

**DOLLAR GENERAL®**

# Scan Based Trading Quick Start Overview

**Updated September 2012**

**\*Disclaimer:** The Dollar General Scanned Based Trading Overview is intended to provide a high-level overview of the expectations and requirements for our scanned based trading 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 Scan Based Trading Agreement, and if applicable the Domestic Vendor Guide, the terms of the Agreement and / or the Domestic Vendor Guide governs. For full and complete information please refer to the Dollar General Scan Based Trading Agreement provided by your merchandising contact, and if applicable the Domestic Vendor Guide located at [dgparkers.com](http://dgparkers.com).

**Ethical Standards and Requirements**

- Dollar General expects its vendors to conduct themselves in accordance with the law and the high ethical standards to which Dollar General holds itself and its employees. The *Code of Business Conduct and Ethics* is available at <[http://www.dollargeneral.com/investing/cg\\_intro.aspx](http://www.dollargeneral.com/investing/cg_intro.aspx)>.

**Vendor Contact Information**

- Contact information for the following individuals must 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 must 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.

**Legal**

- Vendor must provide certificate of insurance.
- Vendor must sign EDI Trading Partner Agreement.
- Vendor must sign appropriate Scan Based Trading (SBT) Agreement.
- If applicable, must provide MSDS to On-Line MSDS – by K.H.A., 6920 Hohman Avenue, Hammond, IN 46324

**General Information**

- Scan Based Trading is available for drop ship direct to store or warehouse based merchandise that will be shipped from Dollar General DCs to Stores.
- Vendors will be provided with a specific location within the Stores for the merchandising of their products.
- Dollar General acts as the primary obligor with respect to the retail sales of Product to our customers (i.e. the customer believes they are buying the product from Dollar General and not the vendor).
- A UPC can only be SBT by a single vendor.

**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.
- Quote sheets will be requested during the annual business review process by the buyer to ensure there are no changes to the initial submission.
- Cost must be in two-digit (\$0.00) format to prevent rounding issues during payment.

**Title and Risk of Loss**

- Title and risk of loss to each Product, regardless of the cause of the loss, including loss attributable to natural disasters, theft, or physical destruction shall remain with the Vendor.
- The return of Product initially sold to a retail customer that is returned shall be deemed a negative sale, and title and risk of loss immediately reverts to the Vendor.

**Inventory**

- Inventory is owned by the Vendor until such time the Product is processed through Dollar General's point of sale system.
- Dollar General is not responsible for counting, or otherwise providing information on inventory at Stores.
- Dollar General will allow the vendor to utilize a third party retail service to count inventory in Stores.
- Dollar General will provide a daily retail sales activity report by Product by Store.
- If Vendor currently has product in Dollar General's stores and warehouses, this product can be converted to an SBT program based upon a predetermined conversion agreement.
- In the event of a store closing, it is the responsibility of the Vendor to eliminate any open replenishment orders to the Store, prevent any additional orders being created for the Store, and arrange for the removal of their product from the Store.

**Retail Pricing and Payment**

- Dollar General establishes the retail price for each sale of Product at its sole discretion.
- Dollar General will pay for all invoices posted during its fiscal week (Saturday through Friday) on the Thursday following the conclusion of the fiscal week (or next business day if such Thursday is a holiday).
- Payment will be issued using Retailer created smart invoice numbering.
- Payment will only be issued for Product where sales are retrievable.

**Technology**

- All vendors must have the capability to receive and or transmit the following EDI documents:
  - 810 – Invoice
  - 820 – EFT
  - 832 – Pricing Catalog
  - 852 – (2) Product Activity Reports: Store Level Sales 852 and DC Level Inventory 852
  - 855 – Purchase Order (DC based items only)
- Contact Information – All contacts can be reached at 615.855.4000
  - EDI Mapping – Tracy Isenberg (Vendors A – J) / Lori Reynolds (Vendors K – Z)
  - 810 in Production – Kim Bailey
  - 820 in Production – Kim Bailey
  - 832 in Production – Bill Reilly
  - 855 in Production – Tracy Isenberg (Vendors A – J) / Lori Reynolds (Vendors K – Z)
  - 852 in Production – Tracy Isenberg (Vendors A – J) / Lori Reynolds (Vendors K – Z)

**Accessing the Domestic Vendor Guide (Vendors with Warehouse Based Product Only)**

- 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.

**SKU Setup and Management (Vendors with Warehouse Based Product Only)**

- Two SKUs per Item (*Applies to Vendors with Warehouse Based Product Only*)
  - Each SKU will be issued two SKU numbers; one for DC and Store replenishment and one for selling.
- Vendor is responsible for managing inventory into the Dollar General DCs and for providing store level orders for store replenishment.
- For product processed through Dollar General's warehouses, a daily inventory snapshot will be provided.

**Packing and Marking (Applies to Vendors with Warehouse Based Product Only)**

- 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.
- Pallet must have a pallet label, 8.5" x 11" sheet of paper, fixed to the top and any two sides with the following information:
  - Destination DC, SKU Description(s), and SKU Numbers(s)
  - Message – "Do not scan UPC during check-in process."
- 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 (Applies to Vendors with Warehouse Based Product Only)**

- 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 must 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 must 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 must 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.

**Typical DSD Based Timeline / Milestones (8 – 12 Weeks)**

Milestones / Major Tasks	Duration (Weeks)	Weeks														
		1	2	3	4	5	6	7	8	9	10	11	12	13		
Vendor / Merch Meeting	< 1	█														
Items Accepted	1		█													
Set-Up Vendor	1		█													
Set-Up SKUs	1			█												
EDI Mapping & Testing	4				█	█	█	█								
Set-Up UPCs, Cost, Etc...	1						█									
UPC Test (832)	1							█								
Effective Date <sup>1</sup>	0												★			
Store Set	1															█

<sup>1</sup>All existing non-SBT product must be converted by the Effective Date

**Typical Warehouse Based Timeline / Milestones (10 – 12 Weeks)**

Milestones / Major Tasks	Duration (Weeks)	Weeks														
		1	2	3	4	5	6	7	8	9	10	11	12	13		
Vendor / Merch Meeting	< 1	█														
Items Accepted	1		█													
Set-Up Vendor	1		█													
Set-Up SKUs	1			█												
EDI Mapping & Testing	4				█	█	█	█								
Set-Up UPCs, Cost, Etc...	1						█									
UPC Test (832)	1							█								
Vendor Ships Product	2								█	█						
DC Ships Product	2											█	█			
Effective Date <sup>1</sup>	0												★			
Store Set	1															█

<sup>1</sup>All existing non-SBT product must be converted by the Effective Date

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**SBT On-Boarding Checklist****Prequalification**

- Reach an agreement on pricing, POG, store distribution, etc. with Merchandising
- Understand transportation, distribution, handling, case pack, and replenishment requirements with Supply Chain
- Reach an agreement on terms of sale, damages, returns, etc. with Accounting
- Receive item approval from Merchandising
- Submit Quote Sheet(s) to Merchandising
- Access, read, and understand the information and requirements presented in the Domestic Vendor Guide<sup>1</sup>
- Provide Certificate of Insurance to Merchandising
- Provide MSDS if applicable
- Sign and submit the appropriate SBT Agreement to Merchandising and Accounting

**Vendor / Item Set-Up**

- Receive vendor number from Merchandising / Accounts Payable (new vendors only)
- Receive SKU numbers from Merchandising (new SKUs only)
- Submit UPCs & Cost File via EDI 832 transmission
- Receive successful test transmission of EDI 832 to test UPC and cost setup

**EDI**

- Map 810
- Map 820
- Map 832
- Map 852 (Store Level)
- Map 852 (DC Level)<sup>1</sup>
- Map 855<sup>1</sup>
- Penny Test
- 832 Transmission Test
- 855 Transmission Test<sup>1</sup>

**Product Set**

- Product shipped to Dollar General DCs<sup>1</sup>
- Product shipped to Dollar General Stores
- Product set at Dollar General Stores

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<sup>1</sup> Only applies to vendors with warehouse based product(s).