

**SIX-FIGURE BASE SALARIES ARE COMMON FOR EXPERIENCED RETAIL BUYERS,
SURVEY BY EXECUTIVE SEARCH FIRM CAREER MANAGEMENT FINDS**

EAST BRUNSWICK, N.J. (8/12/08)—Although their roles have narrowed over the years, experienced buyers at retail companies commonly command six-figure base salaries that are augmented by bonuses.

According to a survey recently conducted by retail executive search firm Career Management, nearly 60% of buyers with 10 or more years of buying experience earn more than \$100,000 per year, with 43.8% of respondents reporting salaries (excluding bonuses and other compensation) in the \$100,000-\$150,000 range, 11.4% in the \$150,000 to \$200,000 range, and 4.2% exceeding \$200,000. At the lower end of the scale, 24.0% of buyers within this group earned in the \$80,000 to \$100,000 range, 5.2% were in the \$70,000 to \$80,000 range, and 11.4% earned less than \$70,000.

Among respondents with five to 10 years of buying experience, approximately one-third had six-figure base salaries, with 27.7% earning between \$100,000 and \$150,000 and 6.2% surpassing \$150,000. Rounding out this group, 21.5% reported salaries in the \$80,000 to \$100,000 range, 26.2% earned between \$70,000 and \$80,000, 13.8% were between \$60,000 and \$70,000, and 4.6% earned less than \$60,000.

Just over half of the respondents with less than five years buying experience earned over \$70,000, with 28.4% in the \$70,000 to \$80,000 range and 23.8% exceeding \$80,000. Rounding out this group, 20.5% had salaries in the \$60,000 to \$70,000 range, 11.4% were in the \$50,000 to \$60,000 range, and 15.9% earned less than \$50,000.

In an overwhelming number of cases, these buyers can augment those salaries with bonuses, with 83.3% of respondents indicating they are eligible for such compensation. The average size of the bonus in relation to annual salary was up to 10% for 24.2% of respondents, 10% to 20% for 39.6% of the group, 20% to 30% for 25.0% of those surveyed, 30% to 40% for 5.6%, and 40%-plus for another 5.6%.

“The salary levels point to a highly competitive market. Retailers have found that it’s very difficult to attract and keep the right buyers,” said Lloyd A. Lippman, president and CEO of Career Management. “At the same time, though, more and more chains are giving incentives to buyers tied to individual and company performance.

“All of this is occurring at a time when the buyer has taken on a far more specialized role in larger retail organizations,” he continued. “Years ago, buyers were involved in everything from product design, development and sourcing, to the allocation of goods to the stores. Today, a number of those functions are handled by other departments, with the buyer essentially responsible for coordinating the efforts of all those teams while understanding the needs of the store’s customers.”

Indeed, among other findings:

- Only 20.4% of respondents were responsible for allocating purchase orders to their stores, with the remaining 79.6% indicating that this function was handled by an allocation team.
- A majority (59.2%) of respondents said they are responsible for quantifying the size of the buy, while 20.4% indicated that this function was done by planners, and another 20.4% noted that this was handled by a committee.
- More than 57% of the buyers said they travel less than 30 workdays a year, with 23.7% away from the office less than 15 days, and 33.6% away from 15 to 30 days. Among the balance,

30.9% said they travel 30 to 60 days, 9.2% are away from 60 to 90 days, and 2.6% are away more than 90 days.

Career Management's confidential survey was conducted among buyers in the following categories and industries: apparel, footwear, jewelry/accessories, furniture/ decorative home/ housewares electronics/appliances, sporting goods, office products, books/music, hardware/home improvement/auto supplies, department store, discount store/warehouse club/off-price big-box, and catalog/e-commerce. The findings were validated against responses from human resources executives, general merchandise managers and divisional merchandise managers from major chains who were queried in a separate survey by the firm.

In that separate survey, the HR execs, GMMs and DMMs were also asked about career opportunities and turnover rates for buyers within their companies. The survey found:

- The majority of companies recruit their buyers internally, with 37.5% of respondents indicating that 50% to 75% of their buying team is promoted from within and 18.8% saying that better than 75% of the team comes from inside. Among the remainder, 15.6% said that 25% to 50% of the buying team is recruited internally and 28.1% put that proportion at less than 25%.
- Divisional merchandise manager is the next step on the career path for buyers at an overwhelming 75% of the companies surveyed, trailed by planning director (12.5%) and 'other' (12.5%).
- Nearly two-thirds of the companies (62.5%) reported an annual turnover rate of less than 10% in their buying ranks, while 28.1% put the turnover rate at 10% to 30%, and 9.4% said the rate exceeded 30%.

"Our findings confirm that turnover has been significantly reduced in the buying ranks as companies are finding ways to keep their buyers longer," Lippman concluded.

To see the complete survey findings, including salary and bonus data within several major retail industry categories, visit Career Management's website, www.careers4retail.com, and follow the link to 2008 Buyers Survey.

About Career Management

Founded in 1978, Career Management specializes in executive recruitment for all segments of the retail, catalog and e-commerce industries. With offices in East Brunswick, N.J. and New York City, the firm assists a wide variety of clients across the country, fulfilling talent needs at many levels, ranging from corporate senior management to field and store management. All associates at the firm have prior hands-on experience in the retail industry. For more information, visit, www.careers4retail.com

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