



Vendor Information Booklet

Version: 8/3/2004

Recovery Threads ©

303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101

Table of Contents

- 1. Choosing to carry Recovery Threads®! 3
- 2. About Recovery Threads® 3
- 3. Benefits of selling Recovery Threads® Products 3
- 4. Recovery Threads® Vendor Requirements..... 5
- 5. Recommended Retail Pricing..... 6
- 6. Submitting orders to Recovery Threads® 6
- 7. Applying for a Wholesale Vendor Account..... 7

1. Choosing to carry Recovery Threads®!

You are now one step closer to offering the newest & hottest clothing line available to the recovering community. Our high-quality products are designed by cutting-edge artists and are generating a huge response from members of A.A., N.A., C.A., G.A., C.M.A., M.A., & O.A., and many other anonymous groups. Some designs are specific to a single group, while others offer messages that span all anonymous groups.

2. About Recovery Threads®

Recovery Threads® is dedicated to providing the highest quality shirts and clothing to the recovering community. All of our shirts are printed with the highest quality screen & metallic inks using 4 color process. All of our T-Shirts are constructed from 6.1 ounce heavyweight cotton, they are taped shoulder to shoulder, and are double needle hemmed for durability.

We offer clothing with attitude, like our Recovery Threads® originals and our Anonymi-TEE® Collection. All items from the Anonymi-TEE® Collection offer messages without breaking anonymity.

We currently employ the services of 3 artists, representing many different 12-step programs. It is this special mix that has produced the first designs which are currently enjoying a wildly popular reception amongst the recovering community throughout the mountain states region.

We have completed the design art for a total of 38 designs, all of which can be seen on our website vote page located at:

www.recoverythreads.com

Then click on the "VOTE!" page to see all the designs on the drawing board and too vote for you favorites.

3. Benefits of selling Recovery Threads® Products

We are currently seeking to form business relationships with established recovery-based stores & web-based enterprises catering to the 12-step community.

It is our desire to seek established recovery-based outlets because of your infrastructure and ability to offer quick service to those seeking Recovery Threads® items. It is our desire to work hand-in-hand to produce a wholesale sales program that offers you the highest amount of flexibility, consideration of regional sole-source status, and a pricing structure designed to increase your bottom line. Response to Recovery Threads® has been considerable, and now we are looking to join forces with people like you.

By carrying Recovery Threads® products in your 12 step oriented business, you have the opportunity to stand out from the crowd. Only a limited number of retail outlets, based on region, will be able to offer Recovery Threads® in their area.

There's nothing like Recovery Threads®, market research proves it:

Extensive market research has found that there are no other clothing manufacturers currently producing products that would compete with the Recovery Threads® line. The majority of recovery-themed apparel products available are manufactured by large t-shirt printing companies. These companies view the

Recovery Threads ©

303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101

recovering market as “insignificant”. As a result, the same designs from the 80’s are still being marketed with little or no changes.

It is this very market research that has revealed the following facts about Recovery Threads®:

- Recovery Threads® products have found a huge audience in the 16 to 40 year old demographic.
- Recovery Threads® products and their designs appeal to both sexes.
- Recovery Threads® interest spans A.A., N.A., C.A., G.A., M.A., C.M.A., &O.A.
- Recovery Threads® appeals to everyone from Sober Bikers, Old Timers, Al-Anons, Sponsors, & newcomers.
- Recovery Threads® have become an alternative or addition to chips/medallions when celebrating sobriety birthdays.
- Recovery Threads® have found a niche, as sponsor-given gifts
- Recovery Threads® Anonymi-TEE® collection is popular, because it offers messages that only addicts/alcoholics understand. Preserving anonymity.

We recognize that the recovering community is ever-changing, yet MUST be strongly rooted in tradition. It is this philosophy that charged the formation of Recovery Threads. We truly believe that recovering people are “not a glum lot” and we absolutely insist on having fun. This belief is strongly evident in all of our designs.

Web Promotion & Internet Exposure for your business:

Recovery Threads employs 2 full-time website developers, with more than 12 years of combined experience in Internet promotion and web advertising, This fact allows Recovery Threads to maintain top positions in all search engines, thereby creating huge brand awareness within recovery circles. It is this very brand awareness that will bring people into your doors, looking to purchase Recovery Threads Products. Vendors that have an Internet presence for your stores will be given the opportunity participate, at no additional cost, in our banner program. Recovery Threads designers will produce a banner graphic, promoting your website, and sending customers to your site. The banner program is just one example of our win-win Internet marketing approach.

Recovery Threads® Custom Design Services:

As a vendor, our unique Custom Design Services Program will be available to you, as a Recovery Threads vendor. The response to Recovery Threads in the Salt Lake City & Las Vegas areas has demonstrated that custom design services, targeting the recovering community are necessary. We anticipate vendors will be approached by local recovery facilities, home groups, and/or Alano clubs, asking about the possibility of getting shirts with Recovery Threads designs on the back, and the facility logo or group name on the front. Recovery Threads is completing the formation of our custom design program.

Vendors will be able to supply Recovery Threads® with images or sketches and specifications for Custom Garments. These garments will be maintained as the Vendor's exclusive product and will not be reproduced for other Vendor's or on the Recovery Threads® website or shops without written consent from the supplying vendor.

By maintaining the product as exclusive to that vendor, local recovery facilities, home groups, & clubs will return again and again to you whenever they have a convention, retreat, or other functions. Resale pricing for such garments will be at the sole discretion of the Vendor.

Recovery Threads ©

303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101

4. Recovery Threads® Vendor Requirements

Vendor's wishing to purchase items for resale from Recovery Threads® must be a licensed business with a valid State Resale / Tax ID or proof of their Non-profit Organization status. It is preferred that vendor's have a permanent store front. However, we will recognize transient businesses that target recovery conventions, retreats, etc. Vendor's and Organizations must have no derogatory reports with the Better Business Bureau. A check will be made with the BBB upon return of each application.

Recovery Threads® does not permit its products to be represented in manners which may be derogatory to its name. Representation must be maintained in a physical store or in acceptable outside venues (kiosks, booths, tables, etc.) for special activities such as recovery-based conventions, retreats, and/or special events. Only one Recovery Threads® vendor will be permitted in each 75 mile radius.

Recovery Threads Minimum Order:

Initial & subsequent wholesale orders must meet a minimum total of \$200.00 (excluding shipping costs). Special order arrangements can be made in certain situations, call Recovery Threads® to make these arrangements.

Terms of Sale & Credit:

All orders with Recovery Threads® must be prepaid unless terms have been established. Terms may be established after 4 completed orders and the approval of a credit application. Once credit has been approved, orders will require a 50% pre-paid deposit with the balance due net 30 days from ship date.

The Recovery Threads® Guarantee of Quality:

Recovery Threads® guarantees all its products for quality. Vendor has 3 days from receipt of shipment to inspect garments. If any garments are found to be unsatisfactory, Recovery Threads® will repair or replace the items at its discretion.

Recovery Threads Return Policy:

Recovery Threads® does not accept returns, however we do guarantee all our products and will repair or replace items within the limits of the terms.

Recovery Threads Shipping Policy:

Recovery Threads® will generally ship items that are in our warehouse stock within 24 hours, please allow up to 7 days for delivery.

Items out-of-stock may require a delay, subject to the manufacturing process, please allow up to 5 weeks for delivery of out-of-stock items. Rush orders may be available for an additional charge upon schedule availability.

Recovery Threads Method of Shipment:

Recovery Threads® will ship orders by the least expensive, insured method. Actual shipping costs will be added to each bill prior to shipping. Recovery Threads® assumes no responsibility for damages or delays caused by Carriers. Damage claims must be processed through the Carrier.

Recovery Threads Design Rights:

Purchase of garments or other items created by Recovery Threads® for vendors and end customers, or sold to vendors and end customers, does not in any way constitute a sale of the copyright and design rights which shall, in perpetuity, be retained by Recovery Threads® and its owners.

Recovery Threads ©

303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101

Recovery Threads® reserves the right to reject any application for wholesale terms for any reason which may, or may not be outlined in these Terms and Conditions.

If you have any doubt as to whether you qualify, please email your questions to rbutner@recoverythreads.com. We would be happy to assist you.

5. Recommended Retail Pricing

It is recommended that Recovery Threads® garments purchased should not be sold for less than which they are offered through the **Recovery Threads®** website located at: www.recoverythreads.com. Exceptions to this would be for special sales events by the vendor and clearance/close-out offerings. Length of sales event, pricing, and method of promotion are to be determined by the vendor.

Keep in mind that items purchased through our website will automatically have an additional \$3.95 shipping/handling charge added to them. This additional charge, plus the desire for many to shop locally, provides your store with an added sales advantage. Addicts & alcoholics have generally held an "I want it now" attitude, and we are finding that local recovery stores, carrying the Recovery Threads line, have the ability to satisfy this.

We understand that certain regions are economically different than others. As a result, we look to the vendor, knowledgeable of what their local market will bear, to set pricing that offers acceptable profit margins.

This table reflects our wholesale cost to the vendor, retail cost of item from the Recovery Threads website (including shipping costs), and our recommended retail rates for common merchandise.

RECOVERY THREADS PRODUCT	AVERAGE WHOLESALE COST TO VENDOR <i>(BASED ON ORDER QUANTITY)</i>	APPROX. RETAIL COST FROM RECOVERYTHREADS.COM <i>(INCLUDING SHIPPING COSTS)</i>	RECOMMENDED RETAIL PRICING
T-Shirts	\$9.00 to \$11.00	\$20.94	\$16.99
Women's Tank Tops	\$9.00 to \$11.00	\$20.94	\$16.99
Embroidered Hats	\$7.00 to \$9.00	\$17.99	\$14.99

6. Submitting orders to Recovery Threads®

For all vendors, orders will be processed over the phone, through fax orders, and via the Recovery Threads website. To contact Recovery Threads:

Physical Address: **Recovery Threads**
303 Redberry Rd.
Draper, UT 84020

Phone: **(801) 576-1101**
Fax: **(801) 576-1101**

Retail Web Site: **www.recoverythreads.com**
Wholesale Web Site: **wholesale.recoverythreads.com**
General Email: **information@recoverythreads.com**
Vendor Support: **wholesale@recoverythreads.com**

Recovery Threads ©
303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101

A vendor support area, on the Recovery Threads website, is being completed. Scheduled launch of this area is September 15th, 2004. This area will allow vendors to log on, place orders, check order status, & submit design request for custom design services.

7. Applying for a Wholesale Vendor Account

Attached is our Application for Wholesale Account form. Listed at the top of the application are the requirements necessary to qualify as a Recovery Threads Vendor. If your business complies with these guidelines, please fill out the application form. Then send or fax the application with supporting documents to:

**Recovery Threads
ATTN: Vendor Support
303 Redberry Rd.
Draper, UT 84020**

Fax: (801) 576-1101

IMPORTANT NOTE: Your business needs to meet all of our requirements, or further documentation verifying your status as a business will be required. (i.e. copies of newspaper ads, photographs of exterior sign / retail showroom, etc.)

Businesses not complying with these requirements should contact VENDOR SUPPORT at (801) 576-1101, or email at: wholesale@recoverythreads.com to discuss your particular situation.

Recovery Threads does not offer wholesale pricing to retail customers. Recovery Threads supports it's vendors and will protect these relationships vigorously.

When your application has been approved, we'll notify you and send you our Vendor Agreement.

Application for Recovery Threads Wholesale Account

Information requested on this form is necessary to open a Wholesale Account. Incomplete & erroneous forms will delay the approval process.

All orders with Recovery Threads® must be prepaid unless terms have been established. Terms may be established after 4 completed orders and the approval of a credit application. Once credit has been approved, orders will require a 50% pre-paid deposit with the balance due net 30 days from ship date.

Please type or print clearly.

Business Name: _____
Billing Address: _____
City: _____
State: _____
Zip: _____
Shipping Address: _____
City: _____
State: _____
Zip: _____
Telephone: _____

FAX: _____

Business Hours: _____
Date Business
opened: _____
Contact Name &
Title: _____
Resale No./
Business License
Number: _____

Attach Copy of Business License, and Resale (tax exempt) Number (Please also complete attached SALES TAX RESALE/EXEMPTION CERTIFICATE, and send in with your application)

Recovery Threads ©
303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101

Authorized Buyers (those that have approval to purchase Recovery Threads products representing your business :

- 1. _____
- 2. _____
- 3. _____

Business Type	Approx. Annual Sales	Location
<input type="checkbox"/> Sole Owner	<input type="checkbox"/> under \$10,000	<input type="checkbox"/> Mall/Shopping Ctr.
<input type="checkbox"/> Partnership	<input type="checkbox"/> \$10,000-\$25,000	<input type="checkbox"/> Residence
<input type="checkbox"/> LLC/Corporation	<input type="checkbox"/> more than \$25,000	<input type="checkbox"/> Storefront
		<input type="checkbox"/> Kiosk/Table/Mobile

Email address: _____

Website URL: <http://www.>_____

To the best of the undersigned's knowledge, the information supplied is true and correct.

Print Name: _____

Signature: _____

Date: _____

Print Name: _____

Signature: _____

Date: _____

IMPORTANT NOTE: Please also complete the attached SALES TAX RESALE/EXEMPTION CERTIFICATE, and send in with your application.

SALES TAX RESALE/EXEMPTION CERTIFICATE

Name of Person or Company_____

Address (Street and Number, P.O. Box or Route Number)_____

City, State,
Zip_____

Phone (_____)_____

TAX ID NUMBER_____

I, the person or entity named above, claim the right to make non-taxable purchases for resale or claim an exemption of the taxable items described below or on an attached order or invoice from:

**Recovery Threads
303 Redberry Rd.
Draper, UT 84020**

Description of the items to be purchased:
Recovery Threads brand T-Shirts, Clothing, Apparel, & Accessories

Description of the type of business activity generally engaged in or type of items normally sold by the purchaser:

Reason for Exemption:

I further certify if any property so purchased tax free is used or consumed by the firm as to make it subject to a Sales or Use Tax we will pay the tax due direct to the proper taxing authority when state law so provides or inform the seller for added tax billing. This certificate shall be part of each order which we may hereafter give to you, unless otherwise specified, and shall be valid until cancelled by us in writing or revoked by the city or state.

Under penalties of perjury, I swear or affirm that information on this form is true and correct as to every material matter.

Purchaser: X_____

Title: _____ Date: _____

Recovery Threads ©
303 Redberry Rd. Draper, UT 84020
Copyright (c) 2004 Recovery Threads, All Rights Reserved
Phone: (801) 576-1101