2016 Supplier of the Year Ballot Instruction Package

INSTRUCTION SHEET

Before filling out the rating forms attached, please be sure to read these instructions so evaluations will be fair and consistent

1) Rate only those suppliers with whom you are **currently** doing business.

2) Prior to voting, discuss each nominee **and** each category with others in your organization. Suggestions below also include ballot categories which may pertain to them.

*warehouse manager (1,8,13)	*purchasing manager (1,2,3,5,7,9,10,12)
*customer service manager	*sales manager (1,3,5,9,10,12)
*accounting personnel	*receiving manager
*President/CEO/GM (11,14)	

3) The rating system will consist of five (5) points:

Excellent……5
Good……..4
Average…..……3
Fair……..2
Poor……..……1

A) Use these numbers…no fractions or decimal points.

B) **Do not use the number zero**

4) This year each voting category will be weighted according to its importance to you, the wholesale distributor. Weighting will be applied during the computer analysis of the scoring and will be structured as follows:

2:1	1.5:1	1:1
*Supply Chain Philosophy	*Product & Warranty	*Packaging/Shipping
*Marketing Program	*Artwork	*P.O.P. Packaging
*Delivery	*Sales Representative	* Participation in S.T.E.P.
*Invoicing	*Customer Service	* Participation in S.T.E.P.
*Profitability	*Number System/UPC	Training

5) Use the following descriptions of each voting category for things to consider when voting.

1. **DELIVERY**

Product availability on a timely, consistent basis is crucial to a W/D.

THINGS TO CONSIDER

- Does the supplier lead time meet your business needs?
- Does the supplier ship on a consistent, predictable basis, giving your purchasing people lead times on which they can depend?
- Do they ship with minimal backorders?
- Are backorders filled in a timely & efficient manner?
- Do they send orders free of errors?
- Do they have new product introductions available when promised?
- Do they always enclose an easy-to-find packing slip, allowing quick processing by the receiving department?

2. **INVOICING**

The wholesale distribution business is heavily transaction based. The smoother these transactions are executed, the more efficient and cost effective the administrative side becomes.

THINGS TO CONSIDER

- Is the supplier's invoice in the same order as the distributor's purchase order?
- Does the supplier verify prices and terms on purchase orders and notify distributor of prices and terms that are incorrect?
- Does the supplier invoice accurately; are prices, payment and freight terms always correctly invoiced?
- Are invoices processed quickly to allow you proper processing time, including adequate time to take advantage of early payment discounts?
- Are credits issued promptly and accurately?

3. **MARKETING PROGRAM**

The marketing program considers all factors in how the supplier makes his products available to his W/D's.

THINGS TO CONSIDER

- Does the supplier meet NMDA's targeted S.T.E.P. deadline for pricing and program?

- Are their prices “annual” and effective October 1st?
- Are initial and repeat buy-ins to the supplier’s program realistic and achievable; allowing for acceptable inventory turns?
- Is their pricing competitive within the industry?
- Is their freight program realistic in terms of purchasing levels? Are all your freight costs covered or is it an allowance to a certain percentage?
- Is the dating program realistic, if there is one at all?
- Do they support their products with adequate advertising in order to properly pull the product through to the consumer?
- Does their program properly provide warning of discontinued products? Do they have an annual merchandise exchange or return policy?
- Do they have a co-op advertising program? Do they provide advertising assistance on your catalogues, flyers, shows, etc.?
- Does the supplier offer both pricing and programs electronically in NMDA format?
- Does the supplier offer a helpful website that serves two-step distributors?

  Does the supplier provide adequate (at least 30 days) notice of impending increases and decreases in pricing?

4. **PROFITABILITY**

   Is this supplier profitable to you?

THINGS TO CONSIDER

- How does their GMROI compare to similar suppliers?
- How does the cost of handling, storing and shipping their products compare to similar suppliers?

5. **SUPPLY CHAIN PHILOSOPHY**

   One goal of NMDA is to support and promote the independent marine retailer. Wholesaler/Distributors do this by providing services to and for the retailers that help them grow their individual businesses. Suppliers who recognize the “value added” services of the W/D and provide the tools that allow them and their marine retailer customers to compete with alternate market channels are more valued partners.

THINGS TO CONSIDER

- Does the supplier differentiate his product line through packaging, exclusive products, etc. when selling to non-W/D’s?

- Does the supplier, in conjunction with his sales representatives, successfully differentiate his pricing policies, allowing W/D's a spread necessary to make their customers, the marine dealers, competitive? Are functional discounts given consideration?

- Is the market area free of "over-distribution"?

- Is the supplier sensitive to distributor margins and profitability regarding supplier's product line?

- Does the supplier support Distributor Shows and special events?

- Is Minimum Advertised Pricing (MAP) utilized if applicable to the market/product line?

6. **ARTWORK**

The W/D's catalog is one of the most important merchandising tools available to W/D's and their customers. It is crucial that a supplier's products are represented clearly and do justice to the products themselves.

► Artwork is defined as including product images, copy and product specifications.

THINGS TO CONSIDER

- Are new items or changes to existing items identified or explained in an electronic format?

- Does the supplier offer graphic layout and design services?

- Is the artwork and copy provided by the supplier satisfactory to you for use in your catalogs, websites and fliers?

- Does the supplier provide sufficient quantities of inserts to satisfy your needs?

- Is the artwork made available in a timely fashion (including all new items) to allow you to produce your catalogs and fliers efficiently?

- Does the supplier provide images/illustrations of products on electronic medium with easy to identify part numbers cross referenced?

- Does the supplier provide all artwork of their products prior to the August 15th deadline?

- Is the supplier adhering to the digital graphics standard suggested by NMDA which can be found at www.nmdaonline.com under the "Standards" heading?

- Are the images easy to access, or are they readily available from the vendor's website?

7. **CUSTOMER SERVICE**

Customer service in this instance is meant to evaluate how quickly a supplier responds when something unusual occurs or there is a breakdown in the system.

THINGS TO CONSIDER

- Is the customer service staff knowledgeable and do they have account specific information?
- Are their personnel easy to get hold of (do you even know who to contact)? Are they polite, responsive, and interested in helping you?
- Can they help you out of a jam and ship a rush order quickly?
- Do they process and ship special orders quickly and with no penalty?
- Do they quickly repair and return items sent as such?
- Does the supplier provide a means and/or incentive to conduct business electronically?

8. **NUMBER SYSTEM – UPC**

Wholesale distributors use the suppliers' part numbers and UPC codes in their operations. Are these numbers easy to work with? Does the supplier supply standardized UPC information for their product line?

THINGS TO CONSIDER

- Does the supplier have a simple individual part number for each item it sells?
- Are part numbers kept to a manageable size or length?
- Is it simple to differentiate between colors, sizes, lengths, etc.?
- Are the part numbers properly marked on the products for easy identification?
- Are the part numbers and UPC numbers available in an Excel compatible format?
- Does the supplier comply with all UPC standards?
- Does the supplier provide UPC numbers not only on the individual product but also provide UPC numbers on the master pack with both a product and a quantity code included on the outside of the master pack?

9. **PRODUCT AND WARRANTY**

This category is designed to rate each supplier on the quality and innovation of their product offerings, as well as its handling of product warranty.

THINGS TO CONSIDER

- Does the supplier provide a Certificate of Insurance to you for product liability?
- Is the supplier's product considered to be of quality manufacture? Do you get what you pay for?
- Is their product offering innovative and in keeping with our fast changing industry?

- Do you rarely receive product returned due to failure in the field?

- Is their warranty on product at the consumer level acceptable? Do they offer off-the-shelf replacement if necessary?

- Do they process warranty claims from you quickly and efficiently? Does the supplier take responsibility for returned freight?

- Do they provide accurate and current MSDS on all products where it is required on their website?

10. **SALES REPRESENTATIVE**

A manufacturer's sales representative, be it a factory person or an agency, is a critical link in the distribution chain. Does yours provide you the vital services you require?

THINGS TO CONSIDER

- Is the rep knowledgeable of their company's marketing programs, policies, products, procedures, etc.?

- Are the sales representatives actions consistent with the supply chain philosophy of the supplier?

- Is their management of their sales territory responsible; and issues of concern communicated to you quickly and truthfully?

- Do they serve as a liaison between you and the factory, helping you solve problems and getting you information you require?

- Do they perform product knowledge seminars for your sales staff to educate them on technical issues?

- Do they make regular calls on dealers on your behalf to educate them on their products and provide you feedback?

- Do they participate in the review and editing process of the distributor catalog as far as the lines they represent are concerned?

11. **PARTICIPATION – Executive Conference or S.T.E.P. Training (when applicable)**

Those suppliers who participated in the Executive Conference or S.T.E.P. Training, and are final nominees, will automatically receive 5 bonus points to be assigned by the NMDA office on the score sheet before the sheets are mailed.

12. **PACKAGING – POINT OF PURCHASE**

Presentation is a critical part of the marketing of a product. Leading suppliers use packaging to give them a distinct advantage on the dealers' shelf.

THINGS TO CONSIDER

- Is the packaging used by the supplier durable enough and appropriate for the product? Are the weights of the products packaged supported by the packaging?
- Is the size of the packaging consistent and sized for efficient merchandising?
- Does the packaging give sufficient information, instructions and/or photo representations of the product?
- Where applicable, does the supplier make available P.O.P. displays to support product sales?
- Do all items properly display the UPC and manufacturer part numbers?

13. **PACKAGING – SHIPPING**

The quality of packaging used by suppliers to ensure the product arrives in perfect condition is critical.

THINGS TO CONSIDER

- Are the means of packaging the supplier's products sufficient to ensure a safe arrival of product? Are cartons strong enough; pallets sturdy enough; pallet loads shrink wrapped properly?
- Were the products properly packed by the supplier? Was sufficient "packing" used? Were caps and lids securely tightened?
- Are all shipments properly labeled, with easy to find packing slips helping the receiving department to process the shipment?
- Does the packing protect P.O.P. packaged product to ensure it can be used in merchandising as is intended?
- Are palletized shipments put on proper sized pallets to allow easy movement and easy storage in pallet racks?
- When hazardous materials are involved does the supplier provide adequate hazardous materials information and help concerning their products?

14. **PARTICIPATION – 2015 S.T.E.P. Purchasing**

Those suppliers who participated in the 2015 S.T.E.P Conference and are final nominees will automatically receive 5 bonus points to be assigned by the NMDA office on the score sheet before the sheets are mailed.

Special "Focus" awards to be presented in 2016

NMDA will present three special "Focus" Awards in 2016. These awards have been created to highlight areas that we, as two-step distributors, value in today's business climate.

When scoring suppliers, your scores, in certain categories, are also being used to determine the results of the following focus awards. Keep the following in mind when assigning your scores:

Best All-round Packaging

Scores from category 12 (Packaging P.O.P.) and category 13 (Packaging – Shipping) will be combined to select this winner.

Supply Chain Standards Efficiency Award

Scores from category 1 (Delivery); category 2 (Invoicing); category 8 (Number System – UPC) and category 13 (Packaging – Shipping) will be combined to select this winner.

Marketing Award

Best score for marketing programs (category 3) and supply chain philosophy (category 5) will be combined to select this winner.