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February 14th, 2023

Dear Saratoga Spa Dealer,

As we exit the industry chaos of the last two plus years, many are looking to find their business footing for the next transition. We are all wondering “what does 2023” and beyond look like for our business and our industry. Navigating successfully through this next business transition will require the same focus and preparedness that you instilled the last few years, as well as the years prior. Competitive and seasonal selling is quickly returning. Consumer demand is fluctuating up and down regionally. Those businesses prepared with product and selling strategies for consumers shopping their locations will more effectively grind out 2023. Saratoga Spa is positioned well with programs that can make our Dealers more profitable and competitive for 2023.

Saratoga Spa Web Site: Saratoga Spa has released an updated Consumer Website. This is just a bridge to our next generation website and technology being currently worked on for Saratoga Spa. This technology will benefit both Consumers and Dealers. It is a large-scale project that we continue daily.

Lead Time: Saratoga Spa is back to a much more controlled environment with production and lead times. Our current lead time is 5 to 6 weeks. We have also increased immediate product availability through our Quick Ship Inventory program, discussed below. We are currently in March for production.

Freight: Freight costs have fluctuated for the last several months. They have become more competitive in certain regions and “trucking lanes”. We will quote and let you know best rates available. LTL is still a last resort based on consistent damage incurred when used. Please inform your staff to contact Customer Service for the most up to date freight rates when selling spas. The rate adjustments will be varied based on your location. Again, utilizing the Quick Ship program if available in your region, will also lower freight costs.

Quick Ship Program: Saratoga has started building and shipping inventory to key regional branches. We now have available for purchase in-stock spas in Latham, NY and Indianapolis, IN. We will be shipping spas into the Simpsonville, SC branch next. This program will allow your “sell through” spas to be picked up by you at the branch or shipped out quickly. This will limit your commitment to inventory. Only buying what you have sold. This should lower your freight costs because of regional availability. Quick Ship spas are for purchase only. They are not available for Consignment programs.

Flooring Program: Our Consignment Program has returned with minor changes. This program will have new requirements and will now include on payment per Consignment program of 2.5% for 60-days and 3.5% for 90-day program. Dealers must have an Account in good standing through Imperial Corporate Credit to participate. This is still an in-house funded program for Saratoga Spa. Dealer participation will be limited to performance requirements.

March 1st Price Increase: Saratoga will be releasing a price increase that will be effective March 1st, 2023. This will represent a 2%-3% increase across the product lines. If you are on the fence regarding a stocking spa order, you have until the end of February to beat the Price increase. This only applies to actual spa orders and not holding future production slots. Refer to Lead Time above for current production schedule.

We at Saratoga Spa Company are thankful for your business. We value the trust you put in us as your supplier. Our goal is always to exceed your expectations.

Sincerely,

Jay Ahl
Director of Sales and Marketing