



Macy's, Inc. Consignment Payment Model

Under the consignment payment model, Macy's, Inc. has a distinctive partnership with our vendors which enables us collectively to offer a wide and diverse selection of merchandise to our customer. Since ownership remains with the consignor until the product sells, it allows for greater flexibility in buying decisions and maximizes your impact in our assortment. Here are a few basic principles to consider when entering a consignment agreement with your merchant partners.

How is payment calculated?

The MacysNet Automated Consignment System calculates payments for sales based on:

- a. The cost value of the merchandise on hand at the beginning of the fiscal month,
- b. Plus receipts (invoices),
- c. Less RTV's and any other chargebacks booked during the month,
- d. Less the cost value of the merchandise on hand at the end of the fiscal month.

If the credits exceed the debits at the time of the monthly consignment check run, payment will be issued. Check run occurs on the second Wednesday of each fiscal month. We follow a 4-5-4 fiscal calendar.

Example:

Description	On-Hand Inventory (Transaction Summary)	Description	Trial Balance
Beginning OH	100 units @ \$1 each	Beginning OH (CM-490)	\$ 100.00
Receipt	+ 50 units	Invoice	\$ 50.00
RTV	- 10 units	RTV	\$ (10.00)
Sales	- 25 units		
Customer Returns	+ 5 units		
Ending OH	120 units @ \$1 each	Ending OH (DM-590)	\$ (120.00)
		Payment for Net Sales	\$ 20.00

What sales reporting is available?

Gross Sales are available on MacysNet monthly by style and location. A Transaction Summary is also available monthly to display net sales by style and location, including customer returns, merchandise returns to vendor, merchandise receipts, and inventory adjustments. Updated results will be available on the first Tuesday following the fiscal month end.

Note: Macyspartners.com does not offer consignment reporting.

Do I need to send invoices?

Yes. Without invoices your account will be understated and you may not receive timely payment for sales. You must send/transmit invoice(s) when the consignment merchandise is shipped. Do not send memo invoices for sales.



How do I get started?

If your merchant agrees that the consignment model is right for you, the set-up process begins with a new vendor set-up form. Once the internal Macy's, Inc. approvals have been obtained, a consignment contract will be mailed to you. To expedite the set-up process, please ensure the corporate name(s), mailing address and point of contact are correct in the vendor set-up form. Return the consignment contract signed by an authorized financial executive of your company within 90 days. A unique account number will then be assigned to each consignment Department/Vendor number.

I have a MacysNet account. How do I view consignment activity?

Register all consignment account numbers by updating your MacysNet profile. You must be logged into MacysNet to change your profile information. Once logged in, there is an "Update Your Profile" link in the menu on the left side of the screen. Under "Accounts", select "Update Account" to add your new account number(s). Repeat the process for each new 11-digit account number. This is usually a combination of your DUNS number, a new suffix (91, 92, etc.) and leading zeros. Once your new account has been added to your profile, you can select the appropriate account number based on the activity you wish to research.

Can styles be transferred from an existing asset (owned) account?

Yes. Think of this as a "virtual return". The product on your asset account was originally purchased when it was received. Rather than physically returning the goods to you (and incurring additional logistics expense), a debit is processed on the asset account for the styles moved and a corresponding credit is applied to the consignment account. You will now be paid for the product as it is sold under the consignment payment model. All styles moves must be initiated by your merchant.

Additional questions?

Additional resources can be found on macysnet.com under the Vendor References > Accounts Payable section. If you cannot find the answer you're looking for or need assistance reconciling your account, please contact your consignment account analyst below.

Fine Jewelry- 513.579.7318

Ready to Wear- 513.579.7063

All Other Departments- 513.579.7194