

RECOMMENDED GUIDELINES FOR SUPPLIERS



The Promotional Products Association International's purpose in publishing these guidelines is to promote communication between suppliers and their distributor customers to help them build profitable and successful businesses.

The ability to correctly handle the specific details of orders sent from distributors to suppliers relies strongly on simple but specific descriptions of the products, policies and pricing available from suppliers. This is most commonly accomplished through the distribution of supplier catalogs, brochures and materials mailed to supplier's distributor network. These guidelines should be carefully and specifically adhered to when producing these materials.

GENERAL CATALOG RECOMMENDATIONS

Catalog Size: Catalogs and supplemental sheets should be 8 1/2 by 11 inches and three-hole punched with 5/16-inch diameter holes.

Catalog Binding: Saddle-stitched binding is preferred. Avoid spiral or ring binding, if possible.

Catalog Issuance: Catalogs should be issued annually, if possible. Leave room on the front cover to print or stamp the dates for which the information is effective.

Catalog Dates: For catalogs issued annually, print year of issuance and beginning and ending dates on the front cover.

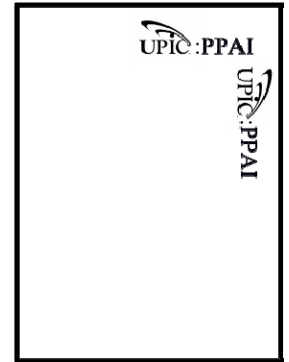
Catalog Font Size: It is suggested that regardless of font styles used, font size should not be less than six point and, preferably, not less than eight point in size. If less than eight-point font size is required, consider a "bold" font to enhance readability.

Catalog Index: On extensive supplier product lines, a catalog index by product name and/or product style numbers and page numbers is desirable. The index listing should preferably be on the inside front cover.

Industry Identification Number(s) (UPIC, PPAI Member Number and ASI Number): Should be printed on front cover in upper right-hand corner, both horizontally and vertically, for easy filing reference. Catalogs are frequently filed sideways as well as upright.

Note: Such numbers might also be placed on supplier stationery and envelopes and separate brochures.

Distributor "Identification" Space: A clear area should be made available on front or back cover of the catalog for distributors to be able to stamp or sticker their firm's name and information.



Product Sources: It is advantageous for suppliers with products made in the USA to indicate "Made in USA" in their catalogs.

Union Label: It is desirable that Union Label availability be shown on catalogs with union-made products.

Mailing Practices: On bulk mailings, one copy of the catalog, plus any "confidential" information, separate price sheets, promotion sheets, etc., can be mailed to each distributor initially. Mark the outside of the envelope "Confidential". Usually distributors wishing more catalogs will request them.

Distributor Catalog Requests: Distributors will request catalogs by phone, fax or e-mail, or at tradeshow they will ask suppliers to mail them. Requests will come throughout the year. To avoid excessive duplication, keep a record of all catalog orders filled.

Charging For Catalogs: Many distributors will not buy catalogs. Better distribution will be obtained if catalogs can be sent at no charge. However, suppliers may specify a "limit" on the number of free copies. Most distributor catalog requests will say, "If there is a charge for catalogs, please advise before sending", or "Send maximum number available at No Charge." Those requests should be honored.

Catalog Identification: Supplier firm name, address, phone, fax, Web or e-mail address information is **not** desirable in catalogs. Suppliers may use a "line" name for identification, instead of their corporate name.

Catalogs "Fax" Ready: Avoid using dark backgrounds behind illustrations, copy text or price schedules. Such pages are not legible when sent over fax machines, a service frequently requested.

Individual Product Pages: On any page where a product is shown, the following information should be included on the same page.

- Brief product description
- Product name
- Product number
- Imprint space dimensions and locations
- Standard packaging
- Method of imprinting, if not identical on all products
- Size, content and weight of basic shipping container
- Product dimensions for each quantity bracket
- Quantity list prices of each product and discount symbol

Random Imprints: Catalog product illustrations should **not** show any distributor imprint copy on the products.

CONFIDENTIAL INFORMATION GUIDELINES

The following details should **not** be printed in regular supplier catalogs and should **not** normally be mailed with catalogs to distributors' salespeople. Send these details separately, marked "confidential," and only to the distributor or those salespeople designated by the distributor as "buyers."

- Distributor Net Prices or Values Of Discount Code
- Supplier Phone, Fax, Website, E-Mail, Street Address, P.O. Box
- Credit Policy & Payment Terms (including Credit Card details)
- Sample Prices & Sample Descriptions
- Sample Rebate Policy
- Volume Rebate Policy
- "Speculative" Sample Policy
- Returned Merchandise Policy
- "Restocking" Charges On Returned Merchandise
- Names Or Pictures Of Supplier Personnel

GENERAL INFORMATION GUIDELINES

"General Information" details should be located in a prominent page location in a supplier catalog. Inside front, center spread, inside back or back cover are all excellent locations. This information is for the benefit of the distributor salespeople selling from the catalog. Each topic should be included, even if there is no added cost involved.

Each topic should be headlined and policy outlined as briefly, but concisely, as possible. Topics should be in alphabetical order. All items with a cost involved should show the cost and discount code involved. Suggested topics to include are:

Acknowledgements: Advise policy on providing acknowledgements of receipt of distributor orders.

Artwork: Describe standards and cost of "factory provided" artwork.

Electronic Art: Describe format of acceptance by supplier.

Artwork Return: Describe policy on holding and returning distributor furnished artwork.

Cancellations: Advise policy and cost of order cancellations.

C.O.D. Shipments: Advise policy and costs of shipping C.O.D

Combined Product Pricing: Advise policy of pricing for order with more than one product style involved.

Copy-Changes: Advise minimums per change of copy and cost of change.

Copy-Color Changes: Advise minimums per change and cost of change.

Copy-Corrections: Advise costs per correction on order before and during production.

Die Charges: Advise of die costs.

Disclaimer: Advise that designs and logos illustrated in catalog are not endorsements of your products by the owners but are simply to indicate factory imprinting capabilities.

Drop-Shipments: Advise cost per each destination after original.

Embroidery Tapes: Advise costs based on stitches required.

Exact Quantity Orders: Advise cost if orders don't allow an overrun or underrun but request exact quantity only.

Faxed Orders: Advise they are not acceptable for artwork use.

Foreign Orders: Advise policy and cost on foreign documents

Guarantees: Advise product and quality guarantees, if any.

Increased Order Size: Advise policy on orders increased in size after production has begun.

Intermediate Quantity Pricing: Advise policy on pricing orders for quantities between catalog quantity columns.

No-Copy Orders: Advise pricing policy on orders without imprint.

Over-Catalog Quantity Orders: Advise policy for obtaining pricing.

Overruns and Underruns: Advise percentage ratio and pricing policy on possible overrun or underrun quantities on orders.

Phone Orders: Advise of written confirmation follow-up policy, if any.

Plate Charges: Advise plate costs, per color.

"PMS" Colors: Advise cost of matching specific PMS imprint colors.

Production Time: Indicate "normal" production time in workdays or weeks after receiving full artwork or after proof acceptance.

Proofs: Advise of costs for each of the following:

- Paper Proofs: Black and White
- Paper Proofs: Color
- Sample Proofs

"Repeat" Orders: Advise any special offers on exact repeat orders.

Returns and Allowances: Advise policy on returns.

Rush Orders: Advise policy on costs and acceptance of rush orders.

Screen Charges: Advise of screen costs, per color.

Shipping Method: Advise normal shipping methods unless otherwise required or requested.

Split Shipments: Advise cost of each future shipment on a single order, after original shipment.

Union Label: Advise union label availability, if any.

Vacation Time: Advise normal factory annual vacation period.

Verbal Orders: Advise order must be received in writing before production will begin.

STATEMENTS NOT RECOMMENDED FOR CATALOG INSERTION

"Prices Subject To Change Without Notice": While prices may change at uncertain intervals, it is important that distributors get reasonable advance notice, so they may protect orders currently in negotiation or production.

"Substitutions of Equal or Better Value May Be Made If Necessary": Substitutions should never be made, regardless of value, without the prior written consent of the distributor.

SHIPPING POLICIES

It is not recommended that the supplier's line name appear on any shipping labels or packing slips of orders shipped directly to the distributor's customer. Suggested methods are these:

Shipping Labels: Use distributor firm name as "shipper," but use the supplier address in the event shipment has to be returned.

Packing Slip: Leave supplier name off packing slips. Simply show quantity of contents and distributor purchase order number as directed.

SUPPLIER RESPONSIBILITY

Supplier should accept responsibility if:

- Shipment arrives late because supplier missed deadline date.
- Supplier fails to meet order specifications as submitted, in writing, by distributor.
- Supplier substituted merchandise without prior notice to the distributor and customer refuses order.
- Supplier increased price without prior notice to distributor and distributor refuses to pay excess amount.

- Supplier shipped merchandise to incorrect destination.

INVOICING PROCEDURES

Supplier should generate and mail invoices within 24 hours of order shipment. Invoices should include the following information:

- Distributor name, address and purchase order number.
- Shipping destination of order.
- Product number and quantity of product.
- Net price of product multiplied by quantity shipped.
- Net price of any additional services.
- Freight cost--include freight bill copy, if requested.
- Total cost of order.
- Supplier company name, address, phone, fax number and e-mail address.
- Shipper's tracking number for each carton shipped.

ORDER ACKNOWLEDGEMENT PROCEDURE

Supplier should **always** advise distributor that his/her order has been received. The distributor wants to know if the supplier received it and/or the answers to any questions asked on the order.

- Fax, e-mail or mail back to distributor a copy of the actual order as received. Answer any questions asked on the order.
- Order changes made after original acknowledgement should be acknowledged in the same manner as original order, or the distributor should be advised if order changes cannot be met.
- If suppliers **can't** meet order requirements, **the supplier should phone, fax or e-mail the distributor immediately.**

WRITTEN PRICE QUOTATION POLICY

When distributors ask for price quotation on quantities above the catalog-listed quantities, supplier should submit a "written" form of quotation, good for at least 30 days. Both the supplier and the distributor should have a written record of the quote to avoid future discrepancies.

CREDIT POLICIES

A supplier dealing with a "first time" order from an unlisted or unknown distributor has several payment options to consider.

- Ask for credit references from other suppliers for possible "open account" terms.
- Ask for partial payment in advance of production. May be paid by credit card or company check.
- Ask for "letter of credit" payable on shipment.
- Ask for full payment in advance.
- C.O.D. shipment for all, or part of, the order value.

DISPUTE RESOLUTION

In event of a dispute regarding an order or other matters between a distributor and supplier, where they are at an impasse, PPAI can provide a service called the DISPUTE ADVISORY SERVICE. For further information, contact PPAI at 972-258-3043.

OVERRUN & UNDERRUN PROCEDURES

The normal acceptable percentage of overruns or underruns is 5% of the requested order amount. Supplier may only invoice for actual quantity shipped. However, overruns on very large orders should be kept as close as possible to original order quantity. Also, overruns on slow production or "hand-made" products may not be acceptable. Contact distributor before production if situation is in doubt.

TIME LIMITED PROMOTIONAL OFFERS

Promotional offers available for only a short span of time should not be permanently printed in the annual catalog. Instead, put the offer on a separate brochure or flyer and insert it in the catalog before mailing. Such offers might include special pricing, product sizes or colors, closeouts and specific holiday or event merchandise.

SAMPLES

Stock Samples: Usually samples printed with supplier identification information may be available individually or in packaged "kits." Supplier usually offers distributor a special price on samples shown to prospective buyers. Samples may be shown and priced on a separate "confidential" brochure.

Speculative Samples: Usually samples created for "speculation" by the supplier for a distributor to help close a sale.

INDUSTRY TRADESHOWS

There are numerous industry tradeshows each year where suppliers exhibit their products to distributors, and distributor personnel visit suppliers for information. These shows may be national, local, regional or even international in scope. PPAI's website at www.ppa.org hosts a tradeshow database for specific show information.

EDUCATIONAL PROGRAMS

PPAI offers numerous educational programs on industry policies and practices. Contact PPAI for details.

VOLUNTEER OPPORTUNITIES

There are numerous committees, task forces, regional associations, etc. in the industry that depend on volunteers from both supplier and distributor firms. One of the fastest ways to obtain exposure to potential future business is to volunteer and get involved. Contact PPAI for more information on volunteer opportunities.



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