



Welcome Back to a New School Buying Season!

Last year was a big School Furniture buying season, fueled by EANS funding and the huge challenge faced by schools to adapt to the changing pandemic environment. We thank you for your support and patience. It was a tough season, with supply chain delays exacerbated by labor issues and raw material shortages, but also one of tremendous growth for Catholic Purchasing, as we welcomed many new customers into our community. We're so glad more schools are finding out about CPS, visiting our website, and enjoying the savings – it's an honor to work with you.

In anticipation of another busy season, we wanted to reach out ahead of the start of this year's procurement period to provide an update on the state of the industry as well as our response to the continuing price and supply chain volatility.

Rising Prices

With inflation at a historic high, all economic sectors are experiencing price pressure. The Furniture industry is particularly vulnerable, given that steel, wood, and petroleum are the primary base ingredients and are among the most constricted raw materials globally. We are fortunate to work with the very best group of suppliers in the industry. Unfortunately, over the last 12 months, the majority of our suppliers have been forced to take one, or even multiple, price increase(s) or have added surcharges. Some are now increasing surcharges or are adding secondary fuel surcharges. As most of you know, Catholic Purchasing Services is a religious, non-profit whose mission is to provide low-cost procurement options for our customers. We believe it's vitally important to communicate that **we have not increased any margins on Furniture**. We have only passed through supplier price increases and surcharges. Catholic Purchasing, by maintaining the same low margins, continues to provide the **lowest Furniture pricing available**. In addition, we are a team of REAL people, who work to negotiate the lowest price for you, and/or work to offer you options across different price levels so you can choose what works best with your budget and the needs of your community.

Freight Impact

Freight is also negatively impacting costs. Because we rely on suppliers to dropship direct to you, we cannot offer free shipping on items, like an Amazon. **Several of our suppliers – including Virco, KI, Tenjam, Staples, School Specialty – offer FREE Tailgate Freight**. We always work with our customers to explain freight options and costs and with our suppliers to negotiate the best, cheapest, safest, or quickest delivery. We also have developed a deep network of suppliers across all categories, in an effort to provide you with regional options, to not only provide more choice and ensure product availability, but to also deliver smarter transportation and freight options. Utilizing a supplier in your region for a cafeteria table should result in savings on freight cost and time to delivery. The CPS team works for you, giving you more choice, more information, more flexibility.

Extended Lead Times

As you may already be aware, longer lead times are the norm this season. Although some suppliers will still offer Quick Ship items, nothing is guaranteed, and all is subject to change at any time without notice – per our suppliers. Our advice is to **Plan Ahead and Order Early**, if possible! Products made largely of steel – cafeteria tables and steel picnic tables and benches – have the longest lead times – 18-20 weeks. Custom colors and custom items/orders will generally have anywhere from 10-12 week lead times. Regular desk and chair options in standard colors, plan on an 8 week lead time. Again, we will do our best to be as transparent as possible and will work to provide you with alternative items at a shorter lead time, if available.

We encourage you to reach out to our Sales and Service Team to inquire about any of your procurement needs – product and supplier questions, CPS Marketplace assistance, custom quotes, or freight cost estimates. If you have a large **capital campaign underway, for a new building or renovation of an existing building**, please reach out to us. We are available to help manage your Furniture procurement. Our network of world-class suppliers offers incredible options and tools to visualize and create the learning, dining, living environments for your community.

Our mission is to serve **YOU** – by saving you time, money, and the headache of dealing with multiple sources during a chaotic buying season. Thanks for reading our update. We greatly appreciate your business and look forward to assisting you in the near future!