



# Protect your profits with Paladin

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# **WHAT YOU'LL LEARN**

- Benefits of a minimum margin
- How to set minimum margins
  - Storewide minimum margin
  - Minimum margin by department
  - Rich Rewards points minimum margin
- Ways to apply minimum margins
  - Manual discounts at checkout
  - Sales and promotions
  - Trade prompt payment discount
  - Percentage prompt payment discount
  - Net pricing rule
- How to verify margins with Profit Analyst

## Benefits of a minimum margin

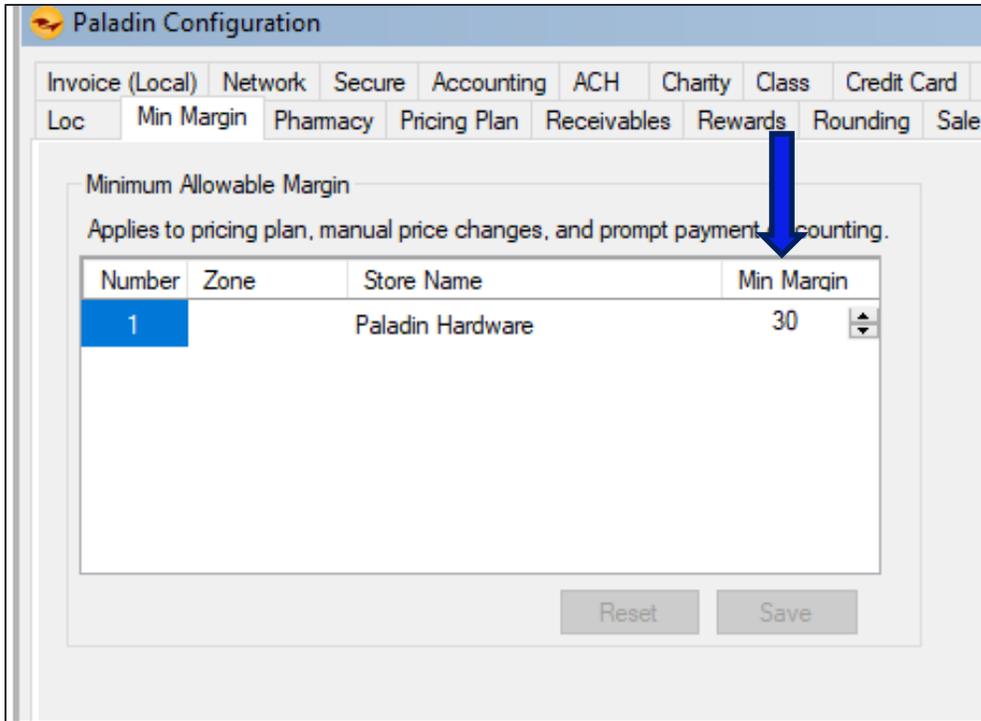


**LOW PROFIT ALERT !**

- Automates margin protection.
- Helps protect your bottom line.
- Keeps discounts in check.
- Prevents you from piercing the threshold of profitability with/without manager approval.
- Allows cashiers to offer discounts while preserving profitable margins.
- Enhances the consumer shopping experience.

# How to set minimum margins

## Storewide minimum margin



Paladin Configuration

Invoice (Local) Network Secure Accounting ACH Charity Class Credit Card

Loc Min Margin Pharmacy Pricing Plan Receivables Rewards Rounding Sale

Minimum Allowable Margin  
Applies to pricing plan, manual price changes, and prompt payment accounting.

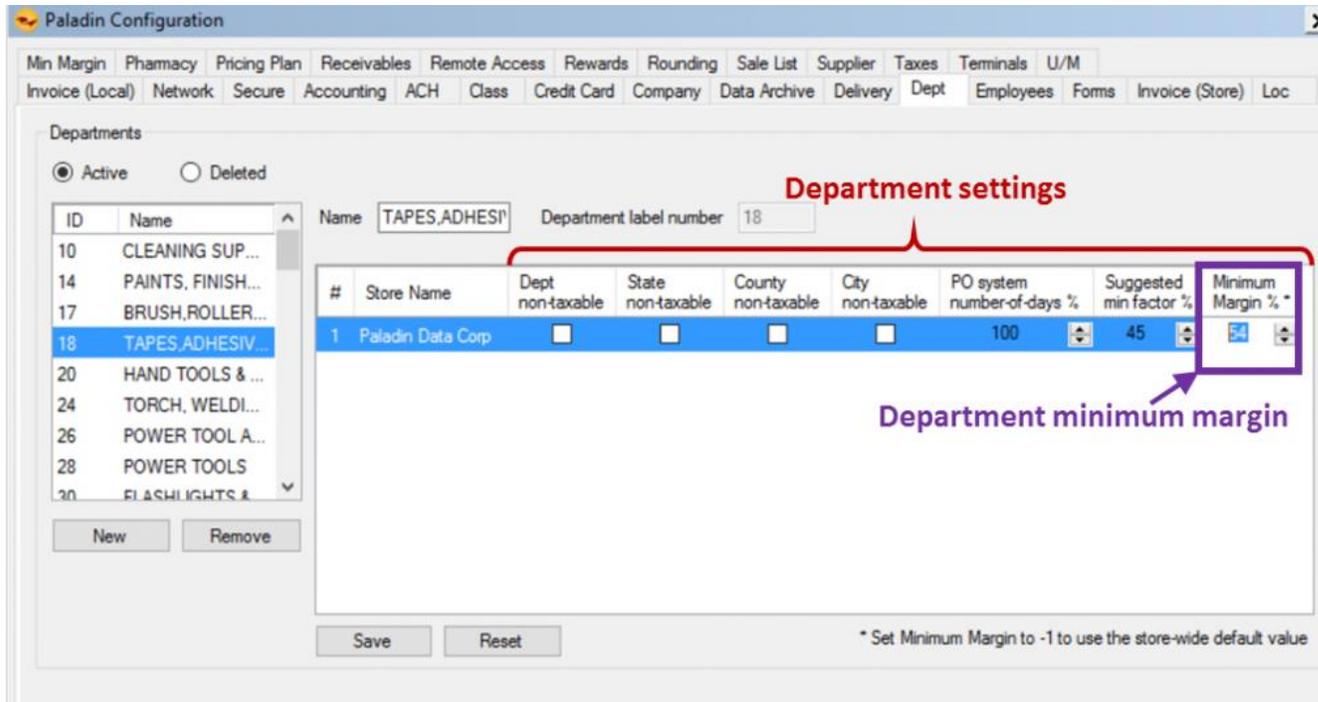
| Number | Zone | Store Name       | Min Margin |
|--------|------|------------------|------------|
| 1      |      | Paladin Hardware | 30         |

Reset Save

- Set the default minimum margin for the store in Paladin Configuration.
- Go to **File > Setup > Min Margin** tab: Enter a **Min Margin** and **Save**.
- The storewide minimum margin applies to all features with a minimum margin setting, except when it is superseded by a department minimum margin.

## Minimum margin by department

- Set the minimum margin by department in Paladin Configuration.
- Go to **File > Setup > Dept** tab: Select department, enter **Min Margin %** and **Save**.
- Department-level minimum margins will override the storewide minimum margin.



The screenshot displays the 'Paladin Configuration' window with the 'Dept' tab selected. The 'Departments' section is active, showing a list of departments on the left and a detailed view for the selected department 'TAPES, ADHESIV' on the right. The 'Department settings' section includes fields for Name, Department label number, and a table for department minimum margins. The table has columns for Store Name, Dept non-taxable, State non-taxable, County non-taxable, City non-taxable, PO system number-of-days %, Suggested min factor %, and Minimum Margin %.

| # | Store Name        | Dept non-taxable         | State non-taxable        | County non-taxable       | City non-taxable         | PO system number-of-days % | Suggested min factor % | Minimum Margin % * |
|---|-------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|------------------------|--------------------|
| 1 | Paladin Data Corp | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 100                        | 45                     | 54                 |

Annotations in the image include a red bracket labeled 'Department settings' spanning the top fields and the table, and a purple box with an arrow labeled 'Department minimum margin' pointing to the 'Minimum Margin %' column in the table. A footer note states: '\* Set Minimum Margin to -1 to use the store-wide default value'.

## Rich Rewards points min margin

Paladin Configuration

Invoice (Local) Network Secure Accounting ACH Charity Class Credit Card Company Customer Type Delivery  
Invoice (Store) Loc Min Margin Pharmacy Pricing Plan Receivables Rewards Rounding Sale List Supplier Taxes

Rewards

Customer rewards program Rich Rewards

Rich Rewards

Reward Percentage 5

Signup Bonus 5

Minimum Coupon Amount \$ 5

Enable Margin Check

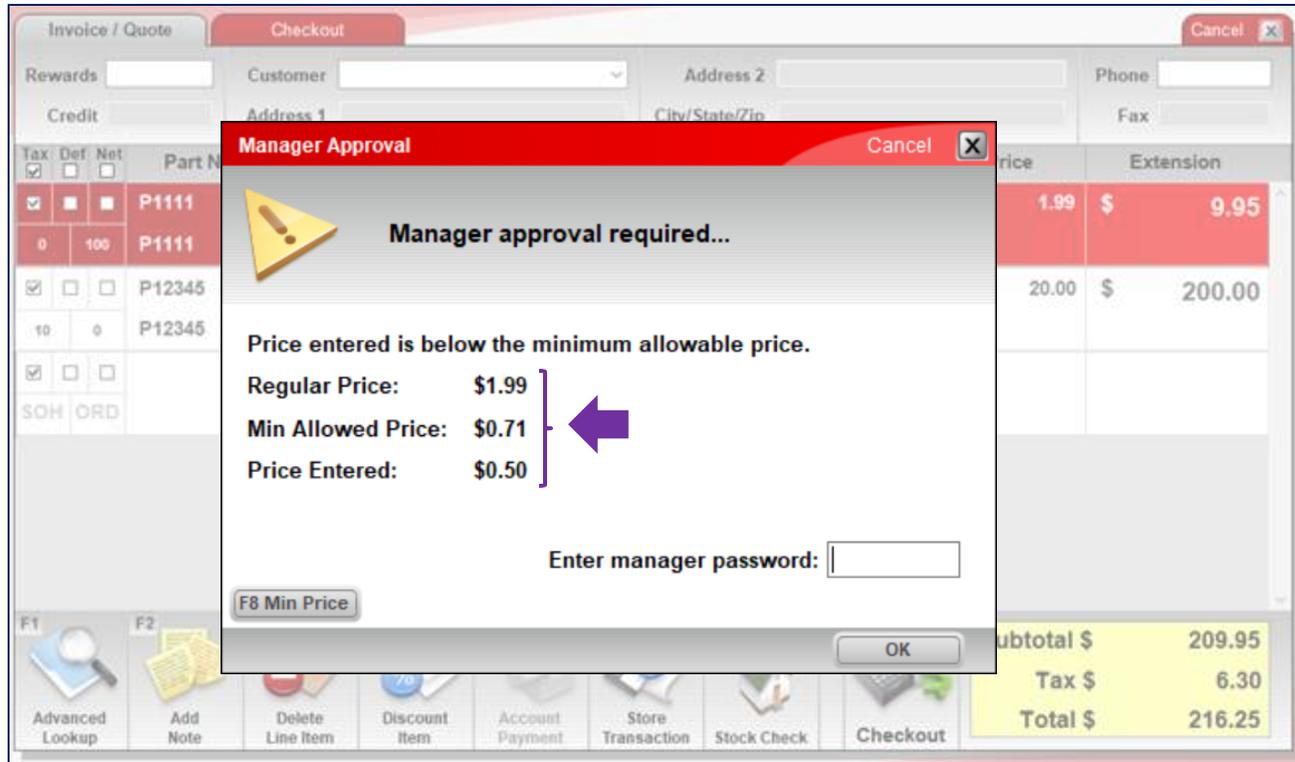
Disallow points on margins less than 25

- Set a minimum margin for earning rewards points.
- Go to **File > Setup > Rewards** tab: Select **Enable Margin Check**.
- Enter a minimum margin in the text box and **Save**.

# Ways to apply minimum margins



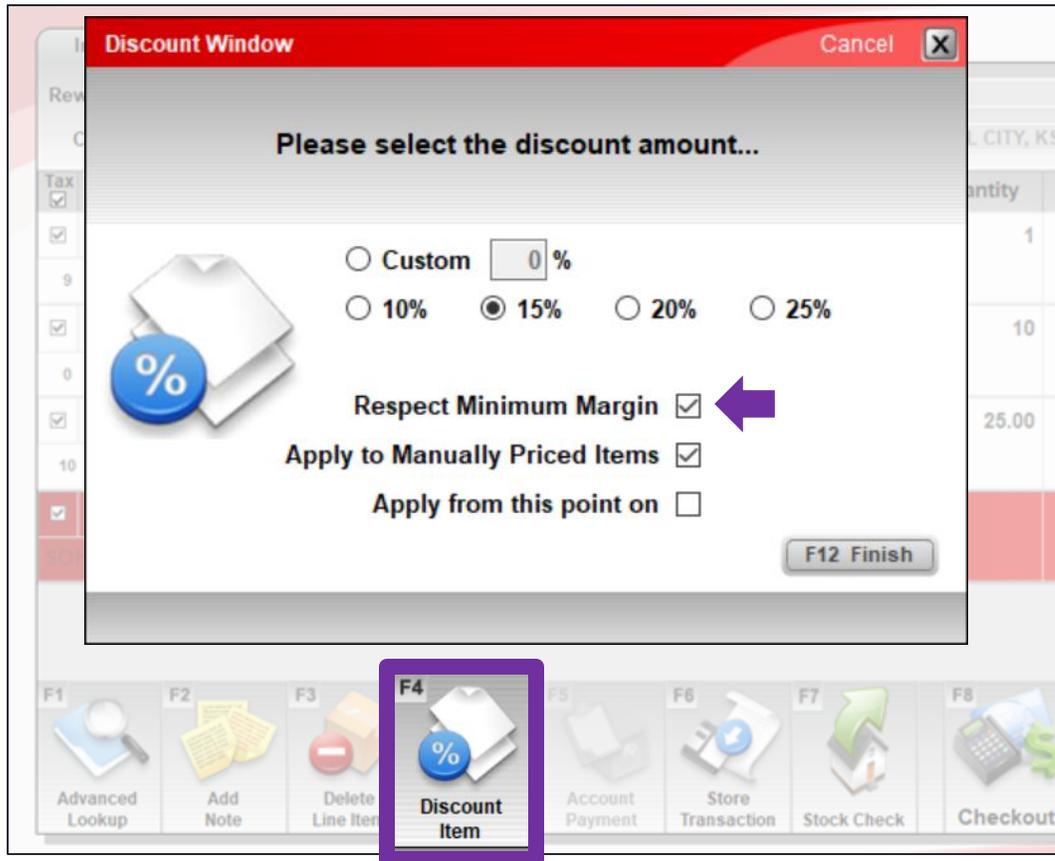
## Manual discounts at checkout: Override retail price



- When you reduce the price on an invoice item below the minimum margin price, a manager override is required.
- Message shows you the minimum margin price (lowest price that upholds the minimum margin).
- Cashiers can offer discounts up to the minimum allowable price without manager's approval.

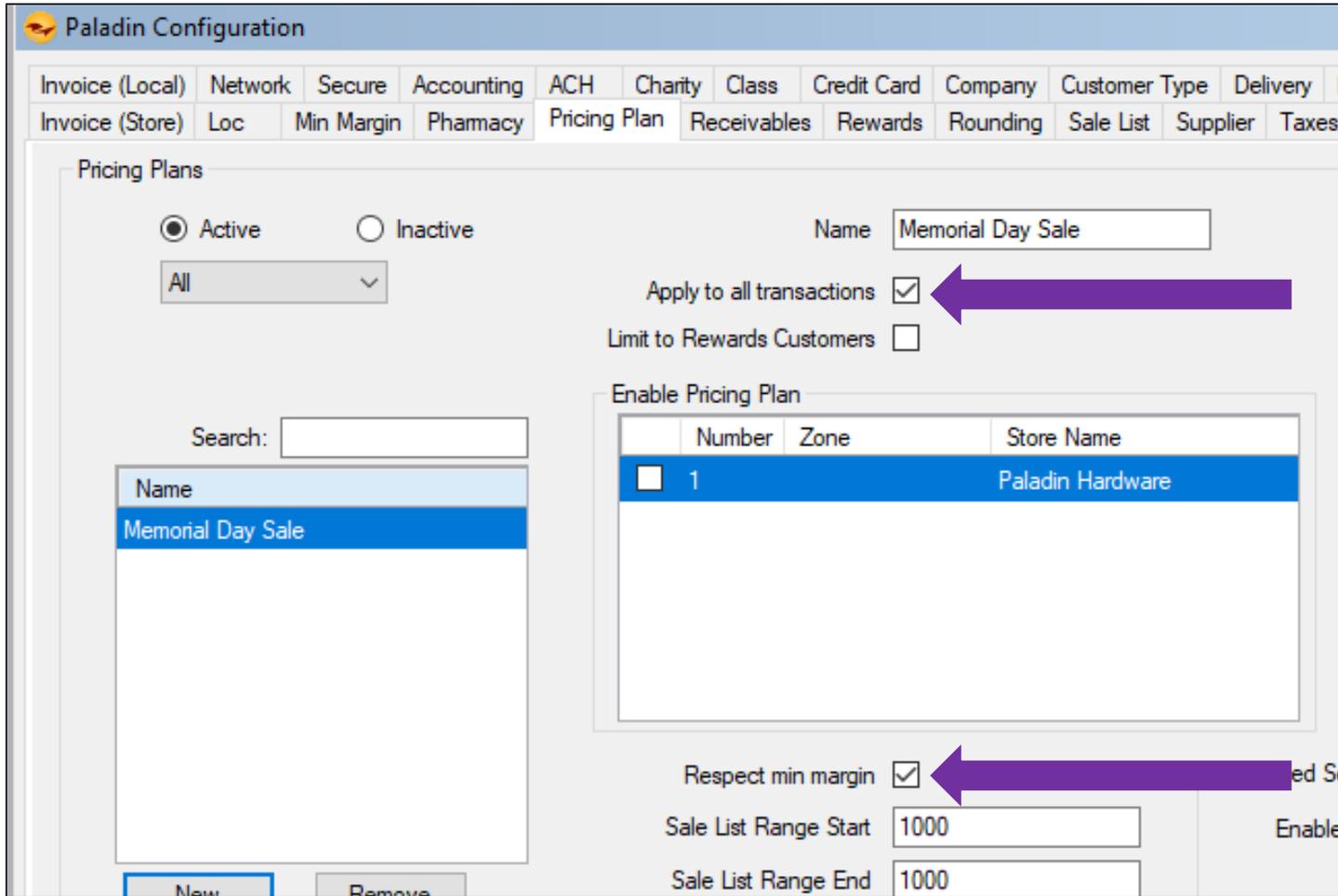


## Manual discounts at checkout: F4 Discount



- **F4 Discount** feature includes a **Respect Minimum Margin** option which automatically sets the discounted price to the minimum margin price.
- **Tip:** To select this option by default and require a manager's credentials to override (deselect) it, do this:
  - Go to **File > Setup > Invoice (Store)** tab: Select **Invoice/F4 Discount Respects Minimum Margin** checkbox and **Save**.

## Sales and promotions: Pricing plan



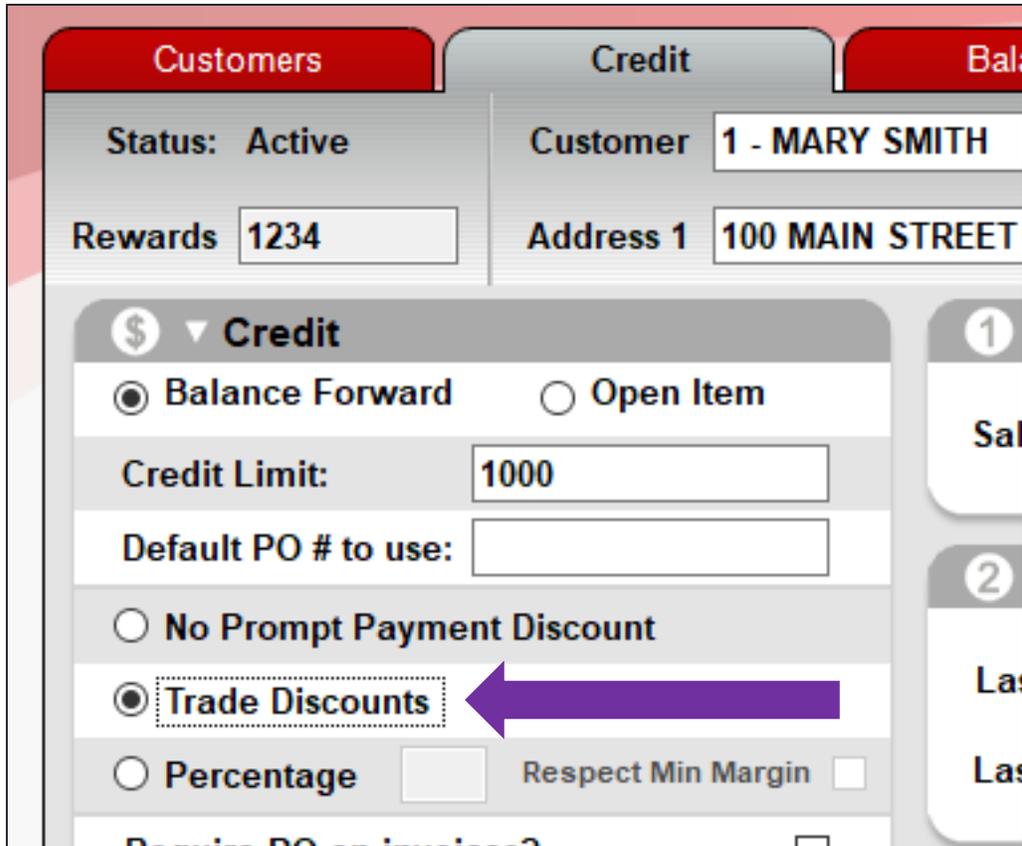
The screenshot shows the 'Paladin Configuration' window with the 'Pricing Plan' tab selected. The configuration is for a plan named 'Memorial Day Sale'. The 'Apply to all transactions' checkbox is checked and highlighted with a purple arrow. The 'Respect min margin' checkbox is also checked and highlighted with a purple arrow. The 'Enable Pricing Plan' section contains a table with one entry for 'Paladin Hardware'.

| Number                     | Zone | Store Name       |
|----------------------------|------|------------------|
| <input type="checkbox"/> 1 |      | Paladin Hardware |

- Select **Respect min margin** when you create a pricing plan.
- Select **Apply to all transactions** to apply promotions storewide and for all customers.
- If **Apply to all transactions** is not selected, the pricing plan is a “trade discount” and must be applied to customer/business accounts in the **Customers** module.



## Trade prompt payment discount



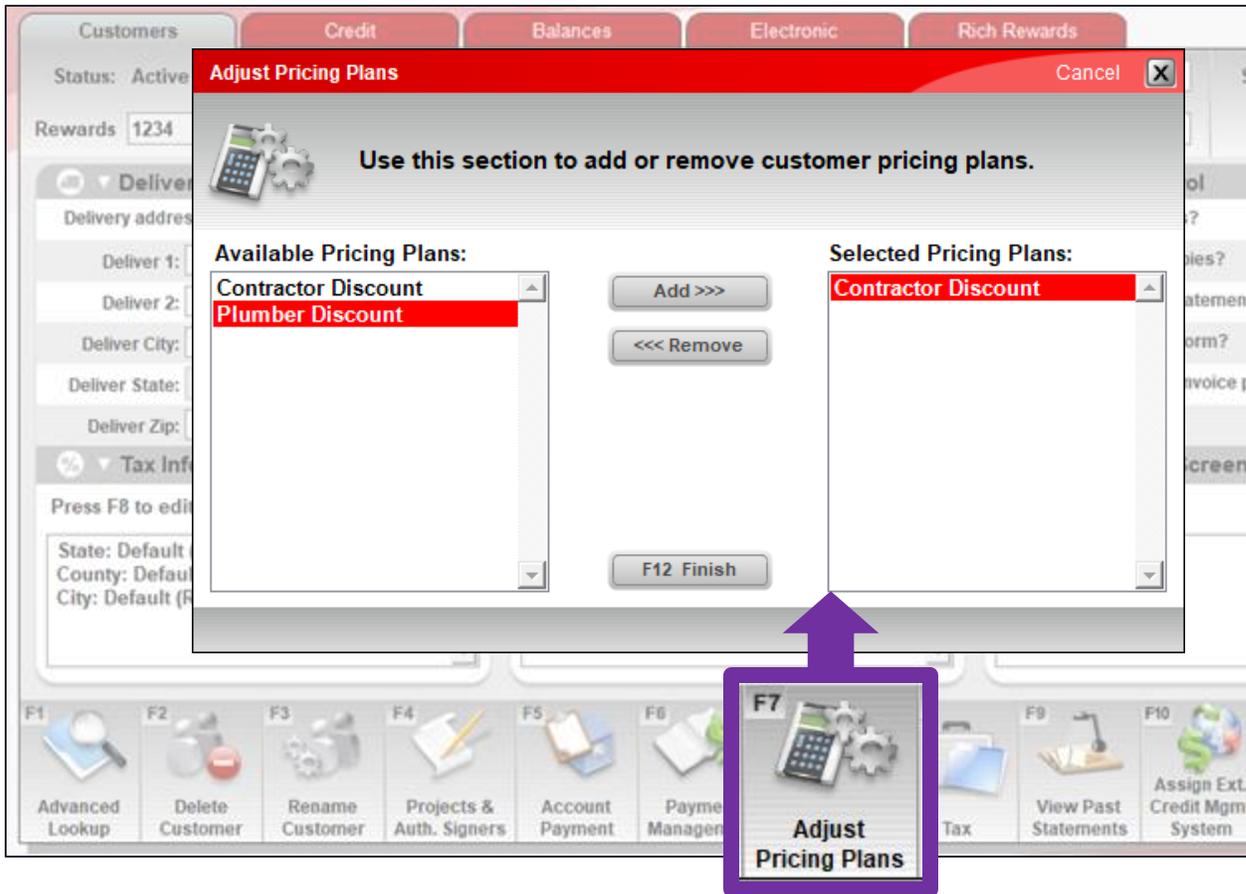
The screenshot shows a software interface for managing customer credit. The 'Customers' tab is active, and the customer '1 - MARY SMITH' is selected. The 'Credit' section is expanded, showing options for 'Balance Forward' and 'Open Item'. The 'Credit Limit' is set to 1000. The 'Default PO # to use' field is empty. The 'Trade Discounts' option is selected and highlighted with a purple arrow. The 'Percentage' field is empty, and the 'Respect Min Margin' checkbox is unchecked.

| Customers  | Credit                          | Bal:                     |
|--|---------------------------------|--------------------------|
| Status: Active                                   | Customer: 1 - MARY SMITH        |                          |
| Rewards: 1234                                    | Address 1: 100 MAIN STREET      |                          |
| <b>\$ Credit</b>                                 |                                 |                          |
| <input checked="" type="radio"/> Balance Forward | <input type="radio"/> Open Item |                          |
| Credit Limit:                                    | 1000                            |                          |
| Default PO # to use:                             |                                 |                          |
| <input type="radio"/> No Prompt Payment Discount |                                 |                          |
| <input checked="" type="radio"/> Trade Discounts |                                 |                          |
| <input type="radio"/> Percentage                 |                                 |                          |
|  | Respect Min Margin              | <input type="checkbox"/> |

- Select **Trade Discounts** option for a customer to defer contractor discounts until statements are generated.
- Apply trade discounts by selecting pricing plans (next slide) for the account.
- Minimum margins for trade discounts are set and applied via the pricing plan.



## Apply trade discount to a customer

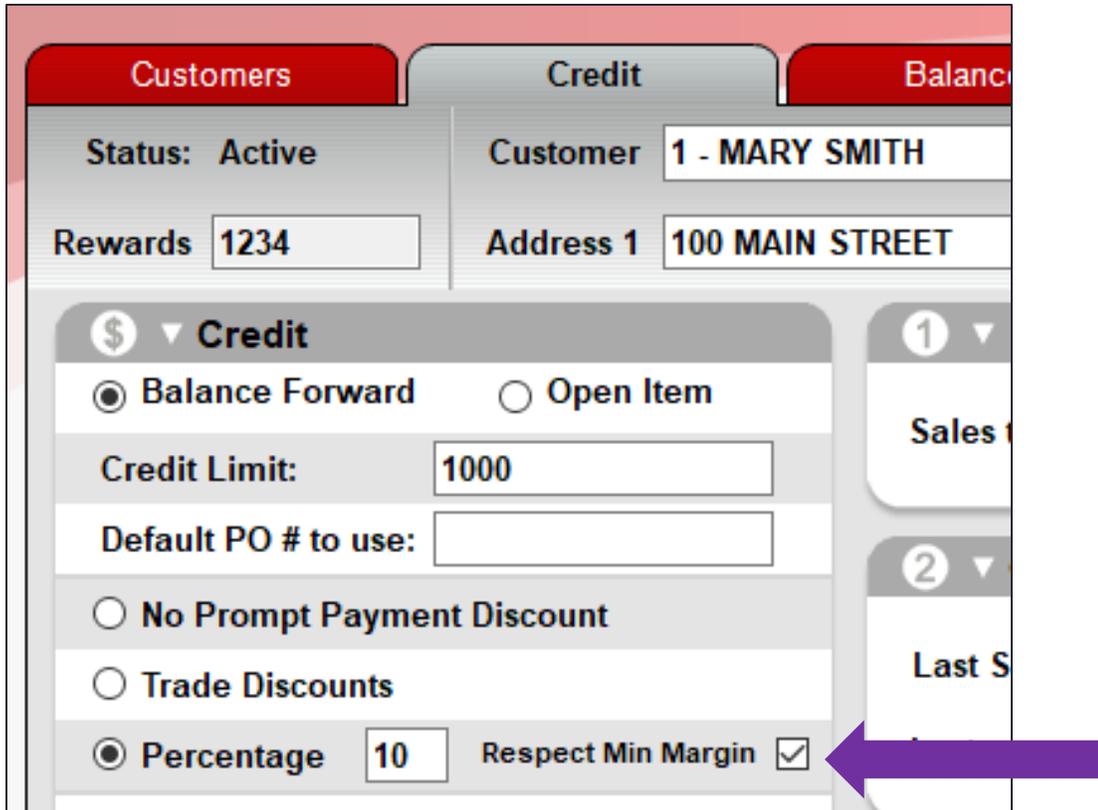


The screenshot shows the 'Adjust Pricing Plans' dialog box in the Customers module. The dialog has a red header and a 'Cancel' button. Below the header, it says 'Use this section to add or remove customer pricing plans.' There are two lists: 'Available Pricing Plans' and 'Selected Pricing Plans'. In the 'Available Pricing Plans' list, 'Contractor Discount' and 'Plumber Discount' are visible. In the 'Selected Pricing Plans' list, 'Contractor Discount' is selected. There are 'Add >>>' and '<<< Remove' buttons between the lists, and an 'F12 Finish' button at the bottom. The background shows the Customers module interface with various tabs and fields. The bottom toolbar has buttons for F1 through F10, with the 'F7 Adjust Pricing Plans' button highlighted in a purple box and an arrow pointing to the dialog.

- Apply trade discount pricing plans in the **Customers** module using the **Adjust Pricing Plans (F7)** feature.
- Only pricing plans that do not have **Apply to all transactions** will appear.



## Percentage prompt payment discount



Customers Credit Balance

Status: Active Customer 1 - MARY SMITH

Rewards 1234 Address 1 100 MAIN STREET

\$ Credit

Balance Forward  Open Item

Credit Limit: 1000

Default PO # to use:

No Prompt Payment Discount

Trade Discounts

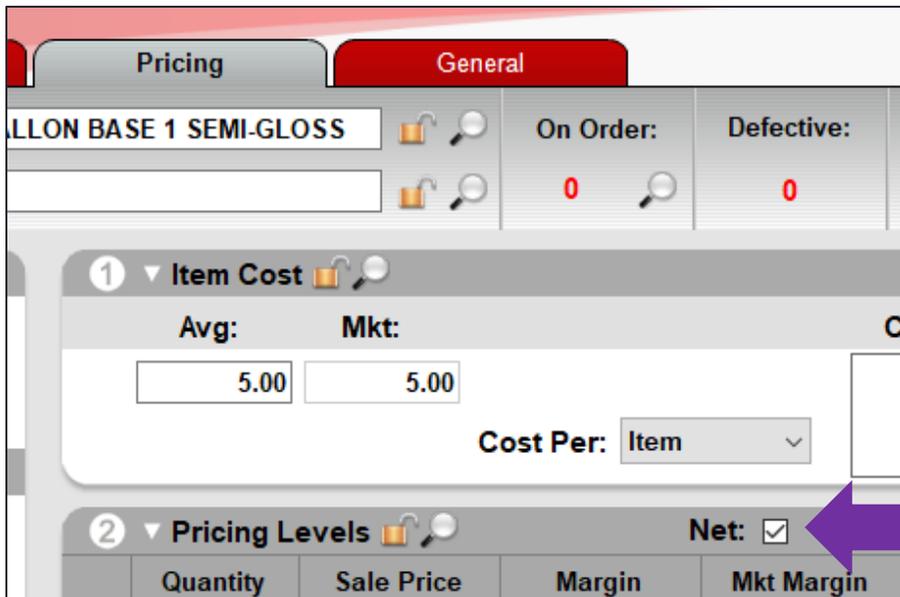
Percentage 10  Respect Min Margin

- Select a **Percentage** discount to apply a prompt payment discount.
- Select **Respect Min Margin** to ensure each item's minimum margin is respected.
- The percentage is applied when you generate statements. Client must pay by the prompt payment expiration day.
  - Go to **File > Setup > Receivables** tab:  
**Disable Prompt Pay Discount After Day of month** <enter a calendar day>

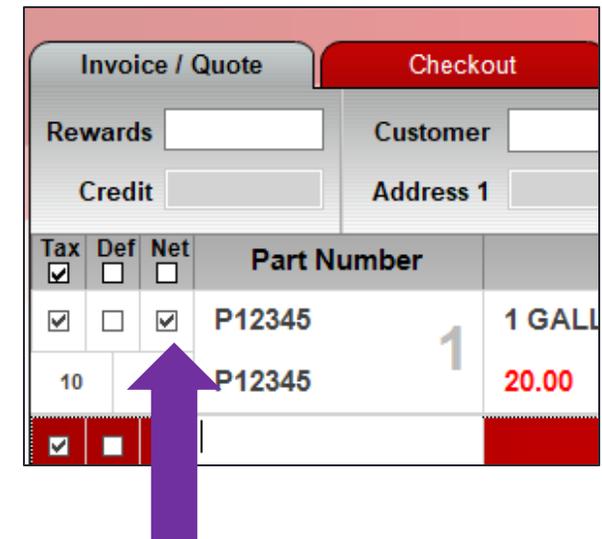


## Net pricing rule

- Select **Net** on the inventory item (**Pricing** tab) or on the invoice line item to prevent any discounts, including Rich Rewards points, with the exception of manager price overrides.



The screenshot shows the 'Pricing' tab for an inventory item. The 'General' sub-tab is active. The item name is 'LLON BASE 1 SEMI-GLOSS'. The 'On Order' and 'Defective' counts are both 0. The 'Item Cost' section shows 'Avg: 5.00' and 'Mkt: 5.00'. The 'Cost Per' is set to 'Item'. The 'Pricing Levels' section has the 'Net' checkbox checked, indicated by a purple arrow.

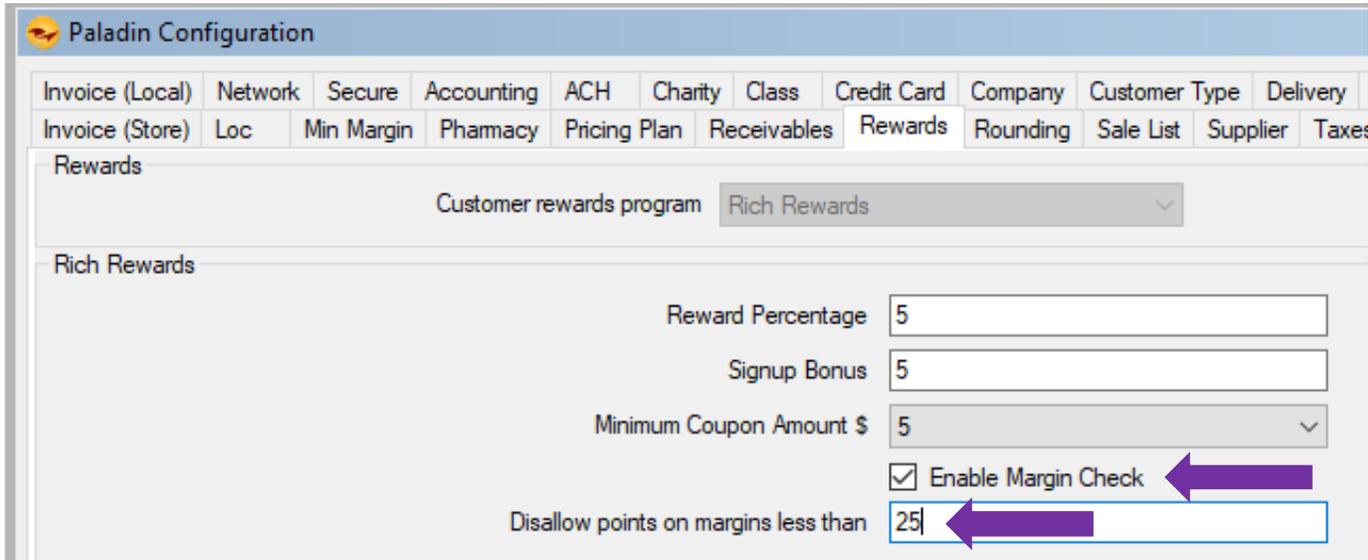


The screenshot shows the 'Checkout' tab for an invoice or quote. The 'Rewards' and 'Credit' fields are empty. The 'Customer' and 'Address 1' fields are also empty. The table below shows the following data:

| Tax                                 | Def                      | Net                                 | Part Number | Quantity | Price  |
|-------------------------------------|--------------------------|-------------------------------------|-------------|----------|--------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | P12345      | 1        | 1 GALL |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | P12345      | 1        | 20.00  |

A purple arrow points to the 'Net' checkbox in the second row, which is checked.

## Rich Rewards points



Paladin Configuration

Invoice (Local) Network Secure Accounting ACH Charity Class Credit Card Company Customer Type Delivery  
Invoice (Store) Loc Min Margin Pharmacy Pricing Plan Receivables Rewards Rounding Sale List Supplier Taxes

Rewards

Customer rewards program Rich Rewards

Rich Rewards

Reward Percentage 5

Signup Bonus 5

Minimum Coupon Amount \$ 5

Enable Margin Check

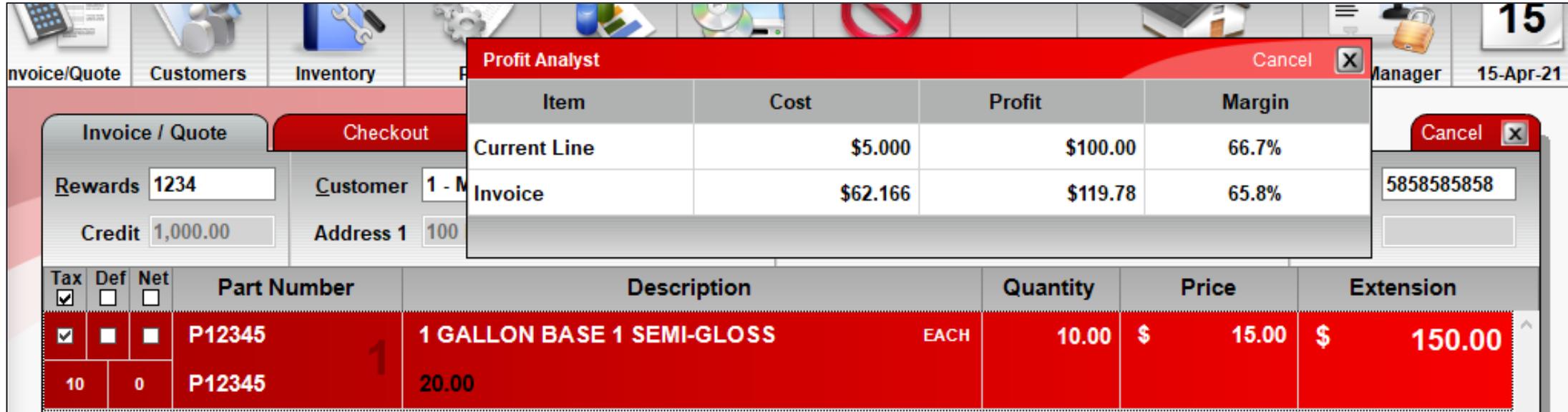
Disallow points on margins less than 25

- Set a minimum margin for earning rewards points.
- Rewards points are not applied if the price is lower than the margin you specify.
- Go to **File > Setup > Rewards** tab: Select **Enable Margin Check**: Enter a margin in the text box and **Save**.

## How to verify margins with Profit Analyst



- View **Cost**, **Profit** and **Margin** for the selected item and total invoice.
- Press ALT + A or right-click the item and select **Profit Analyst**.
- Requires **Profit Analyst** access level (**File > Setup > Employees** tab).



| Item         | Cost     | Profit   | Margin |
|--------------|----------|----------|--------|
| Current Line | \$5.000  | \$100.00 | 66.7%  |
| Invoice      | \$62.166 | \$119.78 | 65.8%  |

| Tax                                 | Def                      | Net                      | Part Number | Description                | Quantity | Price    | Extension |
|-------------------------------------|--------------------------|--------------------------|-------------|----------------------------|----------|----------|-----------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | P12345      | 1 GALLON BASE 1 SEMI-GLOSS | 10.00    | \$ 15.00 | \$ 150.00 |
| 10                                  | 0                        |                          | P12345      | 20.00                      |          |          |           |

Learn more

## Knowledge Base:

- [How to set the minimum margin for a department](#)
- [About F4 Discount that respects a minimum margin](#)
- [How to set up percentage discount for a customer](#)
- [How to set up and apply trade discounts for customers](#)
- [How to set up a prompt payment discount](#)
- [About Profit Analyst](#)

## Webinars:

- [F4 discount item button essentials](#)

Next webinar:

***What's New in Paladin: The 2021 A Release***

May 11 @ 9am PT

Register: [portal.paladinpos.com/webinars](https://portal.paladinpos.com/webinars)



Check out our Paladin 2021 A Release Guide on the Help Portal.

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