



Throughout 2019, Macy's/Bloomingdale's is implementing a number of inventory strategies to increase overall sales and margin. One of the initiatives we are very excited to announce is Hold & Flow. This program will initially be implemented in fashion apparel departments only. It will allow Macy's/Bloomingdale's to quickly replenish inventory levels at stores from pool stock, aka "hold", locations.

Benefits of this program are:

- Higher overall sales and natural margin through improved full price selling.
  - Locations selling more merchandise will be sent additional inventory from the "hold" facility.
  - Locations experiencing slower sales will receive lower inventory, benefitting markdown ratios.
- Store inventory restocking will occur in 5-7 days.
- Potential implementation to .com, based on demand.

As a valued vendor partner, you may see unexpected increases in allocations to existing pool stock locations. You may also see a corresponding decrease in store allocations. You may see these changes as quickly as April, 2019.

**NO VENDOR SYSTEM CHANGES ARE NECESSARY.**

- Continue to follow the purchase order distribution transmitted in your EDI 850 Purchase Order
- Ship merchandise to the appropriate distribution center based on the [Store to DC Listing for Small Ticket Merchandise](#) (Macysnet sign on required to access this document)
- Merchandise should be prepared based on CFC guidelines detailed in the [Vendor Standards](#)

Thank you for your support with this initiative. Questions regarding this program should be addressed with your Macy's/Bloomingdale's merchant.