



THE HOME DEPOT

Supplier Onboarding Guide

Fall 2011



The Home Depot Onboarding Process



Supplier Setup

Asst. Mgmt.

Purchase Orders

Shipping

Store Execution



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New Supplier Checklist

From Yes! To the cash register. Complete the steps outlined below to successfully complete onboarding to The Home Depot. For additional information on each step, please refer to the contents in the onboarding guide.

Step 1

Supplier Buying Agreement (SBA)

- Meet / get introduced to Merchant Assistant (MA)
- Obtain SBA control ID _____ and password _____ from THD. Upon receipt, update password and communicate changes with anyone in your company that will access this account.
- MILESTONE A:** Gather 13-digit Global Location Numbers (GLNs) for company
- MILESTONE B:** Submit insurance letter to obtain Insurance Verification Code _____
- Complete SBA webform online: <https://hdapps.homedepot.com/THDSupplierOnboard>
- MILESTONE C:** Obtain Payables # (PVendor) _____ Merchandising # (MVendor) _____

Step 2

General

- Attend new supplier onboarding webinar (schedule on HomeDepotLink)
- MILESTONE D:** Gather GTINs (UPCs, i2of5, ITF14 barcodes) for each product hierarchy level (each, pack, case, pallet)

Electronic Data Interchange (EDI)

- Select Connection Method – Sterling Webforms or Value-Added Network (VAN)
- Contact and establish service with Sterling Webforms, if appropriate
- Establish and test the five Core required EDI documents (850, 810, 812, 856, 820)
- Establish and test the EDI 852 document (Product Activity Data) – *highly recommended*
- Contact b2b_testing@homedepot.com to initiate testing process for data exchange
- Successfully complete the EDI testing process

Step 3

Item Data Management

- Contact idm@homedepot.com to obtain Login and password
- Complete IDM training: Recorded webinars, user guide, data quality standards
- For online items, submit pricing and cost to Direct Fulfillment Merchant (DFM)
- MILESTONE E:** Complete all blue and red items until they are in “Existing Items”

Step 4

SKU Setup

- Request New SKU setup report form from your MA
- Complete New SKU setup form and return to MA via e-mail
- MILESTONE F:** Obtain SKU numbers for all products





Step 5

Assortment Management Tool (AMT)

- Attend monthly AMT training sessions. Contact Merchant Assistant for schedule.
- Obtain Answer Key forms for your products from Merchant Assistant
- Complete the Assortment Answer Key to map SKUs to assortments
- Complete the Store Answer Key to map assortments to stores
- Submit answers keys to MA for processing

Planograms (POG)

- Contact [plan o gram@homedepot.com](mailto:planogram@homedepot.com) to gain access to the Planogram system
- Obtain all current POGs for your bays from vendor captain
- POGs modified and reviewed with Merchant
- MILESTONE G:** POGs updated by vendor captain and loaded to Planogram application

Shipment Routing

- Determine the appropriate channel for your products – RDC, SDC, BDC, or DTS
- Identify the Home Depot onboarding partner for given channel
- Complete channel-specific onboarding process

Step 6

In-Store Service Request (ISSR)

- Complete ISSR document for adding your product to the shelves
- Review ISSR document with Merchant and MET Manager
- Load ISSR to the MET calendar

Opening Order

- Obtain Host Order form from MA
- Complete Host Order form and submit to MA
- Verify POs have been received via EDI
- MILESTONE H:** Ship opening order
- Verify product is in store (inventory report from MA or EDI 852 report)

Compile the list of contacts below to assist you in a successful onboarding.

CONTACTS			
Title	Name	E-mail	Phone #
HOME DEPOT			
Merchant			
Merchant Assistant			
Direct Fulfillment Merchant			
MET Manager			
Distribution			
OTHER COMPANIES			
Vendor POG Captain			





Introduction

Welcome to The Home Depot! This guide was created to help you navigate the process of getting your company set up to do business with The Home Depot. For many Suppliers the excitement of getting a “yes” from a Merchant is followed by the reality of the administrative work required to successfully sell product to and through The Home Depot.

After some background information on The Home Depot and our corporate policies, this guide follows the process from supplier set up where you will be assigned vendor numbers, through assortment management where you set up your SKUs and assign them to stores. The guide will then walk you through how to initiate orders at the Home Depot, how we handle shipping to the stores and finally what you can do as a Supplier to help with store execution and sell through. This guide will also take a detour to talk about special processes for our Import Suppliers. The guide is written to cover the essential information for the most common types of suppliers. There are a number of exceptions to these “normal” situations and many of these will be referenced in the guide with direction on where you can find more information.

Again, welcome to The Home Depot.

HomeDepotLink

The HomeDepotLink site is the main communication portal where Suppliers can access critical information on doing business with The Home Depot. The Home Depot expects Suppliers to visit the site frequently and check metrics and compliance issues weekly (where they apply). HomeDepotLink also serves as a central hub to other important information and sites. The Supplier Reference Guide and legal terms and conditions are key documents that contain detailed information on almost every aspect of doing business with The Home Depot. It is important that your company thoroughly reads all sections of HomeDepotLink and the Supplier Reference Guide, and becomes familiar with The Home Depot supplier expectations. The HomeDepotLink site can be accessed at <https://homedepotlink.homedepot.com>.

Home Depot 101

Working with The Home Depot can sometimes be overwhelming for new suppliers. While this Onboarding Guide covers important internal business groups, it is also important that you understand some general information about The Home Depot.

Supplier Types - In Home Depot parlance, there are two main types of suppliers: import and domestic. Within the company, this distinction is based on when Home Depot takes ownership of the product and not where the product is manufactured. In this context, a domestic supplier is one where HD’s ownership of the product begins inside the United States; an Import Supplier is one where HD takes ownership outside of the United States and is responsible for the mechanics of bringing the product into the country.

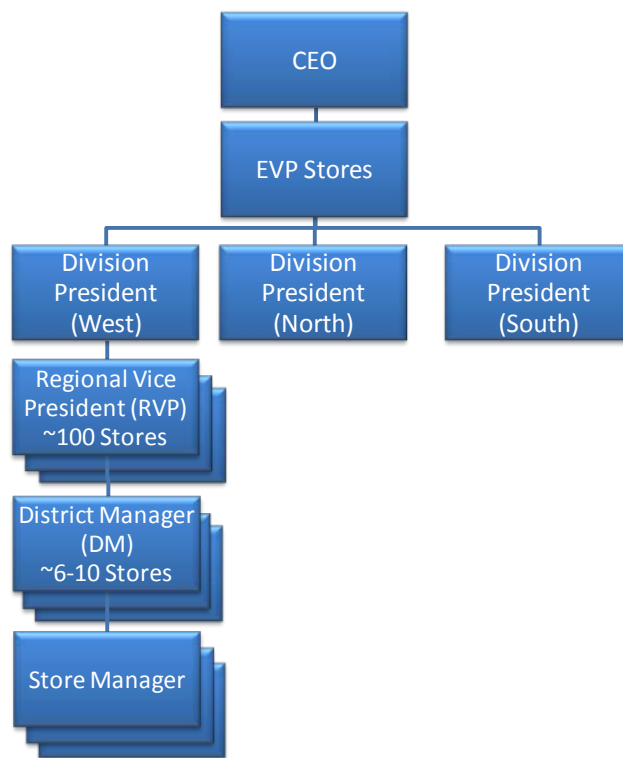




Store Hierarchy and Organization - From an operations perspective, each store is part of a district, managed by a District Manager (DM). Districts are grouped into Regions, which are managed by a Regional Vice President (RVP). The Regions, in turn, belong to one of three divisions (see the org chart below).

Additionally, from a merchandising perspective each store is part of a Market, which is the level at which most pricing and promotional decisions are made. Typically, a Market is composed of one or more Districts, but there are exceptions where a District encompasses multiple Markets. Each Market is part of a Buying Office (BYO) which was used historically when we operated multiple Buying Offices in the field. The current store listing can be found on HomeDepotLink.

The Home Depot – Field Org Chart



Vendor Numbers - All Home Depot Suppliers are assigned a unique Accounts Payable Vendor Number (usually 1 per supplier) known as a PVendor. The PVendor Number must be present on every invoice. Additionally, merchandising suppliers are assigned one or more Merchandise Vendor Number (MVendor Number). Home Depot’s merchandising systems require that a unique MVendor number is issued for each department with which a Supplier does business. If you are a Supplier that supplies both import product (product that the Home Depot takes ownership of outside the United State) and domestic product, you will need different MVendor





numbers for those activities. Additionally, separate MVendor numbers are required to support the online and Special Order businesses.

Product Hierarchy - Each product is established within the Home Depot product hierarchy, composed of departments (ex. Hardware), classes (ex. Hand Tools) and subclasses (ex. Hammers). The list of departments is shown below:

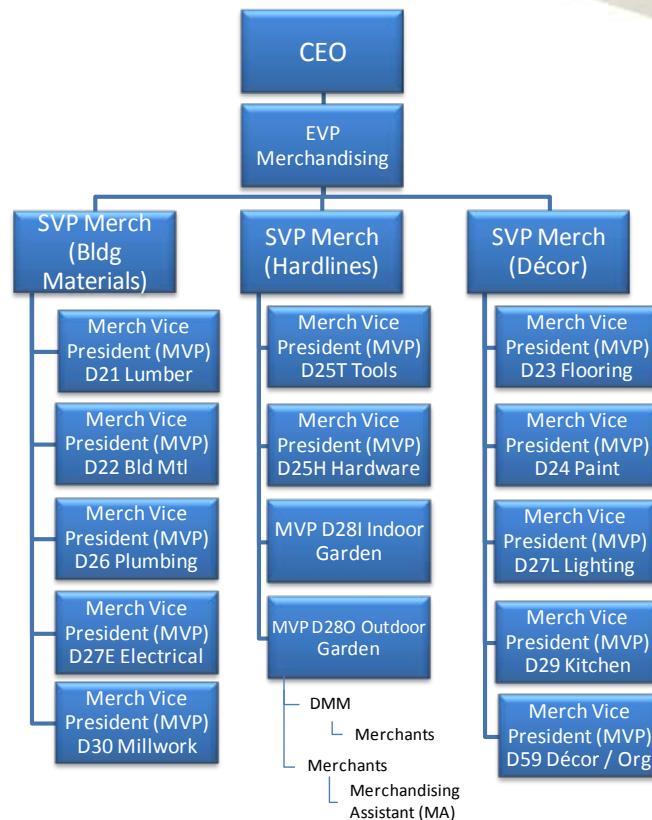
Home Depot Merchandising Departments		
Department	Sub-Department	Department Name
21		Lumber
22		Building Materials
23		Flooring
24		Paint
	25H	Hardware
	25T	Tools
26		Plumbing and Bath
27	27E	Electrical
	27L	Lighting
28	28I	Outdoor Living and Power
	28O	Live Goods and Landscaping
29		Kitchen
30		Millwork
59		Home Décor and Organization

Merchandising Organization - The merchandising organization is based on the product hierarchy. An Executive Vice President or Chief Merchant is over all departments. The EVP has three Senior Vice Presidents who each have a number of departments broken down into Building Materials (Departments 21,22,30,26,27E), Hardware (Departments 25 and 28) and Décor(Departments 29, 27L, 23, 24, 59). Each Department has a Merchandising Vice President and the Merchants report to this Vice President. For larger categories there can be one more layer called a DMM who has multiple Merchants reporting to him/her. Merchants rely on their Merchandising Assistants (MA) for much of the day to day execution and administrative support. The Merchant at The Home Depot is supported by a number of functional organizations that you will work with as well.





The Home Depot – Merchandising Org Chart



Function	Role / Interaction
Merchandising Finance	Tracking of performance. Merchandising statistics. Annual planning.
Merchandising Marketing Manager	Liaison between marketing and merchandising for a department. Creates marketing plans, and drives execution like ad placement, and social media.
Direct Fulfillment Merchant	Departmental partner to your Merchant to get your products online for HomeDepot.com
IPR manager	Focuses on ordering and inventory. You will work with this person to make sure you have the right amount of inventory in each store.
Visual Merchant	Works with you and the Merchant to deliver an easy shopping experience for the customer. This person will be responsible to the Point of Purchase signage and placement of your product at retail
MET Manager	The Merchandising Execution Team (MET) is the Home Depot field force that executes changes to retail display. They will be the team that actually cuts your product into the shelf.
Product Development Merchant (PDM)	You will only work with a PDM if you are dealing with import goods (goods that Home Depot takes ownership of outside of the US)
Vendor Captain	In many but not all circumstances, the Merchant will have assigned one vendor the captainship of your category. This captain maintains the design of the bays at a store level. If there is a bay captain other than your company, you will need to interact with them to get your product placed at retail





Supplier Setup

Supplier Buying Agreement (SBA)

The Supplier Buying Agreement (SBA) serves as the main legal agreement between the Supplier and THD concerning terms, conditions and other merchandising agreements. Once THD approves a Supplier, their Merchant or Merchant Assistant will send the Supplier an email inviting them to complete their SBA via our online tool – the SBA Webform Application.

Completing the SBA

The email invitation contains step-by-step directions on the SBA submittal process. There are six sections of the SBA Webform that you should be prepared to complete when you log onto the application:

- General information
- Product information
- Payment terms
- Shipping terms
- Return terms
- Contact information.

Invitations expire after seven days; failure to submit all information by the expiration date will require your Merchant Assistant to issue a new invitation. Detailed training documentation can be accessed within the SBA Webform Application by clicking on the HELP button located in the upper right-hand corner of the screen.





Supplier Onboarding

Release v1.0.3
Built by The Home Depot

Settings Help Close

Welcome
Store #?



The screenshot shows the 'General' tab of the Supplier Onboarding form. A blue box highlights the navigation tabs: Invitation, General, Products, Payment, Shipping, Returns, Contacts, and Summary. Below this, there are sub-tabs: Basic, Financial, Factory, and Special Stipulations. The 'Basic Information' section contains fields for Vendor Category (Import), SBA Creation Date (8/17/2009), Person completing form, and Small or large business? (radio buttons for Small and Large). Information icons (i) are present next to several fields. A 'Save' button is at the bottom center, with 'Back' and 'Next' buttons on either side. A 'Comments' button is also visible. Callouts provide instructions: 'Use the "Save" button to save work in progress', 'Fields that appear on the form are based on the Supplier "type" (e.g. Import vs Domestic) selected during the invitation process', 'Hover over "i" (information) icons to receive helpful information regarding that field', and 'Use the "Back" and "Next" buttons to move from one screen to the next; use the scroll bar to move up and down on the screen'.

Your Merchant and Merchant Assistant are the primary source for information and support regarding the SBA process; please contact them for any questions or concerns you have regarding your SBA with The Home Depot.

Insurance

IMPORTANT - The Insurance Approval Form is a required document for all new Suppliers, or existing Suppliers that will be providing new products for another Home Depot Department. It ensures that Suppliers meet Home Depot's insurance requirements. This process takes approximately four (4) weeks and a special code is mailed to Suppliers upon successful verification. Suppliers that do not have their insurance properly verified cannot complete the SBA process.

Once you have received your Insurance Verification code and email invitation, you are ready to begin creating/updating your SBA online. Detailed instructions for logging into the SBA Webform application are contained in your email invitation. For assistance in using this application, refer to the SBA Webform Supplier Training Guide located in the Help button on the SBA Webform Application. Please note that you have exactly **60** days from the time you receive your email invitation to fully complete and submit the application. The SBA is viewable for another 30 days and then it is purged from the system.

As noted above, all Home Depot Suppliers are required to meet minimum requirements for Product Liability insurance. The level of insurance required varies according to the class of product in question. The current insurance requirements for each product class are shown below. The US / Puerto Rico Insurance Approval Form (shown below, but also available on HomeDepotLink) must be completed and submitted as part of the supplier setup process.





Request that the agent/broker email or fax the Certificate of Insurance and this completed form to the address or fax number below. The Certificate will be reviewed for compliance with The Home Depot's insurance requirements. If approved, an approval form with an approval number will be returned to Supplier. This form must accompany all other required forms when submitting the Supplier Buying Agreement. If not approved, a detailed list of the deficiencies will be returned to Supplier and the agent/broker. It should be noted that delays in this process may disqualify the supplier from this sourcing event.

A revised Certificate and the original deficiency notice should be sent back to The Home Depot. Email: HomeDepot@ebix.com
Fax number (770) 325-0422

Any questions regarding The Home Depot's requirements or clarification of deficiency notices should be referred to The Home Depot at (951) 786-2210.

Existing Vendor? New Vendor?

If new vendor provide Pay To vendor number _____ If new vendor provide Pay To vendor name _____

Home Depot Assigned Occurrence and Aggregate Limit ←

Agent/Broker: _____ Agent/Broker Contact Name: _____

Agent/Broker Telephone: _____ Agent/Broker Fax: _____ Agent/Broker Email: _____

Supplier Name: _____ Supplier Contact Name: _____

Supplier Telephone: _____ Supplier Fax: _____ Supplier Email: _____

THD Merch Contact: _____ THD Merch Tel.: _____

Attached is a Certificate of Insurance for the above referenced proposed The Home Depot Supplier. Please review for compliance with The Home Depot's insurance requirements set forth in the Supplier Buying Agreement. Approval notification of deficiencies should be returned to the supplier contact and agent/broker at the fax numbers above.

Home Depot Insurance Category	Home Depot per Occurrence and Aggregate Limit Requirement	Home Depot Department – Class
I	\$2,000,000	21-Lumber: All Product Classes 22-Building Materials: Siding, Ventilation, Concrete, Gypsum, Metal Products, Fencing 23-Flooring: All Product Classes 24-Paint: All Product Classes <u>except</u> Power Equipment, Pump Sprayers, Pressure Washers, Chemicals 25-Hardware: All Product Classes <u>except</u> Generators, Miscellaneous Power, Power Tool Accessories, Deck and Drywall Screw Guns, Knives 26-Plumbing: Housewares 27-Electrical and Lighting: Switch Plate Covers (non-electrical) and Similar Type Products 28-Seasonal/Garden: Refuse Containers, Trash Bags, Planters, Hose, Decorative Holiday (non-electrical), Cookware, Apparel, Rakes, Fireplaces, Storage Buildings, Landscape Fencing, Seed/Bulbs, Pool Accessories, Animal Care, Pet Supplies, Watering, Live Goods, Cleaning Accessories (Brooms, Mops, Sponges, etc.), Tools (Rakes, Shovels, etc.) 29-Kitchen and Bath: Kitchen Cabinets, Kitchen Sinks, Vanities, Bath Fixtures 30-Millwork: Windows, Doors, Mouldings, Glass, Millwork Specialties 59-Blinds and Wallpaper: All Product Classes
II	\$4,000,000	22-Building Materials: Insulation, Roofing 24-Paint: Pump Sprayers 25-Hardware: Generators, Miscellaneous Power, Power Tool Accessories, Deck and Drywall Screw Guns, Knives 28-Seasonal/Garden: Resin/Extruded Aluminum Furniture, Outdoor Furniture, Other Agricultural Products, Patio/Hearth, Landscape Accessories

Home	Home Depot per	Home Depot Department – Class
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Depot Insurance Category	Occurrence and Aggregate Limit Requirement	
II	\$8,000,000	24-Paint: Power Equipment, Pressure Washers, Chemicals 25-Hardware: Fastening Tools, Rope, Chain, Tie-Downs, Padlocks, Locks, Truck/Tractor Parts, Batteries, Fire Extinguishers, Garage Door Openers 26-Plumbing: Pipes and Fittings, Faucets, Pumps and Irrigation Systems, Water Heaters 27-Electrical and Lighting: All Product Classes 28-Seasonal/Garden: Fertilizers, Cleaners, Pesticides, Chemical Products, Power Equipment (Lawnmowers), Grills, Decorative Lighting, Pet Supplies, Appliances, Pellet Stoves, Fireplace Accessories, Oils/Fluids, Grease, Tires, Wheelbarrows, Grills, Grill Accessories, Power Equipment, Fountains, Statuary, Concrete Edging, Pavers and Accessories, Garden Wall Block, Stepping Stones 29-Kitchen and Bath: Appliances (major/small), Disposers, Hot Water Dispensers, Light Bars, Whirlpools, Outdoor Spas, Tub & Shower Doors 30-Millwork: Skylights
IV	\$20,000,000	22-Building Materials: Ladders, Scaffolding

Once a Supplier’s insurance has been reviewed and approved, an Insurance Verification code will be sent to the Supplier. This code is required before the online SBA process can be completed. In addition to the initial insurance review, periodic insurance audits will be conducted to ensure all Suppliers are current on their insurance requirements.

Completing the SBA Forms

Completing the SBA form: General - the General tab allows you to input information regarding your business, the person completing the SBA (this will be the person that the HD Requestor can contact for questions regarding SBA information) and also includes:

- Payment remittance information (all vendors)
- Financial information (typically found on a W-9 form)
- Factory information (visible for Import Suppliers only)
- Special stipulations (optional; used to include any text/information not able to be represented in other sections of the SBA. *Note:* work with your Home Depot Merchant to review these.





Completing the SBA form: Products - the Products tab allows you to provide specific information about the products you will be supplying to the Home Depot. This important information is used for environmental and packaging compliance, and has five top-level questions requiring a response:

1. Do your products contain wood (solid or composite)?
2. Does product contain recycled, recovered or salvaged wood fiber?
3. Do you currently apply Electronic Article Surveillance (EAS) tags on your products?
4. Do you make claims regarding product packaging such as biodegradable, lead-free, recycled, safe, or other environmental claims?
5. Do any of your products contain ozone-depleting chemicals (Import product only)?

Completing the SBA form: Payment - the Payment section displays payment terms entered by the Merchant (in the invitation), as well as captures other terms and discounts including Advertising/Marketing programs and Volume Rebate programs. The Payment tab contains two sections:

- Terms
- Discounts





The information on the Terms tab will be “locked” and read-only when you receive it from Home Depot. In order to change the pay terms, the HD Requestor must create and send you a new SBA invitation.

Completing the SBA form: Shipping - the Shipping section is used to gather all shipping terms at the corporate, BYO (buying office) and market-levels. It also captures the necessary data for shipping terms to off-shore locations like Hawaii, Guam, Puerto Rico and the US Virgin Islands and MUST be completed if product will be provided to any of these locations.

Completing the SBA form: Returns - The Returns tab is used to establish policies around returned merchandise. It allows you to define the rules around returning defective and non-defective merchandise; including how and when you need merchandise to be returned. As you work through completing the Returns information, the web form will open additional screens with information you need to complete, based on your selections. NOTE: All information that you enter into the Returns section is visible to Home Depot Store Associates (typically viewed





by the receiving associates) so you need to be sure and have the correct returns contact information here (for RGAs/inspections).

Returns

General > Products > Payment > Shipping > **Returns** > Contacts > Summary

Return Policies

Supplier Level Policy ^{*} **Edit** ⓘ

Returns Policy Exceptions ⓘ

Exception Type	Grouping

New
Delete

Back **Save** **Comments** **Next**

Supplier Level Policy will automatically show because it is required for all merchandise. Selecting "Edit" will open another window to allow you to define the rules around that policy.

Select "New" to establish a policy for Class/Subclass Exception and/or Geographic Exception (if applicable). To delete, select the policy in the list and press "Delete".

The options for the Returns include the following:

- Self-Service vendors are automatically changed to 'Destroy in field for credit'
- Defective merchandise can 'Return for credit'
- Non-Defective Merchandise 'Special orders can be returned for credit with or without a Returned Goods Authorization' (RGA)
- When no RGA or inspection is required, should a restocking fee for Customer Choice or Ordered Incorrectly Special Order apply?

Completing the SBA form: Contacts - the Contacts section is used to identify your contact information for various issue resolution, including but not limited to: Corporate, EDI, purchase order inquiries, and general customer service issues. Contact information can be stored at a corporate level, which applies to all Home Depot stores, or designated for individual Buying Offices (BYOs) or Markets. Information contained in this section includes:

- Name and Title
- Phone Number and Fax Number
- Email and street address



Contacts

Invitation > General > Products > Payment > Shipping > Returns > **Contacts** > Summary

Corporate | Buying Office (0) | Market (0)

Corporate

EDI

Purchase Order

Corporate Contact

Copy Data From: [Dropdown]

First Name * [Text Box]

Last Name * [Text Box]

Title * [Text Box]

Phone Number * [Text Box]

Phone Extension [Text Box]

Fax Number [Text Box]

Three levels of Contact info:
 •Corporate
 •Buying Office
 •Market

Once you complete any type of contact information (e.g. Corporate, Accounts Payable, EDI, etc) you can use the "Copy Data From" feature to copy that same information to another Contact type. This eliminates the need to re-type the information

Completing the SBA form: Summary - The Summary screen enables you to audit your work, and correct any fields, prior to sending a communication to the HD Requestor that the SBA is complete. The Validation screen will list any required fields that remain blank. Suppliers can also sign their SBA electronically – eliminating the need for submitting any paper documents.

Review all information on the Summary to ensure the SBA is complete and accurate. Return to the appropriate section of the SBA webform to modify any fields that need to be corrected and review the Summary again to ensure completion.

Once you've confirmed that all fields are complete, change the SBA status to "Ready to Review," which will send the HD Contact and HD Merchant an email. All SBAs are electronically signed and executed in the system.

Reminder - If you intend to sell product on THD.com, you will need to complete a separate SBA for the online business.

The SBA process is complete when you have your MVendor and PVendor Number(s). In addition to the steps outlined here your Merchant must obtain some internal sign-offs most importantly from their Merchandising Vice President.



Summary

Invitation > General > Products > Payment > Shipping > Returns > Contacts > **Summary**

Supplier Buying Agreement Summary

Invitation > Invitation Type: **Field is required**
 Invitation > Vendor Category: **Field is required**
 Invitation > Company Name: **Field is required**
 Invitation > Invitee Name: **Field is required**
 Invitation > Invitee Phone Number: **Field is required**
 Invitation > Invitee Email Address: **Field is required**
 Invitation > Retype Invitee Email Address: **Field is required**
 Invitation > Merchandise Department: **Field is required**
 Invitation > Merchant Name: **Field is required**

View / Print SBA

The Validation screen validates entry in all fields and displays any required fields that were left blank. Complete required fields, then review the Summary again to ensure they are complete.

You may view and/or print the SBA in .pdf format. You may view and print both incomplete/in progress and completed, SBAs.

Selling Restrictions

Based on product characteristics and composition, there is the possibility that sales will be restricted based on federal, state or local regulations. Although this guide cannot discuss all possible scenarios, there are two that are common enough to be addressed here.

Hazardous Materials - Each Supplier and/or shipper is responsible for complying with all applicable international, national, federal, provincial, state or local laws and regulations when shipping hazardous materials. All SKUs set up in Item Data Management will be reviewed for HAZMAT categorization. It is the expectation of Home Depot that a Supplier will not ship products to a jurisdiction where they cannot legally be sold. Regardless, all shipments must be in proper condition for transport: packed, marked, labeled, described and certified as provided in the governing regulations.

Stop Sale - If a situation arises where a governmental agency or Supplier has determined that an existing product is not safe for sale, Home Depot has a well-defined process to remove the products in question from the selling floor. For additional information about this process, contact Home Depot's Store Operations team via the contact information at the end of this guide. Product recalls are considered a subset of Stop Sale actions.

Corporate Compliance & Ethical Standards

Introduction - The Home Depot, its affiliates, divisions, and subsidiaries have a strong commitment to ethics and integrity and we are committed to conducting business in a responsible manner. Ethics and integrity form the foundation of our supplier relationships and The Home Depot expects that Suppliers will abide by all applicable local laws, rules and regulations in the manufacture and distribution of merchandise or services provided to The Home Depot. All Suppliers are strongly encouraged to meet or exceed The Home Depot's Corporate Compliance and Ethical Standards. The guidelines below provide an introduction to the minimum requirements that all Suppliers must meet in order to conduct business with The





Home Depot. These requirements are part of all new and/or renewed commercial agreements with The Home Depot.

Gifts and Entertainment - The Company has a zero tolerance policy for receiving gifts and entertainment when there is any chance that the purpose is to: improperly influence the recipient; violate the Company's Policies; or violate the law and does not change during traditional gift-giving seasons or during Company sponsored events. Gifts and entertainment apply to anything received as a result of an actual or potential business relationship and for which the recipient does not pay face value. In the event that the recipient is willing to pay face value for a ticket or other gifts and entertainment, when in fact the market value is significantly higher than the face value (e.g. Super Bowl or Masters Tournament tickets), the associate must still have the item approved in advance in accordance with this policy. Examples of gifts and entertainment include: meals, travel and travel accommodations for business or vacation purposes, tickets to sporting or cultural events, discounts not available to the general public, gift certificates, vendor product samples for personal use, wine or alcohol and any other merchandise or services.

Additionally, Executive Vice Presidents of The Home Depot may create a more restrictive policy, so before making any attempt to provide gifts or entertainment, you are advised to discuss such plans with a senior level contact at The Home Depot.

For the purposes of this policy, financial or in-kind donations made directly to The Home Depot Foundation, including participation fees to attend events benefiting The Home Depot Foundation are not considered gifts and entertainment and may be accepted within reason.

Conflicts of Interest - The Home Depot's Business Code of Conduct and Ethics Policy instruct The Home Depot associates to avoid conflicts of interest.

- ❑ A conflict of interest occurs when an individual's private interest interferes (or appears to interfere) in any way with the interests of The Home Depot. As conflicting loyalties impair an associate's ability to make objective decisions, conflicts of interest must be avoided.
- ❑ A conflict of interest can result from, but is not limited to, certain relationships between an associate and a customer, supplier, competitor, family member, or friend.
- ❑ A conflict exists when the parties to the relationship give or receive (or appear to give or receive) unfair advantages or preferential treatment. Conflicts of interest also arise when an associate or a member of his or her family receives improper personal benefits as a result of his or her position with the Company. Having such a conflict arouses suspicion about an associate's integrity and can cause damage to the reputation of The Home Depot.
- ❑ The Home Depot expects all Suppliers to be aware of this policy and to avoid contributing to a conflict of interest or the appearance of a conflict of interest. Any involvement by a Supplier in any conflict may be grounds for a termination of business.

Foreign Corrupt Practices Act Policy - The U.S. Foreign Corrupt Practices Act (the "FCPA") is a criminal statute which prohibits the corrupt payment of money or giving of things of value, i.e.,





“bribes,” to foreign officials in order to obtain or retain business. The Home Depot’s commitment to the highest ethical standards and to open and fair business conducted worldwide clearly encompasses compliance with applicable U.S. and international laws, including the FCPA.

The Home Depot’s employees and agents should understand that any actions taken by them on behalf of the Company in violation of the FCPA create criminal exposure for themselves, the Company and, in certain circumstances, its foreign subsidiaries. The Home Depot trusts in the integrity of its employees and expects each to comply willingly and completely with the FCPA and this Policy.

Policy

Suppliers may not offer or give anything of value to a foreign official, a foreign political party official, a foreign political party or a candidate for foreign political office that might be considered a bribe.

To the extent permitted by applicable local law and regulation, Suppliers may make certain permissible payments under the FCPA – expediting or facilitating payments, gifts and entertainment, political contributions and charitable contributions – only with the prior approval of The Home Depot Legal Department at legal_question@homedepot.com. Suppliers may not enter into any agreement with a foreign attorney, foreign accountant, foreign consultant, foreign subcontractor or other third party without obtaining the prior written approval of The Home Depot Legal Department at legal_question@homedepot.com. Suppliers must make accurate and complete entries in their records and follow generally accepted accounting procedures as required by local law. Suppliers may not make any false or misleading entries on their books and records.

Sanctions

Criminal sanctions for violations of the FCPA for individuals include fines of US \$250,000 or more (which cannot be reimbursed by the employer/principal) and six years imprisonment. Criminal sanctions for violations of the FCPA for corporations include fines of US \$2,000,000 or more.

Adequate Records; Adequate Controls

The FCPA also imposes a statutory duty on public reporting companies such as The Home Depot to maintain accurate books and records and an adequate system of internal accounting controls. This duty also extends to ensuring that the subsidiaries, domestic and foreign, of public companies such as The Home Depot also comply with these records and controls requirements.

Former Associates’ Relationships with the Home Depot’s Suppliers Policy - The Home Depot will not conduct business with a former associate who is working for a vendor supplying product or services to The Home Depot for a period of one (1) year after the associate’s separation (“cooling period”) from The Home Depot. During the cooling period, the former associate will not have any access to The Home Depot facilities for business purposes. The





former associate will not be allowed to participate in any meetings with current Home Depot associates while the former associate is working for the Supplier/new employer. In addition, former associates have an independent obligation not to use or disclose Home Depot confidential information.

The purpose of this policy is to:

- ❑ Eliminate any risk that the former associate will use his/her relationship with current Home Depot associates to improperly influence the parties' business dealings; and
- ❑ Safeguard Home Depot proprietary and confidential information that the former associate acquired during the course of employment that would inevitably be compromised.

This prohibition is not applicable if the former associate's termination was the result of a reduction in force.

Exceptions to the Former Associate Policy - For salaried Store Associates, the Regional Vice President responsible for the former associate's region may authorize an exception to the current policy. For hourly associates, the District Manager responsible for the former associate's district may authorize an exception to the current policy. For non-Store Associates, the Executive Vice President responsible for the former associate's previous department may authorize an exception to current policy or may designate a Senior Vice President to review and approve an exception.

All exceptions must be approved in advance and must be submitted to the Corporate Compliance department at SER@homedepot.com.

Social and Environmental Responsibility (SER) - As The Home Depot expands our business activities abroad and works with Suppliers globally to meet customers' needs, it is important to preserve our collective commitment to human rights in the workplace as well as a safe work environment. The Home Depot expects all Suppliers to abide by all applicable federal, state, and local laws, rules and regulations in the manufacture and distribution of merchandise or services provided to The Home Depot. This may include but not be limited to securing proper licenses and registrations to sell products in certain states and/or locations. All Suppliers are strongly encouraged to exceed The Home Depot's guidelines and promote continuous improvement throughout their operations. All Suppliers must be able to demonstrate compliance with these requirements at the request of The Home Depot.

The Home Depot may at its sole discretion conduct Social and Environmental Responsibility (SER) audits at factories producing licensed branded or exclusive products. For all other Suppliers of merchandise, The Home Depot may evaluate their SER or corporate responsibility program to ensure that it is consistent with The Home Depot's compliance areas. If a Supplier does not have an SER program or corporate responsibility program, The Home Depot will work with such Supplier to ensure that it is building its internal capabilities to monitor compliance at its facilities. The Home Depot reserves the right to audit any Supplier's operations involved in the manufacture or distribution of merchandise or services provided to The Home Depot. The Home Depot expects that any changes to the Supplier's company/factory or manufacturing





location will be communicated in writing to The Home Depot for evaluation. In addition, the manufacture of The Home Depot products must not be relocated from approved facilities without the prior approval of The Home Depot Quality Assurance team.

Specific details about Home Depot expectations of its Suppliers can be found in the Supplier Reference Guide available at the online via the HomeDepotLink site via **Doing Business > Supplier Setup > Supplier Reference Guide & Legal Ts and Cs.**

Supplier Alertline Information - The Home Depot makes our expectations and compliance standards clear and encourage Suppliers to contact us if an associate ever asks you to do anything that infringes upon these standards. The Home Depot provides the Supplier Alertline for the exclusive use of Suppliers to report violations of company policy pertaining to receiving or soliciting gifts, bribes or kickbacks, disclosure of confidential information or a conflict of interest.

If you are aware of a situation where you think there may be a violation of company policy pertaining to receiving or soliciting gifts, bribes or kickbacks, disclosure of confidential information or a conflict of interest, immediately notify the Home Depot's Merchandising Leadership Team.

If you are uncomfortable taking the issue to the Leadership Team or if you wish to remain anonymous, contact the Supplier Alertline at <https://www.integrity-helpline.com/hdsupplier.jsp> or by using the following toll-free numbers:

United States and Canada-1-800-435-3152

Mexico-001-888-765-8153

China-10-800-711-0714 or 10-800-110-0654

Your Other Warehouse (YOW)

YOW is a warehousing operation used by Home Depot to serve special orders and HomeDepot.com deliveries. It is primarily used for Kitchen, Bath and Lighting Fixtures but other categories are fulfilled out of there as well. As described above, the vast majority of Special Order and HomeDepot.com goods are shipped direct from factory and not from YOW. For Suppliers that are selected to supply product to YOW, the YOW Supplier Buying Agreement (which differs than the standard Home Depot SBA) must be completed. This form, along with YOW's Return to Vendor form, must be completed before business between YOW and the Supplier can commence. Both forms are available on HomeDepotLink via **Doing Business > Supplier Setup > Your Other Warehouse (YOW).**

Branding

All branding guidelines can be found in the Bay Standards Guide located in on HomeDepotLink **Doing Business > Assortment & Space Planning > In Store Environment – Visual Merch.** Check with your Merchant if you do not have a HomeDepotLink login. All branding information is protected, so you must log on to the site prior to accessing it. Suppliers manufacturing products to be sold using one of Home Depot's proprietary brand names must follow the Pre-





Qualification and On-Boarding (PQOB) process. For additional information, see the PQOB material in the Import Supplier section of this guide. [A link to the PQOB Supplier User Guide is provided in the contact section at the end of this guide.](#)

Packaging

All packaging systems designed for The Home Depot should enhance the customer's shopping experience, provide protection for product integrity, and serve the customer from pre-purchase through product use and package disposal.

Packaging must also comply with all requirements as stated in the Supplier Reference Guide.

The following are requirements for all Suppliers:

- All retail primary packages must include country of origin
- All products making a warranty claim must include a reference to a contact source for the consumer to exercise their warranty rights. If The Home Depot is managing the warranty claim, then The Home Depot corporate address will satisfy the requirement.
- All products are required to have a manufacturer, packager, or distributor name and address on the primary retail package
- All proprietary Home Depot branded packages must include The Home Depot SKU number

Additional packaging requirements, bar coding, environmental and disposal attributes, as well as distribution attributes are discussed in the Supplier Reference Guide. All packaging guidelines can be found in the Bay Standards Guide located on HomeDepotLink (protected by log in and password).

* * * *

Supplier Set up Conclusion

The vendor setup process is complete when you have your MVendor number(s) and PVendor numbers. At that point you are ready to start the process of setting up SKUs and ultimately taking orders. As mentioned above, there are several internal steps that your Merchant must do to get approvals for your set up. Once the SBA process is complete, which includes approvals from the Merchandising Vice President and a couple of other internal stakeholders, you should receive your vendor numbers via email. If after submitting all SBA materials and electronically signing your SBA, you have not received notification of your Vendor Numbers, you should contact your Merchant or MA to understand the delay.





Compliance

Supplier Scorecard

The Supplier Scorecard program was designed to create a collaborative supply chain environment based on the philosophy of continuous improvement and sustainable performance. This endeavor is accomplished by evaluating key performance indicators, identifying areas of improvement and partnering with the Supplier to ensure robust processes are in place to support achievement of performance goals and expectations.

Metrics - the primary categories for supplier scorecard measurement are Product Set-Up and Data Maintenance, Electronic Data Interchange (EDI), Transportation (Routing Guide, Consolidation, TMS “Ready-To- Ship”) and Purchase Order Fulfillment (Fill Rate, On-Time Delivery, ASN). Each of these primary categories contains one or many performance metrics that evaluate performance to a defined threshold.

For access to the Supplier Scorecard, please visit HomeDepotLink and select Supplier Scorecard Login: on the left side page navigation. For supplier scorecard related questions and password set-up and resets visit the compliance page on HomeDepotLink via **Doing Business > Compliance > Vendor Performance and Analysis**.

Compliance Program

The Vendor Performance Analysis team periodically adds Suppliers to the Compliance program based on certain thresholds, one of which is volume of business with The Home Depot. If your company is selected to participate in the program, you will receive notification from the GSPM team.

Expectations

- Clearly understand the performance requirements of all functional groups
- Review scorecard metrics to continuously identify performance improvement opportunities
- Identify root-cause of poor performance and implement the corrective action that supports sustainable performance
- Become a proactive partner with The Home Depot support teams to collaboratively resolve issues or share best practices

Suppliers are expected to meet or exceed the established performance thresholds. Failure to meet the defined threshold for certain key strategic metrics may result in a financial offset. Additional information regarding performance metrics, non-compliance financial offsets and how to dispute scorecard non-compliance penalties is discussed, in detail, during the Scorecard and Compliance onboarding process.

For questions on performance requirements, the dispute process, financial offsets and root-cause/corrective action assistance please contact the Vendor Compliance team using the





contact information provided at the end of this guide. Be sure to include your P-Vendor Number, Company Name, Contact Name and Email Address in all emails.

Weekly Sales and Inventory Reporting - In addition to the mandatory EDI transactions, there is an optional feed of sales and on-hands available weekly through an 852 transaction. Vendors should review the weekly Sale and Inventory Reporting to ensure that each store has a sufficient level of product on-hand to support the forecasted sales. This data can be extremely helpful in driving sales and catching problems early. The vendor has a choice to receive this data weekly or monthly.

Retail Math - The Home Depot uses the retail method of accounting, which captures and records inventory value and sales components based on the retail value only, and not the cost paid. Instead, the initial markup (IMU%) on goods purchased is pooled and applied to all products sold. The value for the ending inventory at cost is mathematically derived instead of being explicitly tracked and is used to determine the cost of goods sold in each period. This calculation is performed independently at the Department, Class and Sub-class levels.

In addition to gross margin, retail math is also used to calculate two other key financial metrics. Inventory Turnover refers to the number of times (velocity) inventory is sold during the year. Gross Margin Return on Inventory (GMROI) tells you how profitable the product is and how well the inventory was managed to provide a better return. GMROI provides visibility into the money that Home Depot makes on the product it sells. It is used as a profitability measure to evaluate departments and merchandise classifications.

One major implication of using the retail method of accounting is that retail price changes (markups, markdowns) impact current period profitability even if the corresponding inventory hasn't been sold. Retail value isn't applied to product until it reaches the store, though, so inventory held in a distribution center or elsewhere in the supply chain isn't impacted in this way.





Electronic Data Interchange (EDI)

The benefits of conducting business electronically, instead of manually faxing or mailing paper, are lower costs from reduced manual data-entry errors and postage costs, timeliness due to rapid exchange of business data, accurate information and audit trails of transactions as well as flexibility of the technology. As we look for ways to drive down the cost of doing business, we are pleased to extend electronic trading programs to all of our business partners to gain efficiencies across the supply chain. Your company has a choice of either:

- Utilizing a third party Value-Added Network (VAN) to manage the EDI (Electronic Data Interchange) between you and The Home Depot
- Using an internal EDI (Electronic Data Interchange) solution directly between you and The Home Depot
- A web-based solution to trade business documents electronically (via Sterling Web Forms).

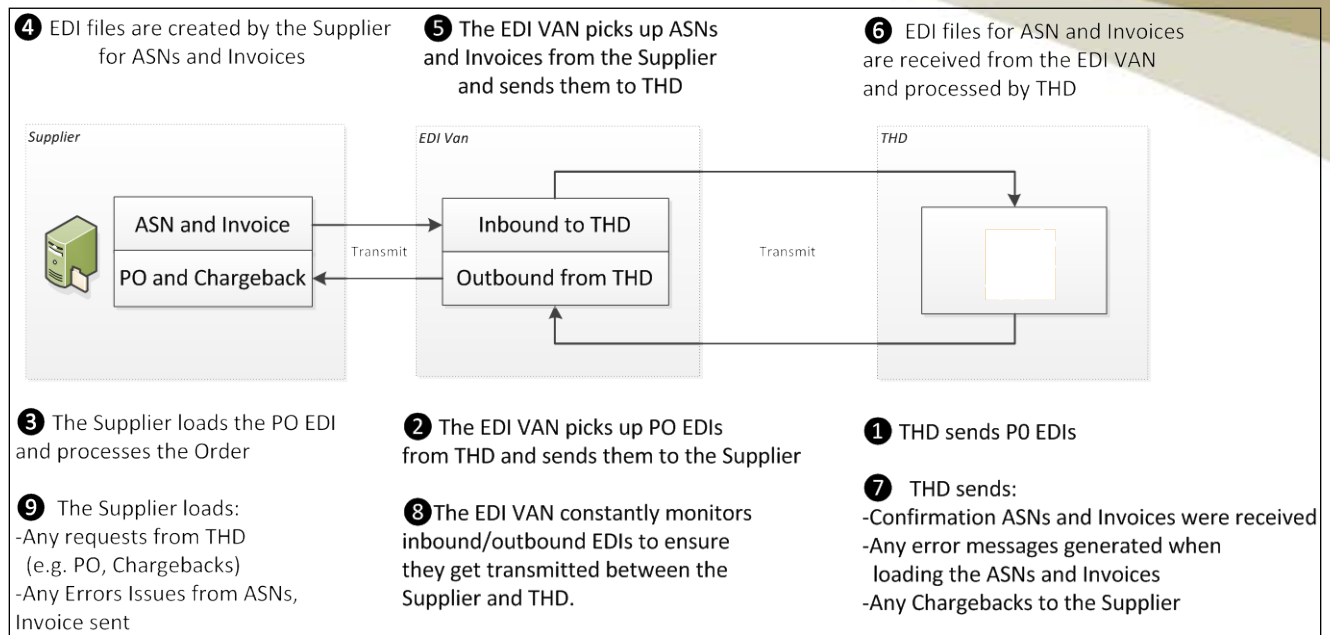
Core Documents - The five core documents that all Suppliers will need to test in order to become compliant are the Purchase Order (850), Invoice (810), Charge Back Return to Vendor (812), Electronic Remittance (820) and Advance Shipping Notice (856). All Suppliers are required to have the ability to transmit these documents electronically within 90 days of becoming a Supplier. If your company fails to fulfill this requirement, you will be subject to compliance offsets. The Home Depot requires that you receive payments via electronic funds transfer and must provide valid ACH banking details (routing and account numbers)

Electronic Data Interchange (EDI) is an exchange of business transactions utilizing a standard format. EDI is Home Depot's preferred method for electronic exchanges of business transactions. The Home Depot EDI program relies on the standards and conventions as developed by the American National Standards Institute (ANSI) that are common across the industry and used by most major retailers. There are two ways to access the EDI information:

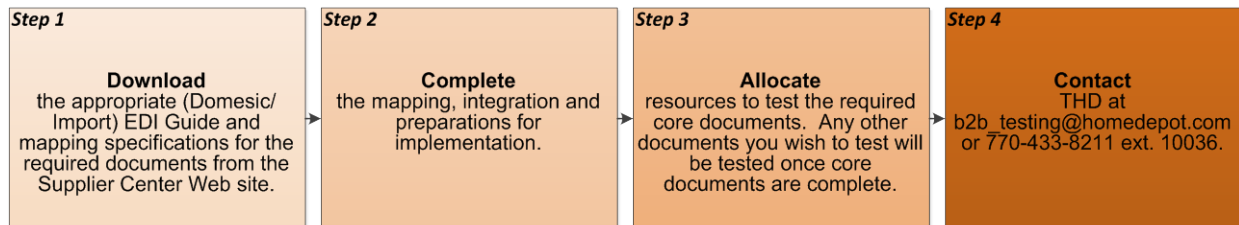




Via EDI VAN (Value Added Network)



The following are the steps to follow to get started with EDI:



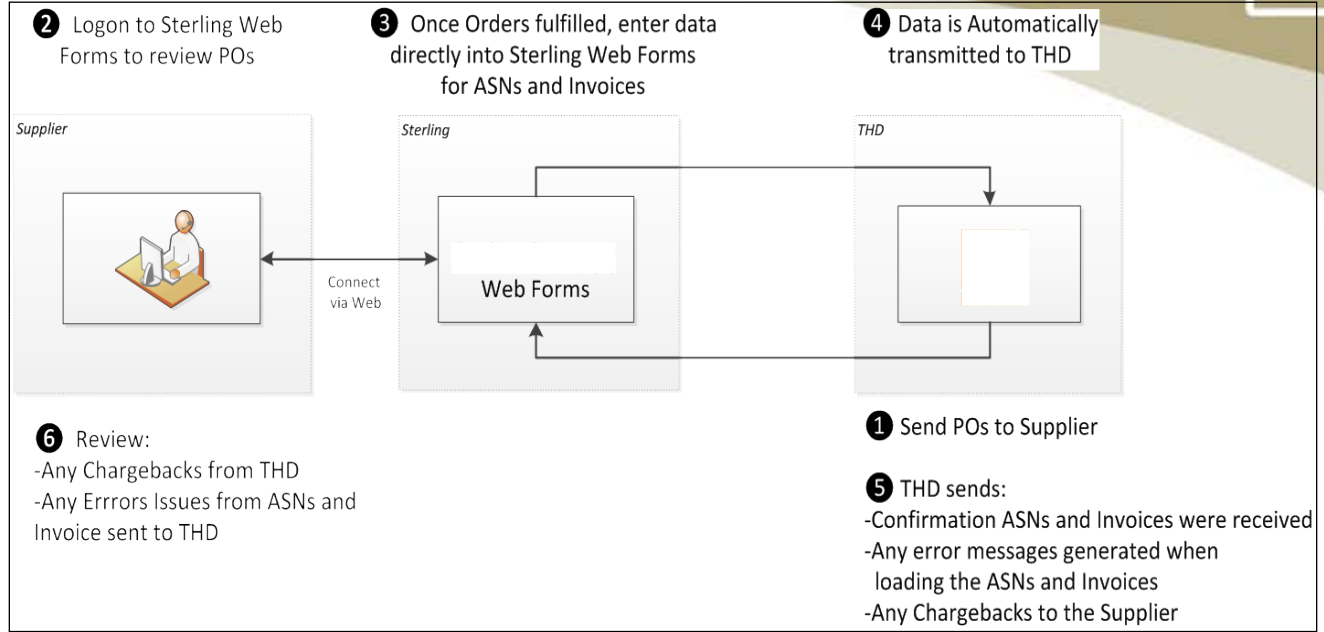
If your company fails to provide a valid EDI Contact or if that contact becomes inactive during the EDI testing process, you will be deactivated from EDI testing. As a result testing will not be completed and potential off-sets will be assessed.

Web Based Solutions - A web-based solution allows partners the ability to trade business documents electronically via the Internet through a VAN partner pre-selected by The Home Depot. These solutions allow you to participate in the exchange of business transactions if you do not possess the technical or capital resources to purchase and support an EDI system.

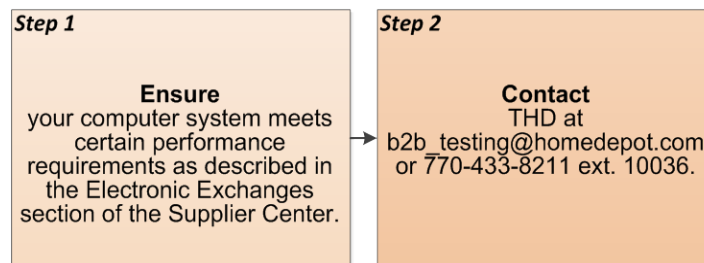




Via Sterling Web Forms



Getting started with a web-based solution:



You can get more information on exchanging data electronically with Home Depot by accessing the team's page on **Doing Business > Electronic Data Interchange > US Merchandise Suppliers**. If you require additional testing assistance, email or call b2b_testing@homedepot.com / 770-433-8211 ext. 10036 Option 3 > 3.

EDI for HomeDepot.com - The Home Depot has contracted with Commerce Hub to all transactions for HomeDepot.com, providing a management tool to ensure high customer satisfaction. Through alerts and reporting, Commerce Hub helps both the Supplier and Home Depot identify potential issues and make certain we jointly meet our customer commitments. All Suppliers for HomeDepot.com must be able to exchange data electronically via Commerce Hub.





Item Management

Now that you are set up as a Home Depot Supplier and have an active MVendor and PVendor number, you are ready to set up your SKUs for ordering. There will always be three important steps 1) Item Data Management setup 2) SKU setup and 3) Planogram completion and often, in cases where stores will have different combinations of SKUs you will also need to complete the Assortment Management Tool (AMT). Each of these will be described in detail in the follow sections.

Item Data Management

Item Data Management is an online tool where our Supplier partners view, setup, and maintain product data. This product data is the single source of data for the homedepot.com website, Home Depot stores and Home Depot's supply chain initiative, and ultimately will drive the new SKU setup and Special Order process.

Item Data Management allows Suppliers to:

- Have clear visibility into where items are in the evaluation workflow
- Enter and manage product information and digital assets
- Assist Home Depot in marketing products more effectively, which will increase sales potential
- Enter and manage business critical supply chain and hazardous material details
- Enter and manage detailed business contact information

Getting Started - The first step to getting started in Item Data Management is to obtain a username and password. If you do not have a username and password, please email Item Data Management at the address shown on the last page of this guide. You may be required to complete an onboarding template. Have your 13 digit global location number(s) readily available. For more information on obtaining your companies GLN, please contact GS1 at <http://www.gs1.org/contact>.

After you have received a username and password, go to <https://idm.homedepot.com>. Enter your username and password and press submit. Each Item Data Management account has at least one user contact listed as an Administrator. Administrators may add additional users to their company's Item Data Management account. Partner with your Item Data Management Administrator to receive a username and password.

Training - Each Supplier must complete the following training located on the team's HomeDepotLink page via **Doing Business > Item Management > Item Data Management**: in order to be on-boarded on Item Data Management:

- Watch recorded Webinar Training
- Read Item Data Management User Guide
- Read Frequently Asked Questions (FAQ) document

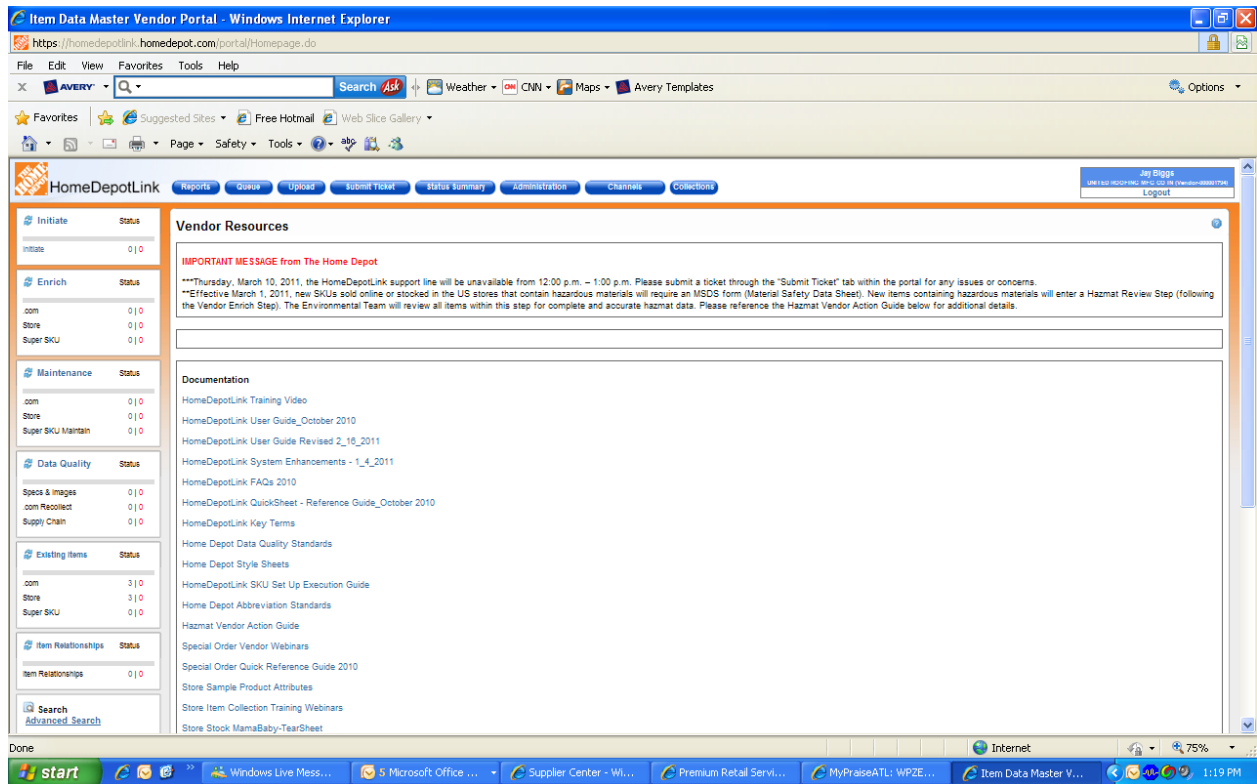




Failure to follow the above steps will result in unsuccessful onboarding and will prevent Suppliers from being able to update information on homedepot.com or in the store systems. Please visit HomeDepotLink for more information. Questions can be submitted to the Item Data Management team via the email address provided at the end of this guide.

Vendor Resources - After successfully logging into Item Data Management, the Vendor Resources page will appear. This page is used as a means for the Home Depot to communicate important messages to you including:

- Critical dates about training opportunities and enhancement releases
- Items that require action for your specific account
- Training materials and documentation
- Frequently Asked Questions
- Key Terms/Glossary



Tab Overview – There are eight specific tabs located at the top of each page in Item Data Management. Listed below is an overview of each tab and its purpose. Additional details about each tab can be found in the user manuals available online on Item Data Management.

Tab	Purpose
Reports	Allows users to download, view and upload Item Data Management reports
Queue	Used to track the status of file uploads and downloads
Upload	Allows the user to upload spreadsheets, PDF, jpeg or zip files

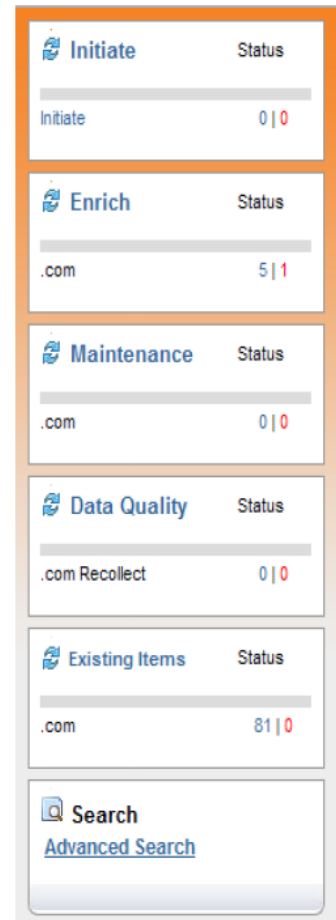




Submit Ticket	Allows users to create and track support issues
Status Summary	Allows user to see the status of their items in various workflows
Administration	Allows users to manage contacts associated with their account
Collections	Allows users to manage their Collections. Note: this will only be visible to Suppliers with access to Item Relationships
Channel	Allows you to select where the product is available – Store and/or HD.com

Left Navigation Pane - The section to the left of the screen is referred to as the Left navigation pane and is viewable on all screens. The goal of the left navigation pane is to provide users visibility to item location in the approval process and to highlight items that require Supplier action. The main sections of the left navigation pane follow the key process steps in loading items to Item Data Management. They are:

- Initiate – This section is used to initiate/create new items
- Enrich – This section is used to enrich new items which means entering certain information about the item like marketing, supply chain, hazmat and images etc.
- Maintenance – This section is used to track items that have passed through the initial approval process, but require additional information or necessary changes
- Existing Items – This section refers to items that are complete and in production
- Data Quality – This section flags any issues where data may be missing or inconsistent and needs to be added or corrected
- Item Relationships – This section is used for creating/managing item relationships and is only visible to Suppliers with this capability



In each step of the workflow process, blue numbers indicate items that have acceptable product data, and red numbers represent items that have been flagged as incorrect and require additional information. The blue and red numbers combine to equal the total number of products within a specific status. Both blue and red items in these steps demand attention (Initiate, Enrich, and Maintenance). Only red numbers require attention in this section (Item Relationships)

Important: Item Data Management will NOT send automatic email notifications to users for action-required items in the process. Suppliers are responsible for logging into Item Data Management regularly and utilizing the left navigation pane to determine if there are any items that require attention.

New Item Process Flow: Initiate - The first step in the process to create a new item is to initiate the item in the Item Data Management system. After reaching an agreement with your





Merchant new items can be entered into the system. A picture of the “Initiate Item” screen is shown below. If you have more than ten items to set up, you should utilize the QuickSheet functionality to submit multiple items for review. To access click the Generate QuickSheet button that is available on Item Data Management.

Initiate

The screenshot shows a web form for initiating a new item. The form is organized into several sections:

- Item Type:** A dropdown menu currently set to "Item".
- Sellable GTIN:** A text input field.
- UPC:** A text input field.
- Product Name(100):** A text input field.
- Item GLN:** A dropdown menu currently set to "Select GLN".
- Model #:** A text input field.
- Comment to Home Depot:** A large text area for providing additional details.
- Channel(s):** Two checkboxes for "DotCom" and "SpecOrder".
- Categorization (view all):** A dropdown menu currently set to "Select Item".

At the bottom of the form, there are three buttons: "Generate QuickSheet" (with a green icon), "Add Another Item", and "Submit".

To complete the Supplier Initiate process, follow these steps:

- Click on Initiate under Initiate section in the left navigation pane.
- Select the Item Type. The default is Item. Other options include Super SKU and Super SKU Item. These options will only be available for Suppliers with Super SKU capabilities. For details on Initiating these Item Types, refer to the Item Data Management user guide.
- Enter the Sellable GTIN (Global Trade Item Number), a 14 digit unique product identification number.
- Enter the UPC. The UPC (Universal Product Code) is an 8, 9,10,11,12 or 13 digit barcode used for tracking items.
- Enter the Product Name, using no more than 120 characters.
- Enter the Item GLN. A GLN (Global Location Number) is a 13 digit location identification number that is unique to your company.
- Enter the Model # for the item.
- In the Comment to Home Depot section, you may provide additional detail about the item or proposed categorization to The Home Depot.
- In the Channel(s) checkbox, select the item’s selling channels as agreed upon with your Merchant: DotCom, Store, and Special Order. Note: Check boxes will appear only for channels for which your account is certified.
- Finally click on the drop-down menu for Categorization to select the appropriate categories for the item.





- It is very important to get your categorization correct. You should confirm the category with your Merchant. If you need to change it after set up, you will have to work with the Item Data Management team.

QuickSheets - QuickSheets are customized Excel spreadsheets that have been formatted especially for use with Item Data Management to assist with uploading large quantities of data. Using a QuickSheets will enable a Supplier to collect and store data in an offline mode as well as distribute the QuickSheets to collect data via several personnel at the same time. The use of the QuickSheets function is entirely voluntary and is provided for the expedited entry of data into the portal. These QuickSheets have been designed to mimic the functionality of portal screens as much as possible. Depending on the stage in the process, different QuickSheets can be used to upload information:

- Supplier Initiate
- Supplier Enrich
- Maintenance
- Existing Items
- Item Relationships

Additional information on creating and using QuickSheets can be found in the Item Data Management QuickSheets Reference Guide, which is available for download once you log into Item Data Management. Below are some guidelines to using QuickSheets:

1. The following Excel functionality has been disabled
 - a. User cannot modify cell format
 - b. User cannot insert or delete a row(s)
 - c. Undo functionality has been disabled
2. When an Excel, QuickSheet is closed, a warning will be given to the user if there are mandatory attributes missing from the spreadsheets
3. If the user enters an invalid value in a cell, the cell will be filled yellow on leaving the cell
4. Mandatory fields are indicated with the red header
5. No changes/updates can be made in grayed out cells in any spreadsheet

Tips for Vendor Initiate Spreadsheet - Use this template to collect data. It is best not to copy information from another spreadsheet or file. For detailed documentation on usage of the spreadsheet, visit vendor resources page in Item Data Management.

Before Upload

1. After all data is populated, ensure that none of the cells are colored yellow (incorrect values)
2. Always save and close the spreadsheet before uploading. This way you will be able to check if there are any mandatory information missing in the spreadsheet





3. Select a batch name such that it uniquely identifies the SKUs contained in this initiate spreadsheet for later maintenance.

After Upload

4. Check queue to confirm system has fully processed the worksheet
5. Always check that all items that are uploaded have moved to THD Review
6. If any item fails to upload, a new spreadsheet is advised to avoid conflict with items that have already uploaded from the existing spreadsheets
7. When uploading the spreadsheet, select Initiate ‘Vendor initiate.xls’ in the dropdown

New Item Process Flow: Enrich - After you have successfully entered the initial item information during the Supplier Initiate step and the item has been reviewed and accepted for classification by The Home Depot, the next step is to enter detailed item information in the Enrich step. To Enrich an item in Item Data Management means to add important and necessary details to better represent the product. The information entered in the Enrich section will be used for several purposes including marketing your product to customers on homedepot.com and in The Home Depot stores. The information will also be used throughout The Home Depot enterprise including Supply Chain and Hazmat. There will be some channel specific information requested as part of Enrich. To Enrich an existing item, follow these steps:

- Click on the blue or red numbers under Enrich next to the channel you wish to work on in the left navigation.
- Select the item that you wish to Enrich by clicking on the OMSID for that item.
- Clicking on the OMSID will take you to the Enrich screen. At the top of the screen you will see important information about the item including GTIN, OMSID, Product Name, and Model #. Just below the basic product information are 5 tabs that include fields that must be completed and a sixth tab that is optional. The tabs may be completed in order or you may navigate from one tab to the next. You are not required to finish all of the information in one tab before moving to another tab.
- Save any changes throughout the process by clicking SAVE. Click SUBMIT to complete the Enrich step. The item information will then be submitted to The Home Depot for final review and approvals.

The additional data required in the “Item Enrich” stages is grouped into six categories: Core Attributes, Marketing Attributes, Supply Chain Attributes, Hazmat, Images and Digital Assets, and Required Assets List. The next few sections describe the types of information requested in each section.





Item Enrich: Core Attributes

Store **GTIN: 00077985006310 OMSID: 202710998**

Product Name: Professional Series Plastic Adjustable Pop-Up Sprinkler Nozzle
Model #: 1804VAN
Item Type: Item

Process Notes:
02/15/11 10:05 - store_veninttenrich.js: Following required assets are missing: Product Image

Core Attributes | Marketing Attributes | Supply Chain Attributes | Hazmat | Images and Digital Assets | Required Assets List

E-Comm or Store Browse:

PRODUCT_TYPE:

THD Vendor #:

THD Vendor Name:

THD SKU # (NO dashes):

THD SO SKU:

Supplier SKU:

Description (40):

Product Name (120): Professional Series Plastic Adjustable Pop-Up Sprinkler Nozzle

GLN:

globalTradetelNumber (GTIN):

UPC:

* MFG Part #:

* MFG Name:

* - Required field

Save

This section includes a list of basic attributes that are required for all items. Required attributes may vary slightly depending on the item's selling channel. Some of the attributes required include:

- THD Dept
- THD Class
- THD Sub Class
- GTIN
- GLN
- MFG Part #
- UPC
- MFG Name
- Supplier Name
- Supplier SKU
- Product Name
- Vendor Processing Days
- MFG Model #
- Assembled Width
- Assembled Depth
- Assembled Height
- Item Weight
- Country of Origin
- # of Boxes Shipped to Consumer
- Ship From State
- Freight Class
- Excluded Ship-to States
- MFG Brand Name
- Proprietary Brand Name





Item Enrich: Marketing Attributes

The screenshot shows the 'Marketing Attributes' tab selected. The main content area contains various input fields for product specifications, including 'Color Family', 'Irrigation System Component', 'Manufacturer Warranty', 'Maximum Coverage Area (sq ft.)', 'Maximum Spray Distance (ft.)', 'Pop up height (in.)', 'Pressure Rating', 'Product Diameter (in.)', 'Retracted Height (in.)', 'Retraction Spring', 'Riser Required', and 'Sprinkler Head Spray Pattern'. A 'Save' button is located at the bottom right of the form.

The Marketing Tab is important since information entered here will describe your item to customers. Good marketing data is directly related to item sales; therefore entering detailed information into this tab is critical. Allow these details to answer questions that a customer may have. Required fields for this tab include: marketing copy (up to 1,500 characters), marketing bullet points (up to 4).

Item Enrich: Supply Chain Attributes

The screenshot shows the 'Supply Chain Attributes' tab selected. The main content area features a table with columns for 'Attribute', 'Each', 'Pack', 'Case', and 'Pallet'. Each column has an 'Add' button. The table contains fields for 'Color of Packaging on Shelf', 'Global Trademark Number (GTIN)', 'Barcode (ITF-14, GS1)', 'Sellable Unit?', 'Merchanded on Shelf?', 'UPC', 'Quantity', and 'Gross Weight (lb)'. A 'Save' button is located at the bottom right of the form.

Attribute	Each	Pack	Case	Pallet
Color of Packaging on Shelf:				
* Global Trademark Number (GTIN):	00077985006310			
* Barcode (ITF-14, GS1):				
* Sellable Unit?:				
* Merchanded on Shelf?:				
UPC:	077985006310			
* Quantity:	1			
* Gross Weight (lb):				

The Supply Chain Attributes tab will be filled-in based on your selling channel and shipping hierarchy. For example, if the item is only .com and sold individually, you will only fill in the attributes in the each column. If the item is also sold through The Home Depot stores, you will





be required to fill-in the corresponding Pack, Case, and Pallet details where applicable. All required attributes for the Each, Pack, Case or Pallet are clearly indicated on the screen with a red asterisk. For detailed help on the Supply Chain data entry, reference the Item Data Management Data Quality Kit and the Supply Chain section of the Item Data Management User Guide.

Item Enrich: Hazmat

Your product's categorization, department/class/subclass combination or user responses will determine if your item requires additional hazmat information and a submission of an MSDS. For these items, you will be required to select all applicable HAZMAT-related descriptors such as if the item is an aerosol, chemical or pesticide. You may be required to upload a Material Safety Data Sheet (MSDS) to proactively alert Home Depot about any hazardous materials contained within the item. For more information on MSDS sheets, please visit <http://www.osha.gov>.

Item Enrich: Images and Digital Assets





This tab allows you to easily upload and manage digital product images one at a time, or in bulk using a ZIP file. At least one image is required for each item. Image size dimensions must be 1000 x1000 pixels and in a JPEG file format. Product Warranty and Assembly Guides must be in a PDF file format. NOTE: all imagery to be used for HomeDepot.com must be knock-out style (solid white background with no props)

Item Enrich: Required Assets List

The screenshot shows the 'Required Assets List' tab for a product. The product name is 'Professional Series Plastic Adjustable Pop-Up Sprinkler Nozzle' with model number '1804VAN'. The GTIN is 00077985006310 and the OMSID is 202710998. The 'Process Notes' field contains the text: '02/15/11 10:05 - store_verinlenrich.ja. Following required assets are missing: Product Image'. The 'Category Required Assets' list includes 'Product Image'. A 'Save' button is located at the bottom right of the main content area.

This tab provides a listing of all the digital assets minimally required for items in this product category.

New Item Process Flow: Notes - To the left of the basic product information at the top of the screen is the Notes field which includes both system notes and notes added by The Home Depot reviewer. To expand upon the notes section, click on the icon to the left of the field. You may then use the scroll bar to view all of the available notes on the product. To add notes for The Home Depot reviewer, enter text into the Append Notes field and then press Append.

New Item Process Flow: Review - After the item has successfully passed system validations, The Home Depot will review your Submission. If the submission is acceptable, it will move forward in the approval review process. If the item is not acceptable, the item will go back to the appropriate Error status for you to correct. If you want to know the status of a particular item in the system, you can check the workflow status on the left navigation or you can use the search options to locate it.





HomeDepot.com Item Data Management

Generally The Home Depot would like to have all store stock items online at HomeDepot.com. There are some exceptions for commodity bulk items where shipping to the consumer's home is just not practical. The HomeDepot.com process is generally built around supplier fulfillment – that is suppliers direct ship to customers from their facility rather than Home Depot having a centralized fulfillment centers. There are some exceptions to this with import product and some categories. Talk with your Merchant or DFM about options for shipment if direct fulfillment is not an option for you. HomeDepot.com is also a terrific way to expand your assortment. Frequently only best sellers can be stocked in the store. However, HomeDepot.com is an excellent way to expand options for customers and to offer accessories that do not make sense in the store setting. The merchandising aspect of HomeDepot.com is managed by a Direct Fulfillment Merchant (DFM) assigned to each department. The DFMs work closely with the traditional product Merchants to provide a compelling online shopping experience for our customers. The supplier setup process for HomeDepot.com mirrors that for traditional in-store merchandise Suppliers. In addition to the Supplier Buying Agreement (SBA), online Suppliers must also complete a Return to (RTV) form, which will govern how customer returns are handled for your products. Once complete, these documents should be sent to the DFM managing your product category.

As part of the Home Depot enterprise, HomeDepot.com follows the same SER (Social and Environmental Responsibility) and QA (Quality Assurance) requirements as outlined in the Supplier Reference Guide. You can find additional information specific to YOW in the Supplier Reference Guide.

HomeDepot.com Pricing and Cost

Once you have completed all of the loading for Item Data Management and the Commerce Hub set up described below for EDI processing, your SKUs will be ready for sale on HomeDepot.com. The final step is to get and fill out the SKU submission form to your Direct Fulfillment Merchant (DFM). This is a one tab spreadsheet that establishes the retail and cost of each item. The DFM must approve this and submit it to get your products for sale on-line.

SKU Setup for Store Stock Items

Suppliers that have a SBA in place and have completed the Item Data Management onboarding process can create SKUs using the New SKU Setup Sheet, which is a spreadsheet used to submit new SKU setup information to Merchandising. Request your assigned Merchant Assistant (MA) to run the New SKU Setup form for you and return the completed form to the MA via e-mail. The form will be specific to your assigned M-Vendor number.

Please refer to your Merchant or MA for any questions you have on completing the New SKU Setup Sheet. Screenshots of the template are provided below as well as a description of the required fields. Best practices would be to gather the information at the same time that you are compiling the information for Item Data Management. If you are using the Assortment





Management Tool (AMT), which is used when your product assortment will not be the same in every store , you should also have the AMT answer key pulled by your MA as well. This will ensure that all of your SKUs are set up in the proper stores. If you find errors, you can correct them on the AMT and resubmit it to the MA.

SKU Set Up Spreadsheet - Core Normal Setup Required

	Attribute	Item 1	Item 2
Initiate	Vendor Nbr		
	Vendor Nbr		
	SKU Nbr		
	SKU Type*	N - NORMAL	N - NORMAL
	Create Baby SKU? (Y/N)		
	UPC 1*		
	UPC 2		
	UPC 3		
	Dept*		
	Class*		
	Sub Class*		
	Domestic/Import (D/I)*		
	Core	SKU Description*	
Register Description*			
Unit of Meas (UOM)*			
Brand Name			
Generic Flag (Y/N)			
Weight*			
Length			
Width (in)			
Height (in)			
Cube (cu ft)*			
Energy Star? (Y/N)			
Online Cashier Book? (Y/N)* All			
Discountable? (Y/N)*			
MA State Label? (Y/N)*			
Sales Forecast	A Volume Stores		
	B Volume Stores		
	C Volume Stores		
	D Volume Stores		
	E Volume Stores		
	F Volume Stores		
Lum/Im	Lumber Conversion*		
	Private Label? (Y/N)*		
	Commodity Code*		
Baby SKU	UPC		
	Sell Pack*		
	Register Prompt		
	SKU Nbr (Existing)		
	SKU Description*		
	Register Description*		
	Unit of Measure (UOM)*		
Online Cashier Book? (Y/N)*			





SKU Setup Spreadsheet - BYO Setup Required

Attribute	Item 1	Item 2	
BYO ALL	All Markets? (Y/N)		
	Select Markets - OR -		
	Exclude Markets		
	Status*		
	In Season Date		
	Out of Season Date		
	Part Number		
	Buy Pack Qty*		
	Buy Min Qty		
	Cost*		
	Retail*		
	Baby Retail*		
	Master SKU		
	Register Prompt		
	PLU Code	Y - PLU, N/Price Sticker	Y - PLU, N/Price Sticker
	Transmit Date		

Below is a list of each of the attributes required and the details of what you will need to fill them in.

Attribute	Required / Editable	Notes
Vendor Nbr	Pre-populated - Read Only	
Vendor Name	Pre-populated - Read Only	Value is for readability, will not be used to update Vendor data.
SKU Type	Pre-populated - Read Only	One of the following values:
Create Baby SKU (Y/N)?	Optional	Should a Baby SKU be created for this SKU. Baby SKUs are used when an item is sold both as an each and a pack.
UPC 1-3	Required for Normal and Lumber SKU Type	Specify up to 4 UPCs for a SKU. Generally will only be one.
Dept	Pre-populated - Read Only	This will be done by the MA
Class	Required	Consult your MA on Which Class your product will be in
Sub Class	Required	Consult your MA on Which Sub Class your product will be in
Domestic/ Import (D/I)	Pre-populated - Editable	Is the item domestic or Import - will default based on Vendor but can be overridden.
SKU Description	Required if SKU not specified	You may enter up to 36 characters; store labels print 32 charctrs
Register Description	Required if SKU not specified	Enter up to 12 characters; store receipt prints 10 charctrs
Unit of Meas (UOM)	Required if SKU not specified	Unit of Measure: Each, Case.....
Brand Name	Optional	Brand that will be on the packaging. Brand Name can be 24 letters
Generic Flag (Y/N)	Optional	If No is selected, then a Brand Name must be filled in
Weight (lbs)	Required	Enter weight of the item in pounds, maximum of 5 decimal places.
Length (in)	Required for Import	Enter length of the item in inches, maximum of 4 decimal places.
Width (in)	Required for Import	Enter width of the item in inches, maximum of 4 decimal places.
Height (in)	Required for Import	Enter height of the item in inches, maximum of 4 decimal places.
Cube (cu ft)	Required if not Import	Enter cube in feet, maximum of 2 decimal places. If dimensions are entered cube will auto calculate.
Energy Star? (Y/N)	Required if SKU not specified	Is the item Energy Star Compliant?





Online Cashier Book? (Y/N)	Required if SKU not specified	Is the item in the Online Cashier Book? Image will need to be associated separately. This is unusual and is generally items that do not have a UPC label
Discountable? (Y/N)	Required if SKU not specified	Is the item discountable in store? Generally this is set to "No"
MA State Label ?Y/N	Optional	Enter Y if product must be labeled differently in Massachusetts.
A Volume Stores	Optional	Generally you will leave this blank
B Volume Stores	Optional	Generally you will leave this blank
C Volume Stores	Optional	Generally you will leave this blank
D Volume Stores	Optional	Generally you will leave this blank
E Volume Stores	Optional	Generally you will leave this blank
F Volume Stores	Optional	Generally you will leave this blank
Lumber Conversion	Required for Lumber Type	Populate only if SKU type = 'L'
Private Label? (Y/N)	Required for Import	Is this item private labeled for Home Depot?
Commodity Code	Required for Import	Select from the Drop Down
Sell Pack	Required	Pieces in case, length of roll, ...
Register Prompt	Optional	Select from Drop Down list
SKU Nbr (Existing)	Optional	Generally you will leave this blank
All Markets? (Y/N)	Conditional - Specify one of these	Setup in all Markets? If All, Include or Exclude are not specified, will default to all.
Select Markets - OR -	Conditional - Specify one of these	If not All, then specify list of Markets to setup, only markets specified will be setup
Exclude Markets	Conditional - Specify one of these	If not All, then specify list of Markets to not setup, all Markets in BYO not specified will be setup.
Status	Required	Status of SKU for Vendor/Market to be setup in. Many SKUs are set up Inactive and are reset to Active once they have placement in the stores which can be months after the SKU set up process is done.
In Season Date	Conditional - If Seasonal Status	Date (Month / Day only) that status should automatically change to In Season - Generally left blank
Out Of Season Date	Conditional - If Seasonal Status	Date (Month / Day only) that status should automatically change to Out of Season - Generally left blank
Attribute	Required / Editable	Notes
Part Number	Optional (See Notes)	Vendor Part Number, if not specified will be set to SKU Number
Buy Pack Qty	Required	Number of items that come in a Pack.
Buy Min Qty	Optional	Minimum order quantity, must be equal to or multiple of By Pack.
Cost	Required if not 'V' SKU Type	The fully loaded invoice cost of the item. Does not reflect any of the discounts, rebates or programs like MET. Required if SKU type is L of N; Optional for types D, B, A, V; Not allowed for types S and F (See Sku types end of page)
Retail	Required	Retail price of the SKU. Required if SKU type is L, N or V; Optional for types A, B or D; Not allowed for types S and F
Baby Retail	Conditional - If "Create Baby" is Yes.	Retail to apply to Baby SKU, if not specified, Baby will not be setup in BYO/Market.
Master SKU	Optional	SKU that should be used drive/synchronize Retail changes. Generally left blank
PLU Code	Optional - Defaults based on SKU Type	Defaults based on SKU Type Can be changed See Below. Only for Special Order SKUs
Cost/Retail Multiplier	Conditional	Only for Special Order SKUs
Cost/Retail Catalog Type	Conditional	Only for Special Order SKUs
Cost/Retail Catalog Date	Required for "Catalog w/ Date"	Only for Special Order SKUs. Type will be used to automatically set Special dates.





S/O Lead Time	Required	Only for Special Order SKUs. Number of days from order to delivery to store. Enter a whole number.
Ship DC	Optional - Defaults to false.	Only for Import Goods. Ship via Distribution Center?
Ship DA	Optional - Defaults to false.	Only for Import Goods. Ship via Delivery Agent?
Select BYOs	Required	Only for Import Goods. Enter list of BYOs that should be associated to DC.
Inbound Buy Pack Qty	Required	Only for Import Goods. Number of items that come in a Pack as ordered into the DC.
DC (FOB) Cost	Required	Only for Import Goods. Cost of item into DC.
Velocity Indicator	Required for Import	Only for Import Goods. Enter a whole number between 1 and 4.
Transmit Date	Optional - Defaults to today.	Date SKU Information transmitted to the store for the specified DC
Container Size	Required	Outer packaging. Quantity of the Container UOM.
Container UOM	Required	Outer packaging. See UOM for list of values
Container Type	Required	Outer packaging. Material the "Each" item is contained in.
#1-3: GTIN (ITF 14)	Required to enter at least one.	Code for Outer Packaging. Each level needs a unique identifier. 14 Digit GTIN for the Packing Hierarchy Level.
#1-3: Ship Pack Qty	Required to enter one.	# of "Each" items contained in the Packing Hierarchy Level.
BYO Nbr(s)	Optional	Enter list of BYOs that should have an alternate SKU or Register Description. This is rarely used.
Sign Type	Optional	This is only used for items that need to show pricing by the piece, foot or other alternative unit of measure
Pro Sign? (Y/N)	Required if Sign Type spec'd s	Should this be printed as a Pro sign? For instance it is a PRO Pack.
Associated SKU	Conditional	What is the associated SKU that is used for the sign? Required for Assembly. Optional for That's Only.
SQFT Calc: Width (in)	Conditional for "That's Only"	Enter length of the each item in inches. Must enter Divide by Qty or SQFT calc values. Used to calc alternative pricing
SQFT Calc: Length in	Conditional for "That's Only"	Enter width of the each item in inches. Must enter Divide by Qty or SQFT calc values. Used to calculate alternative pricing
SQFT Calc or # Pcs	Conditional for "That's Only"	Whole number. Must enter Divide by Qty or SQFT calc values.
Divide By Qty	Conditional for "That's Only"	Enter divisor, maximum of 2 decimal places. Must enter Divide by Qty or SQFT calc values. Used to calculate alternative pricing
UOM (Unit of Measure)	Conditional - Required for "That's Only"	See UOM for list of values

Special Orders

Within Home Depot, there is a different process for special order (custom) product. For this type of product, a dedicated Special Order (S/O) MVendor number is required, along with a dedicated Special Order SKU. Generally there is only one SKU set up per MVendor in a category and all product is ordered against that single SKU number. The details of the item numbers purchased are contained on the Special Order sheet faxed over to the Supplier. Purchase orders executed for that SKU will be accompanied by faxed specifications for the customer's order, reflecting the various options that the customer has selected. Within the special order system, multipliers are used to determine the relationship between retail pricing paid by the customer and the cost paid to the Supplier for each of the potential options that can be selected. The multiplier is the percentage of the retail that represents The Home Depot cost.

Although Store Associates are continually trained in implementation of special order programs, Suppliers may find it necessary to provide specialized training. For guidance on providing this





additional instruction, contact your Merchant. Training topics can include: interpretation of Special Order catalogs, calculation of appropriate retails/costs from S/O catalogs, proper placement of orders (i.e., different accessories, different colors, different items, etc.) and overall product knowledge.





Assortment & Space Planning

After completing your Item Data Management and SKU setup activities, details on completing the Assortment Management Tool (AMT) and Planograms (POG) will be detailed below.

This section will also review the responsibilities and processes of a Home Depot Supplier to partner with us to maintain timely and accurate information about your products. Finally, this section will introduce to the ways in which Home Depot and Suppliers exchange this data. Additionally this section will discuss the way that Merchants review their assortments – Business Reviews and Product Line Reviews.

Merchandise Execution Team (MET)

Home Depot's Merchandise Execution Team (MET) was created to assume many of the in-store merchandising and inventory management tasks formerly performed by traditional Store Associates or 3rd Party Reps. This, in turn, frees up Store Associates to focus their efforts on customer service and project selling. Teams of MET personnel visit all stores on a regular schedule, servicing each store no less than once every two weeks in all departments except D21 Lumber and D22 Building Materials. All MET personnel carry a hand-held device used to track, manage and document their in-store activities.

The MET's in-store activity is divided into general work (down-stocking product from the overheads, remerchandising shelves, etc.) and project work (new item cut-in, POP signage replacement, etc). Although activity varies by department and region, the general rule is that the MET spends 2/3 of their time executing projects and the remaining 1/3 executing general merchandising activities. MET activity is staged and assigned via an In-Store Service Request (described below).

The MET organizational structure has a dedicated Atlanta Store Support Center based leadership team who serve as the coordination point between department Merchants, Suppliers and field MET leadership. The Atlanta based MET team has a Manager on each departmental team who will be your point of contact for field execution. Field based MET leadership and their Associates are aligned with store operations regional and district structure.

In-Store Service Request (ISSR)

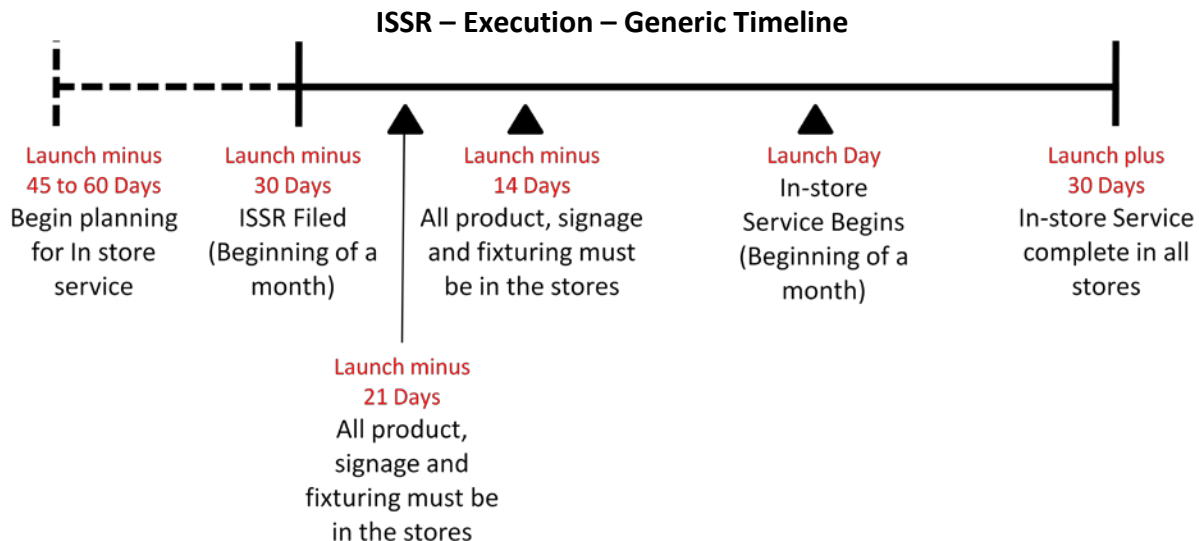
The In-Store Service Request (ISSR) is the vehicle to add a specific task (project) to a MET team's activity schedule. An ISSR is defined as a service request to execute a one-for-one SKU, POP, display or fixture replacement, requiring only 1 person up to 2 hours to execute. If the time required is unknown, a Proof of Concept (POC) must be performed during the 1st stage of the project plan to determine the time and the scope of work (written in the form of instructions).

If it is determined that the project exceeds 2 hours, then refer to the "*Merchandising Reset*" section of this guide for the process.





In general, four weeks lead time is required before the ISSR project begins executing in the store. (Refer to ISSR Calendar by Toll Gate Sequence – Supplier critical dates are shaded in gray).



Any new product or displays must be in the stores 2 weeks prior to the start of execution; updated Planograms must be loaded to the portal on the timeline.

Work with your Merchant if there is a specific project you would like the MET team to execute on your behalf.

In-Store Service Request form - This form is the formal request for a project and it must be submitted to the MET manager for your department and your Merchant. The form essentially captures the scope of the work for the change to the bay. The form (Excel spreadsheet) that must be completed to request a MET project can be found on HomeDepotLink via **Doing Business > Assortment & Space Planning > In Store Environment – Visual Merch.**

Detailed instructions are provided inside the form. Additionally, there are strict guidelines for how product, POP and fixtures will be labeled when shipped in for an ISSR. These guidelines are outlined in the ISSR document on the POP shipment tab. On the ISSR form there are also tabs for New Product introduction, a Store List, POP details and Project Details. These are largely self-explanatory

Merchandising Resets

A merchandising reset is a project designed to fundamentally alter the physical in-store presentation and/or location of a product category. A reset typically involves removing product from the shelf, adding, relocating or removing beams, updating signage and replacing product on the shelves. Home Depot has created dedicated MET Reset 3rd Party teams that specialize in these activities and travel from store to store executing them. In many cases, a Supplier may be





asked to fund some or all of a reset benefiting their product category. Resets have a longer time frame and a more rigorous process to follow than an ISSR and often require the coordination of multiple Suppliers and can also have a consolidated ship point to bring all materials together prior to store shipment. It is beyond the scope of this guide to lay out the reset process (also called Wing to Wing). You should get with your Merchant and the designated reset captain to discuss your participation in a reset.

ePOP and samples - Home Depot has established two systems to facilitate replenishment-type activities for non-merchandise items in the stores. The ePOP system allows for automatic ordering of Supplier-provided POP displays. If this type of collateral is part a Supplier's in-store merchandising strategy, then the materials must be established on and orderable through the ePOP system.

Assortment Maintenance Tool (AMT)

The Assortment Maintenance Tool (AMT) is used to set the product assortment at the store level. The document that provides the store-level input for the AMT tool is referred to as the AMT Answer Key. Not all Suppliers utilize the AMT; contact your Merchant or MA for direction. Generally, you will use AMT if your products are not in all stores or if the assortment in your category varies by store. For Suppliers on AMT, all data maintenance forms must be processed from the tool. AMT training sessions are held monthly - contact your Merchant or MA for a schedule. Below are screenshot examples showing the two files that are used to assign SKUs to assortments and assortments to stores.

The first form allows the Supplier to create assortments. An assortment is a group of SKUs in a subclass that will all be stocked at a store. Depending on the category, assortments could vary based on weather patterns, building codes, regional preferences, local market affluence, and numbers of bays available or urban vs. rural setting. The assortments are created across the top in columns and all SKUs in the subclass are listed down the left in rows. In the intersection, the Supplier indicates if the SKU is available in the given assortment.



SKU to Assortment Assignments

Category Name: D28I Ride
Set Name: 2011 RIDER ATTACHMENTS
Set Create Date: 10/13/09
Summary: 14 Groups, 35 SKUs

This is a sample view of the SKU worksheet, the assortment names are across the top and the skus listed down the column. The Y in the row indicates that the sku is part of the assortment.

DEPT NBR	CLASS NBR	SUB CLASS	SKU TYPE	SKU STATUS	IMP SKU IND	SKU NBR	SKU DESC	ASSORTMENTS				
								HEAVY SOUTH	HEAVY SOUTH MKT 89	HEAVY NORTH	HEAVY NORTH BIG ROLLER	REGULAR SOUTH
28	34	6	NORMAL	ACTIVE		149864	SPIKE AERATOR 40"	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		193914	AGRIFAB POLY CONVETBL 8 CU FT CART		Y			
28	34	6	NORMAL	ACTIVE		194026	AGRIFAB SMART CART		Y			
28	34	6	NORMAL	ACTIVE		194179	AGRIFAB 42" LAWN SWEEPER / TOW		Y			
28	34	6	NORMAL	ACTIVE		194215	AGRIFAB 130LB SMART SPREADER / TOW		Y			
28	34	6	NORMAL	ACTIVE		199385	EZ LIFT RIDER RAMP	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		205558	JOHN DEERE CANOPY FOR LAWN TRACTORS	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		247658	TOW-BEHIND 24"X36" POLY LAWN ROLLER				Y	
28	34	6	NORMAL	ACTIVE		276941	BRINLY 42" SWEEPER	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		322850	JOHN DEERE 10 CU FT POLY CART	Y	Y	Y	Y	Y
28	34	6	NORMAL	ACTIVE		348033	DOUBLE BAR BUMPER 100 SERIES	Y	Y	Y	Y	Y
28	34	6	NORMAL	ACTIVE		373473	BRINLY 10 CU FT POLY CART	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		414170	AGRIFAB BASE - SMART LINK	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		414344	AGRIFAB PLUG AERATOR	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		427626	AGRIFAB 44" SMART SWEEPER	Y	Y	Y	Y	Y
28	34	6	NORMAL	ACTIVE		428451	AGRIFAB DETHATCHER	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		428517	AGRIFAB CURVED SPIKE AERATOR	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		428583	AGRIFAB POLY ROLLER			Y	Y	
28	34	6	NORMAL	ACTIVE		503977	JOHN DEERE DELUXE TRACTOR COVER	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		525357	ATCH-FRONT BUMPER KIT / CUB	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		526395	FULLY ASSEMBLED 10 CU FT STEEL CART	Y	Y	Y	Y	Y
28	34	6	NORMAL	ACTIVE		599614	JOHN DEERE BROADCAST SPREADER	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		681677	40 IN AERATOR-SPREADER	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		689829	DETHATCHER HEAVY DUTY 40"W	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		740035	HITCH PIN	Y	Y	Y	Y	Y
28	34	6	NORMAL	ACTIVE		769651	LAWN ROLLER 18 X 24IN POLY PUSH			Y	Y	
28	34	6	NORMAL	ACTIVE		780571	PLUG AERATOR 40IN	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		901770	25 GALLON TOW SPRAYER	Y		Y	Y	
28	34	6	NORMAL	ACTIVE		940628	JOHN DEERE 17 CU FT POLY CART	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		940793	BRINLY 17 CU FT POLY CART	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		941783	2.5 CU FT BROADCAST SPREADER	Y		Y	Y	Y
28	34	6	NORMAL	ACTIVE		964060	JD LAWN TRACTOR SEAT COVER MED	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		964885	CUB CADET LAWN TRACTOR COVER	Y	Y	Y	Y	
28	34	6	NORMAL	ACTIVE		965083	CUB CADET TRACTOR SEAT COVER MED	Y	Y	Y	Y	





Assortment to Store Assignments - Once Assortments are established on the first tab of the AMT, every store that carries the category must be assigned to an assortment. The spreadsheet below is an example. It comes pre-populated with the Stores and the Supplier simply connects them to assortments.

Category Name: D281 Ride
Set Name: 2011 RIDER ATTACHMENTS
Set Create Date: 10/13/09
Summary: 14 Groups, 35 SKUs

This is a sample view of the Store Assignment worksheet, the Buying Office, Market and Store numbers are shown on the left hand side of the table. The Assortment assigned is in the last column

BYO NBR	BYO NAME	MKT NBR	MKT NAME	STR NBR	STR NAME	NEW STR OPEN DT	STR CLOSE DT	ASSORT NAME
1	SOUTHEAST	1	ATLANTA	105	DULUTH		12/31/9999	NO SKUS IN STORE
1	SOUTHEAST	1	ATLANTA	106	KENNESAW		12/31/9999	CART ONLY
1	SOUTHEAST	1	ATLANTA	110	LILBURN		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	111	MERCHANTS WALK		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	114	MORROW		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	115	TILLY MILL		12/31/9999	NO SKUS IN STORE
1	SOUTHEAST	1	ATLANTA	116	WOODSTOCK		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	117	WAGES DRIVE		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	118	WESLEY CHAPEL		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	121	CUMBERLAND		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	123	JONESBORO		12/31/9999	CART ONLY
1	SOUTHEAST	1	ATLANTA	126	LAWRENCEVILLE		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	127	FAYETTEVILLE, GA		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	128	CONYERS		12/31/9999	LIGHT ALL + SMARTSWEEP
1	SOUTHEAST	1	ATLANTA	129	ATHENS		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	130	CASCADE		12/31/9999	CART ONLY
1	SOUTHEAST	1	ATLANTA	131	N FULTON		12/31/9999	NO SKUS IN STORE
1	SOUTHEAST	1	ATLANTA	132	CARROLLTON, GA		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	133	CARTERSVILLE		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	134	CUMMING		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	138	GRIFFIN		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	139	ROME		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	143	DOUGLASVILLE		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	144	SNELLVILLE		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	145	CANTON, GA		12/31/9999	HEAVY SOUTH
1	SOUTHEAST	1	ATLANTA	146	NW ROSWELL/WESTWIND		12/31/9999	NO SKUS IN STORE
1	SOUTHEAST	1	ATLANTA	147	BUFORD		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	148	NEWNAN		12/31/9999	REGULAR SOUTH
1	SOUTHEAST	1	ATLANTA	149	ALPHARETTA		12/31/9999	LIGHT ALL
1	SOUTHEAST	1	ATLANTA	151	PAULDING COUNTY		12/31/9999	HEAVY SOUTH

As you continue to do business with the Home Depot, it is likely that some of the attributes defined during the SKU setup process will change. The process by which these attributes are updated is referred to as data maintenance. The following is a subset of key forms that are used regularly for data maintenance. Many of these forms are known by its report number within Home Depot's merchandising system. Please contact your MA for specifics on how and when to use these forms.

531 Report - The 531 report shows Part number, Current Cost, Retail, Cube, Freight class, Weight, Buy Pack, SKU Description, 8 Week Sales, Weeks of Supply, Pending Price Changes, On-Hands, Ad Events, and Ad Retails. The 531 report can be used to request the following SKU maintenance: new part number, SKU status, Sell Pack (used only for Mama/Baby SKUs), Buy Pack, Weight, Cube, or Freight Class. You should request a 531 report from your MA once your SKUs are set up to ensure that they are correct. If there any issues, you can resubmit the 531 to your MA to correct them.





AMT Answer Key - The answer key for the Assortment Management Tool (AMT) is used to update SKU Store Availability for store replenishment and ordering purposes. It can be used to make the following changes: change store SKU availability, maintenance market-level SKU status, create new SKU store availability, add stores to availability, remove stores from availability, and to make all stores available in the market (allowing replenishment of the SKU for all stores in that market).

560 Report - The 560 report is an older report that has mostly been replaced with the AMT Answer Key. It shows SKU Store Availability for store replenishment and ordering purposes. It also shows SKU/status information at the market-level. The 560 report can be used to request the following SKU maintenance: change store SKU availability, create new SKU store availability, add stores to availability, remove stores from availability, and to make all stores available in the market (allowing replenishment of the SKU for all stores in that market), maintenance, market-level SKU status.

Retail/Cost Change Worksheet (RCCW) - The RCCW is used for Suppliers to submit cost changes on SKUs. There are 2 types of RCCW – Detailed and Simple. Detailed allows cost to be updated by individual location (Mkt or DC) whereas a Simple allows cost to be updated by Network type. Suppliers should request a RCCW from their Merchant Assistant, who can either pull the worksheet for all SKUs or specific SKUs. The worksheet provides information at an MVendor / SKU / Market and an MVendor / SKU / DC level and lists current cost, blended cost, proposed new cost, and effective date. The worksheet also contains a summary tab that shows the annualized impact of the proposed cost change.

Retail Change Worksheet (RCW) - The RCW is vehicle by which retail changes are modified. Like the RCCW, Suppliers can request a copy from their MA. The worksheet provides information at a SKU-market level and contains a summary tab showing the annualized impact of the proposed cost change.

Planograms (POG)

A planogram is a schematic of a bay or bays that shows where product will be placed. Planograms (POGs) are used to ensure fixtures, product placement, packaging, rate of sale, signage, and products are properly displayed to THD standards. It is connected to a data file that includes SKU information for every SKU in the bay(s). There are two references within HomeDepotLink that contain planogram information. First, for visual merchandising instructions please reference the Bay Standards Guide located on HomeDepotLink via **Doing Business > Assortment & Space Planning > In Store Environment – Visual Merch.** Secondly, the Planogram Compliance Policy provides instructions on how Planograms are to be built electronically can be accessed from **Doing Business > Assortment & Space Planning > Planograms.**

Home Depot has selected Space Planning by Intactix (Space Planning) published by JDA as its space management software used to create POGs and to perform space analysis. JDA Space Planning is now the exclusive tool used by the Planogram and Space Analysis team to produce POGs. It is critical that your file complies with the requirements in the Planogram Guide and is





submitted in a .PSA compatible format, as Home Depot will not accept POGs that aren't compliant with these requirements. In order to ascertain if you are responsible for planogramming your products, please work with your Merchant and POG Manager. In most cases, Suppliers who own an entire bay of product will be designated as the POG Captain via the Merchant and could be responsible for planogramming their products. The decision on this situation is handled on a case-by-case basis between the Merchant and POG Manager.

If your company is the bay captain, you will need to produce and manage the planogram variations needed to manage your category. You will need to coordinate with the other vendors in your bays to ensure that you have all required information to have accurate Planograms. If you are not the vendor captain, then you will need to ask the Merchant or Merchant Assistant for the vendor captain contact information. You will need to coordinate with the vendor captain to make sure that there is space in the planogram for each of your products that are part of the assortment.

All Supplier submitted POGs must include:

- Adobe PDF files of submitted Planograms
- A safety disclaimer
- Store assignments via the Store Assignment Worksheet
- Any POP signage
- .PSA compatible POG file

An example of a completed POG is shown below:



Watering Dept: 28
Class: 10
Planogram Title: 4 Bay-99-Mkt 112-Teknor LR BYO 3
Assignment: STR

SKU List:

D	SKU
1	190506
2	485616
3	465656
4	619344
5	226877
6	440313
7	642705
8	619394
9	442599
10	320251
11	897926
12	366764
13	457712

Notes: * No cut glass or open boxes above 6 ft.
* No product resting out of the railing.
* All displays must be secured.

POP information:

Additional information:

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Watering Dept: 28
Class: 10
Planogram Title: 4 Bay-99-Mkt 112-Teknor LR BYO 3
Assignment: STR

Watering	Name: 4 Bay-99-Mkt 112-Teknor LR BYO 3	Height: 12 ft	Width: 48 in	Depth: 42 in	Segments: 4
Staff 1 Shelf 1 - Shelf Height from Floor: 5.5'					
D	SKU	UPC	Merch style	Facings	Additional Info
1	190506	ELECTRONIC OSCILL. TIMER	04226030103	Case	1
2	485616	REAL TIME AUTOMATIC TIMER	04226030108	Case	1
3	465656	VICORO OSCILL. SPRINK. W/RAINF. S.	04226030303	Case	1
4	619344	2000 SQ.FT. OSCILLATOR SPRINKLER	07282605448	Case	1
5	226877	ZINC IMPULSE SPRINKLER W/STIFF	04687827916	Case	1
6	440313	ZINC IMPULSE SPRINKLER W/ZNCD S.	04687827910	Case	1
7	642705	VICORO PORTA RAIN SPRINKLER S.	04687827920	Case	1
8	619394	METAL 3 ARM OVERFLW SPRINKLER	07282611600	Case	1
Staff 2 Shelf Height from Floor: 2.5'					
D	SKU	UPC	Merch style	Facings	Additional Info
9	442599	VICORO 9-PATTERN MINI WTR WAND	04687827914	Case	1
10	320251	VICORO 33 WAND/METAL HEADCN.	04687827917	Case	1
11	897926	VICORO GEAR DRIVE SPRINKLER O.	04687827931	Case	1
12	366764	3/4" X 7/8" GOOD YEAR INDUSTRIAL HO.	01724574881	Case	1
13	457712	GV18 5/8" X 9/16" BLU. GARDEN HOSE	07282636794	Case	1

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POGs include an image of the product on the shelf using the exact dimensions as well as a SKU list with the UPC, Merch Style and Facings. There can be numerous assortments for the same categories depending on regional preferences.

Overall, Home Depot has defined a 5-step process with respect to planogram management:

1. Create POGs locally at Supplier site
2. Upload .PSA files to THD
3. Assign stores
4. .PDF files created by THD
5. Stores view and set POGs

In Store Environment – Visual Merchandising

The Home Depot strives to present an easy and consistent shopping experience for our in-store customers. To that end, we have developed guidelines around the ways that product is merchandised, displayed and promoted within the store.

Store Fixtures - Displays are defined as Merchandise samples or representation of merchandise used to sell a product. Fixtures are the structures in which displays are housed including pre-built pallet bases. To ensure the safety and security of displays, Suppliers are required to obtain prior Display Authorization Form (DAF) approval for installation of store displays and fixtures. All displays and fixtures must go through the Display Authorization process, regardless of whether they are being funded by Home Depot or a Supplier. Additional details on the requirements and approval process can be found in the Visual Merchandising Standards guide located on HomeDepotLink via **Doing Business > Assortment & Space Planning > In Store Environment – Visual Merch.**





If you are considering designing or reviewing a NEW display, please keep the following in mind:

- New displays are the exception and should only be considered after all existing fixture solutions have been ruled out by the fixture team as potential solutions.
- Common solutions for common problems - A fixture solution should be designed with maximum flexibility in mind in order to perform across multiple categories which:
 - Reduces the need for store surveys or audits to determine bay size
 - Consolidates manufacturing in order to reduce fixture cost
 - Reduces the quantity of fixture components that have to be maintained by the stores and carried in inventory.
- If an existing fixture solution cannot be provided; then the Visual Merchandising Manager should be contacted through your Product Merchant to initiate a design brief, fixture development, and DAF (Display Authorization Forum) approval.

Bay Standards - The physical construction, installation and configuration of the shelving and racking used in Home Depot stores is governed by the National Racking Installation Standards (NRIS). These standards cover all aspects of bay construction, including uprights, beams, anchoring, pallet stops, decking, crossbars and cantilever. Additional details on the bay standards can be found in the Visual Merchandising Standards guide located on HomeDepotLink via **Doing Business > Assortment & Space Planning > In Store Environment – Visual Merch.**

Signage - Prior to placement in THD stores, all permanent and temporary signs undergo a review process. Suppliers wishing to place any sign, brochure, or marketing materials must comply with this process. Depending on the intention and nature of the sign, Suppliers will work with one of the following two teams: Permanent Signage or Promotional Signage. The assigned Implementation and Planning Merchandiser will contact the appropriate THD group. Both of these functional teams expedite development and present the design to the Signage Governance Executive Review Committee for approval. Once signage approval is granted, THD will issue a unique item number and approval stamp for placement of the signs. Store management will not allow installation without the stamp of approval.

With the exception of English versions only in Alaska, Hawaii, Guam and the U.S. Virgin Islands, all signage is printed in two languages.

Pay-by-Scan (PBS) - Certain product categories are handled using a supplier-managed inventory approach, known within Home Depot as Pay-by-Scan (PBS). Under these programs, the Supplier is responsible for assigning a product assortment to each store, merchandising it in an appealing manner, culling unsellable or damaged merchandise and maintaining the appropriate inventory levels as items sell. Unlike normal stocking programs, Home Depot does not issue purchase orders for the products sitting in the store. Instead, they are effectively on consignment until sold. At the time that a PBS product is rung through the register, both a purchase order and a receiving document (key rec) for that item is automatically generated





allowing for the standard three-way match (PO, receipt, invoice) in the merchandise payable system.

Advertising - The Home Depot regularly advertises in national newspapers, local newspapers, network and local television and other media. The Suppliers who supply the products we sell play a key role in the advertising process. Each merchandising department is assigned a marketing manager (Merchandising Marketing Manager, or MMM) that coordinates the marketing efforts for that department. It is important to make available high-resolution, print quality imagery of your products to Home Depot's advertising teams. This will make it more likely for your product to be featured when advertising opportunities arise.

In-Store Demos - One of the best ways to get customers (and Store Associates) excited about your product is to run live in-store demonstrations. While in-store, Suppliers are expected to follow all safety guidelines applicable to Home Depot Store Associates. Contact your MMM to make the logistical arrangements for such demos.

Product Knowledge (PK) Training - Training Store Associates on the features and benefits of your product is an excellent way to leverage the extent of Home Depot's store associate base. Once educated, the Store Associates can become strong advocates and sales people for your products. Contact the Training Coordinator through your Merchant that is assigned to your department to begin deploying PK training to the field. There are a number of tools available for training that the Coordinator can help you choose between.

Monthly Merchant Videos - On a monthly basis, one or more Merchants will produce a video designed to educate and excite the Store Associates. The planning horizon for these videos is typically 3 -4 months. Once developed, the videos will be shown in break rooms and during store-level team meetings over the HDTV internal network. Work with your Merchant if you are interested in developing a video featuring your products.

Monthly Focus Products - Each month, the Store Field Teams select certain products to be focus items for the month. This is sometimes referred to as the "Adopt-a-SKU" program. The chosen items typically receive additional off-shelf merchandise locations, additional focus from the Store Associates, in-store promotional signs, etc. Selections are typically made regionally by the Regional Merchandise Managers (RMMs) for the stores within their region.

Events - Home Depot conducts a number of sales "events" over the course of the year, typically around national holidays. An event is characterized by heavy advertising, a significant number of promotional (non-core) items, extremely aggressive pricing, consolidated supply chain execution and special in-store presentations. Typical events include Memorial Day, Fathers Day, July 4th, Labor Day, Black Friday and Christmas. Given the planning lead times for major promotional periods like these, product selection can take place six to nine months prior to the in-store event.





Customer Care - Home Depot's call center is known as Customer Care. The facility answers inbound calls from customers and initiates outbound calls on open tickets. In addition to assisting customers with any issue they might be having, the customer care center also provides reporting on the quantity and frequency of calls on a specific product. This information can be an invaluable source of Consumer Insights.

Store Managers Meeting - Once a year, all the store managers gather for a week-long series of meetings. Typically, this meeting takes place in the March or April timeframe, in advance of the spring selling season. Among other activities, there is a convention hall where Suppliers are able to set up booths to highlight new and innovative products. The meeting represents one of the few opportunities for a Supplier to market its products directly to the national store leadership, and is often seen as a good time to launch new concepts.

Annual Marketing Meeting - Each fall (typically, mid-October), Home Depot hosts its largest Suppliers for a week-long series of meetings. In addition to joint strategy sessions lead by Home Depot's executive leaders, there are typically multiple smaller breakout and training sessions for Suppliers to attend. Each Supplier meets with their Merchant partners to present current year results and achievements, as well as to create a marketing plan for the coming year. Typical attendees from each Supplier include the Home Depot Account Team, along with upper management (President, CEO, VP National sales, etc.). Leading into this meeting we will jointly establish a marketing support COOP budget and sign off on it jointly in the meeting.

HomeDepot.com as a marketing tool - The number of customers shopping online continues to grow. Even on products not frequently purchased online, the Internet is becoming a critical research tool for many consumers. In addition, the Internet provides many new options (micro-sites, search marketing, keyword-based advertising) for reaching and engaging customers interested in home improvement. The MMM assigned to your department can assist you in identifying new ways to reach customers via HomeDepot.com, and to target marketing messages to this segment. Establishing online links between your company's website and Home Depot's is a good way to capture additional traffic and direct customers to an e-commerce enabled site.

Product Line Reviews (PLRs) and Business Reviews (BRs)

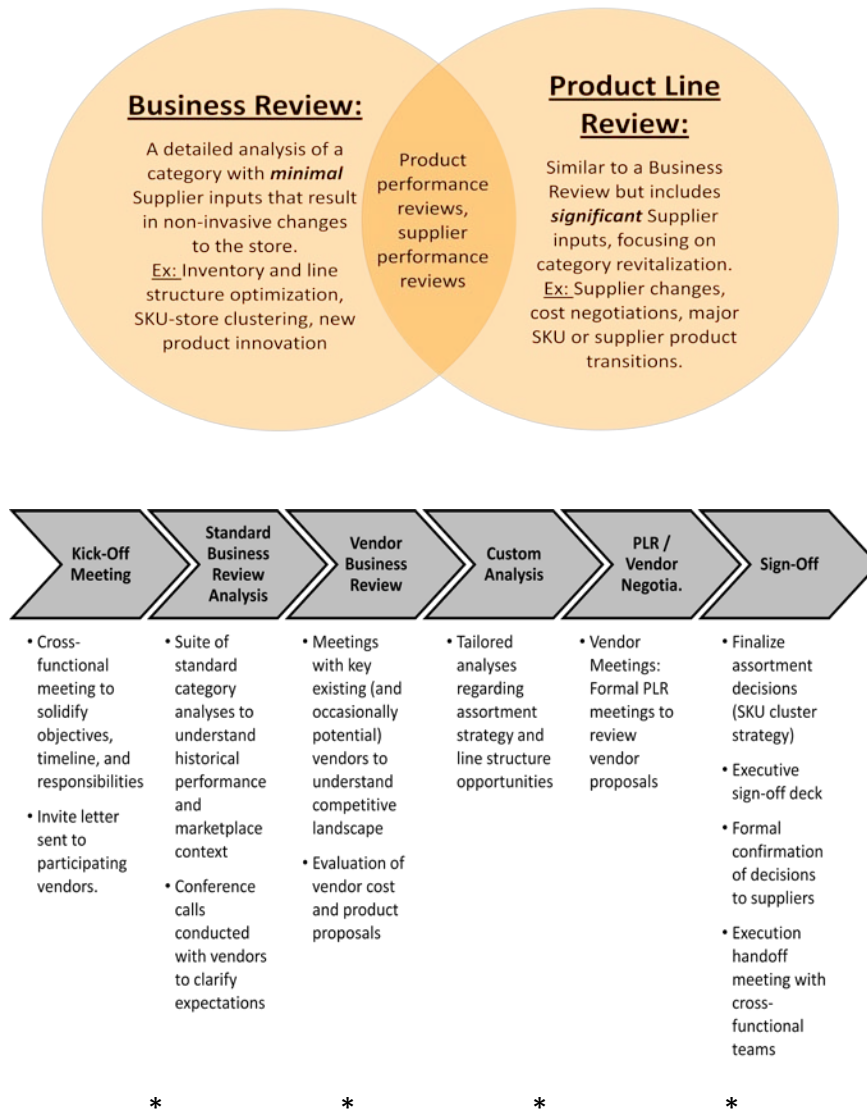
A Business Review (BR) is the process of reviewing Supplier performance, product performance, and other future initiatives. Suppliers will be asked at various times throughout the BR process to participate and submit information. Depending on the situation, a Merchant may choose to disclose or not disclose that he/she is conducting a Business Review.

A Product Line Review (PLR) is a more-detailed type of BR. The main purpose of a PLR is to consider multiple suppliers for a category. Typically, your Merchant will call for a PLR when they are considering major changes to a category like a new assortment, new merchandising or new products. In the PLR, the Merchant reviews the overall market including a brand and retailer share as well as supplier performance, product performance, product cost, new merchandising options. Suppliers are



aware in advance of PLRs as they are typically announced months in advance – in some categories they are performed annually at the same time of the year.

Merchants are responsible for communicating any action required from Suppliers for both BRs and PLRs. The typical process flow for a PLR is shown below.



When you complete this phase of the setup, you should have your SKU numbers issued and be up on Item Data Management (and on HomeDepot.com if that is the plan). If you have different assortments in different stores you should have completed the Assortment Maintenance Tool (AMT) and either on your own or with the category captain you should have completed Planograms for each of the different assortments. The Item Data Management process is fully automated and you will see each step of the process in the Item Data Management system. For SKU setup and AMT you will not be automatically notified of status or SKU numbers when they are issued. You will need to coordinate with you MA to make sure that you receive the information.







Inventory

Once you are set up as a Supplier and your SKUs are set up as active, you are ready to receive orders. Generally your first order will be a “push” order from the Atlanta Store Support Center (SSC) to the field to load the stores. After that the store will replenish in 1 of 4 ways described below.

Order Types

A purchase order is required to ship product to The Home Depot. Within the Home Depot organization, there are four types of purchase orders that are generated. This section will introduce you to them and provide insights into when and why each order type is used. The first three order types apply to domestic orders while the last one applies only to import orders. Store Associates generate the first two order types, while the rest are issued by the Inventory Planning and Replenishment (IPR) team in the Atlanta SSC.

FIRST Phones - The phones are a handheld device used by Store Associates to access a variety of store-specific data covering SKU pricing, inventory levels and availability. In addition, they are also used to generate purchase orders for items that are reordered at the store level. Generally this is more commodity-driven product with fast turns.

Centralized Auto Replenishment (CAR) - The CAR system is a parameter-based replenishment system. The system is based on seasonally adjusted sales history; the system orders to maintain a specified inventory position for each SKU in each store. The key parameters within the CAR system are: targeted inventory position (weeks of supply), supplier turnaround time, transit time, review time and minimum order quantities. A CAR Analyst has been assigned to each Merchant to maintain and adjust these parameters. Suppliers should contact the CAR Analyst to establish and maintain the CAR parameters. Generally for a new item, the CAR Analyst will choose a “sister” SKU to mimic for seasonality and forecast if none is available.

Host Orders - Host orders typically cover purchases outside of the normal replenishment cycle. Examples include the initial order for a seasonal product, special buys, and new product introductions. These types of orders are always generated out of the corporate headquarters building.

RockBlocks - Purchase orders for import products are issued through the RockBlocks system. In addition to the physical issuing of purchase orders, the RockBlocks system also manages the overall progression of goods through the international supply chain until the product is received at one of the Stocking Distribution Centers (SDCs).

Purchase Order Exceptions

The Home Depot expects all Suppliers to ship every order on time and complete. Fill rate is measured on both units and cost received versus what was ordered. Suppliers that fall below 98% fill rate are considered to be out of compliance with the SBA and are at risk of being replaced.

Back Orders - Home Depot does not accept back orders on replenishment stock orders. Receiving locations will reject merchandise not delivered within 10 business days of the due date. If a Supplier





has insufficient inventory on hand to fulfill an order, they should process the order with the available quantity and reflect the actual quantity shipped on the ASN. For any replenishment order not shipped with the original purchase order, Suppliers must secure a new purchase order.

Substitutions - Home Depot will not pay for any substitute or unapproved products without prior written approval from the Merchant. Suppliers are responsible for any expenses incurred by Home Depot that result from the receipt, handling, and return of such product.

Special Order Processing

The cost of special orders must be confirmed at the time the order is placed to avoid any chargeback. If a cost discrepancy occurs, or if a purchase order has no cost, Suppliers must contact the store expeditor by end of the business day following date of receipt of the special order to obtain a corrected hard copy of the purchase order, prior to shipping or invoicing. All special orders must be clearly labeled “Special Order” with the customer’s name for easy identification.

To ensure accuracy, it is imperative that Suppliers communicate to Home Depot necessary ordering information, such as color, inside/outside measurements, right hand/left hand before filling a Special Order within their company. Please provide specific requirements for each of the product categories on the back of the Special Order Supplier Buying Agreement Corporate Form provided by the Special Order Merchant. For large construction jobs, requiring a special order quote and multiple shipments to a jobsite at different times, it is imperative to obtain a separate purchase order for each delivery date. This procedure will ensure that all shipments of product are paid correctly and timely.

Special Orders often require delivery of merchandise directly to customers. THD expects the Supplier to efficiently distribute THD compliant merchandise in a manner consistent with THD policies for drop shipments. Suppliers can employ a small package delivery service for transport of special orders. For tracing purposes, it is recommended the Supplier use a Delivery Confirmation Service (DCS) program. Small parcel companies provide this service for a nominal fee. This program provides a means for tracing goods back to the person who signed for the shipment. Once enrolled in the program, the carrier provides a DCS card for each shipment, which serves as the Supplier’s proof of delivery.

Backorders for Special Order merchandise will be accepted only with the consent of an Authorized Representative of Home Depot. If circumstances require that a purchase order be cancelled and a new purchase order issued, all Supplier documentation must refer to the new purchase order number. Failure to do so may result in a delay in payment.





Transportation & Logistics

Now that you have established how product is ordered, we will cover the Home Depot logistics system and how product flows to stores. Choosing the proper shipping channel will reduce cost and administration for both parties and ensure that product is in-stock without overloading the system with inventory.

Shipment Routing

Home Depot maintains a number of distribution facilities to manage the volume of product flowing from our suppliers into the stores. Home Depot has four major ways it flows product 1) Rapid Deployment Centers (RDCs) are cross-dock facilities that are used for the majority of non-bulk, non-seasonal items 2) Direct to Store (DTS) is becoming less common but is still an important channel for live goods and other categories 3) Stocking DCs (SDCs) are used primarily for imported goods and highly seasonal items where receipt must begin before stores are ready to stock 4) Bulk DCs (BDC) used primarily for lumber and building materials.

Below the major product flow channels are described, including general operating procedures and product examples that flow through each. Home Depot's shipment routing guidelines are available online at the web address shown at the end of this guide.

Home Depot has Suppliers that ship collect (e.g., Home Depot pays all inbound freight) and prepaid (Supplier pays all in-bond freight). The transportation team will work with you to determine the least costly approach. Regardless of freight terms (prepaid or collect), all Suppliers must ship from the location specified in the Supplier Buying Agreement (SBA). Similarly, the product flow must follow the channel specified in the SBA. If a change to either shipping point or flow channel is contemplated, Suppliers must seek approval eight weeks in advance of any change from Home Depot's Channel Analysis group. Suppliers will be asked to complete a Channel Analysis template. Contact information for the Channel Analysis Team is provided on the last page of this guide.

All Home Depot distribution centers require inbound carriers to book appointments. THD facilities do not unload freight on weekends.

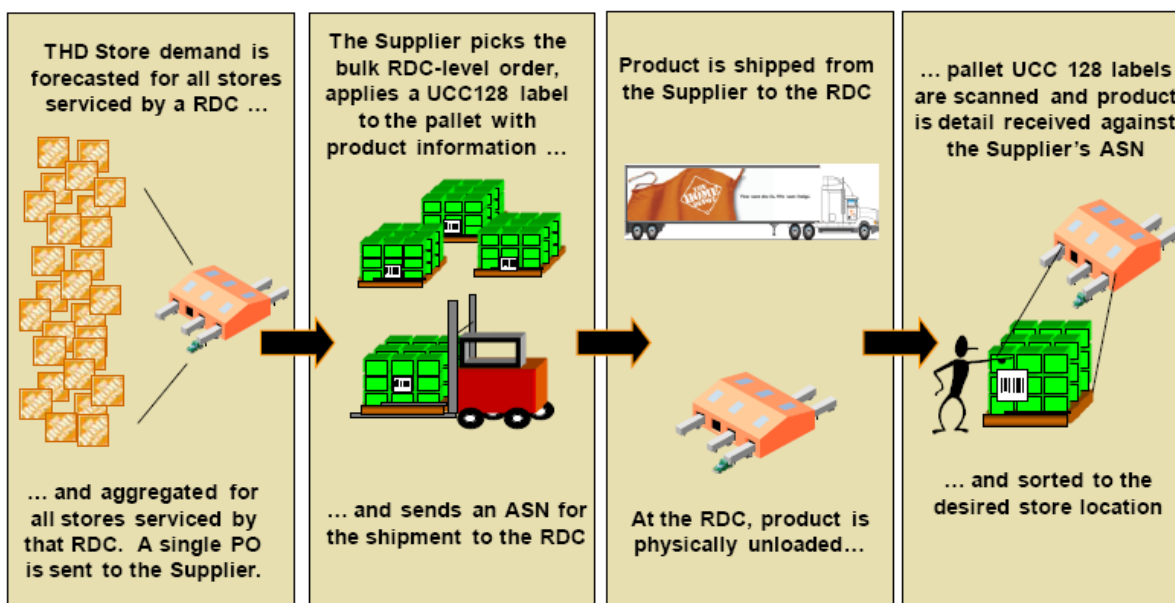
Special routing is used for stores located in Manhattan, Puerto Rico, Guam, Hawaii, US Virgin Islands and Alaska. In these situations, all products are routed to designated consolidators that forward merchandise into the store. No products are shipped directly to these stores.

Rapid Deployment Centers (RDCs) - The Rapid Deployment Centers relatively new to the Home Depot Network. One key aspect of the RDCs is that they are operated as a flow-through basis and are not intended to stock any products. Each one serves a dedicated population of stores (roughly 100) to help them maintain a very high rate of in-stock performance. The diagram below shows the operational concept behind the RDC platform.





THE RDC CONCEPT



Simply Put – RDCs Simplify and Speed Order Processing!

Another important aspect of the RDC platform is the reallocation of orders. As shown above, inbound orders to the RDC are based on forecasted demand from the population of stores served by each facility. When product arrives at the facility and is ready to be redistributed out to the stores, the store-level demand pattern is reforecast. As a result, some product may be re-allocated from a store with an expected need to one with an unanticipated, but actual, need. Additional information about the RDC platform can be accessed through the RDC Supplier Requirements Guide located on HomeDepotLink via **Doing Business > Transportation & Logistics > Logistics Requirements**.

Stocking Distribution Centers (SDCs) - The SDCs are your typical distribution center. They maintain an inventory of import product. They also maintain Seasonal Merchandise that is on consignment in the distribution center. The Home Depot does not take ownership of the consigned product until it is received into the store.

Bulk Distribution Centers (BDCs) - Categories such as Lumber and Ladders are typical products that flow through the BDC platform. Like the SDCs, these facilities stock an inventory of certain products from which stores order. Generally these are high turning categories and the strong preference is to handle only forklift loaded product (no manual handling). Also the BDCs utilize flatbed open trucks.

Direct to Store (DTS) - This remains an important distribution channel for The Home Depot especially in the Live Goods business where fresh product is vital to the business. For the few stores that are not yet served by an RDC, this is the primary distribution channel. Product can be sent in prepaid or collect via supplier truck, common carrier, or small package (Fedex / UPSO





Transportation Management System (TMS)

Home Depot utilizes a system known as Transportation Management System (TMS) to manage inbound freight bound for a distribution center. The driving purpose behind the system is to optimize utilization of all fleet and carrier assets across the network. Carriers are assigned to shipments based on characteristics such as state-to-state lane, volume, and weight. Current routing guide configuration includes continental U.S., Alaska, Hawaii, Canada, Puerto Rico, and Guam routes. Suppliers participating in this initiative are expected to follow program policies in addition to the routing guide. Additional information about both the TMS program and Home Depot's routing guide can be obtained via the contact provided at the end of this guide.

Drop Ship Requirements - As described earlier, the majority of Suppliers will directly fulfill orders from HomeDepot.com to customers' homes. This requires the Supplier to set up or contract for pick-pack-and-ship capabilities for single items. Home Depot can work with the Supplier to provide a collect shipping program or Home Depot can use the Supplier's freight rates if they are more favorable. Participation in the homedepot.com direct fulfillment program requires that all Suppliers develop and maintain capabilities to meet the homedepot.com branding and shipping standards. Inserts, other than standard manufacturer instructions and warranty information, are NOT allowed without the pre-approval of Home Depot. All THD branded documents produced by Suppliers for homedepot.com orders including, but not limited to, the THD logo, shipping labels, packing lists, inserts and shipping cartons must be the Home Depot pre-approved ones or must get approval from Home Depot. Detailed information about the specific branding guidelines can be found in the Supplier Reference Guide.

Shipping confirmations must include carrier name and tracking number and be submitted through Commerce Hub within 3 business days of the PO being available to the Supplier. Any open PO without a status (shipped or cancelled) after four business days from PO receipt is subject to cancellation. Receipt of the shipping confirmation will produce three results: enable the customer's payment to be processed against their credit card, allow for shipment status information to be forwarded to the customer and create a "receipt" in Home Depot's system to match against the Supplier invoice for payment.

All shipments, with the exception of Freight Included (prepaid) Suppliers, are shipped via 3rd Party Bill accounts on assigned Home Depot carriers. Suppliers will be issued unique account #s with the small package carrier of their choice. Shipping labels and/or Bills of Lading (BOL) should state "3rd Party" (Prepaid) and billed to The Home Depot. Specifications around the size, shape and weight of a common carrier shipment are available in the Supplier Reference Guide.

Shipping Platform Standards

The Home Depot has implemented Shipping Platform Standards to improve safety in our stores. Suppliers are required to use pallets that meet specific size, design, and quality standards. These standards apply to all shipments destined for Home Depot stores, distribution centers





and other facilities. Suppliers with special needs (e.g., non-standard sized pallets that still meet safety requirements) may apply for an exception to this policy.

Supplier Returns (RTVs) and buybacks

The returned goods policy determines how our stores handle merchandise that is defective or is determined to be a Supplier defect or error. Supplier-specific policies are negotiated with Home Depot's Merchant and are documented in the SBA. You may have a Supplier level policy, with exceptions based on product type or geographic locations (Alaska, Hawaii, etc).

If your agreement is to return merchandise, you will be responsible for both the gross cost of merchandise and all freight charges. As of January 2011, Home Depot has moved to a centralized model for RTVs. All returned merchandise is now returned to four consolidation centers where it is processed and returned to the vendor or salvaged. Centralized returns are now used for all return merchandise except: live goods, items designated as "Repair" or "Self Service" in their return status, and Special Order and homedepot.com items. Many Suppliers in the past have designated their product as "Destroy in Field"; however, with our new centralized return process that designation has changed to "No Return". This is appropriate for many items where returns are very low and the cost of returning the merchandise and reworking it is much higher than the value of the product itself.

Home Depot now handles all transportation from store to consolidation center and on to Supplier. However, the cost is charged back to the Supplier. Supplier can use their own trucks to pick up from the consolidation centers if preferred. A Supplier may specify that Home Depot call for a Return Goods Authorization (RGA) number and/or an inspection before the product can be returned; however, that is no longer done at the store level. RGAs and inspections will be done at the consolidation centers. If this option is chosen, the RGA number must be a sequential number that is tracked in your Accounts Receivable system as opposed to a "generic" name or number used in all cases and RGAs must be issued within 48 hours of request. Inspections must occur within 2 weeks of request. Should Home Depot process an RTV to your company, a Notification of RTV Deduction will be sent electronically.





Import Supplier Considerations

For Suppliers that are classified as Import Suppliers (meaning Home Depot takes ownership of the product overseas), there are a number of additional shipping and logistics requirements.

Pre-Qualification and On-Boarding (PQOB)

The Pre-Qualification and On-Boarding process collects essential supplier, factory and product information for all proprietary-branded products. This process, by design happens before final product selections and negotiations occur. The purpose is to ensure that all Suppliers and products being evaluated for a program are qualified to supply the Home Depot under our strict standards for product quality, Social and Environmental Responsibility.

The Supplier will first be sent an e-mail with the web address, user id, and password which provides access to the PQOB system. The information will have to be completed for each product being offered by the Supplier. Once all the information required is filled in, the data will be locked, by the Import Operations team, and the onboarding process will begin.

Once the onboarding process has begun, the Supplier will be assigned a service provider for SER, QSA, and PPT Testing, and also the Supplier will have to give an estimated time for the product sample to be sent to the testing facility. This step is highly important for the timely completion of the process. The expeditious completion of this information is essential to begin the onboarding process. The steps within the process can be performed simultaneously; however, all information must be entered before the process can begin. The steps in the process include: Social and Environmental Responsibility, Quality System Assessment, Pre-Purchase Testing, Logistics, Customs, Packaging, Legal, and a Pro-Forma (Financial) reviews. Purchase orders (POs) will not be issued without the completion of all these steps of the onboarding process.

Customs-Trade Partnership Against Terrorism (C-TPAT)

The Home Depot is a validated member of the Customs-Trade Partnership Against Terrorism (C-TPAT). As a member, Home Depot works with our direct Import Suppliers and factories to ensure appropriate security controls exist at the foreign factories. These minimum security requirements are designed to mitigate the risk of loss, theft and contraband smuggling that could potentially introduce acts of terrorism into the global supply chain. All Import Suppliers must have and comply with processes and procedures to keep unauthorized items or persons from being placed in shipments destined for Home Depot. Additional information about C-TPAT can be found on HomeDepotLink.

Pre-Purchase Testing (PPT)

Home Depot requires Pre-Purchase Testing (PPT) of all direct import products. The intent of this testing is to ensure that the product meets Home Depot's minimum quality requirements and needs. To be accepted, all testing must be performed by independent laboratories selected and assigned by Home Depot's Quality Assurance and Product Engineering





department. PPT evaluates a product from a salability, customer acceptance and customer use perspective along the following dimensions:

- Established safety requirements
- Appropriate regulatory requirements
- Applicable industry standards
- Relevant product certifications and listings (UL, CSA, NOM, IAPMO, etc.)
- Consumer usage and application
- Performance and other claims made by the Supplier on the packaging and elsewhere
- THD-specific requirements including packaging and labeling, including but not limited to regulatory markings, certification listings, adherence to THD brand standards, structural integrity of packaging to ISTA 1A requirements, artwork and labeling
- All packaging systems designed for The Home Depot should enhance the customer's shopping experience, provide protection for product integrity, and serve the customer from pre-purchase through product use and package disposal.
- They must also comply with all requirements as stated in The Supplier Reference Guide. You can also send an email to Packaging_Support@HomeDepot.com
- The following are requirements for all Suppliers:
 - All proprietary Home Depot branded packages must include The Home Depot SKU number
 - All retail primary packages must include country of origin
 - All products making a warranty claim must include a reference to a contact source for the consumer to exercise their warranty rights. If The Home Depot is managing the warranty claim, then The Home Depot corporate address will satisfy the requirement.
 - All products are required to have a manufacturer, packager, or distributor name and address on the primary retail package
 - Additional packaging requirements, barcoding, environmental and disposal attributes, as well as distribution attributes are discussed in the Supplier Reference Guide
 - Samples provided for PPT testing must be 100% identical to those that will be produced in mass production. Although the testing protocol can differ widely for different products, generally PPT takes 14 calendar days.

First Article Review (FAR)

Home Depot requires that a First Article Review (FAR) be conducted to ensure that production product meets all specifications documented in the PPT process, that any PPT failures corrections have been implemented, that any PPT waivers have been addressed and that any agreed upon product engineering changes have been implemented correctly. FAR must be conducted on the first 10% of the production run. If the FAR is unacceptable, the factory will be issued a formal Corrective Action and Preventative Action (CAPA) plan. The Supplier or factory will not be authorized to proceed with production until the CAPA is closed by Home Depot. Any questions about FARs should be directed to your 3rd party service provider or SQE.





Pre-Shipment Inspection (PSI)

Home Depot requires Pre-Shipment Inspection (PSI) for all products made by a direct import factory or Supplier, in order to evaluate product quality and compliance during and after mass production. Upon successful completion of PSI, the inspector will provide the results via an Inspection Release Notification (IRN). If product is shipped without a passed IRN, the Supplier will not be paid and will be responsible for any costs associated with shipping, rework, additional inspections and/or return shipping. Any questions about PSIs should be directed to your 3rd party service provider or SQE.

Shipping Requirements

All shipments must be arranged through Home Depot’s appointed global third-party logistics providers, known as Origin Cargo Managers (OCMs):

Origin	Origin Cargo Managers
China	Damco (re-branded from Maersk Logistics) Reade Kidd Reade.D.Kidd@damco.com Phone: +1.770.433.8211 ext. 83285
Australia Europe Middle East South America Asia (Except China, including Taiwan)	Expeditors International Adam Mathews Atl-thdom@expeditors.com Phone: + 1.770.991.9333
Mexico	Unyson Logistics Richard Dixon HomeDepot@unysonlogistics.com Phone: +1.888.700.2170

Specific requirements for a given Supplier or factory are driven by the import terms of sale listed in the Supplier Buying Agreement (SBA). Responsibility for activities such as drayage, consolidation, freight forwarding, marine cargo, export taxes, importer of record, etc. The three main terms of sale are shown below. Specific responsibilities and obligations for each scenario can be found in the Import Supplier Handbook, available on HomeDepotLink.

- Free Carrier (FCA)
- EXW (Ex Works, Ex Factory, Ex Mill, Ex Plantation, Ex Warehouse)
- Delivery Duty Paid (DDP)
- All shipments and documents must adhere to the customs regulations and requirements of both the country of export and import. For additional information on; shipment requirements, document requirements, customs regulations and treatment of Solid Wood Packaging Materials (SWPM), please reference the “Import Routing Additional Information” document referenced within the Supplier Reference Guide.





Transload and Containerization

For Import Suppliers, the Transload process consists of transferring product from ocean containers into domestic intermodal or over-the-rail trailers to enhance product delivery and strategic real-time allocations. Import Containerization is the end-to-end process of turning a suggested order quantity (SOQ) into an import purchase order (PO). Within the process, Inventory Planning and Replenishment (IPR) will receive Import Supplier commitment, have the SOQ containerized into ocean container, and be approved by the International Logistics team.

Post-Purchase Testing (PoPT)

All products which are retailed or licensed for retail by Home Depot are eligible for inclusion in the Post Purchase Testing (PoPT) program. Normally, all factories must have no less than one post-purchase test performed on product from each product type every six months. Suppliers will be notified prior to the inspection that a random sample will be retrieved, identified and sent to a lab for analysis. The Supplier is responsible for the cost of PoPT tests, as well as the shipping cost to deliver product to the lab for testing. PoPT samples will not be returned to production due to the destructive nature of the test process.





Finance & Accounting

Best Practices

The goal of the Home Depot is to pay all invoices on time and without manual intervention. Our invoice processing system is driven by:

- Purchase order number
- Store number
- Payables Vendor number PVendor # (NOT Merchandise Vendor number MVendor#)
- Dollar amount

If any of this information is incorrect or missing from the invoice, our system will not match and pay the invoice automatically. Further research will be required that might cause a delay in payment, creation of a charge-back or request for proof of delivery. Our policy is to resolve all open invoices and discrepancies within 12 months for FOB Destination shipments and 7 months for FOB Origin shipments.

Other tips that will help with timely processing and payment include:

- **Ship Complete** – Backorder shipments are only allowed for new store or special orders.
- **Do Not Ship Substitutions** – Substitutions and unapproved products should not be shipped as they will not be paid.
- **Complete Bill of Lading** - If multiple purchase orders are combined on a bill of lading, list each purchase order number and respective carton count.
- **Pallet Labeling** - If shipping pallets, ensure the pallets are marked with the appropriate purchase order number and number of cartons, on each pallet, for each purchase order.
- **Packing Lists & Carton Labeling** - use packaging lists, sub-packing lists when appropriate, and clearly label all cartons.
- **Tracking Numbers** - Include carrier information on the invoice: Carrier name and tracking number, or BOL or PRO number MUST be listed on the invoice.
- **Air Freight** – Air freight must be approved before shipping. For appropriate approver refer to SBA.

Purchase Order Number Validation – For Direct to Store Orders the Purchase Order number will always start with the last two digits of the store number (e.g. store # 0105, PO # 05012345). For Stocking DC POs the Purchase Order number will always start with the last two digits of the DC number. For RDC POs the first two digits of the purchase orders represents the Buying Office Number (BYO)

- Ensure all documentation has a matching store/DC/BYO/PO number combination.
- **One Invoice per PO** - You must submit one invoice per Purchase Order, per shipment, per store.

Stock Merchandise Tips - Data accuracy is the key component to timely and accurate payments. The below steps help to ensure pricing issues do not arise:





- Once a quarter, or when a cost change has been executed, contact The Home Depot Merchant or Merchant Assistant assigned to your company to obtain the **531 SKU Detail** report for each of your MVendor numbers. This action will synchronize cost, SKU, part number and pack size for your company and The Home Depot, thereby eliminating the instance of cost discrepancies, which require research and follow up.
- Review the report with your Sales Department to ensure all details, such as pack size and cost, are accurate.
- Communicate any discrepancies to The Home Depot Merchant or Merchant Assistant assigned to your company.

Special Order Merchandise Tips - The cost of special orders must be confirmed at the time the order is placed to avoid any chargeback. If a cost discrepancy occurs, or if a purchase order has no cost, Suppliers must contact the Store Expeditor by end of the business day following date of receipt of the special order to obtain a corrected hard copy of the purchase order, prior to shipping or invoicing. A new purchase order is required for additional product necessary to fulfill a customer order or where a replacement order is required.

Electronic Funds Transfer (EFT)

All Suppliers are required to receive payment electronically as opposed to handling paper checks. You will be asked for bank routing information (ACH routing and account numbers) during the SBA process. Your remittance advice will be sent as a PDF email attachment until you have completed enrollment for EDI based electronic remittance (EDI document 820.).

To change the banking information on file for your account, access the online vendor maintenance form at <http://www.formrouter.net/finance@THD/vendormaintenance>. To complete the form, the following information is required: PVendor number, Tax ID#, second e-mail address of a leader/other individual in your organization, banking data (ABA routing and account numbers).

Payments are processed every Monday, Wednesday and Friday.

Monthly Reconciliation

In working with Domestic Suppliers, Home Depot has developed a formal process for monthly payables reconciliation. The following three steps are required Supplier actions for proper account reconciliation to occur between Home Depot and the Supplier: identification, root cause analysis and resolution.

Identification - In the event that an invoice is not paid or is paid for an amount different than the amount billed, Suppliers must notify Home Depot in a timely manner. For FOB Destination shipments, claims must be submitted within twelve months; for FOB Origin shipments, the claim period is seven months. The timeline for submitting reconciling items is based on shipping, invoice or deduction date, whichever is later.





Root Cause Analysis - As reconciling items are identified, it is important that Suppliers use all available information to identify the root cause of the issue. Timely identification of the root cause is required to ensure optimal efficiency and effectiveness in the ongoing payment process and the Supplier's receivable process. If your company is finding itself frequently contacting The Home Depot to dispute payment issues, please spend time to track trends and identify root causes.

Resolution - In the event that an invoice is not paid or is paid for an amount different than the amount billed, Suppliers must notify Home Depot in a timely manner. For FOB Destination shipments, claims must be submitted within twelve months; for FOB Origin shipments, the claim period is seven months. The timeline for submitting reconciling items is based on shipping, invoice or deduction date, whichever is later.

Dispute Process - Over 98% of all invoices submitted for payment to The Home Depot are paid on time. The Suppliers who are receiving timely payment are compliant with all aspects of the SBA, Terms and Conditions, Routing Guides and Electronic Transmission requirements. The mutual goal of the Accounts Payable team and our Suppliers is to partner to identify and resolve any missing or invalid data to ensure timely and accurate payment for all Suppliers. For the exceptions where a Supplier disagrees with an action taken by our Accounts Payable department, we have created a formalized process to ensure timely resolution of such disputes. The process varies depending on the type of invoice in question.

Merchandise - The Dispute Portal provides Suppliers a secure and flexible way to view invoice payment details, charge back listings, and package status. Suppliers can register and login to the Dispute Portal at <https://my.directcommerce.com/Login.jsp>. Before you submit a dispute, it is important that you first post payment remittance timely, obtain cash requirements from the Dispute Portal, reconcile open AR, research and apply credits, and view details of paid invoices on HomeDepotLink. If you determine that a dispute is necessary at this point, you can submit the dispute for invoice chargeback or unpaid invoice with Proof of Delivery (POD). Once submitted, you can then monitor the package status within the portal.

Freight - To dispute freight charge backs against Suppliers (not carriers), Suppliers must complete the AP Freight E- recon template ((available on HomeDepotLink via **Doing Business > Finance & Accounting > US Merchandising Domestic Accts Payable**). All disputes are handled in the order that they are received, and completed templates will be returned with disposition of the dispute.

RTVs - Before making a Return to Vendor (RTV) dispute, you should first partner with your Merchant to validate that your BEAR RTV policy is current and accurate. To dispute an RTV, complete the RTV E- recon template (available on HomeDepotLink via **Doing Business > Finance & Accounting > US Merchandising Domestic Accts Payable**).





Links

Supplier Setup

SBA Webform
Supplier Alertline
Proprietary branding
Branding, PQOB

<https://hdapps.homedepot.com/THDSupplierOnboard>
<https://www.integrity-helpline.com/hdsupplier.jsp>
<http://www.marketingsupportonline.com>
https://www.thdsourcing.com/pqob/manuals/THD_User_Guide_v1_032907.pdf

Transportation & Logistics

Routing guide

<http://www.routingguides.com/hd>

International Logistics

C-TPAT standards

<http://www.cbp.gov>

