



FIREWORKS STAND MANAGER'S GUIDE
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1. INTRODUCTION

A. About Selling Fireworks

Welcome to the exciting, rewarding world of fireworks sales! As you should know already, our relationship with you is a simple one: You are an independent contractor running a fireworks stand. You provide labor to sell fireworks and security for the fireworks while they are in your possession. This Guide also includes a few other responsibilities you will learn about.

Our company provides everything else including a top-notch location, advertising, money pickup, fireworks on consignment for sale, pricing, etc. You/your group operate a fireworks stand as independent contractors and make money by taking a commission on each sale. This means that the more fireworks you sell, the more money you make!

B. Risks and Rewards

Like any business venture, there is risk associated with this arrangement. While you can make a lot of money selling fireworks, *you can lose money selling fireworks if you don't do things correctly!* Fortunately, there are steps you can take to make sure that you are as successful as possible in managing your stand. In addition to the live training provided to most all operators, this Guide is meant to help assist you with running a smooth, trouble free operation at your fireworks stand.

C. Care of This Guide

We re-use these guides over multiple seasons. So if you receive these sheets inside of a folder provided with your merchandise, please take care of them properly:

- Do not write on the folder or pages inside this folder.
- Please do not remove any of the pages from this folder.
- If this folder is not returned in the same condition in which it was sent to you, you will be charged a fee of \$25.00 in addition to other fees.

For first time operators, we distribute this guide before the season, so if you have received it in that manner, it's yours to keep.

D. Questions / Concerns / Comments

You may contact either your local representative or the office at the following number:

Phone Numbers:

San Antonio/South Texas/El Paso:	210-667-1106, 800-926-1037
All Others:	210-667-1106, 800-926-1037

Please refer to your stand manager's guide before you call. Your questions are probably answered in this folder and reading this can save you a phone call.

2. BEFORE THE SEASON

This section includes information on the things you need to do before the season.



A. Read and Study This Guide

This guide will help you manage your stand, answer questions and assist you in running a successful operation. Please read and study it closely!

B. Schedule a Training Session With Us

We provide an in-depth live training to all new operators. If you have not been contacted to schedule one yet, please call the office. We can also do "refresher courses" for experienced operators. Just ask!

C. Read, Sign and Return Your Contract

Alamo signs a contract with you as an operator that clearly details out our relationship. Your contract must be signed and in our office before you can receive your initial merchandise shipment and stand equipment. The contract will be provided to you in advance, along with a cover sheet explaining where you have to sign & initial.

D. Locate and Schedule Your Workers

You should start working on your list of workers for the season before the selling season begins. The workers you hire **MUST** be worthy of your trust. Remember that these workers will be handling your cash and your merchandise. It's best to arrange more help than listed in your contract, because you will need them (July 3rd, 4th & December 30th & 31st) and because people always flake out!

You will also need workers to help you receive the merchandise when it is delivered and also to help you stock the stand. We recommend having 1-2 helpers during the unloading process when your merchandise is delivered. For stocking your stand, you should know it takes about 12 hours of work for an individual to fully stock and price a single stand.

We also recommend that operators have a partner(s) or assistant manager to be able to watch the stand if they have to leave. It's important to consider this as you **MUST** have someone 18 years or older on the location at all times, including the night times.

E. Plan Your Living Arrangements / Toilet Facilities

Remember, someone needs to be at the stand 24 hours a day to make sure the fireworks are not stolen! So, you will need to have a camper, trailer or RV to stay at the location. We strongly recommend against using a tent.

We do NOT provide Portable Toilets for you or your help. If you want one, you need to arrange for it yourself. They run about \$75 per week with pickup and delivery.

F. Other Businesses

We are not permitted to allow businesses other than fireworks (snow cones/raspas, food stands, etc.) to operate on our locations, so you will be asked to remove such businesses if we find them on the location during the season.



G. Inspect Your Stand

You should go inspect the stand that you'll be operating before the season begins. Get familiar with the layout and plan where you'll place your camper, etc. Also, turn on and off the lights in the stand to make sure they work. If you see any problems, call us immediately.

H. Scheduling an Appointment to Get Your Initial Shipment

The selling seasons are from December 20th-January 1st and June 24th-July 4th until midnight. During the weeks before the season begins, you should contact our office to schedule an opening date for your location and delivery of the fireworks to the location.

I. Other Items You Should Have

It's best to think of operating a stand as "getting paid to camp-out", so you should plan accordingly. Some of the other things needed at the stand:

- Flashlight (in case power goes out)
- Supply of water and food
- Cellular Phone / Mobile Phone (if possible)
- Tools, including a screwdriver, pliers, and a hammer.

Please note that no portable heaters or cookers are allowed in the stand.

3. SETTING UP YOUR STAND

These are things you should know about when setting up your stand.

A. Lights and Electricity

Most stands have electricity coming from the power company. Some have power coming from generators. In either case, the power switch in a stand is near the right (as you are facing the front of the stand) entrance doors to the stand. If you switch this on, it should turn on the lights in the stand. If that does not work, look for the breaker switches connected to your meter pole (inside a gray box).

Most of the stands have floodlights on the windows for lighting the top signs. These floodlights should come in the equipment box with your shipment. You should have a conventional screwdriver on the premises to tighten and position these floodlights daily, as they have a tendency to become loose as you are opening and closing the windows.

As for the fluorescent lights that go inside of the stand, you should be able to find those underneath the counter of your stand. If not, please purchase fluorescent bulbs on your own and keep the receipt. We will reimburse you at the end of the season.

Please do not leave the lights on during the daylight hours or at night after you have closed. Leaving a couple of floodlights on after you close for security reasons is acceptable. Remember to turn on your lights about thirty minutes before dark.



B. Checking Visibility

The first night you are open is the best time to either get in your car or walk down the road in front of the stand to see what your location looks like at night. The appearance of the stand with all the lights working and properly positioned is very important because most of your business takes place after dark. If you see something that does not look good, fix it. If you cannot correct it, contact us and we will have it corrected.

C. Signs

If you have a road sign directing the public to you, please remember to turn its lights on after dark, and then off when you close for the night. Also, you may be furnished with a small fireworks signs with an arrow on them. These are to be placed at strategic corners back towards town, advising the people that you are out there. You must pick up these signs after the season and return them to the company along with the other equipment.

D. Placing your Travel Trailer / Camper / Tent

The more space there is for customer cars, the more sales you can make. So, you do not want your camper to take up the parking area. Place your trailer off to the side of the stand, but in a position where you can see what's happening at the stand counter from inside. Keeping in mind that you may need electrical service.

Do not plug your trailer into the stand. Use the meter pole if necessary.

E. Getting Your Merchandise

You should have already set-up the time to receive your merchandise. You need to be at your location at least an hour before your delivery schedule. The delivery driver will need your help to unload your merchandise though we recommend that you have outside help to assist you in unloading the merchandise and stocking the stand.

Your merchandise will be delivered to your location either via our truck, or a freight line. In either case, you should first count all of the cases or pallets and make sure that number matches the number listed on the Bill of Lading (which you should sign and get a copy included with the shipment.) You should note any discrepancy and immediately notify us.

F. Doing Your Own Inventory

You should take a detailed inventory of the items that we ship you. We are human and can make mistakes though we try our hardest to make sure every shipment is correct. For a complete inventory you should count each and every item we send, to make sure the shipment is correct! This should be done BEFORE you set up your stand and BEFORE you make any sales.

G. Getting Your Equipment

Your equipment will be delivered with your initial shipment. It will be boxed separately and the box (s) will have a big "X" on it. This box will include items such as a flashlight, safety-vest, light stringer, fire extinguisher, stand mangers guide, credit card machine, etc. An "equipment sheet" lists all the items you're receiving in this box. Check to make sure it's all in the box.



In addition, note that the equipment sheet lists the electrical account number for the utilities. Also included is the 24-hour help number for you to call if your power stops working during the season.

H. Credit Card Machine Operation & Set Up

You are charged out with one or more Model T 7 P Data Communication system with cord, phone line, paper and instruction card which is valued at \$1,000.00.

I) Installation

Check to see if your phone line has a dial tone. You can do this by plugging a phone into the phone line. Once you have a dial tone you must unplug the phone & install the line into the back of the credit card machine.

You cannot use a phone on our credit card line. This line is strictly for processing credit card sales! Plug the power cord into the outlet. Now you are ready to do your test charge sale in the amount of \$1.00.

II) Processing a Sale

- 1) Verify the name on the credit card with his/hers drivers license (do not return the drivers license or credit card until your customer has signed the receipt and your sale is completed)
- 2) Swipe the card, Press Enter
- 3) Enter the last (4) four digits of the credit card number, Press Enter
- 4) Enter the expiration month/year (this should be four digits total - **example:** 0904), Press Enter
- 5) Enter the amount of the transaction, (total dollar and cents) Press Enter
- 6) The terminal will process
- 7) The receipt will print
- 8) (Follow any other instructions that your terminal may display)
- 9) Have the customer **sign the receipt** – verify the signature with the drivers license
- 10) Give the customer the duplicate receipt along with his/her credit card & driver's license
- 11) The signed original receipt is ours! (to be stapled with the batch report at the end of the day and turned into the company. You must turn in the batch report to get credit for receiving that money from the customer!)
- 12) Remember to keep all the original receipts – these are the same as cash and you are responsible for every one of them! Missing receipts will result in non-payment.

III) Processing a Batch Settlement At The End of Each Day

- 1) Press the gray key (E) – (which should say settlement, batch or transmit)
- 2) Enter the four-digit password **0000**, Press Enter. Scanning batch will display.
- 3) Sales total will appear – Press enter
- 4) Return sales will appear – Press enter (This should always be ZERO dollars)
- 5) The terminal will dial for approval
- 6) The batch in progress will display and the receipt will begin printing



Attach your daily Sales receipts with the Settlement receipt. This is to be turned in with the Cash to the Money Man (covered in Section 4).

- 7) If there are any errors, missing receipts, etc., you need to notify the office as soon as possible

You keep a copy of the Settlement Receipt. The Money Man will give you a receipt for the cash and credit card transactions you turn in.

Remember you **MUST** return the credit card machine in the original box! And it must be in the original condition as when it was sent out to you! Units that are returned without the original box will be charged a \$20.00 box replacement fee.

I. Dealing with Bad Weather

In the event of a hard, blowing rain, secure all merchandise. Check your stand for leaks, and take steps to protect the merchandise. If you have a leak or one develops move the merchandise or cover it with plastic or tarp. In the event of approaching high winds, you should already be familiar with what is involved with lowering your top signs and tall light stringer pole. Simply remove the nails from the brace hinges and the entire top sign should fold down onto the top of the stand. If you don't take the necessary steps, you run the risk of the strong wind flipping the stand over and damaging the signs.

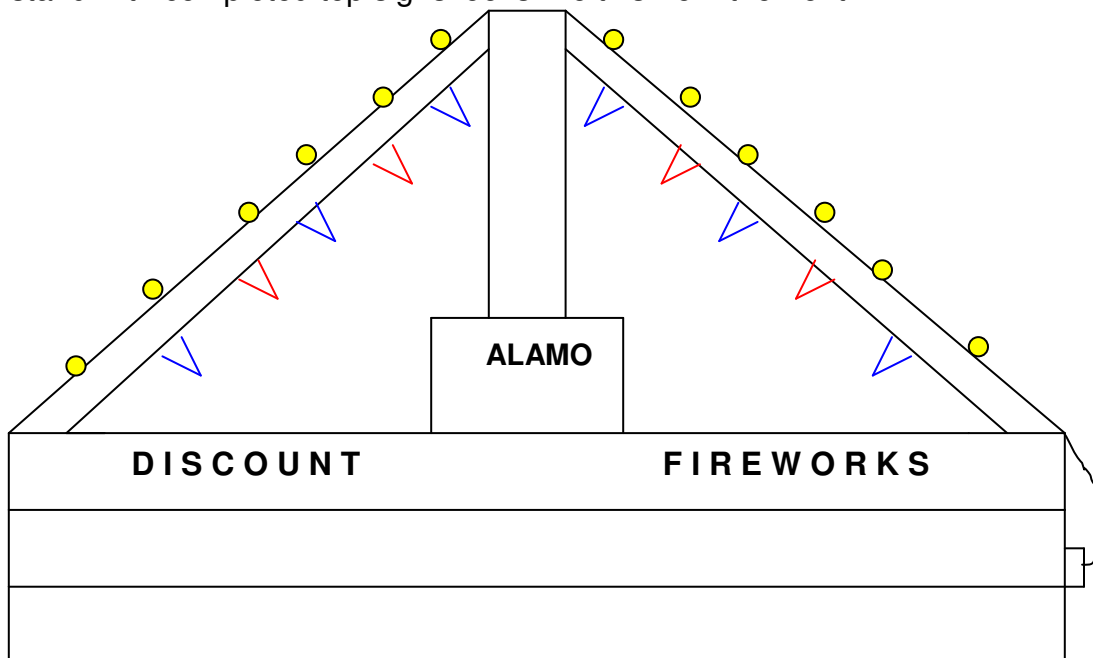
J. Reading Your Invoice

In the appendix, please find a "sample invoice". Please study the invoice carefully as it will help you in reading the invoice that comes with your merchandise.

K. Top Sign Setup Instructions

If you arrive at your location and the top-signs are not up, you will need to erect them yourself.

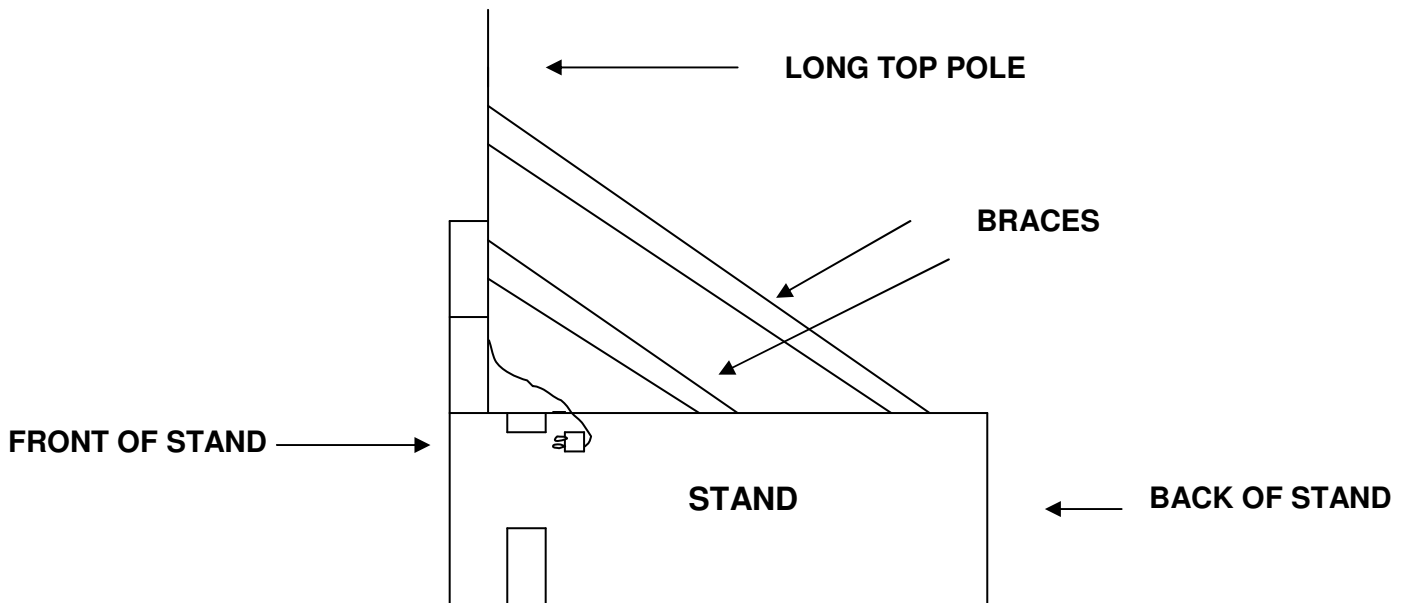
A stand with completed top signs looks like this from the front:



When you start to set up your Top Signs, there are a few things that you need to keep in mind. First, before you attach the light stringers that are found in the equipment box, please check to make sure all the bulbs are working. Then, place the male end of the stringer closest to the end of the stand where the female receptical is attached. When you attach the stringer to the corners of the top sign, it is most important that you remember to bend a nail over each corner of the top sign to secure the light stringer. Be careful not to hit the nail too hard or you will cut through the insulation on it.

Erecting the sign is as simple as matching the hinges and inserting nails into the hinges then bending those nails to secure them on each piece of plywood. Do not nail the nails into the plywood. Use the hinges.

The following is a side view of a completed set of topsigns:



L. Pricing and Stocking Your Stand

Each stand should have two (2) identical set-ups, one for each half of the stand. The idea is that no customer should have to move between more than 2 windows to find an item.

When unpacking the boxes, the “loose merchandise” must be displayed first, before you start unpacking the boxes with “full merchandise”. The boxes with “loose” should be clearly labeled.

While standing in front of the stand, start setting up the fireworks from the left end to the center of the stand with the same layout as the one on the left. Make sure each item on the shelf is at the same location in each set-up. This will help your sales people find merchandise much faster.

If you have more than one stand at your location, look at your invoice and divide the quantity by the number of stands, and that will give you how many of each item you will



need in each stand. Divide that number by two and that will be the number of items that you will need for each set-up.

If you run out of an item during set-up, you should take one or two pieces of the same item from another set-up and fill the hole. In other words, keep stock evenly distributed in all set-ups as much as possible. If it is not on the shelves you won't sell it!

All items on display must have a shelf price tag immediately in front of the item. Do not put prices or tags on the items themselves.

Use good judgment when breaking open new packages on the last day of the season. Try to keep the "loose" merchandise to a minimum. On the last day, starting in the early evening (after you have fully stocked the shelves during the early part of the day) place full packages on the shelves, and open them **only** when you need to. You should keep as much merchandise on the shelves as possible at all times. Customers go to the best stocked stands.

The diagram in the appendix represents one set-up and should be followed very closely. However, not all of these items may be included in your inventory or you may have items, which are not on this diagram. If you do, refer to your invoice for item number and try to display it along with other items in the same category.

M. State Regulations For Stand Setup

Smoking is not permitted inside or within ten (10) feet of the fireworks stand. "No Smoking" signs shall be conspicuously posted throughout each stand.

All exit doors shall remain unlocked and unobstructed during operating hours. The stand must be locked each night to prevent unauthorized entry.

An area of at least ten (10) feet on all sides of a fireworks site shall be kept free of high grass, trash and empty cardboard boxes.

Fireworks Stands shall not be illuminated or heated by any device that requires open flame or exposed heating elements.

4. DURING THE SEASON

This section provides information for you regarding operation of your stand during the season.

A. Operating Hours

Your contract lists the minimum operating hours for your location. Keep all windows open for business at all times (except in bad weather). Open no later than 10:00 am on the slower days early in the season. In the final days of the season, you should expect to open up before 8:00 am. If you're not open that early, your customers will be knocking on your camper door!



B. When to Expect Business

Please note that fireworks sales start off very slowly early in the season. Don't be discouraged! Approximately 75% of your business comes on July 3rd & 4th for the spring season, and December 30th & 31st for the fall season.

C. Stockers, Sellers & Flaggers

Your contract includes the number of employees you need to have working. We suggest that you have more than you think you'll need, as some workers will promise to be there yet not show up.

All of your employees must be at least 16 years of age except where family members are exempted by State Law. Age requirements by both the state and federal governments and must be followed. If you are found to be in non-compliance, you may be fined a large sum of money that you will have to pay. Please comply with the law. A supervisor of at least 18 years of age must remain on the premises at all times.

Please make sure that your employees don't sit on the counters, even when your are not busy. It leaves a bad impression and the counters are not strong enough to support people! Remember this is a place of business!

Repeat business is one of the most important factors in the retail business. A variety of factors are involved with obtaining repeat customers, but one of the most important is **COURTESY**. Please make sure all your sales personnel are courteous and polite to **OUR** customers, also let the customers know that we appreciate their business.

It is very important to have one person designated "stocker" of the shelves during the peak sales periods, and also have someone available to come after merchandise in case we are not able to make a delivery. When stocking the stand, put extra merchandise of a particular item directly under the shelf below where it is on the shelf if possible, so you will be able to find it later and quickly. Keep stock on shelves in plentiful supply, as the public's reaction is much better if you give the appearance of having the largest selection in the area.

D. Having Enough Help

Be sure to have extra help lined up for the busy final two days. We spend a tremendous amount of money to promote these locations, and you are expected to fulfill your end of the agreement by having the number of sales people per your contract to handle the crowds. The people that make an honest effort to man the stand with sufficient personnel will operate our better locations. We are not going to spend a tremendous amount of money obtaining and promoting a location, and then see all the customers going to a competitor's stand in the area because you cannot handle the volume.

E. Training Your Help

We suggest that all of your employees know the merchandise, its price and location prior to the busy days. A number of successful operators have training sessions for all of their operators before the busy time of the season. At the very least, each employee should spend a couple of hours at the stand learning the ropes BEFORE things get hectic!



F. Parking

The company pays you to deploy a flagger on the busy days per your contract. Also, your flagger can direct parking, as well as flagging. Make sure you have someone that is responsible and has common sense.

G. Money Pickup (cash, credit card receipts)

A representative of Alamo Fireworks, Inc., will come to your location between normal business hours to collect money from your sales. The representative will have a letter from the company signed by one of the executives of the company authorizing him to collect money and credit card receipts. If you have any questions about the person collecting money, do not HESITATE to call us before turning over any cash to that person. If there are any problems or concerns, please call.

The money needs to be counted and sorted prior to each pick up. The proper way to do this is to separate the money by bill type so that all bills of the same denomination are together. So, for example, all the twenties should be together and in stacks of 50 or 100. Repeat this for all the bills keeping all of the same type together.

We can't accept any change but you will need it in the stand. You will also need some start up money to make change but once you make some sales you can remove the money that you put in.

If you have a bunch of cash on hand, but have not been visited by us to pick up the money, you can take the cash to a bank to get a Cashier's Check. This check should be made out to Alamo Fireworks, Inc. and turned over to the company as soon as possible.

H. Employee Parking

Park all employee vehicles behind or past the stand, thereby leaving the best parking for our customers.

I. Alamo Coupons

Certain items will be advertised as "BUY ONE – GET ONE, TWO, FIVE OR ELEVEN FREE". Check your invoice and price tags for the correct pricing. Think in terms of each item as being one piece, not bundle or package. A good rule of thumb is: if it has plastic wrap on it, it is likely a bundle or package and the individual item is inside of that package.

EXAMPLE: 10/200 Black Cat Firecrackers...Buy One – Get Two Free for \$5.97. This means you sell one pack (not bundle) for \$5.97 and give two packs (not bundle) free. That bundle of 10 packs should bring you \$19.80.

Note: Some customers think if they buy one bundle (of ten packs) for \$19.80 they should get two bundles free. THIS IS NOT CORRECT! This is not the way it works. If this is not clear to you, please contact the office for further clarification. If you do this incorrectly, it will cost you money!



J. Competitor Coupons

When you accept a competitor's coupon you must only honor that coupon with the same exact item. You cannot substitute unless you have authorization from the office. The "COUPON" must be marked as such, "COUPON", with an expiration date.

You receive credit (money) for each coupon you accept. So, you must retain all coupons for final check in.

K. Inspection & Permits

In the appendix, please find the "RETAIL FIREWORKS STAND INSPECTION" list that the local and state inspectors will be using for their usual inspection. Review the "check off list" in advance and make sure that your operation conforms to all aspects of this "Check Off" list. It is your responsibility to be in compliance. If you need assistance on something that you cannot handle, call the office and we will assist you.

Your cooperation with the "visiting fireman" is requested. They are just doing their job to make fireworks safer for you and the general public. If you get any adverse comments from the inspector, call the office and advise us immediately, please.

Also, all Bexar County locations will be charged a fee of \$15.00 per stand for the inspection. Please pay the inspector and be sure to keep the receipt so that you can be reimbursed at the end of the season.

We have pledged our full cooperation to all public officials for betterment of the fireworks industry.

Your "Fireworks Retail Permit (s)" is located in the front of this stand manager's guide, along with our Tax ID Number. The inspector may ask to see it. (Please show it to him) We ask that you do not remove it from this folder. This is an original legal document and cannot be duplicated. If it is lost or damaged you will be charged a \$30.00 replacement fee. Please ensure that it does not get wet, lost, stolen or removed from this folder. Remember you are responsible!

L. Other Legal Issues

1. Ages to sell: State law requires that fireworks may not be sold or offered to children less than 16 years of age. Please follow this rule closely and use good judgment as to who you sell to.
2. "Burn Bans" and "Aerial Fireworks Bans": Counties in Texas are able to enact "Aerial Fireworks Bans" if the drought index dips below a certain level. If they enact a burn ban, it is not the same as banning Aerial Fireworks. If this happens, we will notify you of any "bans" as soon as we know. If you have a question or have heard about a ban, please let us know. We will instruct you whether or not an item has been banned or if a ban has been lifted.
3. Drunk People: State law requires that fireworks may not be sold or offered to an intoxicated or incompetent person. Please follow this rule closely and use good



judgment as to who you sell to. No retail sales personnel inside the facility or any supervisor shall be under the influence of or consume alcoholic beverages while on duty.

4. Shooting off fireworks: An individual cannot explode or ignite fireworks within 100 ft. of a place where fireworks are sold and stored.
5. Remember there is NO SHOOTING OF FIREWORKS ANYWHERE NEAR THE LOCATION – REPEAT – NO SHOOTING OF FIREWORKS. This includes sales personnel as well as the public. You are perfectly within your rights to ask customers (nicely of course) to extinguish their smoking materials as they approach the stand.
6. Staying off State Property: You are NOT permitted to have flaggers/parkers/etc. placed on highway right-of-ways and other state property.

M. Sales Tax

You must charge sales tax on every sale. You will find “Sales Tax Charts” in your stand manager’s guide. Use these charts to charge your sales tax. If for some reason you have a concern with the sales tax charts, please call the office and share your concerns immediately!

N. Memos From The Company

If certain situations arise during the selling period, the office may issue memos and/or special instructions to your location. These memos/instructions will supercede all other related instructions and must be strictly adhered to.

5. SHUTTING DOWN AND SETTLING UP

After you finish selling for the season (January 2nd or July 5th), there are a number of steps to follow.

A. Settle-up Appointment

At the end of the season, we schedule an appointment with each operator to go through the Settle-up process. Simply put, this appointment is where you bring back your remaining merchandise to us for credit, we count it, then figure how much money is owed to whom and pay it. You should have already contacted us to arrange a settle-up appointment. If you haven’t, you should do so immediately (but no earlier than when you receive your first shipment of merchandise).

The Settle-up process takes 4 or more hours, so you’ll be spending some time at our offices. The end result of the settle-up process is the “Settle-Up Sheet” found in the Appendix. While the math is a little confusing at first, we’ll walk you through it at settle-up time. The important thing for you to know now is that your commission is based on the amount of fireworks that you sell (meaning the difference between what we sent out and what you brought back), not on the amount of money you collect.

If you are remote from our offices, you may choose to settle-up remotely. This means that you ship your merchandise back and we count it without you present. We strongly



recommend that you be there in person for both for the counting of your returned merchandise as well as the settle-up process itself.

B. Packing Up the Merchandise (Loose vs. Full):

You should put the merchandise back into the boxes in which it came when you're bringing it back to us. Unless it is being shipped via a freight line, you don't need to seal the boxes.

In packing the items, we need operators to separate the items appropriately. If an item is still in its original packaging, that is a "Full" item. If the item has been taken out of its original packaging, it is called a "Loose" item. We count and account for those items separately. So, we need you to separate these items as well when you are packing up your stand. The best practice is to separate the types of item by the case, meaning that each box you bring back is either Full items or Loose items, but not both. For each loose item, collect your entire stock specific item and then place those items into a plastic bag. This saves time during check in.

We also recommend that you do an inventory before you bring the merchandise back to us.

C. Returning Your Merchandise Back to the Warehouse

At the Settle-up date, you bring to us all of your leftover merchandise at your expense. With you present, we do a count of it (with you present) and then give you credit in the amount that the merchandise is worth. After we inventory your return merchandise, we have quite a bit of calculating to do to reach a settle-up figure. In most cases we should be able to settle-up on that same day. However, it may take a few days to settle-up due to heavy workloads or unforeseen problems.

After calculating all the figures, we create a Settle-Up Sheet that lists all of your checkouts, returns, and cash submitted (among other things). We'll sit down with you at that point and review what money is owed to whom. (See sample "Settle Up Sheet" attached in the Appendix.)

If you have a later check in date, you can store your merchandise in our storage trailers until your check in date. You must provide your own lock! Therefore, you are the only one with the key. Make sure to call the office, for storage availability. Do not come to the warehouse to check-in without an appointment.

If you have an inflatable figure or generator, **UNDER NO CIRCUMSTANCES ARE YOU TO LEAVE THE INFLATABLE (or its equipment) OR THE GENERATOR UNATTENDED.** It will be stolen if you leave it, and you are responsible for it!. It will be picked up on the day following the end of the season.

D. Sorting/Counting Coupons

Coupons will need to be sorted and counted by you! The best way is to staple them in-groups of 25. If you have completed full pages, you do not need to cut them apart. Staple them in stacks of 25. This needs to be done before your check in date. Take time and do this at home, where you can accurately count your coupons. You are



encouraged to turn in a count sheet with your coupons listing the amounts of each coupon that you have.

E. Taking Down Top Signs

Unless your stand is in the San Antonio/Dallas area, you are responsible for taking down the top signs. Simply remove the nails from the brace hinges and the entire top sign should fold down onto the top of the stand. You should then completely remove the top signs and place them inside of the stand. If you have any questions or problems, please call the office.

F. Removing Trash and Cleaning Up The Area

You are responsible for removing all of your trash, we would suggest on a daily basis. If you do this on a daily basis, it won't be so overwhelming at the end of the selling season. You will also need to remove all price tags from the shelves along with the tacks. It is agreed and understood that disposing of all trash is the stand operator's responsibility. Do not forget to take a close look around the stand before you vacate the location. If we receive any calls that you have left trash at your location, you will be charged a trash removal fee set at our discretion! This will jeopardize any future business relations with us.

YOU ARE NOT ALLOWED TO LEAVE YOUR LOCATION AND RETURN LATER TO REMOVE THE TRASH. YOU MUST REMOVE THE TRASH BEFORE YOU LEAVE THE LOCATION. DO NOT DUMP YOUR TRASH IN ANYONE'S DUMPSTER WITHOUT THEIR PERMISSION. WE WILL BE NOTIFIED OF ANY ILLEGAL DUMPING AND YOU WILL BE HELD RESPONSIBLE TO REMOVE THE TRASH YOU HAVE DUMPED ILLEGALLY. You are also subject to a reduction in your compensation if you leave trash per the contract signed with you.

6. OTHER HELPFUL TIPS

This section includes some helpful tips on how to optimize your stand operation.

A. How Not to Lose Money

It is possible for you to lose money operating a fireworks stand! There are a number of ways for money to "disappear" and that money comes out of your pocket. You must take steps to make sure this doesn't happen. This section includes some helpful tips so you can make sure that you are making all the money you should.

- a) **Don't Encourage Outside Theft:** It is highly advisable NOT to discuss the amount of money you take in at your location with other people (including your workers). You may be subjected to being robbed, having new competition move in near you, etc. In addition, consider parking your vehicle each night at the opposite end of your stand from your camper/RV. One operator placed a "dummy" inside their car to make it look like someone was sleeping in it!
- b) **Hire Only People You Trust:** Your workers can steal hundreds of dollars from you. You should only hire people that you would trust handling hundreds of dollars of your personal money and bringing it all back. Knowing people from church, sports,



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neighborhood, etc. does not necessarily mean they won't steal from you. Theft from workers is the cause for the vast majority of operators who lose money.

- c) **Accept NO checks, unless you are prepared to keep them yourself:** Unless your location has a check machine that can identify hot checks, you are responsible for taking and cashing checks. If they are hot, that is money out of your pocket.
- d) **Don't Misprice Merchandise/Don't Give Discounts:** Remember, if you give discounts or sell items for the wrong prices, that is the same as giving money from your pocket to your customers. Alamo determines how many fireworks you sell by computing the difference between the amount of merchandise that is given to you and the amount that comes back to us at the end of the season. If the amount of money you turn in to the company doesn't match the sales, the difference comes out of your discount (percentage)!
- e) **Minimize Cash on Hand:** The less cash you have at the stand, the less that can be stolen from you. So, feel free to drop off cash with our representatives, get cashier's checks from banks, or bring them to our offices. Also, try to give as much cash as possible to the money pickup folks from our company.

B. Tips to Maximize Sales

How well you operate your stand can mean thousands of additional dollars in your pocket at the end of each season. These tips cover how to run a "tight ship" at your location.

- a) **Make Your Stand Look Good:** Think like a customer. Where would you want to shop? Ideally, in a stand full of merchandise, well organized, with no trash and helpful attendants. Make sure that you have all merchandise as possible on the shelves so that customers will want to shop there. The same goes with organizing the items well and keeping the entire area clean. If your stand is running out of merchandise, close some of the windows and combine all of the merchandise into one well-stocked stand – closest to the road.
- b) **Flaggers & Parkers:** Not spending the effort to have a flagger is the biggest mistake operators make. It can mean dozens of more customers per hour in your stands, which means more dollars in your pocket. Choose your flagger appropriately – get someone out there who is motivated. You can also make it a game for them – how many more cars can they get than our competitors? Best of all, the company pays for your flagger, so use it!
- c) **Have Enough Workers:** It is always easier to send people home than to get them out to work. So, focus on having many employees there for your busy times! The contract you sign with Alamo provides guidelines on the minimum employees you must have. If you have more, that's better as you'll be able to sell more fireworks than our competitors during the busy times. So, think more employees and plan to have more than you really need.



- d) **Supervise, Supervise:** As manager of the stand, you should spend virtually all of your time on the big nights supervising your employees – not selling. You should make sure that they are charging the right prices and no one is stealing from you. This is a full-time job but is well worth your time as every theft and mistake is money from your pocket! You should have at least one supervisor who is not selling but watching your workers for every 1 32'/40' stand that you have.
- e) **Salesmanship:** A good salesperson at a fireworks stand can really help make your sales grow. So, teach your salespeople to be POSITIVE and helpful. Coach them to lead customers to higher priced items with good descriptions. People coming to your stand WANT to spend money on fireworks – it's up to you and your help to get as much of that as possible out of their pockets!

C. Protecting Your Money

There are a number of good ways to make sure your money doesn't get stolen.

- a) **Nail Bags and Regular Pickups From Workers:** Many successful stand operators provide each employee who is handling money their own bag from which to make change. The bags that work best are "nail bags" that can be purchased from Home Depot for less than two dollars. Also, whenever possible, you should be getting money out of the stand and out of the hands of your employees. The more money they are holding, the more enticing it is for them to keep some themselves.
- b) **Watch for Suspicious People:** Keep an eye out for people "casing" your stand. If you see someone suspicious, write down the license plate number. You can also start talking really loudly about the AK-47 that you keep in your camper!

7. HOW TO FIX COMMON PROBLEMS

This section includes information on dealing with common problems at your stand.

A. Credit Card Machine Sales

Most credit card machine problems are from operator error. So take your time when making a sale on the credit card machine. Do your best to accurately process a credit card sale. It is very important to do it right the first time. You must pay attention and not be distracted when processing a sale. Also, post the instructions on operating the machine for your sales people.

If you have problems, you can call us. If any problems arise, do not try to fix a problem if you really don't know how to! Do not use the customer's credit card over and over again to correct your mistakes.

Please refer to your credit card quick reference sheet to process a sale. If your credit card terminal is giving you problems, after you have already done your \$1.00 test charge call the office immediately and notify us of the problem.



B. Electricity is Out

If the electricity has never worked, you can call the office with your electricity problem. However, if the electricity has been working and has stopped, you should call the utility number listed on your equipment sheet.

C. Phone lines

Before calling the office to report the problem, make sure that you have checked the line for a dial tone by plugging in a normal phone to the phone jack. If there is a dial tone, then it is not the phone company problem. If you don't have a dial tone, then you can contact us and we can contact the phone company.

D. Coupon Confusion

Review the memos that we distribute during each season regarding the coupons provided by our competitor's and us. Follow the instructions on these sheets regarding coupons. If that still does not solve your problem, don't take the coupon and call the office when convenient.

E. Understanding What Item Is What

Each stand manager's guide includes a recent photo catalogue of our product line. You can review each item to match the pictures there.

F. Dead Light Bulbs

You may purchase light bulbs for use at the stand and bring the receipts to us at settle-up time. We'll reimburse you.

G. Theft

If you are robbed, contact the police immediately. Provide all information possible on the people who robbed you. Then, contact the office and let us know so we can provide assistance.

H. Someone Brings Back a 'Dud'

Our company has a "no-dud's" policy. If a customer returns a dud bought at your stand and you have reason to believe them, you may replace the item free of charge. Bring the dud back to the office at the end of the season as damaged merchandise. Be careful! Many customers will lie to you about duds. So, try to find out what went wrong before replacing the item! Don't give a refund in any situation.

I. A Competitor Puts Out an "Illegal" Flagger

While Mr. W has an injunction that prevents him from putting flaggers on the road right-of-way, he does so anyway. Don't bother calling the police, instead put out your own legal flagger and protect your business!

J. Stand's Roof Is Leaking When It Rains

Please feel free to purchase caulk and sealant to seal the roof. Bring your receipts to us at the end of the season for reimbursement.



K. Running Out of Merchandise

It is expected that you will run out of items, especially on the last night. But, if you are worried that you will not have enough fireworks to keep customers from leaving, then call the office. We are very experienced at putting out the right amount of merchandise, but sometimes the market surprises us. Let us know!

8. APPENDIX

The appendix to this guide includes:

- A. Detailed Descriptions of Items and Their Performance**
- B. Stand Stocking Diagram**
- C. Sample Invoice**
- D. Stand Inspection Checklist**
- E. Sample Settle-up Sheet**