

Money Management

for a prosperous business

ULTIMATE "SALARY" LEVEL GOAL = \$3600 WHOLESALE

(Recommended Inventory to service your clients with ON THE SPOT DELIVERY)

**Until you've built your inventory to \$3600 wholesale,
reinvest ALL money from sales back into inventory!**

Money Management Example

Let's say you sell \$2000.00 retail in Mary Kay products.

Deposit the \$2000.00 (plus collected tax) into your new business account and split as follows:

60% (Business Inventory Account) \$1200 + Sales Tax	40% (Personal Account) \$800.00
50% Replaces products sold - \$1000 (wholesale) 5% covers necessary sales aids – (sales tickets, etc.) 5% covers hostess credit items or gifts	\$800.00 Salary -\$150.00 Loan or Visa payment = \$650.00 profit from salary

Per example: Deposit \$2000.00 plus collected tax into your business account. Write yourself a check from your business account out of the \$2000.00 (less tax), which in this example would be \$800.00. This is your Salary. Leave the remaining 60% in your business account, which is \$1200.00, for your next inventory order. (The collected tax on \$2000.00 retail sold will cover the tax on a \$1000.00 wholesale order, as well as the tax on sales aid items) Splitting your money 60/40 vs. 50/50 allows for business growth, as the extra 10% in your business account covers 5% for sales aids, and 5% for hostess credit (products or gifts). This enables you to deliver to your clients the ultimate in customer service with on the spot delivery, regardless of what's ordered. In today's competitive market, Customer Service is what gives you the edge. In Mary Kay, we have the opportunity to exercise our buying power up front, with a 90% buy back guarantee to ensure no risk. This allows us to open a prosperous business from the beginning, making a great salary immediately, while professionally servicing our clientele. While other companies are forcing their sales force to be "order takers, and delivery people," we stand ahead of the crowd with on the spot delivery and customer service as our goal. The 60/40 rule for money management works.

My professional recommendation would be to begin with a Full Inventory of \$3600 wholesale, and begin pulling a salary from your business immediately. With any less than \$3600 wholesale on your shelf, you will need to turn your orders over (reinvest), until you get to \$3600, in order to have sufficient inventory to service your clients. I strongly suggest that you either take a loan from your bank or credit union to capitalize your new business, or order on a Visa that will be used strictly for inventory purchases. This way you're not mixing business capital with personal funds. Once your loan or Visa is paid off (through sales) the entire 40% account is your salary. It is not mandatory to begin at any one level. This is your decision entirely. However, experience has taught me that you will sell what you show. *If I can assist you in any way, please let me know.* Your recruiter is also ready and willing to answer any questions you may have. I wish you the very best.

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