



## 2016 Vendor Partner of the Year Award

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Each year Lowe's recognizes those vendors who share our goal to 'Never Stop Improving'. This program is designed to recognize the unique contributions that vendors make to the success of Lowe's. Lowe's values the efforts put forth by vendor partners that strengthen the home improvement industry. This program was developed to laud those who support Lowe's. Selection criteria are based on three major categories of vendor performance along with other characteristics: Financial Impact, Product, and Service & Support.

### **2016 Vendor Partner of the Year Selection Criteria**

#### Financial Impact:

- Vendor's product(s) produce exceptional sales and profit contribution growth while ensuring ROI objectives are achieved, and embrace collaboration to execute on strategy and business plans that deliver profitability for Lowe's.
- Vendor exhibits product cost containment practices that facilitates Lowe's price competitive position, and supports cost simplification measures in order to trim unnecessary expenses.
- Vendor supports Lowe's Everyday Low Cost goals.
- Vendor commits to helping Lowe's gain market share and win in the home improvement channel through action and results.

#### Product:

- Vendor is aligned with Lowe's to provide exclusive merchandise, brands, marketing and/or service that advances and differentiates Lowe's from its key competitors.
- Vendor provides customer-friendly content that speaks to the forward-thinking approach of streamlining and simplification, and presents their products as part of a solution-based initiative.
- Vendor meets product performance standards and specifications and reacts to speed to market opportunities and resolves any product failures and/or customer complaints promptly.
- Vendor is aligned with our Value Improvement focus, on better understanding the customers' wants and needs and delivering what they are looking for through great line design that incorporates their local preferences and provides superior value.

#### Service & Support:

- Vendor maintains consistent inventory levels (fill-rate, on-time deliveries, and complete shipments) to support Lowe's standards of acceptable in-stock position.
- Vendor demonstrates a commitment to supporting our social media efforts to build product differentiation.
- Vendor supports all Lowe's initiatives, including Differentiating through Customer Experiences, Project Authority, Omni-Channel sales focus and continuous Value Improvement. While continuing to partner with Lowe's to drive market leading growth, margin expansion, inventory productivity and product innovation, bringing these innovation to market quickly through new products and category formats.
- Vendor supports Lowe's desire to be a multi-channel retailer by making product available for sale in all channels (Online, Mobile, In-store, In-home, Call Center).

#### Characteristics:

- Vendor has an excellent business reputation and demonstrates responsible stewardship in its environmental policies and practices, as well as be recognized for projecting a positive industry image.
- Vendor strives to be a world-class example, demonstrating excellence and embracing continuous improvement as a part of their culture.
- Vendor is a bold visionary and thought leader in their industry.