

Summer Classics & Frontgate Part II

MONTEVALLO, ALABAMA

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Ed. Note: Previously we sent out an eNews letter describing the newly-formed partnership between Summer Classics and Frontgate, one of the top catalog and Internet sellers of outdoor furnishings.

The goal is for those two companies to create a web store that provides an exciting, pleasant and seamless shopping experience. Customers will have the opportunity to purchase the entire line of Summer Classics' products.

We spoke with Summer Classics' president Bew White about the new partnership.

Hearth & Home: Tell us what prompted your decision to make your entire product line available on the Frontgate website.

Bew White: "We were looking for a way to have an Internet presence without hurting our dealers by selling a number of Internet sites at the same time. Many of our competitors sell eight to 10 Internet resellers who use dealers to shop price. We wanted a way to enforce minimum pricing and allow clients to view our product prices while looking on the web. It will keep them on the site longer and generate more interest. So we picked one Internet/Catalog company - a very good one."

How will Frontgate's pricing compare to that of your specialty dealers?

White: "They will be selling at 25 percent off suggested retail; with freight and handling it will be about 10 percent off. Some dealers are fearful of there being no taxes on Internet sales, however, many states have already established tax collection for Internet sales. We believe this is inevitable in the long term."

"We've been selling Frontgate for 10 years now and they've been online the whole time. Right now there are 17 of our collections on Frontgate's various sites, so this is really nothing new."

"Our reps have supposedly talked to all the dealers and there doesn't seem to be any problem. One of our biggest dealers, Patio One in Houston, has the opinion that, if a consumer is going to buy off the Internet, they are not going to get that sale anyway. But in this case, because they do carry Summer Classics, the consumer might well go into their store to check it out."

You mentioned that Frontgate spends an incredible sum per year purchasing words on Google such as Outdoor and Outdoor Furniture. That's a great way of identifying potential customers before they make a decision.

White: "We are going to spend between \$250,000 and \$500,000 advertising, and additional money building the Summer Classics brand. We are spending a lot of time, money and effort to make our website look good. It will change again in the next few weeks."

"Our long term goal is to build the Summer Classics brand. That should bring more qualified consumers to our site and to our dealers' stores, which will benefit all of us. A rising tide floats all boats."

When will the Frontgate web store be up and running?

White: "In about a week, around October 15, it will be up; the full line won't be up until February 1. I really feel this will be a coup for our dealers because a lot of consumers are going to be looking for Summer Classics products; they will want to touch and feel them. That should give the dealers a chance to sell them where they might not have had that opportunity before."