

Cost Recovery & Setting Sale Proceeds

WCD shipping modernised application replaces the 17 year old antiquated paper based 'front-end' interface of NZWH. **Shipping** remains our core purpose. Identical to the original NZWH model, Producers fully manage all aspects of their *own* retail wine sales.

As a simplified shipping solution:

- there is **no cost** for Producers to establish *their* e-Cellar Door
- there are **no success fees/commissions** applied to producer sales

As is standard practice across all modes of freight forwarding & courier activities, expenses related to the compliance clearing and wide-ranging global handling levy's & surcharges are always the responsibility of the products owner.

In completing the personal export & import '*on behalf*' of the Producers end customer (the product owner), WCD incurs and directly pays a range of shipping related surcharges and compliance expenses. The alternative to this process would see the end customer encounter significant disruption during customs clearance of *their* wine along with incurring considerable extra-surprise costs prior to their final delivery.

As a pure cost recovery, WCD deducts 8.65% from net sale proceeds value. Producers, at their discretion, can incorporate these shipping related costs into their pricing model. This includes fluctuating levies & surcharges that apply to freight, logistics, and compliance expenses that your customers wine shipment incurs while being shipped to their international address such as Fuel Surcharges, Peak Season Surcharges, General (Annual) Rate Increases, Limited Liability Insurance, and CIF/CC.

Additionally, your shipping application incurs credit card fees that would normally be incurred by the producer. As detailed below, these are recovered as part of 8.65% cost recovery.

The below cost recovery example is based on retail value (\$55.95) closest to the current average wine export value (\$56.09):

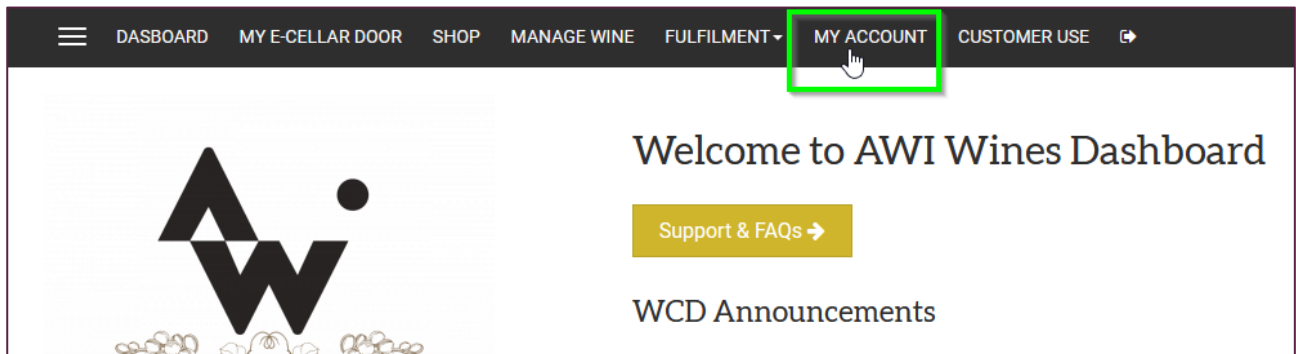
1- Credit card & post-sale customer care @ 2.7%		2- Levy & Surcharges Recovery @ 5.95%	
Wine Sale Value (NZD)	Wine Cost (per bottle, GST inclusive)	Producer / Consumer Impact	WCD Cost Recovery @ 8.65% (per bottle)
All countries	\$55.95	All countries	\$4.21

How to 'on charge' Cost Recovery

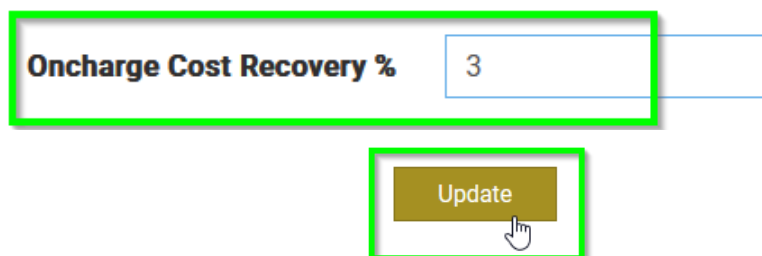
At the Producer's discretion, you can choose to 'on charge' Cost Recovery either partially or fully to the cost of the wine in your e-Cellar Door Shop.

To on charge Cost Recovery:

1. Go to MY ACCOUNT



2. In the Profile tab, scroll to the bottom of the page – you will see an Oncharge Cost Recovery box. Enter a value, then hit Update. You won't be able to enter a value higher than the current platform %.

A screenshot of the 'Oncharge Cost Recovery' form. The form consists of a label 'Oncharge Cost Recovery %' followed by a text input field containing the number '3'. Below the input field is a yellow 'Update' button. Both the input field and the button are highlighted with green boxes.

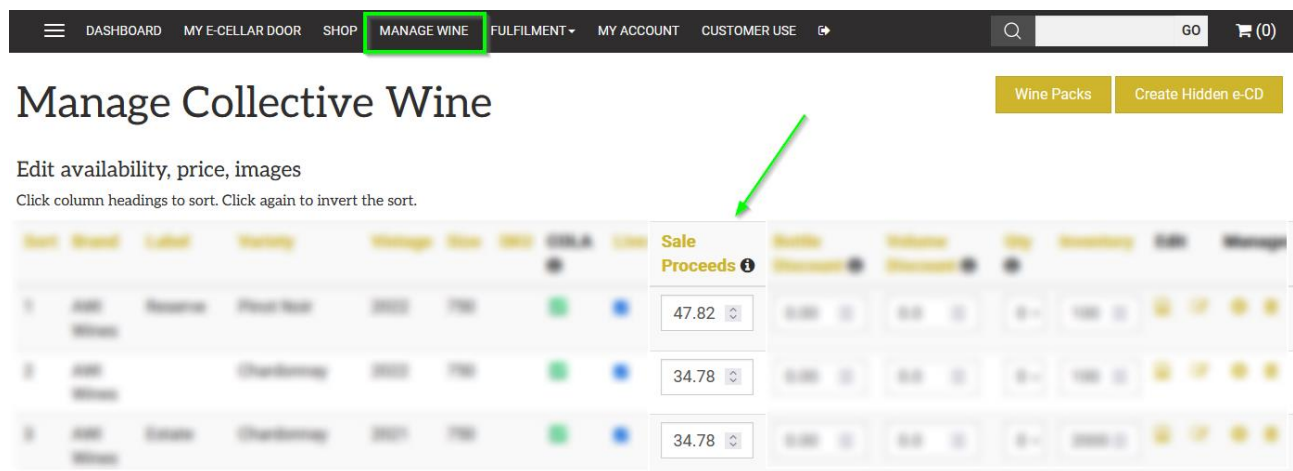
3. Now all wine in your e-Cellar Door Shop is displayed inclusive of your sale proceeds, and the amount of Cost Recovery you have chosen to pass on. You will see the on charged amount split out on your in-cart totals and your BCI.

Setting Your Sale Proceeds

Your shipping sales application delivers producers a **full retail margin** sale. To calculate this, the system needs to know the net retail value, the 'sale-proceeds' price that you wish to receive from your shipping sales.

For a consistent customer experience, we suggest you set your sale proceeds at the same value as as your standard cellar door price.

From your Shipping Dashboard, select go to the Manage Wine page. Enter your GST exclusive price into the Sale Proceeds column, then click 'Update' to save your changes.



The screenshot shows the 'Manage Collective Wine' page. The top navigation bar includes 'DASHBOARD', 'MY E-CELLAR DOOR', 'SHOP', 'MANAGE WINE' (highlighted with a green box), 'FULFILMENT', 'MY ACCOUNT', and 'CUSTOMER USE'. Below the navigation bar, there are two buttons: 'Wine Packs' and 'Create Hidden e-CD'. The main heading is 'Manage Collective Wine'. Below the heading, there is a sub-heading 'Edit availability, price, images' and a note 'Click column headings to sort. Click again to invert the sort.' The main content is a table with columns for 'Wine', 'Price', 'Status', 'Availability', 'Sale Proceeds', 'Retail Price', 'Volume', 'Unit', 'SKU', 'Image', and 'Manage'. The 'Sale Proceeds' column has a dropdown menu with a green arrow pointing to the input field. The first row shows a value of 47.82, the second row shows 34.78, and the third row shows 34.78.

Wine	Price	Status	Availability	Sale Proceeds	Retail Price	Volume	Unit	SKU	Image	Manage
1	Red Wine	Available	Standard	47.82	6.00	6.00	6.00	100		
2	Red Wine	Available	Standard	34.78	6.00	6.00	6.00	100		
3	Red Wine	Available	Standard	34.78	6.00	6.00	6.00	100		

To check your purchase price, click **MY SHOP** in the top menu bar. You can refresh and view consumer pricing as you make updates.

Confident Customers Buy More

WCD's system takes your sales proceeds, then adds GST & shipping. This total value is then converted & displayed in your customers preferred currency. Showing all-inclusive, fully delivered, no-surprise pricing - in their own currency - removes buyer anxiety and sells more wine.