

SHOPKO®

Vendor Partnership Manual

Section 10 – Inventory Management

What's New

Please review the following area within this chapter. Changes have occurred since December 2012.

1.2 Shopko Inventory Management Contacts.....10-2

TABLE OF CONTENTS

1	Inventory Management	1
1.1	Inventory Management Standards for Our Vendors	1
1.2	Shopko Inventory Management Contacts	2
2.	Exhibits	3

1 Inventory Management

1.1 Inventory Management Standards for Our Vendors

- Shopko considers its Vendors to be partners in our business.
- Shopko expects all Vendors to be capable of receiving Purchase Orders via EDI (850 EDI Purchase Order).
- Shopko expects all Vendors fill performance of Purchase Orders to be 98% or better.
- Shopko expects all Vendors ship/cancel lead time performance standard to be 5 working days or less. (i.e.: order is ready to ship within 5 working days of Vendor receiving the order).
- Shopko expects all Vendors to be capable of receiving and shipping Purchase Orders a minimum of once per week.
- Shopko expects all Vendors will communicate any and all issues that may cause any issue with shipping a Purchase Order complete and that the communication will be done immediately upon discovery of that issue.
- Shopko expects all Vendors to understand that ad instock is job #1 for our Inventory Management and Merchandising teams, and that ad instock is a condition of our employment, therefore Vendors must be able to maintain a 98% or better Purchase Order fill rate performance.
- If a vendor changes the origin of shipping or adds a new origin of shipping, they must provide written notification to the Shopko Buyer/Business Analyst team at least 30 days in advance.
- Vendors are expected to provide Shopko with accurate case size and case weight to avoid chargebacks.

Shopko's Divisional Business Managers (DBMs) are responsible for working with Vendors who are not able to meet our Inventory Management standards. If the DBM does not anticipate that the Vendor's performance will improve, the DBM is responsible for bringing the issue to the attention of Shopko's upper management with recommendation of corrective action to be taken, up to and including discontinuation of the Vendor.

1.2 Shopko Inventory Management Contacts

<i>Contact/Title</i>	<i>Phone Number</i>
Inventory Management	Fax: (920) 429-4666 or (920) 429-7397
HARDLINES/HOME	
Divisional Business Manager	Phone: (920) 429-7629
- Outdoor Living	
- Lawn & Garden	
- School & Office Supplies	
- Greeting Cards/Books & Magazines/Office Equipment	
- Sporting Goods	
Divisional Business Manager	Phone: (920) 429-4971
- Toys	
- Prerecorded Music & Video/Computer Software	
- Photo/Film Developing	
- Audio & Video Electronics	
Divisional Business Manager	Phone: (920) 429-4500
- Lamps	
- Candles/Clocks/Home Décor	
- Picture Frames	
- RTA Furniture	
- Trim a Tree	
Divisional Business Manager	Phone: (920) 429-4388
- Hardware/Auto/Luggage	
- Storage	
- Appliances/Dinnerware/Flatware/Glassware	
- As Seen on TV/Floor Care	
Divisional Business Manager	Phone: (920) 429-7642
- Domestics	
Executive Assistant	Phone: (920) 429-4561
SOFTLINES	
Divisional Business Manager	Phone: (920) 429-4659
- Jewelry/Watches	
- Women's Accessories	
- Women's Foundations/Sleepwear	
- Non-RX Sunglasses	
Divisional Business Manager	Phone: (920) 429-4823
- Women's Apparel/Maternity/Juniors	
Divisional Business Manager	Phone: (920) 429-7655
- Men's Apparel/ Pro College Apparel	
- Active Shoes	
Divisional Business Manager	Phone: (920) 429-7435
- Girls/Boys/Infant Apparel/Juvenile Furniture	
Executive Assistant	Phone: (920) 429-4561
HBA/GROCERY/OTC/PET	
Divisional Business Manager	Phone: (920) 429-4976
- Candy/Grocery/Soda & Beverages	
- Pet	
- HBA/OTC/Cosmetics	
- Optical / RX	
- Household Cleaning & Paper Products	
Executive Assistant	Phone: (920) 429-4561

2. Exhibits

New Vendor Questionnaire

NEW VENDOR QUESTIONNAIRE

1. Are you capable of receiving the 850 EDI purchase order transaction set?
2. Are you capable of receiving our sales data, EDI 852 product activity data?
3. Are you capable of sending a reverse purchase order, EDI 855 purchase order acknowledgement?
4. Are you capable of sending the EDI 856 advance ship notification?
5. Do you need ladder plans / forecasts to ensure you will have goods available for Shopko?
If yes, attach explanation of level of detail you require.
6. Are you capable of having dedicated inventories set aside exclusively for Shopko to ensure our instock?
If yes, will you have a minimum of 30 days supply on hand at all times and a minimum of 30 days supply in production? If answer to any of the above is no, attach explanation of why, and what measure will be taken to ensure our instock.
7. How many days from receipt of our purchase order do you need to pack and ship? (This is what we consider the purchase lead time; our standard is 5 working days or less)
8. Are you capable of packing and shipping multiple orders per week?
9. Are you capable of shipping orders direct to store?
10. Are you capable of shipping to D.C. locations by master pack (defined as 1 size, 1 color per carton)?
11. Ability to do display racks on opening orders. Master pack with inner packs for reorders?
12. Who are the following contacts and contacts phone numbers?
 - Sales Rep: _____
 - Customer Service: _____
 - Warehouse: _____
13. How do you communicate short ships and delivery issues?