Connections: Boutique 2001 and the Future

This fall, we will use the opportunity to implement Boutique changes, recommended from the Boutique study, in our 21 new stores around the country. Included will be updated Boutique Guidelines with enhancements such as "How to make your Network Work for You," "How to Deliver Boutique-Caliber Service," as well as clarification of Boutique policies. We also identify what we consider to be our four types of Boutique customers: the Working Woman, the Stay at Home Mom, the Leisure Shopper and the New Stein Mart Customer. The new Boutiques will start their Stein Mart Boutique experience with a four part Orientation session, geared toward understanding not only the Boutique, but the whole store. Video and computer based training will introduce our ladies to the Stein Mart philosophy and the company's unique features.

At the core of the updates is the new Boutique Mission Statement. This statement will be the driving force behind Boutique 2001 and the future. It reinforces the heart of Boutique and its reason for being:

The Boutique is a Special Place focused on Delivering Personal Customer Service and Promoting Stein Mart.

This is accomplished through creating successful partnerships and networks, having a whole store perspective, reflecting the diversity of the community, sharing knowledge of fashion and style, effectively communicating with others, and exhibiting professionalism.

Following the rollout of the Boutique Program changes in the new stores, all Boutiques will be introduced to the updates, including the orientation. The kick-off is tentatively scheduled for mid-February 2002.

As the Boutique of the future evolves, we welcome your input and ideas. YOU are the Boutique and you will shape its future with your commitment.

Julia W. Taylor

Director, Boutique and Agenda

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Spotlight on Rockwall, Texas: Big Commitment, Small Town



"Alone we can do
so little; together
we can do so
much."
- Helen Keller

The Boutique Ladies of store #140 with Store Manager William Alford and District Director Bertha Anthony.

In the Rockwall, Texas Boutique, teamwork is the underlining key to their success. The team consists of 17 caring, dedicated and enthusiastic ladies. This Boutique is exceptional in its efforts to give their support and time, not only in the Boutique, but also throughout the entire store.

What really makes this team of ladies so successful? To start, the relationship of the Boutique, store associates and management is genuinely special. "We all have close communication with one another, everyone is truly interested in each other's projects or involvements in the store," explained Store Manager William Alford. The Boutique Leader attends the weekly store meetings and the ladies walk the entire floor to familiarize themselves with the merchandise in each department.

Another significant component to this Boutique is that the ladies help beyond what is asked of them. The ladies are always looking for ways to assist around the store. Whether it is working in receiving, cleaning, preparing inventory counts or setting up visuals, they are always there to lend a hand. "The Boutique Ladies don't separate themselves from the rest of the store; they feel they represent the whole store," Alford said. If a customer needs help completing an outfit, the ladies will walk them through the other departments to make sure they find the perfect match. "They are just like personal shoppers for our customers," explained Boutique Leader, Timpy Ondrusek. District Director, Bertha Anthony best described the Boutique's attitude as "the ladies have a total store perspective." They do whatever it takes to make sure the store is at its best.

Although store #140 is located in the large state of Texas, Rockwall is the smallest of all the counties. "The community is small, the ladies know a lot of people, they feel that Stein Mart is part of their home and they treat everyone like their guest," Alford said. The ladies are very proud of what their store has to offer the community. Bertha Anthony believes "The ladies have community pride, thus giving them pride for their store." The Boutique has an inviting environment; every person that shops there feels welcome.

It is obvious just what makes this Boutique work so well. Rockwall's Boutique has strong communication and relationships within the store, a never-ending desire to help and a profound feeling of pride. Stein Mart is lucky to have such an outstanding team of women to represent the true mission of teamwork. Timpy Ondrusek concluded, "With the caring, communication, hiring of the right ladies and a supportive manager, everything else seems to fall into place.

Did you know?

In the year 2000, 25 percent of companywide shrinkage was from the Boutique alone.

External theft or "shoplifting" has always been a problem in the retail industry and Stein Mart is not exempt from this issue. A significant percentage of our external losses occur in the Boutique. This, of course, is a result of the high dollar value of the merchandise. On many occasions, Boutique Ladies have inquired as to what they can do to help.

We wish we could give you a description of what a shoplifter looks like. However, there is no such description. A shoplifter can be anyone, and in most instances resembles the customer base of the store. A potential shoplifter is determined by his/her actions. We call the manner in which a shoplifter acts, Red Flag Actions. Some of these common actions are:

- The person is more concerned where the store associates are than looking at the merchandise.
- The person is picking up merchandise with no regard for price or size.
- The person becomes irritated with customer service.
- The person carries a flat empty purse.

We also want to stress that just because an individual exhibits one or more Red Flag Actions does not mean he/she is a shoplifter or involved in any type of dishonest activity. However, it does warrant further investigation.

What should be done if Red Flags Actions are exhibited? Simply put, we want you to treat our potential shoplifters the same as we treat our customers. The Boutique team has always provided our customers with superior customer service. We just want you to extend that superior customer service to the potential shoplifter. What the shoplifter does not want is attention!

Another way your assistance can be beneficial in controlling external losses is in the area of fitting room controls. Shoplifters love the privacy fitting rooms offer. We can limit our losses in this area by counting the pieces of merchandise as the customer enters and exits the fitting room.

In closing, the pride that Boutique ladies have shown in their department and the concern for the loss of merchandise are greatly appreciated. If you have any questions, or concerns, please do not hesitate to contact your Store Manager and Area or District Loss Prevention Manager.

Tim Bradley
District Loss Prevention Manager, District #14

Congratulations on a Superb Spring Boutique Showcase And the winners are...



Highest Sales Volume

#125 Naples, FL



Highest Percent Over Goal

#146 Kansas City, MO



Highest Percent Increase Over Last Year

> #124 Katy, TX



Highest Sales Volume (non comp)

#230 Stuart, FL



Highest Percent Over Goal (non comp)

#236 Franklin, TN

Fashion, Events and Personal Service at Stein Mart

What makes an excellent Plan and Budget?

- · Well-thought out Plan that addresses the demographics and needs of the area
- An evident partnership between the Agenda Consultant and the Manager in developing the Plan and Budget
- · Awide variety of activities
- Being creative with all available resources including money and manpower
- · Alegible Plan and Budget

Superstars!

Out of the Plans and Budgets that were submitted, there were quite a few Agenda Consultants who did a stellar job! We would like to recognize these "superstars" below for their excellent work!

Jane Curtis

Memphis area stores

Pat Macky

Store #7, Mobile, AL

Lachlan Ivy Stores #29 & #97, Charlotte, NC

Betty Jernigan

Store #33, Pensacola, FL Leigh Hamlet

Store #36, Greensboro & Store #47, Winston-Salem, NC

> Joan Ingram Store #40, Metairie, LA

> Anita Knapp Store #56, Houston, TX

Dora Perkins Store #61, Corpus Christi, TX

Vicki King Store #72 & # 206, Arlington, TX

> **Susan Warmington** Store #76, Sarasota, FL

Judy Archilla Store #82, Tyler, TX

Gail Carpenter Store #108, Lakeland, FL

Myrna Noland Store #137, Athens, GA

Terri Koehler Store #139, Gainesville, FL

Kara Thomas Store #144, Youngstown, OH

Nancy d'Agrella Store #152, Brown Deer, WI

Julie Bauer Store #157, Appleton, WI

Sherry Burchell Store #179, Abilene, TX

Mary Parker Store #193, Houston, TX

Patti Dickter Store #209, Wichita, KS

Snap Shot Gallery: Boutique Spring Showcase







Far left: "Tropical Temptations" was the highlighted theme for the Spring Boutique Showcase in store #126. Midland, Texas.

Left: The Boutique Ladies of store #160, Pompano Beach, Florida, gave their Spring Boutique Showcase a travel & cruise atmosphere.



Left: Joan Ingram, Agenda Consultant for store #40, Metairie, Louisiana, and the models of the Ladies Leukemia League of New Orleans at the annual "Tour of Homes and Fashion Show.'

Below: The Boutique Ladies of store #141, Marietta, Georgia, celebrated at their Spring Boutique Showcase with a "Spring is in the Air"



Fall "Must Haves"

- Suede-Real and Faux
- Black & White Houndstooth
- 3/4 Length Jackets
- Novelty Sweaters
- Novelty Jackets
- Boiled Wool Jackets/
 Sweaters
- Fur Trim Sweaters
- Knit Dressing
- Sweater Coats
- Twin Sets
- Patterned Pants
- Leather
- Something Red!

Welcoming A New Face



Amanda Brockus is the new Boutique and Agenda Coordinator in the Corporate Boutique and Agenda Office, Amanda

graduated from Florida State University with a degree in Fashion Merchandising. She has previous experience in Stein Mart's Ladies and Boutique buying divisions, where she held the position of a Merchandise Administrator. In her position, Amanda will address day-to-day Boutique policies and procedures as well as many other operational activities. The experience and skills she brings to the Boutique will be a great enhancement to our Boutique team.



Spreading Out

This fall we are excited to be opening 21 new stores. Listed below are the locations where we will be opening in October and November. If you know anyone in these areas that might be interested in becoming a Boutique Lady, please contact the corporate office (904) 346-1500, x6075 or e-mail abrockus@steinmart.com.

La Verne, CA
Ballwin, MO
Daphne, AL
Midlothian, VA
Anderson, SC
Indianapolis, IN
Lake Charles, LA
Denver, CO
Las Vegas, NV
San Antonio, TX
Bonita Springs, FL
Florence, AL
Decatur, AL

Leesburg, VA



Special Recognition





Jane Carruthers and her husband Ewing made the front page cover story in a local Memphis publication. The two-page article highlights the couple's passion for flying. At the age of 18, the amazing Jane had her pilot's license and was flying an aerial stunt plane. Ewing was a pilot in World War II and is still flying at the age of 84. Jane and Ewing have been married for 49 years and still share the love for flight. (pictured at left, Boutique Lady, Jane Carruthers at age 18, in the cockpit of a Ryan PT 22)

The Henderson, Nevada, Boutique had the pleasure of hosting Aida Wolf's 104th Birthday. Aida enjoyed her birthday celebration with cake and flowers at her favorite place to shop...

Stein Mart!





** Star Bloom, Boutique Lady in Tuscaloosa, Alabama, was voted "Citizen of the Year" by the Tuscaloosa Civitan Club. Star was rewarded for her involvement in an education task force focused on education and 21st century technology.

*Karen Sherman, Boutique Lady in store #172 and wife of Green Bay Packers' coach, Mike Sherman, had the opportunity to serve as honorary chair of Green Bay's Families of Distinction Dinner last spring. Karen is active in a variety of organizations that champion the family, including the YMCA and Family Service Association. The Green Bay Press-Gazette ran a story about her this past April in which she stated that she and her husband are asked to lend their names to a host of causes, but "events that celebrate the importance of family claim their greatest support."





M Boutique Lady, Elaine Lawson, and Marie Osmond smile for the camera at a Tempe, Arizona, booksigning event!

We are very proud of all of our Boutiques and the overwhelming support they give to their individual communities.

We have highlighted a few of their recent achievements and would like to give recognition to these special women.



The Athens, Georgia, Stein Mart participated in Relay for Life, an event to raise money to find a cure for cancer. Loretta Vickens, a Stein Mart associate and a cancer survivor, took part in being recognized in this important event.

Rene O'Reilly, Boutique Leader in store #187, Las Vegas, was hon ored as the "Civic Service Mother of the Year" in Clark County. Rene is a mother of four children, a cancer survivor and is active in organizations that support children's needs.

Special thanks goes to Laurel Beaty, Tickie West and Lanelle Barfield at store #82, Tyler, Texas. These ladies are commended for the compassion and desire to help a customer above and beyond their duties. Corporate received a heart-warming letter from a customer about her outstanding experience at Stein Mart. It was her first day out after cancer surgery and she was extremely pleased by the special attention given to her by these three women.

Toutique in the Linens Department



In October and November, Stein Mart will be introducing two new lines of Luxury Linens, both carrying our own "Boutique" logo. The selection includes:

Luxury at its finest.

Gifts "Must Haves"

• Wicker Accent Furniture • Animal Frames & Candles • Curled Tail Monkey Lamp • Etched Palm Drinkware • Palm Dessert Plates • Wicker Memo Board • Assorted Mini Lamps • Palm Memo Board • Palm Clocks



Toile

- Lamps (Black & White or Blue & White)
- Ceramic Vases & Planters
- · Clocks
- Memo Boards or Stationery

The Boutique Newsletter is written and produced by the Boutique Corporate Office & the Stein Mart Advertising Department