

U.S. Department of
Homeland Security
**United States
Coast Guard
Auxiliary**



To: Commodore Angelo Perata
Rod Collins, COS
D11NR Board and Staff

From: Dave Talton, DSO-Materials
November 2011 Report

Sales this time of year for the District Store have been typically slow. A few uniform items for the upcoming COWs have been sold but not much else. We continue to pick up increasing sales from other Districts.

I want to address any confusion created between my reports on profits from the Store and Fran's financials. My reports address the profits based on the current or YTD sales of items. There is always a profit from our sales. Fran reports on the cash flow of the Store – the cost of goods purchased and the sales income. Her reports do not reflect profit.

The inventory at the beginning of this year when I took over again was depleted in the areas of items usually sold. We were/are heavily stocked in items that traditionally move slowly. I had to make purchases throughout the year to bring our stock levels back in line with normal demand. I have also brought in new items in new categories that are just getting off the ground. These total purchases have been greater than sales for this year, however, we are now positioned for fewer purchases and greater sales in 2012. Our YTD sales are more than double the total sales for 2010, so that strategy seems to be working.

I am available and would be happy to answer any questions regarding sales, purchases and profits of the District Store.

Respectfully submitted.