

# DOLLAR GENERAL®

## Domestic Vendor Quick Start Overview

Prequalification

DOLLAR GENERAL®  
Domestic Vendor Guide

Vendor Set-Up

Quality  
for less

On Time  
Every Time!

DOLLAR GENERAL

Always the  
Best Quality  
at the Best Quantity

Order Processing

Product that is  
Packed, Loaded  
& Shipped Right

Equals  
Supply Chain

Ongoing Vendor Management

Supply Chain

\*Disclaimer: The Dollar General Domestic Vendor Quick Start Overview is intended to provide a high-level overview of the expectations and requirements for our vendor partners. This document is not intended to provide full and complete information on all topics presented. In the event that any statement contained in this Overview conflicts with the Dollar General Domestic Vendor Guide, the terms of the Vendor Guide governs. For full and complete information please refer to the Dollar General Domestic Vendor Guide located at [dgparkers.com](http://dgparkers.com).

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## Profile of Dollar General

### Our Mission

In Dollar General, you'll find a company that embraces substance and simplicity. Our mission is to serve others. And, we think our customers are best served when we keep it real and keep it simple.

We build and run convenient-sized stores to deliver everyday low prices on products that our customers use every day. We have successfully done so for many years.

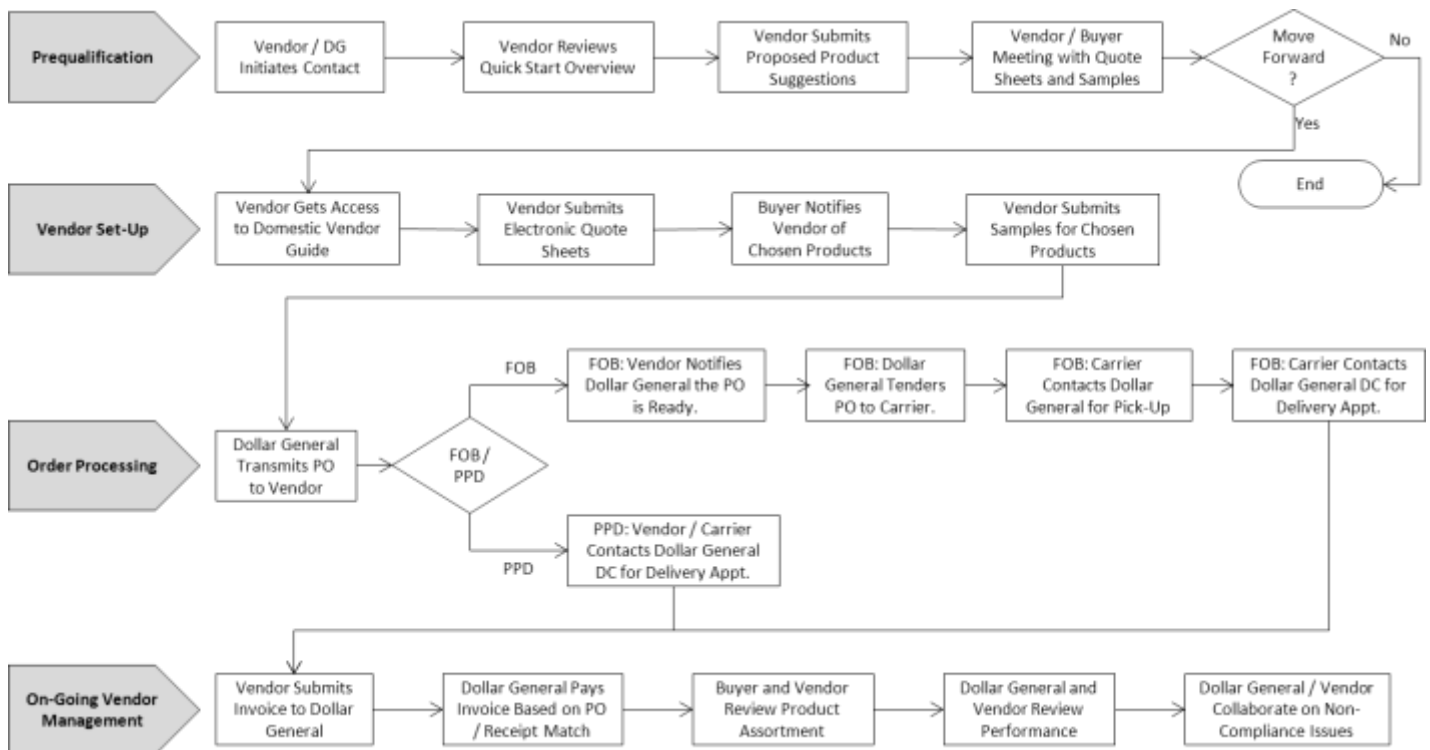
We deliver a smarter, easier shopping solution accessible to more consumers. Our goal is to provide our customers a better life and our employees opportunity and a great working environment.

### Our Model

Dollar General stands for convenience, quality brands and low prices. Dollar General's successful prototype makes shopping a truly hassle-free experience. We design small neighborhood stores with carefully edited merchandise assortments to make shopping simpler. We don't carry every brand and size, just the most popular ones.

Dollar General saves you time by staying focused on life's simple necessities: laundry detergent, toilet paper, soap, shampoo, socks and underwear...maybe a gadget or two that you just can't live without. The average Dollar General customer completes her shopping trip in less than 10 minutes.

## Chart of Typical Business Process



**Prequalification****Ethical Standards and Requirements**

- Dollar General expects its vendors to conduct themselves in accordance with the law and with the high ethical standards to which Dollar Generals holds itself and its employees.
  - To view Dollar General's current Code of Business Conduct and Ethics, please refer to the link found on the main Domestic Vendors' webpage.

**Vendor Contact Information**

- Contact information for the following individuals should be communicated to the administrative assistant of the Dollar General VP in the area with which you will be doing business with a cc: to your buyer contact. This information should include name, title, address, work phone (ideally 800 or 888 number), cell phone, and email:
  - Dollar General Account Executive
  - Dollar General Account Executive's boss and his or her boss (2 levels above the DG Account Executive)
  - Broker Representative (if applicable)
- Upon any changes to the information initially provided, an updated email is required within 10 business days to the administrative assistant with a copy to the buyer.

**Accessing the Domestic Vendor Guide**

- Log onto [www.dgpartners.com](http://www.dgpartners.com)
- Select Domestic Vendor Information
- Access to some files require the user to enter a User Name and Password provided by Dollar General
- Fill out requested information completely.

**Legal**

- Vendor must provide certificate of insurance.
- Vendor must read and understand purchase order terms and conditions.
- Vendor must sign EDI Trading Partner agreement.
- Vendor must access Domestic Vendor Guide and complete all information requested.
- Vendor must sign Non-Disclosure Agreement.
- If applicable, must provide MSDS to On-Line MSDS – by K.H.A., 6920 Hohman Avenue, Hammond, IN 46324

**Testing Standards / Guidelines**

- Vendors are required to provide products that meet all applicable local, state, and federal safety requirements, including but not limited to, the Consumer Product Safety Act, Federal Hazardous Substances Act, Flammable Fabrics Act, etc.

**Vendor Set-Up****Accounts Payable**

- Vendor must comply with Dollar General's minimum acceptable payment terms policy.
- Vendor must submit valid invoices. Invoices must be complete and accurate in the required Dollar General format.
- Payments made to Dollar General must be remitted to the proper delivery address.

**New Store, New Item, and Other Standard Allowance Programs**

- Vendor will be subject to deductions for New Store Allowances, New Item Allowances, and any other allowance associated with a standard Dollar General rebate program at the current standard program rates (subject to update).

**Damages/Unsaleables Policy**

- Vendors are required to participate in Dollar General's Damages/Unsaleables Allowance program.
  - Rate table is listed by department in the Dollar General Domestic Vendor Guide.
- Vendors will be charged on a monthly basis via deduction of Accounts Payable balance.
- Should a vendor have a national unsaleables program, a copy should be submitted to [unsaleables@dollargeneral.com](mailto:unsaleables@dollargeneral.com) and your Dollar General buyer for consideration prior to shipping.

**Electronic Data Interchange (EDI)**

- EDI is required, including the use of the 850 Purchase Order, the 810 Invoice, and the 997 Acknowledgement documents.
- Vendor must comply with VICS standards and other trading partner specifications required by Dollar General as defined in the EDI Trading Partner Agreement.
- Transmission errors and other instances of non-compliance may result in chargeback penalties to the vendor.

**Private Brands Product Development**

- Finished Product Specifications will be required to be completed in the iCiX system and be on file for First Production Review.
- First Production Review will be conducted on one case of finished product including shipper case and QA records or Certificate of Analysis.

### Private Brands Quality Assurance

- Supplier Pre-Qualification Report to be accurately completed and submitted with all requested documentation.
- Third party GMP audits from acceptable auditing service conducted within the last 12 months or GFSI certificate required for manufacturing facilities.
- Quality Monitoring Program consists of products obtained from our distribution centers at least once per year and reviewed against specification for all quality attributes including product and packaging.
- Customer Contacts handled through 3rd party call center and requires supplier responses within specified timeframes.
- Withdrawals and Recalls will require supplier response within required timeframe based on severity of issue.
- Open Code Dating is required in approved format for all products with a specified shelf life.

### Quote Sheets

- For any item being submitted for consideration, a quote sheet must be completed and turned in with your product presentation in hard copy form for each item being presented. Electronic copies must be submitted to the buyer within 24 hours of the presentation.
- Note that any deviation from our standard payment terms will be rejected unless approved by Dollar General's CFO.
- Quote sheets will be requested during the annual business review process by the buyer to ensure there are no changes to the initial submission.
- Quote sheets must be used to submit cost changes.

### Product Samples

- Initial Meeting
  - Product samples should be presented during the initial meeting with the buyer and include a corresponding one page sheet per item that includes the case pack, cost / unit, SRP (suggested retail price), IMU% (based on SRP), estimated USW (units per store per week) forecast, a list of major retailers carrying the item(s), and current Wal-Mart retail (if applicable).
  - If product samples are not available, product mock-ups or artwork should be used instead.
- Private Brand Vendor Product Testing
  - Sample Submission: Samples of proposed product and national brand are required to be submitted along with packaging structure.
  - Please refer to the Dollar General Domestic Vendor Guide for shipping instructions.
  - Technical Data Sheet for Food and Non-Food products to be sent with samples including all relevant technical information for proposed product.
  - Third Party Testing for Non-Food Products required to have been completed within the past 12 months and contain testing on product-specific parameters. Dollar General reserves the right to specify testing protocol.
- Imaging and POG Displays
  - Vendors who have items accepted by the buyer in the form of written confirmation should forward the samples to:
    - SMSB within seven business days for imaging.
    - Dollar General's Design Development Center for POG display.
    - Please refer to the Dollar General Domestic Vendor Guide for shipping instructions.

- Disposition of Sample Merchandise Policy
  - Sample product provided to Dollar General for use in making buying and plan-o-gram decisions that is no longer needed is handled in accordance with the Dollar General Disposition of Sample Merchandise Policy.
    - To view this policy please follow the link posted on the Domestic Vendors' web page located at [www.dgpartners.com](http://www.dgpartners.com).

## Order Processing

### Purchase Order

- All purchase orders are transmitted through EDI.
- Important Fields:
  - Ship Date – Date the PO must ship by
  - Arrival Date – Date the PO must arrive to consigned DC
  - SKU Number – DG assigned
  - UPC Code – Ordering UPC provided to DG on quote sheet
- PO Changes:
  - Core Items – Contact DG supply chain manager and / or DG reorder team member.
  - Non-Core Items – Contact Dollar General Buyer and / or Merchandising Assistant.
  - PO will not be retransmitted through EDI for vendor requested changes.

### Packing and Marking

- Comply with ISTA Series 3 procedures. Reference [www.ista.org](http://www.ista.org).
- No loose flaps, no crushed cartons, no half boxes, no bands, and / or no open tops.
- Certify cartons fit on 48" X 40" pallet without overhang or excessive under hang.
- Packaging must have a complete and accurate description of the product.
- Date sensitive product must be marked with the appropriate expiration information.
  - Closed date coding must be approved by the buyer and interpretation must be supplied.
- Carton weighing over 40 pounds must be marked appropriately and where practical have lifting aids.
- Carton must be designed to withstand normal handling through Dollar General's (case handling) supply chain to arrive at the store damage-free.

### Transportation

- All purchase orders must be shipped complete as ordered by Dollar General.
- Vendors are to send one call-in per core PO with one ship location and one product-ready date.
- You must ship collect purchase orders as requested via the carrier Dollar General assigned to that order.
- Truckload (TL) Mode
  - Product must be loaded in a manner to secure the load to prevent shifting and damages during transit.
  - "Shipper Load, Count, & Seal" must be documented on all bills of lading. Shipper must load, count, and seal trailer with the seal number and trailer number identified on the bill of lading.
  - All truckload moves will be "Shipper Load & Count". Dollar General will not be responsible for driver count costs at the vendor site.

- Less Than Truckload (LTL) Mode
  - All merchandise being shipped to the same DC destination within two days should be combined on a single bill of lading with the carrier.
  - FOB (Collect) LTL purchase orders will be moved via a carrier selected by Dollar General Transportation. The carriers should contact the vendor and advise when the pick-up will be made.
  - If shipping from the Northeast via a carrier on behalf of New England Motor Freight (NEMF) it must be consigned to: Dollar General c/o NEMF, I-71 North Ave East Elizabeth, NJ 07201.
  - If shipping from the Southeast via a carrier on behalf of Averitt LTL it must be consigned to: Dollar General c/o Averitt LTL, 1156 Old Norcross Rd, Lawrenceville, GA 30045.

## On-Going Vendor Management

### Vendor Compliance

- Vendors will incur chargebacks as outlined in the Vendor Guide for non-compliance violations to include, but not limited to:
  - Incorrect Product: Wrong merchandise, case pack, inner pack, price issue, etc.
  - Incorrect Information: Carton information, purchase order number, BOL, Packing List, etc.
  - Quality: Poor quality pallets slip sheets, freshness, concealed damages/shortages, etc.
  - Supply Chain Performance: Incorrect DC, missed appointments, call-in violations, etc.
- Charge backs are at standard rates plus rework and re-handling charges where applicable.
- Product determined damaged prior to receipt:
  - May be returned to the vendor.
  - All freight charges incurred for the return of damaged product will be charged back to the vendor.
  - Vendors will be subject to an administrative charge back for handling costs associated with the return of merchandise.

### Vendor Managed Inventory (VMI)

- Dollar General chooses to enter into a Vendor Managed Inventory relationship with certain key suppliers to leverage supply chain capabilities in an effort to better serve our customers.
- Vendors who have established VMI capabilities and wish to discuss this opportunity further should contact their Dollar General Replenishment representative.

### Performance Measurements

- Dollar General uses a variety of metrics to measure the performance of our vendors. These metrics will be periodically provided to the vendor via a scorecard from the Supply Chain Management team.
- The metrics used to measure performance include but are not limited to:
  - DC In-Stock Percent
  - X-Out Dollars
  - Days of Supply
  - DC Turns
  - Receipt to Sales Ration
  - Number of Non-Compliance Chargebacks Issued