



EPTDA'S REQUIRED INFORMATION CHANGE PROCESS (RICP) - PREPARING NEW STANDARDS FOR THE PT/MC INDUSTRY

At the association's "All Committees' Days Meeting" in 2006 in Monaco, the members of the EPTDA Distributor and Manufacturer Councils gave the finishing touches to the much-awaited **EPTDA Required Information Change Process (RICP)** project, a major advancement towards defining the standards of operation and business of the PT/MC Industry and EPTDA.

This initiative was first kicked off in 2004 and the foundations of this project were built upon the need to define standards that would facilitate a clear definition of the market segment served by both manufacturers and distributors, who will on their end, share obligations and responsibilities. The objectives of the project also focused on establishing clear timescales and format for notification of item number changes, and for item price and discount changes.

The RICP project started on the foundations of outlining and implementing recommendations and general principles, as suggested by EPTDA to both its Distributor and Manufacturer members for forming the basis of individual negotiations. After endless efforts and a series of thought-provoking discussions, EPTDA is pleased to inform you that the official RICP manual for our industry is now finalised and ready for distribution. Although the RICP manual is a result of the best practice techniques of our industry, which we want you to follow and benefit from, it is intended to be a living and working document which can be adapted by both parties to best suit their needs and requirements. Under no circumstances, should this manual be used for dealing with pricing decisions and negotiations outside the scope of this project and EPTDA.

The RICP manual is a recommendation! All points outlined and all fields and data definitions will be applicable in all cases, and we recommend that they be used in the same sequence and format as outlined in this RICP.

THE MANUFACTURER

1. a) Will preferably give TWO clear months notice of **price changes** to Distributors. In **exceptional** circumstances one month's notice will be acceptable.

b) All Price Changes will be supported by full and accurate information on the new prices, electronically, and/or in hardcopy, depending on the agreements between the Manufacturer and individual distributors, in accordance with the structure shown in appendix I.
2. Will advise **part number changes** at least one month prior to any price list change, and preferably as soon as possible before that. The information will be supplied electronically and/or in hard copy, depending on the agreements between the Manufacturer and individual Distributors in accordance with the structure outlined in Appendix II. (Price and part number may be given simultaneously if this improves accuracy, but only when the

full 2 months notice is given).

3. There will be separate files for **price changes** and for **item number** or **other information** changes. In the event that more than just the part number is changing then a separate file from any price changes with columns for both the old and new variation will be supplied in the same structure outlined in Appendix II as outlined in 2 and with Existing Part Number the first field in each row, with old and new fields paired adjacent to each other.
4. Will ensure that ALL versions of the Item & Price information are identical i.e. all types of electronic, paper and any other media contain IDENTICAL information. Particular attention will be paid to “rounding” that can result in differing printed and electronic versions, and differences between electronic formats.
5. All Standard Stock New Products will be supported by full and accurate information on the new items, electronically, and/or in hardcopy, depending on the agreements between the Manufacturer and individual distributors the minimum being in accordance with the Mandatory Fields in the structure shown in appendix II.
6. Will individually have clearly defined, logical and supportive policies that encourage their distributors, so that the efforts of the Manufacturer and Distributor are mutually supportive in respect of:

Distributors – Manufacturers should clearly state what is the minimum criterion required by the Manufacturer before awarding distributor status to any individual company. This could include minimum turnover targets, commitment to carry appropriate stock and product knowledge.

Segments / channels that the manufacturer works in and defines. Many of the conflicts that exist could be minimised if Manufacturers stated clearly what they require from a distributor, in terms of performance, commitment and loyalty.

THE DISTRIBUTOR

1. Will honour their joint mutual agreements i.e. to promote the Manufacturers brands and to meet their agreed terms and conditions of supply, etc.
2. To mutually agree the level of support to the manufacturers marketing programmes, which will be to the highest degree possible.
3. To support the training opportunities offered by the Manufacturer, to the highest degree possible, and to provide time and facilities for appropriate staff to attend training sessions.
4. Will provide market feedback to the manufacturer.

5. Will give as much feedback as possible to manufacturers on the desirable types of training.
6. Not knowingly deal in counterfeit product.
7. Will add value to the manufacturers' channels and brands.

PRICE & DISCOUNT CHANGE INFORMATION

<u>No.</u>	<u>Field Name</u>	<u>Definition and Comments</u>
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MANDATORY FIELDS

1	Item or Part number	This is the vendor's part number. It must be unique within their database.
2	Distributor Invoice Price	The Net Price paid by the Distributor after discounts, but ignoring annual rebates, if any

OPTIONAL FIELDS

3	Barcode	Standard EAN Code or other barcode type used by the manufacturer to uniquely identify each individual item
4	Product Group Code	Manufacturer's Product Group or similar coding that groups items for the same discounts or rebates
5	Quantity Threshold	Starting quantity for this break.
6	Published End User Invoice Price	The Higher / Upper / Top or Selling List Price to End Users, if this exists. A value of "0" (numeric zero) indicates that there is not a published list price.
7	Published Distributor Buying List Price	The Lower, or Buying List Price if this exists. A value of "0" (numeric zero) indicates that there is not a published list price.

8	Item or Product Group Discount	The percentage discount that is taken from either the Buying List Price or the Selling List Price to arrive at the Distributor Invoice Price
9	Pricing Group	This field allows the supplier to group products for pricing purposes.
10	Discount Group	This field allows the supplier to group products for discounting purposes.
11 - 14	User defined field	These fields are to be defined between trading partners to transmit information that is not otherwise contained in this numbered 11, standard. The committee recommends that these fields 12, 13, 14 not be used unless absolutely necessary. It is our goal to have a single standard that does not require custom programming to utilise. Use of these fields may require additional work that can be costly to some users.

The Item Price Change file shall consist of a multi column Excel Spreadsheet or Comma Delimited file, each row terminated by a CR/LF (Carriage Return / Line Feed).

STANDARD PRODUCT INFORMATION

<u>No.</u>	<u>Field Name</u>	<u>Definition and Comments</u>
<u>MANDATORY FIELDS</u>		
1	Item or Part number	This is the vendor's part number. It must be unique within their database.
2	Distributor Invoice Price	The Net Price paid by the Distributor after discounts, but ignoring annual rebates, if any.
3	Weight	Weight of the Selling Package in Kilogram's, to 6 decimal places
4	Intrastat Code	A commodity code as defined by the EU for the classification of certain products. Intrastat is the name given

to the method of collecting information and producing statistics on the export and import of goods between Member States of the European Union (EU).

OPTIONAL FIELDS

5	Barcode	Standard EAN Code or other barcode type used by the manufacturer to uniquely identify each individual item
6	Product Group Code	Manufacturer's Product Group or similar coding that groups items for the same discounts or rebates
7	Quantity Threshold	Starting quantity for this break.
8	Published End User Invoice Price	The Higher or Selling List Price to End Users, if this exists. A value of "0" (numeric zero) indicates that there is not a published list price.
9	Published Distributor Buying List Price	The Lower, or Buying List Price if this exists. A value of "0" (numeric zero) indicates that there is not a published list price.
10	Item or Product Group Discount	The percentage discount that is taken from either the Buying List Price or the Selling List Price to arrive at the Distributor Invoice Price
11	Pricing Group	This field allows the supplier to group products for pricing purposes.
12	Discount Group	This field allows the supplier to group products for discounting purposes.

13	Pack Quantity	The number of single selling units in a Manufacturers minimum or preferred selling quantity of the single items
14	Product critical Dimensions	A free format field containing the major dimensions of the item. For example on a bearing, the Bore Diameter, the Outer Diameter and Width
15	Description 1	A free format description of the specific item that can be used on purchase orders or order entry forms.
16	Description 2	A free format description that is recommended to be used to describe a generic product class such as "Gears" "Pillow Block" etc.
17	Cubic Centimetres	The measured cubic centimetres of the Selling Package
18	Estimated Lead Time	The estimated lead-time in elapsed days from date of order to shipment as a snapshot in time. This field is not a guarantee and may change daily.
19	Distributor Custom Part Number	If the supplier has a cross-reference to part numbers used by the distributor, this is where that number can be sent.
20	Brand	Brand name of an item to differentiate product brands within a single company.
21	Length	The measured length of the Selling Package in Metres to 4 decimal places
22	Width	The measured width of the Selling Package in Metres to 4 decimal places

23	Height	The measured height of the Selling Package in Metres to 4 decimal places
24 and more	User defined field numbered 24 and above	These fields are to be defined between trading partners to transmit information that is not otherwise contained in this standard. The committee recommends that these fields not be used unless absolutely necessary. It is our goal to have a single standard that does not require custom programming to utilise. Use of these fields may require additional work that can be costly to some users.

The Item Number Item Information Change file shall consist of a multi column Excel Spreadsheet or Comma Delimited file, each row terminated by a CR/LF (Carriage Return / Line Feed): Existing Part Number, New Part Number, Etc.