

STANDARD OPERATING PROCEDURES

ESTEE LAUDER COMPANIES



The Three P's



- 1) **PLAN:** Decide on and arrange in advance.
- 2) **PREP:** The action or process of making ready or being made ready for use or consideration.
- 3) **PROCESS:** A series of actions or steps taken in order to achieve a particular end.

Merchandise Processing



1) INTRODUCTION

- **WHAT:** A store has incoming shipments from the DC for inventory replenishment. Once shipments arrive at the store, a receiving/merchandising process is initiated by scanning the packages or the products in the shipment.
- **WHY:** Shipments are processed to ensure product availability both in back of house and front of house.
- **WHEN:** Delivery cadence varies by store, refer to your BTX schedule listed in Estee Central. Shipments are to be processed within 24HS of receipt.
- **WHERE:** Stockroom or salesfloor away from customer view



2) ROLES AND RESPONSIBILITIES

- **MGMT:** Managers are responsible for planning, scheduling, ensuring timely and efficient processing and placement of products.
- **SALES ASSOCIATE:** Associates are responsible for processing and placing product efficiently while meeting and exceeding UPH standards.



3) TOOLS/RESOURCES

- XSTORE/ASN
- MOBILE RECEIVING UNIT
- PROCESSING SUPPLIES
- UPH TRACKER
- OVERSTOCK LABELS

PLAN

- Plan for arriving shipments by utilizing the ASN email/reporting to understand what space will be needed in the BOH or sales floor and identify where new items will be placed on the sales floor
- Schedule team members to process merchandise. (ASN dependent or fixed hours)

Shipment Report
Run Date: 4/27/22 16:51

Magasin : 17534 - JO MALONE LONDON-TE CNTR#534

Shipment Report

Ship Date	SKU	Description	ASN QTY	PO Number	Carton#	Doc. Status
4/7/22	L00V01	LIME BASIL&MANDARIN BATH OIL 250ML	3	839416	00000001753450414942	OPEN
4/7/22	L01001	TUBEROSE BATH OIL 28ML	3	839416	00000001753450414943	OPEN
4/7/22	L00X01	LIME BASIL&MANDARIN BATH OIL 200ML	4	839416	00000001753450414944	CLOSED
4/7/22	L00T01	LIME BASIL&MANDARIN BATH OIL 28ML	3	839416	00000001753450414945	OPEN
4/7/22	L01201	TUBEROSE BATH OIL 200ML	29	839416	00000001753450414946	OPEN
4/7/22	L01001	TUBEROSE BATH OIL 28ML	3	839422	00000001753450414972	CLOSED
4/7/22	L00V01	LIME BASIL&MANDARIN BATH OIL 250ML	3	839422	00000001753450414973	OPEN
4/7/22	L00X01	LIME BASIL&MANDARIN BATH OIL 200ML	4	839422	00000001753450414974	CLOSED
4/7/22	L00T01	LIME BASIL&MANDARIN BATH OIL 28ML	3	839422	00000001753450414975	CLOSED
4/7/22	L01201	TUBEROSE BATH OIL 200ML	29	839422	00000001753450414976	CLOSED
4/7/22	L01001	TUBEROSE BATH OIL 28ML	3	839424	00000001753450414982	CLOSED
4/7/22	L00V01	LIME BASIL&MANDARIN BATH OIL 250ML	3	839424	00000001753450414983	OPEN
4/7/22	L00X01	LIME BASIL&MANDARIN BATH OIL 200ML	4	839424	00000001753450414984	CLOSED
4/7/22	L00T01	LIME BASIL&MANDARIN BATH OIL 28ML	3	839424	00000001753450414985	OPEN
4/7/22	L01201	TUBEROSE BATH OIL 200ML	29	839424	00000001753450414986	CLOSED

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Back Help Print Report Save Report Previous Page Next Page Top of Page Bottom of Page First Page Last Page Zoom In Zoom Out Register

Esc F1 F2 F3 F4 F5 F6 F7 F8 F9 F10 F11 F12

Back Office Temp Employee En ligne JO MALONE LONDON-TE CNTR#534 17534 Register 1 04/20/2022 4:51 PM

BlueYonder

STORE LEADERSHIP Daily Scheduling Pay Management Reporting Employee Planning

Schedule Editor - Posted

08/28/2022 - 09/03/2022

Unfilled Shifts 0 (Add/Edit) Schedule Accuracy 53% Budgeted Hours 270.00

Employee	Week Total Hours: 225.75 Demand: 212.00	Sun 08/28 Hours: 29.50 Demand: 40.00	Mon 08/29 Hours: 34.75 Demand: 27.25	Tue 08/30 Hours: 39.25 Demand: 23.25	Wed 08/31 Hours: 26.25 Demand: 33.25	Thu 09/01 Hours: 21.00 Demand: 24.25	Fri 09/02 Hours: 35.50 Demand: 32.00	Sat 09/03 Hours: 39.50 Demand: 42.00
CCS Sales	Warn 2 37.00	12:00 pm - 08:30 pm CCS Sales	12:00 pm - 08:30 pm CCS Sales		10:00 am - 06:00 pm CCS Sales		12:00 pm - 08:30 pm CCS Sales	12:00 pm - 08:30 pm CCS Sales
CCS Keyholder	Warn 1 35.50	09:30 am - 06:00 pm CCS Keyholder		12:00 pm - 08:30 pm CCS Keyholder	12:00 pm - 08:30 pm CCS Keyholder	09:30 am - 05:00 pm CCS Keyholder		09:30 am - 05:00 pm CCS Keyholder
CCS Store Manager	Warn 1 36.25		09:00 am - 05:00 pm CCS Store Manager	09:00 am - 05:30 pm CCS Store Manager		11:00 am - 08:15 pm CCS Store Manager	09:00 am - 05:00 pm CCS Store Manager	09:30 am - 05:00 pm CCS Store Manager
CCS Assistant Leadership	37.50	11:00 am - 07:00 pm CCS Assistant Leadership	09:00 am - 05:30 pm CCS Assistant Leadership	09:00 am - 05:30 pm CCS Assistant Leadership			09:00 am - 06:00 pm CCS Assistant Leadership	12:00 pm - 08:30 pm CCS Assistant Leadership
CCS Sales	27.25		10:00 am - 04:00 pm CCS Sales	10:00 am - 04:00 pm CCS Sales		01:00 pm - 08:15 pm CCS Sales	10:00 am - 04:00 pm CCS Sales	10:00 am - 03:00 pm CCS Sales
CCS Keyholder	16.00	12:00 pm - 08:30 pm CCS Keyholder		04:15 pm - 08:30 pm CCS Keyholder	04:15 pm - 08:30 pm CCS Keyholder			
CCS Keyholder	Warn 1 36.25		12:15 pm - 08:30 pm CCS Keyholder	10:00 am - 06:00 pm CCS Keyholder	09:30 am - 06:00 pm CCS Keyholder		12:00 pm - 08:30 pm CCS Keyholder	11:00 am - 07:00 pm CCS Keyholder

Merchandise Processing

PREP

- Set a processing area with all tools at arms length (safety box cutters, pricing guns, tester supplies, carton labels, hand carts, mobile devices, trash bags).



Merchandise Processing

PROCESS

- Receive BOL from freight delivery driver or review carton QTY and only sign off once all cartons are accounted.
 - Scan in shipment using the MPOS. Mark box with a line using a permanent marker to identify that it has been scanned in. **Damaged cartons will have to be item leveled received.*
- Sort cartons by grouping same brands together and labeling the boxes by brand

BTX		BTX New York		ALERT		LAX0684608	
BTX New York (718) 713-3484 Fax (718) 713-3668		JFK@btxglobal.com		Airbill Number		JFK2008006	
SHIP DATE	ORIG	DEST	CUSTOMER VALUE	SHIPMENT VALUE			
8/15/2022	PHL	LAX	Economy (3-5 Day)				
SHIPMENT LOCATION		CUSTOMER INFORMATION		APPOINTMENT INFORMATION			
Pallet 1 300 Crossing Drive Bristol, PA 19007 US		Camarrillo, CA 93010 US Store manager ((805) 388-3380)		Appointment DL Unpacking/Unstrapping			
SPECIAL INSTRUCTIONS		READY TIME 14:00	CLOSE TIME 17:00	SPECIAL INSTRUCTIONS		OPEN TIME 10:00	CLOSE TIME 20:00
REFERENCE MARK NUMBERS		ADDITIONAL SERVICES REQUESTED					
PO Number		Appointment DL		Truck DL			
Invoice Number		Packaging Disposal					
DL Job #							
Brand Name							
Shipment Code		ELC Rebuy					
YHM	PCS	WT	LEN	WTH	HGT	EXT	DIM
	1	838	48	40	44	838	
				PACKAGE TYPE		DESCRIPTION	
				Carton		41 ctms of toilet prep	
				838			
ALERT INFORMATION							
CARRIER	CARRIER SERVICE	ACCOUNT NUMBER	MARK NUMBER	ARC			
AMERICAN LINEHAUL CORP	Line Haul	139	5661405	LAX			
CARRIER	TRUCK/Route #	Departure Date	ETA	Orig	Dest		
AMERICAN LINEHAUL CORPORATION	TRUCK	8/15/2022	8/18/2022	PHL	LAX		
SPECIAL INSTRUCTIONS							
BTX must authorize all additional services unless noted in the Additional Services Requested section. Contact the BTX Office at the top of this document for necessary authorizations and/or prices. Lift-gate or two-man service requires authorization if over 80 lbs. Appointment deliveries require a four-hour window during business hours. Specific line/after-hour deliveries must be authorized by BTX. If shipment is not properly packaged in the piece, please contact BTX before delivery.							
Please contact the store manager to arrange delivery.							
Delivery must be Monday through Wednesday ONLY.							
Dispose of Pallet & shrink wrap.							
Inside delivery - STORAGE ROOM.							
Do not double stack.							
CARRIER	PHONE	FAK	DELIVERY AGENT	PHONE	FAK		
AMERICAN LINEHAUL	(973) 589-0101	(973) 589-0101	VENTURA HIGHWAY, INC.	(310) 417-3050	(310) 216-7173		
CONSIGNEE SIGNATURE	DATE	TIME	CONSIGNEE NAME (PRINTED)				

Please remit invoices to the Corporate offices of BTX Global Logistics - P.O. Box 853 - Shelton, CT 06484



Merchandise Processing

- If the MPOS is not working, use the detachable non-lead POS tablet to scan in the shipment.
- If a carton is unable to be scanned, mark the box with an 'X', place on the side and revisit after the shipment is received. Contact the Retail Help Desk provide them with the carton/PO #'s and open an issue with Inventory in Estee Central sharing the same details along with HD ticket number.

PROCESS

- When processing if multiple SKU's are in one carton, separate by SKU
- Group by brand and by categories (fragrances, lotions, hair products, etc)
- Push any new arrivals directly to the sales floor and ensure every new product has a tester if needed (price the tester when placing on sales on the top right of item, all product does not need to be priced)

PROCESS

- Backstock product from shipment to respective brand bay/shelves, place newly received product behind older product on shelves and rubber band together any smaller items
- Complete UPH Tracker after processing and backstocking is completed. The ASN report can be utilized to identify QTY per carton



Merchandise Processing



UPH (Units Per Hour) Tracker – Must be filled in whenever shipment is processed and backstocked. To calculate you divide the number of units processed by the total number of payroll hours used, this will give you the total number of units processed per hour. Ex: $156 \text{ Units} / 4.5 \text{ HRS} = 34.67 \text{ UPH}$

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Back of House Organization



1) INTRODUCTION

- **WHAT:** The stockroom is the main hub of the store's operations. This is where your office will be located, where you will receive shipments, excess product will be stocked, and communication will be housed.
- **WHY:** Stockroom organization is key to running a successful store. This will allow you to keep an accurate count of inventory, make it easy for staff to locate/retrieve product and reduce clutter.
- **WHEN:** Stockroom is to be maintained daily.



2) ROLES AND RESPONSIBILITIES

- **MGMT:** Managers are responsible for the setup and maintenance of the back of house per ELC SOPs and all safety standards, regulations, and laws (e.g. ADA).
- **SALES ASSOCIATE:** Associates are responsible for the daily maintenance of the Back of the House SOPs.



3) TOOLS/RESOURCES

- BOH Zone Map
- Batch Code Guide

PLAN

- AOR (Areas of Responsibility): Assign ownership to staff members for maintenance/organization.

Example -

- CCS - John's AOR is Estee Lauder and Clinique
- MAC – Suzy's AOR is Foundation
- Jo Malone London – David's AOR is Fragrance
- Aveda – Sean's AOR is Haircare



Back of House Organization - Stock

PREP

- Daily stockroom walkthroughs are expected to keep floor & aisles clear and free of clutter, obstacles, or hazards. This will also allow you to identify any areas of opportunity within the brand bays such as missed labels, misplaced/disorganized product, space constraints, etc.
- Throughout the month, you should constantly be rotating stock and taking note of aging inventory following FIFO



Back of House Organization - Stock



Reference the **June 2021 Inventory Focus** for FIFO guidelines.

PROCESS

Stock

- Most popular stock should be easiest to access and close to door leading to sales floor
- Heavier items should be down low, and lighter items up high when in bays
- Since cosmetics have expiration dates, it is important to sell using the FIFO method to ensure we are not constantly expiring out product. (FIFO) First in First Out- Meaning the first items added to your inventory should be the first out.
 - Stock should be organized by expiration. Items that are closest to expiration should be at the front of the shelf and newer stock should be further towards the back of the shelf.
 - Inventory Shelf Labels must be used
- Keep shelves organized by brand, category (Fragrance, Skincare, Makeup, etc.), and SKU (BCS)



Back of House Organization - Stock

Designated areas are to be given to the following:



- Damages
- Marketing/Signage Holders
- \$0.00 SKU's
- Unboxed

PLAN**Overstock**

- Excess product (overstock) that cannot fit on a shelf can be placed in reused shipment cartons and stored in the respective brand bay on the top or bottom shelf *top shelf for lighter boxes and bottom shelf for heavier, any cartons that do not fit on shelves can be stacked in the front of the bays or placed in off-site if applicable
- If no space is available within brand bay, overstock can be kept in aisle where space permits
- Overstock label is required to be placed on the front of the boxes



Back of House Organization - Overstock



- Overstock on top of bay must be no higher than 3 boxes high and have 18-inch clearance from sprinklers.
- Overstock stacked on floor in aisle must be no higher than 5½ FT.

PROCESS

Damages

- An area must be designated for damages, utilize a black bin with bag liner to house damaged items
- Intact or leaking nail polish and leaking liquids such as shampoos, lotions and foundations are to be placed inside a G2 bucket
- Damaged product must be processed weekly and shipped out as needed depending on QTY or each month following your State and Local Recycling Requirements



Back of House Organization – Damages



Reference the **Product Disposal and Damages** policies for specific guidelines

PROCESS

Testers

- Testers can have a dedicated bay or housed within its respective brand based on space available
- Testers are to be reviewed on a quarterly basis, dispose of testers based on expiry date, fragrances are allowed to be used as a tester up to 6 months after expiry date



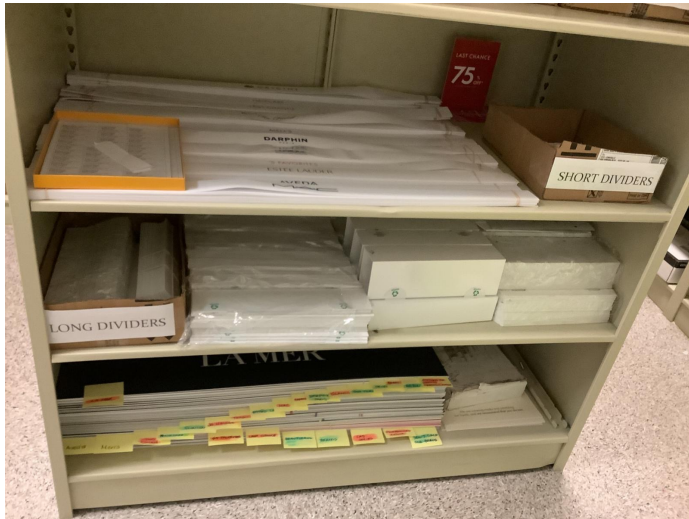
Back of House Organization – Testers



Reference the **Tester** policy for specific guidelines.

PROCESS**Non-Merch**

- Marketing collateral and Signage Holders/Plexi must be assigned a designated area
- Cleaning supplies can be given a shelf if space permits or can be housed in the bathroom for storage



Back of House Organization – Non-Merch

PROCESS

\$0.00 SKU's and Unboxed Product

- Both \$0.00 and Unboxed product should be kept in their boxes and have a designated area where space permits



Back of House Organization – \$0.00 SKU's and Unboxed Product



- \$0.00 SKU's and Unboxed product are to be submitted through the **TCCS Product Inquiry Form** located in Estee Central
- Home Office will provide direction on \$0.00 and Unboxed product.

PROCESS

Send Sales/Phone Orders

- Send Sales should have a designated area where space permits



Back of House Organization – Send
Sales/Phone Orders

PROCESS

Last Chance

- Last Chance should be held separate from other inventory in a separate area of your stockroom so that it does not get mixed with saleable inventory



Back of House Organization – Last Chance



Reference the **Last Chance Process** for specific guidelines.

PROCESS

- Beautihaul should be held separate from other inventory in a separate area of your stockroom so that it does not get mixed with saleable inventory



Back of House Organization – Beautihaul



Reference the **Beautihaul Process** for specific guidelines.

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Replenishment



1) INTRODUCTION

- **WHAT:** Replenishment is the process of refilling the salesfloor of product that was sold.
- **WHY:** To always ensure product availability for our customers.
- **WHEN:** Salesfloor is to be replenished in the AM



2) ROLES AND RESPONSIBILITIES

- **MGMT:** Managers are responsible for coaching, scheduling and timely replenishment of the sales floor.
- **SALES ASSOCIATE:** Associates are responsible for replenishing the sales floor every morning, after each peak period and as needed throughout the day.



3) TOOLS/SUPPLIES

- Replenishment Sheet
- Pen or pencil
- xStore
- Restock Report
- ISOS
- Pushcart

PLAN

- Identify who will be assigned as the AM and PM replenisher on Zone Chart

PREP

- Print Replenishment sheet
- Pushcart ready to place replenishment on and move to salesfloor

PROCESS

- Replenishment is to take place every morning. Walk the sales floor prioritizing top sellers first and then continue with all other product based on sell through
- Utilize the Replenishment sheet to write down the product that is needed
- Pull product, fill pushcart and replenish the salesfloor
- Complete ISOS Audit
- The store is to print the Restock Report in Xstore 1HR before closing to replenish what has been sold throughout the day, if unable to complete opening team to continue

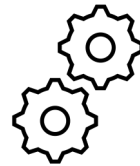


Replenishment



ISOS Audit (In Store Out of Stock) – Must be completed after AM replenishment. Pull 10 items from the back of house, 5 top sellers and 5 random items. 8 out of the 10 items must be represented on the salesfloor in order to comply with ELC replenishment standards of 80% and above product availability.

Appendix



RESOURCES

- [NALX](#)
- [POLICY AND PROCEDURE PORTAL](#)
- WORKFORCE MANAGEMNT (WFM)
- [ESTEE/MAC CENTRAL](#)
- [STAPLES](#)
- RETAIL HELP DESK 877.354.3375

TOOLS

- UPH TRACKER
- REPLENISHMENT SHEET
- ISOS SHEET
- OVERSTOCK LABEL
- BOH ZONE MAP
- BATCH CODE GUIDE
- FIFO 1-PAGER

GLOSSARY

- 3 P's: Plan, Prep, Process
- AOR: Areas of Responsibility
- BCS: Brand, Category, SKU
- ISOS: In Store Out of Stock
- FIFO: First In First Out
- UPH: Units Per Hour