Welcome to The Warehouse Supplier Newsletter

Our newsletter and website provide information for our local and international suppliers relating to trading with The Warehouse and Warehouse Stationery

Dear Suppliers

December 2017

Welcome to our last supplier update for 2017. It's been a very busy year for the team at TWS and we have appreciated your support as we work to transform our business and continue delivering great products at great prices for NZers.

Highlights include bringing our red and blue merchandise teams to one combined team, moving The Warehouse to an EDLP price position, consolidating our private label brands, and delivering our first ranges designed by our in-house design team.

In the new year we will kick off some new projects including a packaging review aimed at improving pack size efficiency and carton quality, a drop ship process update to support you making your full range available on our webstores, and a streamlined new product process. I look forward to updating you on these plans, and others in due course.

One challenge in the last quarter has been the integration of our red/blue systems. As you are no doubt aware this has not gone as smoothly as we would have hoped, but after a huge amount of effort by many people we are confident that we are getting back to a normal state. As an added benefit our data will be in much better shape than when we started. Please continue to help us out with data cleansing when requested by the merchandise team as ultimately this will allow us to place correct orders with you. If you have already helped us out, thank you for the support.

Now we are right in the middle of peak Christmas trading with Back to School shortly to follow. As always it's all about stock flow to optimise availability and sales. Please let us know of any delays, and if you will not be open over the Christmas/New Year period.

We wish you a happy and safe Christmas, and look forward to great trading in 2018.

Regards

Tania Benyon

CEO - Group Sourcing Support &

TWL/WSL Merchandise

Health & Safety

We are committed to providing a safe, secure & healthy working environment for all team members, customers, contractors and visitors.
Everyday, and at every level, we actively work to improve our Health & Safety practices.

Safety Focus this edition: Pallet Heights

To ensure that we protect our staff in our DC, our <u>maximum</u> pallet heights are:

- **1.5m** (including the pallet) if the goods are to be stored in our warehouse
- **1.8m** (including the pallet) for pallets being cross-docked out to stores.

Note:

- These are maximums, so you can do smaller pallet heights.
- These are in line with industry standards.

Bringing Blue & Red together – Update

It has been a challenging time as we have integrated red and blue into one set of systems, and despite huge efforts things have not gone as smoothly as we would've liked, but the good news is we are getting back to normal.

As and when required, if our merchandise or logistics teams ask for help please continue to do so as efficiently as possible, as this will allow us to place and receive orders.

Aligning WSL and TWL (Moving to One System for both) processes:

For WSL, this means that now :

- All WSL and TWL stores will operate under one way of working
- **All Purchasing is now through TWL** - As part of the one order, one distribution system, WSL has appointed TWL as its agent - TWL will purchase and pay on WSL's behalf under the WSL contract. Invoicing and orders for WSL will come from TWL
- Rebates - Existing agreements will continue to remain in place until renegotiated, we will look to align Red and Blue terms in 2018.
    - ❑ TWL will issue, as agent, a tax invoice for all relevant rebates based on existing agreements.
    - ❑ Scanbacks will follow TWL method which is deducted by AP, where previously via invoice.
- E Trading/EDI - While it remains our priority to trade electronically with you, if you are not yet ready to do so, we continue to offer the option of delivering your orders and invoices via email (refer to the following pages for more information on EDI).
- Dropship suppliers - We must maintain the stock levels which our suppliers carry. We require stock levels to be now sent to us at a minimum of once per week (refer to the following pages for more information on EDI).

Note: No Changes have been made to TWL processes

Electronic Trading - Receiving and Processing WSL Orders

Ensuring that WSL can process the order you send
- Firstly, if you are not getting orders from WSL, contact your category team
- The ASN (Advanced Shipping Notice) is essential - with our new system, **it is vital for us to receive an ASN/ Invoice before goods arrive in store**, so that when it arrives in store we can match the ASN and get stock to shelves as efficiently as possible.

Ensuring Orders are received correctly through EDI.

For EDI systems to receive orders it is vital for the information that we have in our system to match your supplier information. If you find that an order you received failed for a mismatch, please notify the category team immediately so fixes can be applied.

Portal EDI suppliers:
- **You MUST send the ASN when you ship the order(s)**
  - Once you have picked and packed the order, please ensure you log into the portal and create the ASN.
  - There are tools in the portal to assist with adjusting quantities before you pick and pack. Please refer to your user guide for this information.

Full EDI suppliers:
- **You MUST send the invoice when you ship the order(s)**
  - Once you have picked and packed the order, it is vital for you to create an invoice relating to the WSL for each store order.
  - The new system does not allow for any additional lines like Freight or Misc charges. Please do not include these as invoice and ASN creation will fail.
  - Failure to correctly send us the required Invoice/ ASN information means that your orders do not get receipted into the store & therefore you will not be paid.

Electronic Trading - Receiving and Processing WSL Orders

Processing Drop Ship (DS) Orders

Drop ship orders will continue to be sent via EDI however the processing of the order now has a different process.

Here are some vital changes to be aware of:

- PO numbers are in a different sequence. These generally begin with 5000xxx
- There is a new stock on hand process
- There is a tracking process that is now required. Suppliers are expected to send an excel sheet with specific tracking data relating to the order despatch.
- Invoices for DS orders cannot be sent through EDI. If you do send them, you will get a failure error. Invoices for DS Orders need to be sent manually to the following email address manualinv@twgroup.co.nz

If you have any concern about the above, please contact your category manager or one of the contacts below:

Any EDI queries	Edwina.Harmnam@thewarehouse.co.nz Ray.Renner@thewarehouse.co.nz
AR process queries and stock bookings	stockadmin@thewarehouse.co.nz

WHAT'S new

New News – WSL & TWL (store-within-a-store) Rolleston

The Rolleston Warehouse store has relocated from across the road to a bigger retail offering that is twice the size of the old store.

This has provided us with a fantastic opportunity to introduce a WSL store to Rolleston, and is our 2nd store-within-a-store (SWAS), following our 1st SWAS at Auckland Airport in May 2017.

The store is part of an extended shopping centre that features Countdown supermarket, Noel Leeming and some other smaller retail units.

The key details for this store are:

Store Manager	Jim Ralfe
TWL Store Number	122
WSL Store Number	308
SWAS Store Address	15 Masefield Dr, Rolleston, Chch
SWAS Phone Number	(03) 347 3506
SWAS Fax Number	(03) 347 3508
WSL Branch Email	rol@stationery.co.nz
WSL Copy Centre Email	Copyit-rol@thewarehousestationery.co.nz
TWL Branch Email	rolleston@thewarehouse.co.nz
Stock Room Email	Stockroom.rolleston@thewarehouse.co.nz
Trading Hours	8am – 8pm 7 days

Wishing you and your family a Merry Christmas and a Happy New Year

Tania   Garth ☺

Jenny

Nick.   Paul

Pete   Jay