



International Distribution Institute

# **Increasing flexibility in distribution networks**

## **Negotiating agreements for distribution within department stores**

**Issues related to the sale of the products**

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### **Issues related to the sale of the products**

- Passing of risk and title in the goods sold through the concession
  - when does risk pass from brand to store and why
  - when does title pass from brand to store and why
  - validity of reservation of title clauses

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#### **Issues related to the sale of the products**

- Sales performance requirements
  - from the concessionaire's perspective
  - from the department store's perspective
- Would a digital concession be better?

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**Issues related to the sale of the products**

- Financial and accounting issues
  - flow of payments
  - getting paid; or
  - not getting paid: the spectre of insolvency



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#### **Issues related to the sale of the products**

- Presentational and staffing requirements
  - marketing and policies
  - the sales area
  - the (selection of) goods
  - the staff
  - the employment issues and the department store's risk
  - the employment issues and the concessionaire's risk
- Would a digital concession be better?

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### **Issues related to the sale of the products**

- Anti-trust issues
  - is the concessionaire an agent? And if so, what are the implications?
  - price collusion?
  - fixed prices?



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Q&A

Thank you