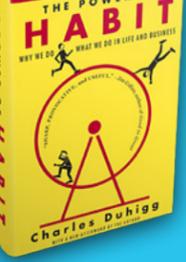
**The State of
Local Business**

From the Desk of our CEO Kim Yost



To all our valued Mega Members and top performers,

This month's theme, **self-discipline**, is a topic you have read about, been coached on, and even challenged yourself daily to master. In both my personal and professional life I have come to realize that self-discipline is the most critical behavior to one's success. We are in absolute control of our future, decision making, proactiveness, focus on what to do, execution on our goals and what not to do. These are just a few of our self-disciplines that contribute to our moving forward and staying on track.



Self-development and your ongoing discipline to keep working on yourself is key. The book **'The Power of Habit' by Charles Duhigg** has been in my Top One Hundred Books for several years now. We learn that good keystone habits supported with constant self-discipline are why so many individuals realize their life dreams. Most of the choices we make each day may feel like the products of well-considered decision making, but they're not, they're habits. Though each habit means relatively little on its own, over time, the meals we order, whether we save or spend, how often we exercise, and the way we organize our thoughts and work routines have enormous impact on our health, productivity, financial security and success in life.

In my **Pumptitude Trilogy** I write about several of my own habits and self-disciplines. My 23 hour day, exercising for an hour or more seven days a week is a challenging self-discipline, but I do it. Reading consistently each day, each week and no less than two books a month is a discipline of constant education. My eighth day, 'Schmonday', five hours each Sunday night from 5:00 to 10:00 pm is a discipline of great impact on my personal and professional growth. Goal setting, reading, studying, writing my books are all included in my weekly 'Schmonday'. These and several other self-disciplines have contributed greatly to my success and the compounding impact of these self-disciplines pay huge dividends. In 'The Power of Habit' we are challenged to examine our own habits and make positive changes in our lives to accelerate our success, specifically in achieving our goals. This book is a must read for all of us who want to make the most out of life and learn about the most important keystone habits which matter the most.

Self-discipline is hard, but let there be no mistake, those of us who practice it daily realize the huge benefit. Remember, keep growing my friends and keep becoming more.

Kim Yost
CEO, Mega Group

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FURNITURE

HIGH POINT MARKET: Fall 2020

by New & Noteworthy
Style File

Editor-
in-Chief's
PICK

Trends



THE NEW MODERN



This trend feels like an updated take on minimalism that's a bit more playful and liveable for everyday life. The furniture silhouettes feature clean lines, typically with rounded corners - especially as shown in sofas and chairs. The form language is reminiscent of vintage pieces from the postmodern era, but updated with new performance fabrics. The lighting in this trend also features artful architectural lines to complement the bulbous, exaggerated round shapes of the furniture. Lastly, the color palette is less focused on minimalist neutrals. Instead, there are juicy pops of saturated color and even bold, monochromatic statements.

RICH + WARM JEWEL TONES

Bold rich jewel tones have been at the forefront of every showroom for the past few seasons. These rich tones will continue as a huge style trend moving forward but the hues are getting warmer. Move over blue sofa, rich tones of orange and red are beginning to appear and they look amazing. The Jacob swivel chair by Four Hands is just a statement-maker on a swivel. The rich rust-colored velvet upholstery will instantly warm your heart and your living space!



NATURAL MATERIALS

Materials like cane, wicker, seagrass, and rattan are being incorporated more and more into the new furniture and home decor collections. Although these materials have been used for a while, we are seeing how this trend isn't limited to specific furniture pieces this time - expanding their use in all the categories. Another thing is the variety we are seeing in terms of color and pattern. In general, we find new ways in which these materials are being paired with others and presented in new color combinations.





PILLOW TALK:
COZY, PLUSH + ROUND

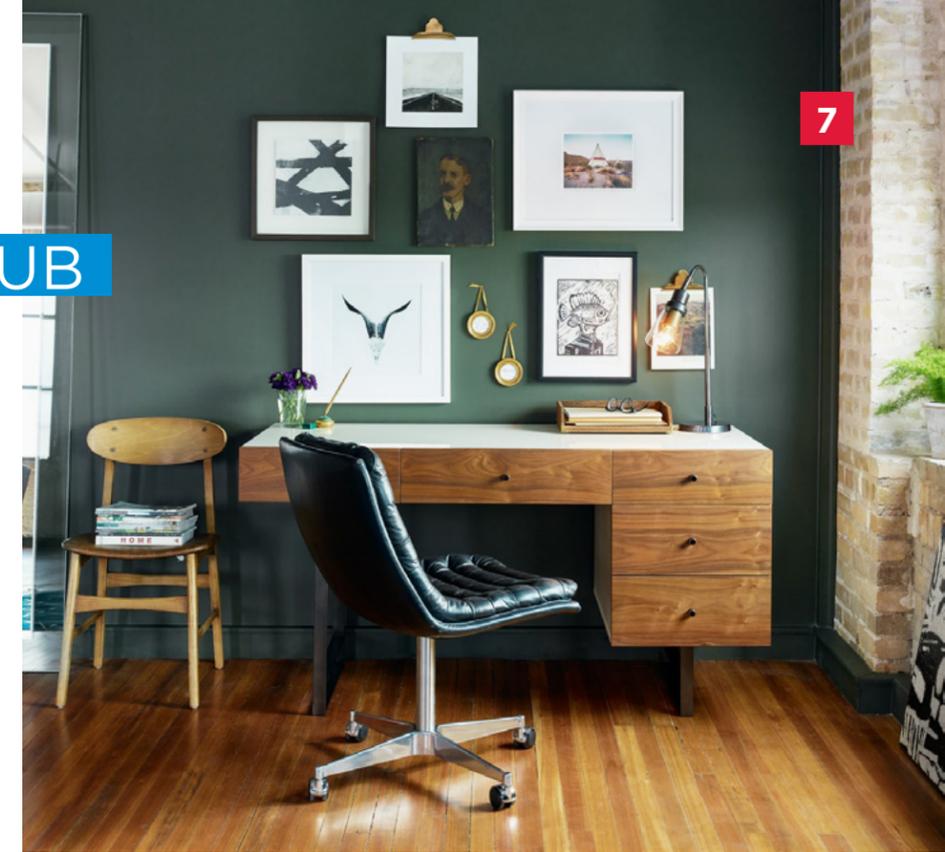


While curvilinear furnishings have seen a renewed love affair over the last four years, this trend is evolving to include upholstery that evokes the idea of restfulness and overall softness. We desire plush surroundings and need them furnished with soft, round pieces upholstered in forgivable textures that impart warmth and cozy comfort. In essence, we want our homes to feel like a pillow. Furniture that epitomizes ease and a relaxed lifestyle is the ideal for the modern day family-friendly home. These soft and smart rounded forms will create a voluminous look and feel to achieve this extra comfortable cozy aesthetic.



STYLISH
HOME HUB

A trend that is going to define 2020 is the Home Hub. In the coronavirus era, we've seen how important it is to be able to transition to working remotely or to home schooling, if you have children. Remote work, distance learning, and Zoom meetings are going to be the 'new abnormal' moving forward. Since our homes are pulling triple duty, we will need desks that are stylish enough to live out in the open if there isn't a room to dedicate to a home office space. Partitions and screens are also a trend that we will see as we create dedicated work and study spaces in open floor plan homes.



ALL DRESSED UP

Ashlee's PICK



by Julie A. Palm

What should shoppers know about mattress fabrics when purchasing a bed?

Whether consumers shop in-store or online, it's still the fabric that gives them their first impression of a mattress. Mattress fabrics can hint at answers to questions like: Will this mattress help me get a better night's sleep? Does it solve my sleep problems? Is it a high-quality bed? Is it a good value? And most of all, Is it comfy?

The novel coronavirus pandemic has forced people to spend far more time at home than usual, which is sparking interest in home improvement projects and redecorating with an eye toward making abodes, including bedrooms, more inviting, functional and comfortable.

Consumers are spending more time in their home and in their bedroom spaces. The bedroom environment needs to meet multiple needs right now: school, office, relaxation and sleep. "We all need more comfort now," says LeeAnn Harmening, design manager for Global Textile Alliance Inc. [...]

E-COMMERCE EFFECTS

Knits and woven with knit-like properties lead the category, in large part because of their ability to hold their shape and not wrinkle while being rolled, compressed, boxed and unboxed.

Online direct-to-consumer sales also are affecting fabric designs. Mattress manufacturers need fabrics that "pop" on screen and convey a "visual softness" that appeals to shoppers buying via smartphones or laptops.

VALUING VALUE

Because of the economic downturn, today's consumers are more interested in lower priced bedding, and, for fabric suppliers, offering quality and look is key. **Luxury has taken a back seat to function during this time.**

CUSTOM LOOKS TO DISTINGUISH LINES

Most fabric suppliers continue to unveil new collections to showcase their design capabilities and spark their customers' interest. But mattress manufacturers generally prefer to use those collections as jumping off points. **"Collections are conversation starters,"** Brandon Wells, industry veteran, says. "They show we invest in design and showcase our capabilities, but they are a starting place. About 90% of what we do is custom."

Now let's turn our attention to those design, color and construction trends.



PANEL DISCUSSION

In general, when it comes to fabric designs for mattress panels, traditional florals have faded and bold patterns, often oversize or repeating geometric shapes, are going strong. **Minimalist patterns and clean looks are at the forefront.**

BORDER WATCH

The border is the first thing you see when you walk into a mattress store. A top panel sells the bed, **but a great border draws you to the bed.** A successful border creates a standout look that frames the panel. There is a movement away from texturized borders to more pattern. The right border fabrics also help mattress makers stream-line production.

COLOR WHEELS

For years, mattress showrooms could best be described as a sea of white. Now, they more resemble a sea of gray, with gray especially prevalent on borders but also used widely in panels. Blue, a naturally calming, restful color, remains prevalent in mattress fabrics, but hues continue to evolve.

"We are also seeing bold yellows, oranges, corals and some reds used as accents," Weaver says. "Brighter blues, too, but all used minimally for a 'pop.'



Fabric colors can also help mattress manufacturers convey a bed's features and benefits to consumers.

What colors can mattress retailers expect to see more of in the coming year or two?

"What I'm seeing in home furnishings right now are soft beiges with hints of gray, and also ivory and aquas — very calming, soothing colors," Anne Weaver, vice president of Lava USA, says. "It takes a while for home fashion trends to make their way to the mattress industry, but I think after what we've been through this year (with the pandemic and economy), we'll be seeing pure, calming, serene colors."





FUNCTIONAL FABRIC

Of course, it's not enough for fabrics to look good, suppliers say. They also need to be functional, especially as bedding manufacturers use fabrics to extend key features, like cooling, from a mattress' core and comfort layers to the surface — and use the surface to extend even more benefits to sleepers.

“Cooling is still big, but it's become a baseline rather than a trend,” Wells says. “Cooling used to be an add-on. Now components have to provide cooling.”

HEALTH AND HYGIENE

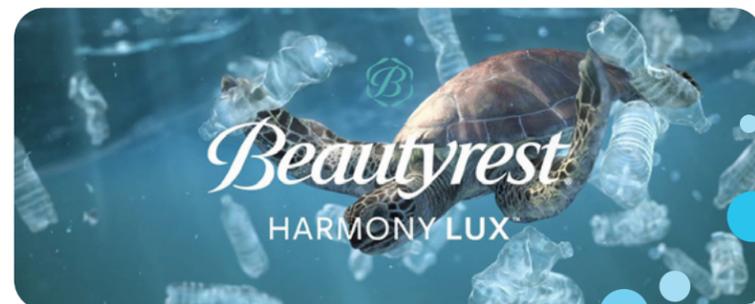
Part of the reason white has been such a perennially popular mattress color is that it connotes cleanliness and good health, and fabric suppliers offer products with anti-bacterial, antimicrobial, anti-allergen and other hygienic properties that consumers value. Maxime Knitting is among those that use silver to keep fabrics fresh and free of odors. **Others, like Fine Cotton Factory, incorporate copper for its antimicrobial properties. [...]**

NATURAL AND SUSTAINIBLE

A related product, hemp fiber, is purported to offer similar benefits and appeals to consumers who seek natural or more environmentally sustainable fabrics. In recent years, fabrics made of organic cotton, Tencel (made of cellulose fibers from trees) and bamboo from rayon also have been popular — and remain so, suppliers say.

More recent sustainable introductions include fabrics constructed with yarns made of “upcycled” plastics.

Several companies offer them, made from upcycled plastics recovered from the world's oceans. “All innovations related to sustainability, circular (economies), ecology and social responsibility” are key trends now, Hans Dewaele, executive vice president and chief commercial officer for BekaertDeslee Group, says.



Read the full article at <https://sleepsavvymagazine.com/mattress-fabrics-all-dressed-up/>



Carole recommends

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DARCY BRIEN FROM BONANZA FURNITURE SAYS...

“We made a change to the lighting in our building comprising of 350 fixtures. Being a sizeable investment even with the incentive, we gave this serious consideration before going ahead with the project. The average saving of 40% to our total electrical expense has certainly made it worthwhile! We chose the Philips EXPERT COLOR lamps as they best enhanced the look of our floor display and give our furniture an accurate reflection of true color. Last but not least, the customer support we received was second to none. Westburne assisted us with the incentive program from beginning to end. We highly recommend the product and the service they provide. **”** Darcy Brien, Owner

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COVID'S IMPACT in Retail and the 2020 Holiday Season

by Sandy Mahoney

THE RETAIL COUNCIL OF CANADA (RCC), ALONG WITH ORAMA MARKETING, WILL BE CONDUCTING INTERNET SURVEYS OVER THE NEXT 12 MONTHS TO GAIN BETTER UNDERSTANDING OF CONSUMER BEHAVIOUR DURING THE COVID-19 PANDEMIC. SINCE THE QUESTIONNAIRE WAS ADMINISTERED IN SEPTEMBER (SEPT. 9-20, 2020), THE FOLLOWING RESULTS DO NOT FULLY REFLECT THE REALITY OF OCTOBER AND THE ARRIVAL OF THE SECOND COVID-19 WAVE.



34%
OF SHOPPERS ARE QUITE WORRIED ABOUT VISITING STORES

SHOPPING IN-STORE AND ONLINE

34% of shoppers are quite worried about visiting stores and 44% say their in-store visits have decreased. Most of them (50.3%) are over 45 years old. Yet, they represent the greatest discretionary purchasing power. As first-time users, websites are often too complex for people 55 and over. Statistically, most of this age group never placed an online order.

Tip #1

Make sure to have a simple, user-friendly, and responsive website to accommodate the neophytes.

In September alone, 14% of pollees made furniture and appliance purchases in-store (70%) or online (30%). We have noticed a strong increase (65%) in furniture and appliance purchases in September compared to August. In Q4, 27% of shoppers plan to make major purchases, since their travel budget is now being transferred towards big purchases. Of these purchases, 30% will be in appliances, 15% for furniture.

Internet purchases in Q4 are more likely to increase considerably because of the holidays and the second wave of the COVID-19.

Tip #2

Standardization of your service offer is imperative; the consumer expects to have an online experience that is just as excellent as in-store.

IMPACT OF IN-STORE SANITARY MEASURES

The major irritants are the attitude of other clients, the long lines to enter, and the wait lines before being served. But, masks, physical distancing, and hand sanitation stations have become the norm.

The pressure that consumers feel is reflected in smaller purchases. The safer customers feel, the larger their shopping cart will be.

Tip #3

To reduce these irritants, you can place an employee at the front desk to monitor mask wear, therefore providing a better control of sanitary measures. It is essential to better manage and speed up waiting lines outside, especially with the rain and cold weather in the coming months.



DELIVERY VS. PICK-UP

22% of the online purchases were picked up in store, while 78% were delivered directly to the customer.

Canada Post says there will be significant delays over the next 3 months. In-store pick-up would therefore be the preferred method for holiday shopping.

Tip #4

It is essential to make in-store pick-up operations efficient (separate counter, designated parking spots and lines, etc.)



The rapid escalation in demand for parcel delivery is expected to continue into the holiday season and beyond as more Canadians plan to do their shopping online. To help Canadians avoid disappointment and support businesses across the country, we're asking them to break with tradition and shop early this holiday season." As a result, Canada Post will be adding 4000 temporary seasonal employees, they will be delivering on weekends and will be extending hours at post offices.



READ MORE

ONLINE SALES HIT A RECORD
\$3.9 BILLION

2020 HOLIDAY SEASON - BLACK FRIDAY & BOXING DAY

A few weeks away from these "regular" events, many retailers are offering special pre-holiday shopping days to reduce in-store visits during the holiday rush. As you may know, this global pandemic gave a solid boost to eCommerce purchases. During the summer, Statistics Canada said that in May only, online sales hit a record \$3.9 billion, a 2.3% increase from April and a 99.3% increase over February.

AMAZON PRIME DAY VS. THE WORLD

Since Amazon pushed back its Prime Day 2-day event from July to October, Big Box stores have created Anti-Prime Day Sales (or mini-Black Friday sales).

AMAZON PRIME DAY October 13-14, 2020

With reported sales of \$10.6 billion for their 2020 Amazon Prime Day, a 47% increase from 2019, the eCommerce giant is also planning to have Black Friday worthy deals until the end of the year, with its Holiday Dash Deals.

READ MORE

BEST BUY EARLY BLACK FRIDAY DEALS October 13-14, 2020

Best Buy's Early Black Friday Deals were live on October 13-14, overlapping precisely with Amazon Prime Day. Best Buy plans to continue its offers for at least the rest of October.

READ MORE

WALMART'S BIG SAVE EVENT October 11-15, 2020

Walmart's Event lasted 3 days more than Amazon's 48-hour event (total of 5 days). Walmart also took advantage of their brick-and-mortar locations and offered in-store pickup.

READ MORE

APPLIANCE SHORTAGES

As reported by BNN Bloomberg, "Industry experts are concerned the backlog of appliance orders could be exacerbated by the uptick in demand that usually starts on Black Friday in November and runs until Boxing Day in late December."

READ MORE

Bob Park, GE Appliances Canada's Chief Brand Officer, mentioned that "we have absolutely also seen increased demand for our products, as consumers who may have had other major purchases planned this year appear to be reinvesting their dollars in home improvement and renovation projects."

AS JASON GOEMAN FROM GOEMANS APPLIANCES SAID: "WHOEVER HAS APPLIANCES IN STOCK IS KING!"

The State of Local Business

by Podium

EVERYONE IS TALKING ABOUT THESE 'UNCERTAIN TIMES' AS IF WE'VE EVER LIVED IN 'CERTAIN TIMES.' THE REALITY IS; UNCERTAINTY IS THE ONLY CERTAINTY. THAT'S WHY THE LOCAL BUSINESSES THAT SURVIVE ARE THE ONES THAT ADAPT DAILY. SUCCESS IN BUSINESS IS A PROCESS, NOT A DESTINATION.

In light of this, we recently surveyed 1,000 consumers across the US to get a pulse on the current consumer mindset. We had a hunch that the COVID-19 pandemic had changed consumer expectations almost overnight and wanted to uncover the top ways that local businesses must adapt to meet those new expectations.

Here's what we found:

1

COVID-19 has changed how consumers choose local businesses.

The top influencing factor hasn't changed—it's price. But, while before COVID price was the most prioritized factor by a landslide, it now only beats offering curbside and contactless services by less than 1%. This indicates an important shift in customer priorities from cost to experience with a growing expectation for safety and convenience.

2

Social distancing restrictions have made many consumers more interested in texting with local businesses.

This sentiment is not limited to millennials. Texting is now the preferred communication channel of all age groups, including those over 60 years old. Additionally, our survey showed that consumers are almost twice as likely (1.8x) to prefer texting over any other communication method that a business offers (including calling, emailing, website chat, and Facebook Messenger.)

3

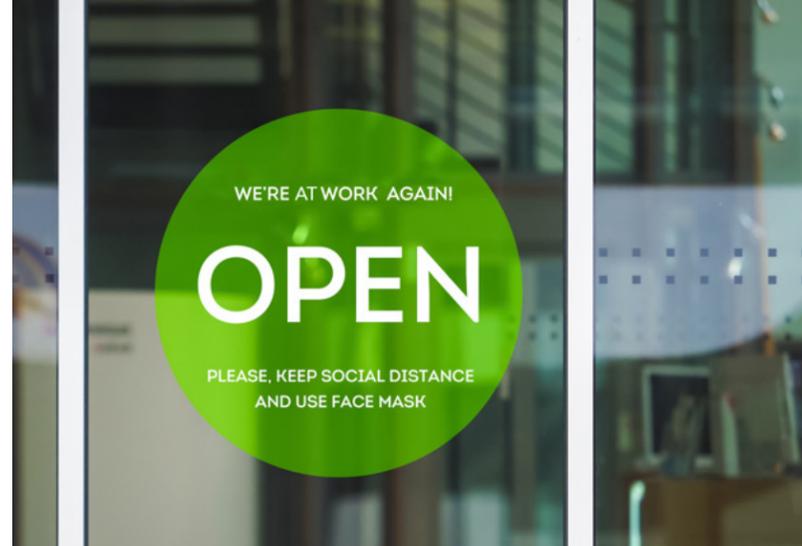
Consumers prefer texting to other methods of business communication.

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4

Consumers don't want pandemic-friendly services to go away once restrictions lift.

As most consumers have taken advantage of services like curbside pickup, local delivery, and contactless payments, 80.3% of them want one or more of those services to continue post-COVID. Almost 90% of consumers say they are likely to return to a business they first visited because of pandemic-friendly services, even after restrictions lift. And over 50% report having avoided local businesses that do not offer such services, choosing to discontinue patronage or jump ship to competitors.



COVID-19 and Local Consumer Behavior

53%

of consumers say they've avoided local businesses that don't offer pandemic-friendly services

1 in 10

More than 1 in 10 consumers over 60 have received or exchanged text messages with a business in the last day

8 of 10

consumers want local businesses to continue offering pandemic-friendly services like contactless payments even after COVID-19

Next steps for local businesses

With these changes in mind, what steps do you need to take to move forward successfully?

1

Determine what needs to change in your business to meet new expectations that have arisen in the wake of COVID-19.

2

Invest in processes and tools that will help make these changes sustainable as business picks back up.

3

Gather feedback from customers regularly to keep a pulse on changing expectations.

The face of business is changing rapidly; and unprecedented challenges lie ahead. But from what we've found, if you work to keep a close eye on what your customers expect and need, you'll be able to innovate and adapt quickly for success now and in the future.



This just in!

Podium Payments is now available in Canada! We've seen US furniture and appliance stores maintain cash flow during the pandemic simply by offering a safe, contactless way to collect payments. And now, you too can use the power of messaging to get paid. Use Podium to generate a simple link and send it via text to your customers. No logging in for your customers, no reading card numbers over the phone. Payments are processed immediately, and the money is sent to your account.

To learn more about what Podium can do for your business, contact your Mega Group representative today! You can also email Michael Borecky at mborecky@megagroup.ca or Terry Helliker at thelliker@megagroup.ca



Terry's Tips

by Terry Helliker



Dealing with Negative Customer Reviews

Here are 3 things to help you manage negative reviews:

1

Prepare responses in advance.

To make responding quicker and easier for you, prepare a few messages in advance. All you will need to do is simply copy and paste your reply then make minor changes in order to personalize it.

2

Take the conversation offline.

Do not talk back and forth with your customers in the comments. Provide your contact information such as phone number and email address and ask them to reach out to you in order to resolve any conflict in private.

3

Ask for an updated review.

With both Google and Facebook, a user can change their review at any time. Once the situation has been corrected, kindly ask them to adjust their review. Be sure to thank them for their review as well.

Template 1:

Thank you [Customer Name] for taking the time to leave us a review. We are sorry to hear about your experience with us. We would like the opportunity to investigate your feedback further. Could you please contact us at [Email Address] or call us at [Phone Number]? We will work with you to resolve any issues as quickly as possible.

Template 2:

Thank you [Customer Name] for letting us know about this. Your feedback helps us get better. We are looking into this issue and hope to resolve it promptly and accurately. We just need a little more information from you. Could you please contact us at [Email Address] or call us at [Phone Number]?



If you have any questions or comments about dealing with negative reviews, please reach out to me by email at thelliker@megagroup.ca

New Mega Member

by Michael Stork

A true Entrepreneur, Amir Khulmi was already selling from a young age. In 2007, he officially began his business Giant Auctions in Pickering, Ontario, where he could take furniture, mattress and accessory goods he had acquired and sell them through an auction format.

The operation began small - with a \$25,000 investment loan and a cube van. With good Metro market real estate at a premium, Amir's initial concept was to bring the merchandise to the buyers, so he held auctions all over Ontario and Quebec, in banquet halls and ice rinks in different communities. It wasn't long before the size and scope of these auctions began to grow. Before long, the business was moving up to 20 trailers of content per week and Amir opened a 50,000 sq. ft. warehouse to support the business.

In 2012, a retail space of 60,000 sq. ft. was opened on Kennedy road in Scarborough, Ontario, one of the largest locations along the famed Furniture strip. Over the next 8 years, close to 2 million customers were served through the auctions and retail store. During this time, Giant Auctions committed to becoming a positive contributor in the community, partnering with groups such as Habitat for Humanity, and organizations which offer humanitarian aid in Khulmi's ancestral country in Afghanistan.



GIANT AUCTIONS
COMPLETE HOME SOLUTIONS

Like all brick and mortar retailers, competition arose in the form of increased interest in e-commerce, internet sales and e-tailers. Then in March 2020, Covid-19 shut down large scale gatherings such as auctions all together. Amir was already well along in his plan to adjust his strategy to embrace the new digital landscape. Auctions were moved on-line, along with sales efforts channelled through online storefronts, amazon marketplace and niche websites that focused on specialized products such as Persian rugs as well as rare and unique antiques.

Simultaneously, Amir planned to establish a stronger fixed retail presence in Ontario. He is pivoting and evolving the retail division of Giant Auctions into a newly branded retail store named Aria. Aria will include an additional 40,000 sq. ft. in newly renovated retail space, creating a 100,000 sq.ft. marketplace with plans for new furniture vendors, as well as new appliances and consumer electronics galleries. This transition and its organizational needs led to a partnership with the Mega Group and their strong capacity to maximize on vendor optimization.

Please join in welcoming Amir Khulmi and Giant Auctions to our Mega group community.

Appliance Industry Update

by Brian Donnelly

For Month end & Year-to-Date SEPTEMBER 2020

What an exciting month. The stats first...September was quite exceptional with a Retail increase in the month of 35.4%. A great month in anybody's books. Our total industry shipments, year-to-date, are showing a **POSITIVE GROWTH AT +8.3%; RETAIL IS UP +10.0%**; and Builder is absolutely flat...0.0%. BUT!!!!...to put it in perspective, if you look at just the T5 business (taking Freezers out of the mix) Retail is just over the mark with a YTD figure of +1.8%. A sobering, realistic thought, but as we pointed out last month, WE'LL TAKE IT! and enjoy it.

But we have to take a very high-level look at the month...and remember that the figures below reflect the Supplier shipments to retailers, not the sell-through to the end consumer. A truer picture would be the T5 increase for Retail shipments (without Freezers) that is up only +1.8%. The Freezer's category is the anomaly that is distorting the normal categories' BOS (balance of sale). It is normally about 6 to 7% of the appliance sales but has jumped this year to now almost 14%. This will not last, but it will continue for another 6 months at least. The conversations that I have had lately have indicated that the suppliers are sitting on back orders out at least 90 days...1st quarter 2021.

Now, I have been involved with the Appliance industry for a few years. It is always a giggle for me to talk with our dealers that not only know what Burnt Orange or Avocado colour is but have actually sold those colours. You will know what I mean when I say that in all of the years that I have been reading CAMA/AHAM stats, that I have never seen a month's sales like September, up a total of 35.4% and builder, 23.1% for a total of 33.7% This is a reflection of the Suppliers unit shipments to satisfy the enormous amount of back-orders. And, we know that the backorders will still be there until well into the 1st quarter of 2021.

There is still a huge problem in the manufacturing and shipping of product. Because they have to social distance in the factories, production is lower. If there is an outbreak, whole lines are shut down. And even then, there is a huge backlog problem in finding drivers for the loaded trailers to get the goods to Canada. September's shipments have been described as "a big leap in the right direction". But, this is not over by a long shot.

All in all, we hope that this will continue positive throughout the remainder of 2020. We still have a few very big months ahead of us but the industry is still calling for the year to end flat. We'll see.

Interested in how your province is doing so far this year? As we mentioned above, our overall shipments (retail and builder) for T6 categories year-to-date September are up...+8.3%. And, the year-to-date figures for the provinces are: the Atlantic region is up +5.7%; QC is +3.4%; ON is up at +9.3%; MB is +16.2%; SK is +14.4%; AB +14.4%; and BC is at +8.8%.

All the figures below, percentages and comparisons are RETAIL ONLY. Category comparisons are T6...with Freezers.

Cooking

Total Retail Cooking Category is +5.8%, **BUT THE UNBELIEVABLE PART IS THAT THE COOKING CATEGORY WAS UP 41 % IN SEPTEMBER!!!** This category represents 17.4% of the total T6 Appliance business.

Range products (free-standing and slide-in ranges) are divided between electrics at 86.1% of the Retail range category vs. Gas is 13.9%.



Did you know? electric convection ranges = 56.8% of the BOS; self-clean = 81.9% of sales; **slide-in ranges are 21.9% of range sales.** IN Built-in ovens, the combination ovens (microwave and single oven) represent 16.8% of the oven sales. In cooktops, all induction units are almost 39.5% of the sales. Single Oven sales are a 75.0% BOS, and all built-in sale, ovens and C/U's, represent 14.0% of Cooking sales.

Washers

It is still the HE Top load product that has grown the Top Load part of this category and Top Load represents 52.9% of the category, and YTD TL is just off a bit at -0.3%. And...FL shipments are finally up at +3.0%,YTD. Top Load sales are influenced by the newer agitator models.

Overall, Retail Washers are +1.2%! The category represents 19.9% of the total Appliance business.



Did you know? 57.9% of Top Load sales are 4.2 cu.ft. & over. 83.6% of FL sales are 3.6 cu.ft. & over.

(“Did You Know” percentages are YTD figures and are current as of September 2020.)

Dishwashers

Dishwashers are at +6.2% and represent 15.9% of the T6 business. But, the good news is, even though the 9 month total is just up 6.2%, last month, September, was up 15.9%!



Did you know? that you sell 75.0% with a Stainless Steel tub; 96.7% Tall Tub; 98.9% eStar. (the SS tub %age is less than the last few years... (It would seem that hybrid tubs have more traction.)

Refrigeration

Total Retail Refrigeration is still off by -5.5% and represents 17.2% of the total business.

Bottom Mount (all BM) Refrigeration represented 64.4% of the refrigerator business and 3+door BM's represent 78.4% of the BM sales.

Side x Side refrigerators continue in their trend, at 3.2% of the refrigerator category. Top Mounts are 32.4% for the year.



Freezers

Freezers is the main category that has led the way through 2020 as the anomaly! YTD they are up +121.7% and they represent 13.8% of the T6 unit sales... against a normal BOS of around 6.8%. It is this category that started the “tail-spin” unit sales for Appliances this year. But, as you would imagine, SOS is tight. No doubt Covid 19 has had an impact here. As stated above, this production is going through the system to the end consumers, not to inventory. We have had indications that this back-order situation is going to continue well into the 1st Quarter of 2021.



Did you know?...uprights are now 33.5% of the freezer business. Under 14.5 cu.ft. in the chest freezers represents 92.7% of the chest business...14.5 cu.ft. and over is 7.3%. But you do know that Covid 19 has affected all of these BOS's and that this will all change next year.

Dryers

Overall, Dryers are up +2.8%. Dryers represent 15.8% of the T6 business. Gas portion is at 2.9% of the Dryer category, and gas sales continue to be off at -2.9%.

Did you know?
42.1% of all Dryer sales, electric and gas, are now E-Star rated.

Microwave Ovens

The Microwave oven business is also up for the year...YTD total, as of end of September is + 6.2%. OTR's are up +7.2% and they represent 27.8% of the Microwave business. But...see the potential for OTR's below! (The Microwave figures are not a part of the T6 figures.)

OTR UPDATE -YEAR-TO-DATE, ending **September 2020**. Fundamentally, I still have a problem in putting an OTR over a gas range. I have added the total RETAIL sales for electric ranges and Retail cooktop together and then did a percentage of OTR's...**guess what!!!!... 35.1%**. I know this is just mathematics and I know this is a “stretch”, but the potential is there. This is 1/3 vs. 2/3...meaning that for every 3 electric Ranges and/or electric cooktops that you sell, you should expect to sell one OTR. And for the other 2/3rd's, maybe Range Hoods? And to play with this a little more, OTR to 30” electric ranges = 40.0%. This is just math!!! But the potential is there. Great suggested add-on sale for every electric Range or Cooktop sale, at great margin!



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