

Frequently Asked Question from Vendor On Boarding Sessions

Phase 1: Vendor Requirements Prior to First Purchase Order Receipt

Loweslink®

1. Will the vendors be required to re register for another Certificate to access Loweslink®? **If they have a second account for their Canadian vendor number - yes. If not – no. By separate accounts, we mean if the vendor chooses to separate vendor numbers in order for one group of people to handle purchase orders/invoices for vendor # 12345 and another group of people to handle purchase orders/invoices for vendor # 54321 - 2 separate WF accounts would need to be setup. If users a current US vendor # 12345 also want to see purchase orders for new Canada vendor # 54321 we would be able to add the new vendor number to the existing set up and users would NOT have to register for a new digital certificate.**
2. How many employees from a vendor can be registered to use Loweslink®? **As many as needed by the vendor. One subscriber agreement per vendor is required, but each user from the company is required to register for a digital certificate to access the companies information on Loweslink®.**
3. Is one certificate per user per vendor required to login to Loweslink® or can 1 certificate be used for multiple logins? **1 certificate per person, each person should access LowesLink® with the certificate issued in their name.**
4. If you have already been assigned a Home Office VBU from Lowe’s USA will you require a separate Home Office VBU for Lowe’s Canada? **Only if a new Home Office VBU is issued by the Lowe’s Canada business. A new Home Office VBU will be given if a vendor has a separate business entity for Canada with a unique officer and/or corporate address (New Home Office VBU). As a reminder, other new VBU’s will be issued under the following circumstances: Vendor requires payment in Canadian Currency for Stock Product (New Remit VBU) Vendor is selling SOS product to Canada (CDN Currency and thus a New Remit VBU is Required) Vendor will be shipping from a new location (New Ship From VBU)**
5. Do we require a different “ship from” VBU for each ‘ship from’? **Yes. Each ship from facility is required to have its own “ship from” VBU.**
6. I have 2 VBU’s already, would 1 be for special orders and 1 for regular orders? **Not necessarily. It could be because the vendor has two ships from locations. We recommend that you check with your Merchandising Assistant to confirm what type of vendor numbers you have been issued.**

7. I ship to Lowe's USA and Lowe's Canada from the same 'ship from' do I require 2 "ship from" VBU's? **No.**

EDI – Electronic Data Interchange

8. On transactions in general is Canada considered a separate entity from Lowe's US? **Yes.**
9. Is there a cheat sheet with the differences between Lowe's US and Lowe's Canada for the existing vendors? **On Loweslink®, under the dedicated section for Lowe's Canada, a Communication to Existing Vendors provides these differences as they pertain to EDI.**
10. Will Lowe's require ASN-128 or regular ASN's? **Lowe's can accept a detail or summary level ASN via traditional EDI or the vendor can submit ASNs via our ASN Web form application on www.loweslink.com.**
- The EDI Advance Ship Notice also provides the actual shipped quantities by item which is used to expedite the receipt of product within Lowe's distribution and store locations. For more detail on Lowe's ASN requirements, please refer to the Lowe's EDI ASN Implementation Guide. This document also provides information on labeling pallets with the GS1-128 bar code and sending pallet details in the EDI ASN.**
 - Lowe's must receive timely ASNs. If you do not send ASN before shipment arrives, your shipment may be refused entry to the Lowe's RDC. Change ASN's are acceptable.**
11. Between Canada and USA are EDI maps synchronized? **The same EDI map will be used in the US as in Canada for each document. Country codes, the G-10, address on the purchase order, and the ship from VBU on the purchase order will be used to distinguish between Canadian & US EDI maps.**
12. On collect orders should vendors use Canadian or US currency? **This would have been predetermined with your merchant. If you have agreed on your VIS to sell stock product to us in Canadian Dollars, then all transactions for that product should be in Canadian dollars regardless of freight method/channel agreed to with Supply Chain.**
13. Are sales listed in Canadian or US dollars? **Canadian stores will report Canadian dollars and US stores will report US dollars.**
14. When will you start Testing EDI? **The EDI team will work with all Lowe's Canada vendors (existing & new) to confirm the trading partner relationship. This step is mandatory. Formal testing will only be done with new vendor's to Lowe's. The EDI team will contact all vendors as soon as VIS's are returned and the vendors are set up in Lowe's system.**
15. What time frame are you anticipating for the implementation of ASN's? **Lowe's**

currently requires all trading partners to submit the ASN for all shipments as outlined in our EDI ASN 856 Specifications. This document can be found on www.loweslink.com under the EDI tab, click on Lowe's EDI Specifications and Business Examples, and then select the 856 specifications.

16. Will the vendors have access to Dart Reporting? **Dart will not be available until at least end of 2008.**
17. Are we going to require UCC net/PCM? **The supplier is free to use any certified data pool. Lowe's recommends 1SYNC (formerly known as UCCNET/Transora), but the supplier is not required to use them. We just require a certified data pool so that the items can be in the Global Registry. Suppliers should do the necessary research to assess which certified data pool fits their needs.**
18. Is POS data going to be made available for Lowe's Canada? **The only way to view POS information at start up will be the 852 POS report which requires EDI capabilities.**
19. Will the vendors be receiving forecasts beyond the initial forecast, particularly since they will not have access to DART reporting? **We will certainly share forecast information with as many vendors as possible. Unfortunately resources limit our ability to do this with all vendors. We will share the detail information weekly.**

Bar-coding and Packaging

20. Are I2 of 5 codes required for SOS shipments/ product? **No.**
21. What languages should be on packaging? **English and French are mandatory on all goods to be sold in Canada. Trilingual packaging will be accepted to include Spanish as well.**
22. Can a vendor attend another session if they have already attended or can they have another colleague attend a future Vendor On-Boarding session? **Yes. Please send an email to vendoronboarding@lowes.com with that request.**

Cross Border Requirements

23. Can we get an understanding of the GST Tax & how that process works?

The Canadian Government will assess a 5% Goods & Services Tax (GST) on goods that cross the border. Vendors can apply with the Canadian Government & will receive a GST registration # that can be referenced & vendors will be able to claim the 5% GST back from the Government. It is not

mandatory that Vendors register for a GST #, however, Lowe's will not accept higher cost of goods from Vendors layering in the cost of GST. Lowe's highly recommends that vendors contact a Customer's broker to advise on best practices in shipping to Canada

24. If you already ship to U.S., is the classification done already? **No. The HTS codes are different for US vs. Canada; however, the US HTS can be helpful in determining the Canadian HTS code.**
25. If we ship collect is there any need to call the customs brokers back? **Yes. UPS-SCS will be classifying all collect items on behalf of Lowe's. They will require item specification from you in order to accurately complete this task. In addition, they may require clarification and will contact you directly if required. Ongoing, UPS-SCS will contact the vendor directly in shipments have paperwork issued that impacts customs clearance.**

Vendor POP Signage

26. If it's already Hanna approval in U.S. already, do we need approval again? **Yes. Vendors need to resubmit signage because there will be NO Spanish on signage as in the US.**

Others

27. What does SCA stand for? **Supply Chain Analyst.**
28. Can I access the documentation referenced in the presentation on the Lowe slink® site without having a Loweslink® login? **Yes. The on-boarding and requirements documentation discussed in the presentation can be accessed without a Loweslink® login under the Lowe's Canada section at www.loweslink.com.**

Phase 2: Vendor Requirements to Ship and Schedule Purchase Orders

Shipping Method

29. Will goods currently flowed through different channels, due to separate line reviews, be re-channeled if they originate from a common FOB point and will the

vendors receive updated information regarding the new channel that has been selected? **Yes. Goods with different channels will be consolidated into a single channel (with a few exceptions) and vendors will receive communication from their Supply Chain Analyst with their updated channel.**

30. What is the difference between Prepaid to the DC and Prepaid Cross Dock?
From the vendors perspective, nothing. Both are bulk purchase orders with the distribution center as the destination.

Shipping Requirements

31. Are the pallet requirements for Canada the same as those in the US? **Yes.**
32. Since you do not participate in National Pallet programs will you only accept white or throw away pallets? **Yes. Only white or throw away.**
33. Are MH-10 labels a requirement of shipping to Lowe's Canada? **No.**
34. Are the stretch wrap specifications for regular 48x40 pallets? **We only have a specification for concrete blocks / paving stones. These specification can be found on Loweslink®.**

Scheduling Requirements

35. Will Lowe's Canada be accepting Flat Bed deliveries, if so when? **Yes. Lowe's Canada will receive flatbed deliveries at our stores.**
36. What is the location of RDC?

**RDC # 1469
2750 Peddie Road
Milton ON L9T 6Y9**

37. Do the vendors have a shipping window or a specific delivery day? **All Purchase Orders will have specific shipment and arrival dates. Vendors and/or their carriers are required to meet these dates. If vendors have specific days that they prefer to receive their purchase orders in order to improve lead times and on time fulfillment, they can forward that to their Supply Chain Analyst who can ensure that their replenishment program gets set up correctly for all system generated POs.**
38. Does the RDC handle flatbeds? **Please contact your Supply Chain Analyst if you have questions about your products being received at the RDC.**

39. What is the difference between the ship date and the requested arrival date and which ship date should a vendor adhere to if they are collect or prepaid?

The scheduled ship date is the date that the vendor is supposed to ship the freight. This is calculated based on the processing lead times you provided/agreed to with your Supply Chain analyst.

- o **If you are a collect vendor you MUST adhere to this date a Lowe's will schedule a carrier to pick up product on that date.**
- o **If you are a prepaid using LTL you must also adhere to this date as the LTL carriers are given certain lead times to meet the arrival date at the DC/Store.**
- o **If you are a prepaid vendor using your own TL carrier Lowe's does not manage the ship date, but shipping past this ship date will impact your carriers' ability to meet the arrival date which in this case would hit your vendor compliance scores.**

The Arrival date is the date that the PO is supposed to arrive at the store or RDC. This date is calculated based on a pre-determined transmit time from point to point and is not negotiated on a vendor by vendor basis. This date must be hit by all vendors and carriers regardless of freight method on that PO.

40. What do we do if our current freight providers' rates are more competitive than your Core Carriers LTL rates? **Vendors are required to utilize the LTL core carriers that Lowe's selects. Vendors can appeal for a special routing by contacting Billy Scottow at William.H.Scottow@lowes.com, but we honor very few of these requests to so that we can keep the integrity of our program.**

Small Parcel

41. Can small package shipments contain more than 1 SKU in a shipping carton? (ie. No more than 12 cartons for small parcel shipment, but what if there are 2 selling units per carton?) **Master cartons are frequently used in parcel shipping where multiple SKU's are combined in one box to reduce shipping charges. This is OK as long as it meets size & weight requirements for Small Parcel shipping. UPC codes must be visible on each individual SKU's master carton however to meet receiving requirements.**

Other

42. Will Lowe's Canada use the same replenishment teams as USA? **Yes. We will be leveraging our replenishment team in the US. In addition, each business unit will have one dedicated Canadian Sr. Replenishment specialist that will coordinate Canadian business needs.**
43. Who should we contact if we have any other questions? **If you cannot find the information you need, please email the questions to canadavendorcomp@lowes.com**

44. What is the difference between lead times? **Both collect and prepaid lead times address the processing time vendors require to have the goods available to ship from the date they receive the purchase order. Lowe's adds to these processing lead times the transit time required to move the product from point A to point B. The processing lead time and the transit lead time are used together to determine the arrival date requirement on each PO.**
45. When will we know who Lowe's has selected as its Core Carriers? **The routing guide for Lowe's Canada will be posted on Loweslink®**

Phase 3: Vendor Requirements Post Lowe's receipt of Purchase Orders

Vendor Compliance

46. Will the vendor be found non compliant for shipments that are delayed due to the delays attributed to the Core Carrier? **No. When core carriers are used, vendors will be held accountable for on time shipment (meeting the Ship Date requirement). So long as Ship Date is met the vendor will be considered on-time.**

Buybacks

47. What would trigger a vendor buy back? **A number of things, including discontinuation of a sku, end of season buy back, line reviews, etc. All buy backs will be negotiated with the merchandising team.**
48. You mentioned that RTM's won't be returned to the US by Lowe's, what about buybacks? **If vendors require product to be returned to them in the US, they must do so on a collect basis (i.e. vendor must pay for the freight and must be the importer of record back into the US and must provide all customs and BOL documentation).**

Returns to Manufacturer's

49. Some RTM agreements with Lowe's US require inspection by a service company. Is that the same in Canada? **This is dependent upon the agreement between the vendor and the merchant. This may be required for certain product types, while others will be services at the store.**