HD SUPPLY®

Supplier Onboarding
Stock – Dropship – Special Order

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MEET THE TEAM - B2B OPERATIONS – DATA SOLUTIONS

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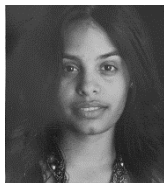
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MEET THE TEAM - B2B OPS, STOCK - RITHUM

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SUPPLIER EXPECTATIONS

Maintaining Operational Excellence

HIGH LEVEL EXPECTATIONS

Supplier performance will be discussed on a regular basis and metrics will be provided by your B2B Operations Specialist. We expect the following goals to be met each month:

- Fill Rate = 98%

- Shipped on Time = 98%

Standard Lead-Time:

- Small parcel and freight = 2 business days (or negotiated lead-time)

- Suppliers should discuss made-to-order exceptions with a B2B Operations Specialist prior to Go-Live

File Transmission:

- Orders must be picked up daily

- Shipping confirmations must be sent within 2 business days (or the negotiated lead-time). Our POs do not specify the carrier. Suppliers must choose the correct carrier in their shipping confirmations.

- Invoices delivered no more than 24 business hours from the order ship date

- Cancellations and communications should be provided within 1-2 business days of the order date

- Inventory file must be sent daily by 8:00 P.M. EST (for dropship only at this time)

Product Quality:

- Products should not have an excess of defective occurrences

ORDER LIFECYCLE

Typical order lifecycle is 4 to 5 business days:

HD Supply sends purchase order to platform (850)	Supplier accepts the order in platform (or 855)	Supplier sends shipping info in platform (or 856)	Supplier submits invoice in platform (or 810)

24 business hours   **48 business hours**   **24 business hours**
(or negotiated lead-time)
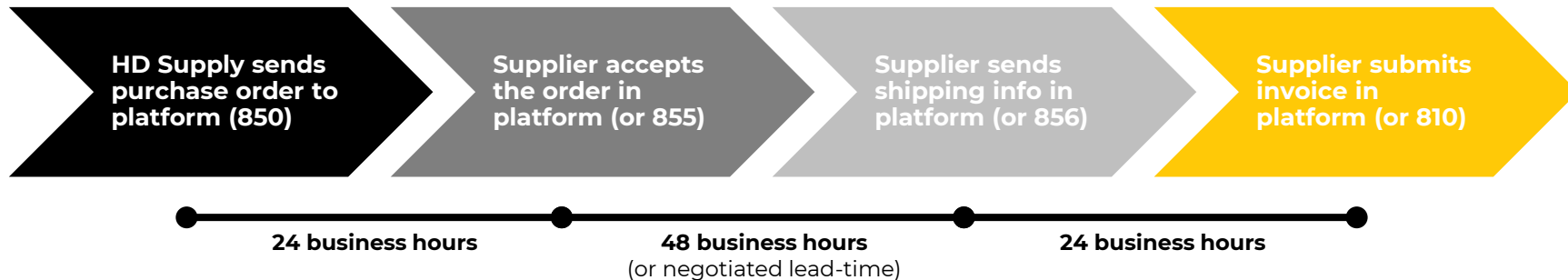
- <u>Stock</u> orders are placed weekly by our Inventory department.

- <u>Dropship</u> orders are placed by our Customers on the HD Supply and Home Depot Pro websites. Our website pulls quantity levels directly from the inventory feed provided in Rithum.

- <u>Special Orders</u> are placed by our Special Order, Fabrications and Renovations departments. These teams are often discussing custom products, costs and turnaround time with Suppliers prior to placing an order.

INVOICING

Suppliers should send all invoices through the same connection from which the order was sent. Hard copy invoices will be subject to rejection and/or chargebacks.

- Orders received through Logicbroker must be invoiced in Logicbroker.
    - Existing Suppliers with a traditional EDI connection (to HD Supply) can import their open orders into Logicbroker during Phase 4 of onboarding, so that the invoices can be processed through Logicbroker.
- Orders received through Rithum must be invoiced in Rithum.
    - Existing Suppliers should process open orders through the original connection to HD Supply. Unlike Logicbroker, Suppliers won't be able to invoice orders in Rithum that didn't originate there.

HD Supply:

- For orders with PO numbers beginning with "47" and "51" that were received through an email or fax, please send invoices and statements directly to: fmapinventory@hdsupply.com
- Status questions regarding an invoice should be directed to fmaccountspayable@hdsupply.com

Home Depot Pro:

- For domestic orders received through an email or fax, please send invoices and statements to: pro.invoiceintake@hdsupply.com
- Invoice status questions and disputes should be submitted through using Home Depot's AP portal: https://my.directcommerce.com/Login.jsp
    - Suppliers can register for this portal by sending a request to HDPro-MerchPay@HDSupply.com

INVENTORY MANAGEMENT

Suppliers onboarding to HD Supply will be required to provide an inventory feed in the third-party platform. Suppliers can manage their inventory using an EDI 846 file, template spreadsheet, or simply edit the data directly in the platform.

This is a hard requirement for dropship Suppliers onboarding to HD Supply. Our website pulls quantity levels directly from the inventory feed in Rithum.

We will provide a list of items in the product assortment for the Supplier to reference when uploading their initial inventory feed to the platform.

Best Practices:

- Dropship Suppliers must update <u>DAILY</u> by 8:00 P.M. EST. Stock Suppliers should update <u>WEEKLY</u>.

- Dropship items that will be out-of-stock for over 30 days, should be temporarily deactivated on our website.

- Suppliers should send SKU maintenance requests to their Merchant (and B2B Specialist) for review and updating. Updating the inventory feed in the platform will <u>not</u> automatically update the information on the orders.

Required Data Fields:

- ❑ Vendor SKU (Supplier Part or MIC)
- ❑ Merchant SKU (Material)
- ❑ Quantity On Hand*****
- ❑ Item Description
- ❑ Item Cost (Net Price)******
- ❑ Item Status (Available or Discontinued*******)

If any of the above fields are blank, the feed will be rejected.

**Quantity available would need to be as accurate as possible. Incorrect entries will result in loss of sales.*

***Item will be deleted from file if cost is not sent*

****In Rithum, an item status of Discontinued with positive inventory will continue to show as available for purchase on our website.*

HD SUPPLY.

ESTABLISHING A CONNECTION

Joining our supply chain

CONTACT POINTS

Throughout their journey with HD Supply, Suppliers may be in contact with various departments and team members discussing their item assortment and purchase orders.

Merchandising	**Materials**	**B2B Operations**	**3rd Party Platform**	*Additional teams:*
Most changes to the item assortment (on either side of the business) must be reviewed and approved by a Merchant before any updates can be made.	HD Supply has launched a new portal for item setup called Enterworks. Supplier onboarding to the product data hub is a separate process that must be initiated by a Merchant.	Our team monitors order activity in the Logicbroker and Rithum platforms. B2B Operations Specialists can update basic vendor level data and address order inquiries in either platform.	Our third-party partners, Logicbroker, Rithum and IBM, provide Suppliers with multiple connection options to process our orders, as well as training resources and technical support.	• *Accounts Payable* • *Customer Care or Factory Direct* • *Inventory Planning* • *Special Orders* • *Renovations*

Vendor ID Structure

Connections to The Home Depot Pro: The Home Depot Pro, formerly Wilmar, is becoming HD Supply. During this integration, connections to The Home Depot Pro will remain active. Suppliers that are still receiving orders through a traditional EDI connection to Wilmar (Interline) must recertify their EDI mapping specs with The Home Depot.
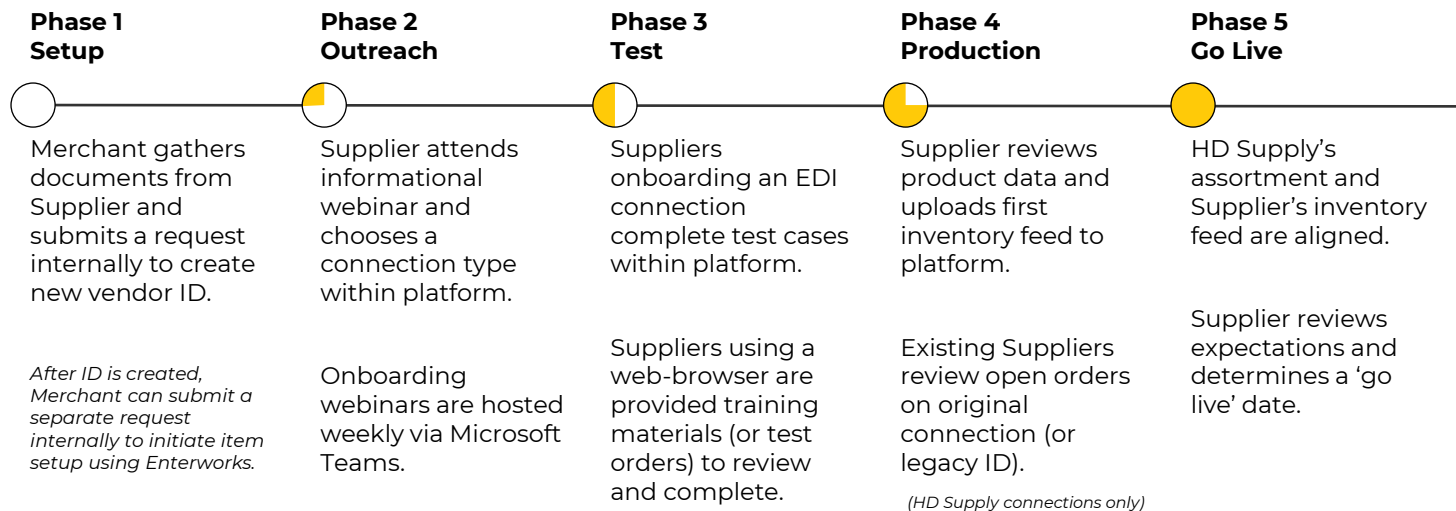
Home Depot Pro Vendor ID Structure (5-7 digits)	
Vendor ID	**Line Code No.**
0012345	0012345

Connections to HD Supply: Suppliers currently receiving orders from HD Supply through email, fax, traditional EDI or Redwave will be asked to partner with Logicbroker and Rithum moving forward. We've also implemented a new vendor ID structure so that each program is assigned its own vendor ID.

| HD Supply Vendor ID Structure (10 digits)		
Stock ID	**Dropship ID**	**Special Order ID**
2000123456	**23**00001234	**24**00000123

GENERAL ONBOARDING

Onboarding a new Supplier not only involves creating the ID, but also linking the ID to a platform (or connection type) that allows the Supplier to process our purchase orders.

Phase 1
Setup

Phase 2
Outreach

Phase 3
Test

Phase 4
Production

Phase 5
Go Live

Merchant gathers documents from Supplier and submits a request internally to create new vendor ID.

After ID is created, Merchant can submit a separate request internally to initiate item setup using Enterworks.

Supplier attends informational webinar and chooses a connection type within platform.

Onboarding webinars are hosted weekly via Microsoft Teams.

Suppliers onboarding an EDI connection complete test cases within platform.

Suppliers using a web-browser are provided training materials (or test orders) to review and complete.

Supplier reviews product data and uploads first inventory feed to platform.

Existing Suppliers review open orders on original connection (or legacy ID).

(HD Supply connections only)

HD Supply's assortment and Supplier's inventory feed are aligned.

Supplier reviews expectations and determines a 'go live' date.

Questions about onboarding? Email us at: VendorOnboarding@hdsupply.com

HD SUPPLY.

GENERAL ONBOARDING

Onboarding a new Supplier not only involves creating the ID, but also linking the ID to a platform (or connection type) that allows the Supplier to process our purchase orders, shipping details and invoices.

		HD Supply	Home Depot Pro
Stock	Traditional EDI	✓ (direct import only)	✓
	Redwave	✓ (direct import only)	✗
	IBM Sterling Web Forms	✗	✓
	Logicbroker	✓	✗
Special Order	Logicbroker	✓	✗
	Rithum*	✗	✓
Dropship	Rithum*	✓	✓

*During the integration of HD Supply and Home Depot Pro, Suppliers may be asked to maintain two (2) separate connections to Rithum to accommodate both sides of our wholesale business.

ORDER TRANSMISSION USING A THIRD PARTY
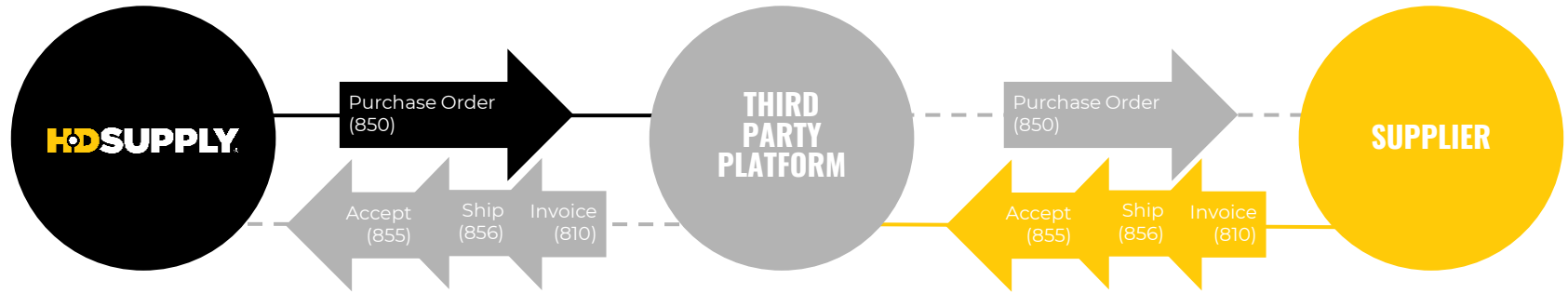
When processing orders, all EDI documents must be sent in the correct sequence, or they will be rejected by the third-party platform. On the Supplier's chosen 'go live' date, HD Supply's EDI team will turn on our internal connection to the platform.

DROPSHIP OPERATOINS

EXPECTATIONS & BEST PRACTICES

HD SUPPLY

DROPSHIP OPERATIONS - RITHUM

To receive dropship orders from HD Supply and Home Depot Pro, Suppliers must partner with Rithum (formerly CommerceHub). This connection is a contractual relationship between the Supplier and Rithum. Suppliers can onboard to this platform using EDI or a manual web-browser connection. This connection can be upgraded at any time. Rithum will discuss initial setup fees and connection options directly with the Supplier during Phase 2 of onboarding.

Suppliers onboarding to Rithum for Home Depot Pro, will receive special orders through this connection as well.

Key Benefits:

- Real-time order status updates and order transaction history

- Website improvements to boost Supplier volume: In-Cart Delivery Date and Product Detail Page enhancements

- Inventory availability shown on the website, along with Fill or Kill rule (at line level)

- Improved communications for tracking and cancellations

- Our customers receive HD Supply and Home Depot Pro branded packaging documents

Required Tasks to Complete Onboarding:

- Register Rithum account

- Select connection type and pay initial setup fees

- Complete test cases (855, 856, 997, 810)

- Review product data and correct discrepancies

- Upload first inventory feed

- Acknowledge business expectations

- Schedule a "go-live" date to begin receiving dropship orders

RITHUM

Rithum Learn provides Suppliers with online courses and video tutorials on how to use to the Rithum platform. Suppliers can access this resource by visiting the Resource Center: https://learn.rithum.com/

HubHelp is a knowledge base where Suppliers can search for step-by-step instructions on various order and inventory management tasks: https://help.commercehub.com/orderstream/

Technical Support Tips & Tricks: The Customer Support team at Rithum has created a series of videos that address frequently asked questions from our Suppliers.

- About the Resource Center

- About packing slip redownloads

- About order redelivery

- About inventory management

- About SKU definitions

- For questions regarding your Rithum account or if you're having trouble navigating the platform, Suppliers should reach out to: CustomerSupport@commercehub.com. Issues during onboarding should be addressed to: PartnerSetup@commercehub.com.

Once onboarding is complete, Suppliers will be assigned to a B2B Operations Specialist that will manage their Rithum account. For questions regarding an order you received in Rithum, contact VendorData@hdsupply.com (HD Supply orders) and/or HDSPro.IRT@hdsupply.com (Home Depot Pro orders).

DROPSHIP HIGH LEVEL EXPECTATIONS – REPORTING TOOLS
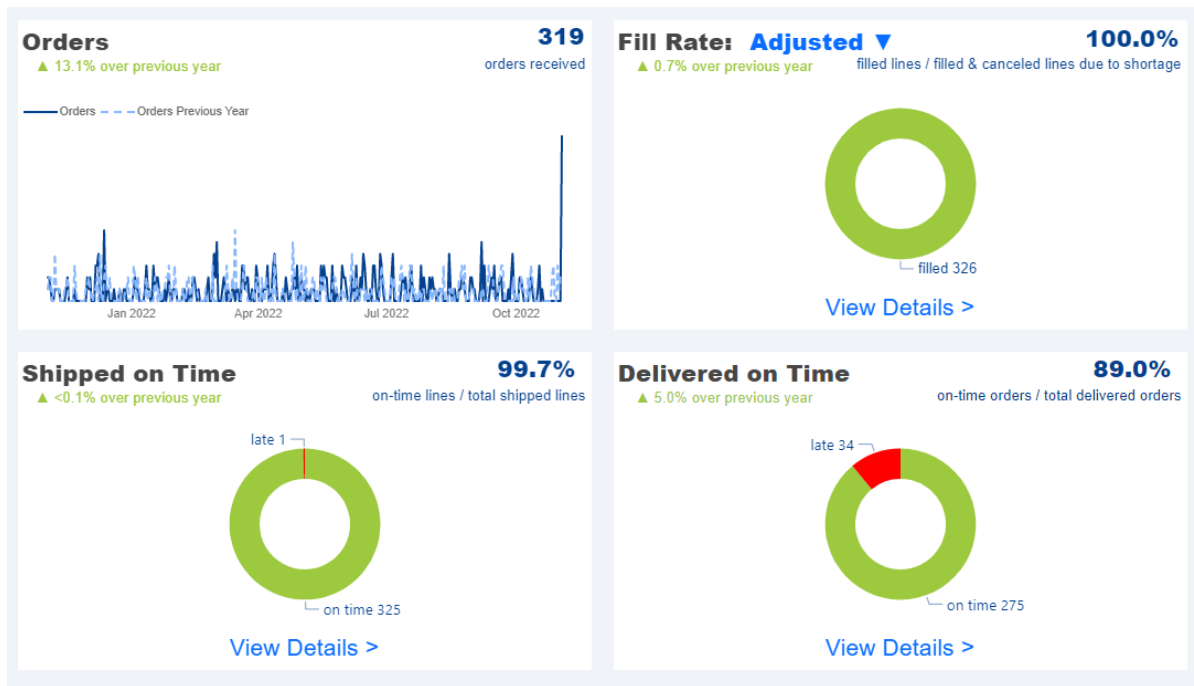
Screenshot of Supplier's performance metrics in the Rithum (CommerceHub) portal.

DROPSHIP INVENTORY - FUNCTIONALITY ONLINE

Currently Out of Stock

In this example, our Customer would like to purchase an item that has a quantity on hand of 0 in Rithum.

Our website will trigger an alert to the Customer asking them to choose another item or to remove the item from their cart to continue.

ADD ON ITEMS

40-45 Gallon 1.5 Mil Low Density Trash Bag Package	Maintenance Warehouse® Terry Cloth Cleaning Towel,	Universal 6" Drip Bowl Package Of 6
$46.24 YOUR PRICE	**$59.49** YOUR PRICE	**$7.64** YOUR PRICE
PART 119060	PART 502063	PART 229825
ADD TO CART	ADD TO CART	ADD TO CART

SHOPPING CART

DELIVERY DATE - UNAVAILABLE

🚫 **Sorry! This item 471387 is currently out of stock.**
Please choose another item, or remove this item to continue.

Pinnacle Rubber 1/8" Cove Base 4"x4' Buckskin, Carton of 30

PART 471387

$102.64 EACH
$120.75 LIST PRICE
15% DISCOUNT APPLIED

Brand:	Roppe
Origin:	USA
MFG Part:	40CR3P130
Shipping:	Charges may apply

− 1 +

ADD TO LIST

ADD TO QUOTE

REMOVE

SAVE AS QUOTE ⊕   CHECKOUT ⊕

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DROPSHIP INVENTORY - FUNCTIONALITY ONLINE

Quantity Requested is Unavailable

In this example, our Customer wants to order 21 cartons of this item, and the Supplier has 20 available in inventory according to Rithum.

When this occurs, our website will trigger an alert to the Customer asking them to update the item quantity in their cart to 20 or less.

ADD ON ITEMS

Your Shopping Cart requires your action before proceeding to Checkout.

OK

40-45 Gallon 1.5 Mil Low Density Trash Bag Package
$46.24 YOUR PRICE
PART 119060
ADD TO CART

Terry Cloth Cleaning Towel,
$59.49 YOUR PRICE
PART 502063
ADD TO CART

Bowl Package Of 6
$7.64 YOUR PRICE
PART 229825
ADD TO CART

SHOPPING CART

DELIVERY DATE - UNAVAILABLE

🚫 **The quantity requested is unavailable.**
Please update your quantity to 20 or less to complete your order.

Pinnacle Rubber 1/8" Cove Base 4"x4' Buckskin, Carton of 30

PART 471387

$2,155.44 ($102.64 EACH)
~~$120.75~~ LIST PRICE
15% DISCOUNT APPLIED

Brand:	Roppe
Origin:	USA
MFG Part:	40CR3P130
Shipping:	Charges may apply

− 21 +

ADD TO LIST

ADD TO QUOTE

REMOVE

SAVE AS QUOTE ⊕

CHECKOUT ⊕

HD SUPPLY

BEST PRACTICES WHEN USING RITHUM

Backorders and partial shipments:

- HD Supply's dropship program operates using a "Fill or Kill" policy. If the line quantity ordered cannot be fulfilled 100% (and won't restock within 3 days of the lead-time), cancel the incomplete line.

- Suppliers should <u>never</u> partially ship a line on a dropship order. Line items that are out of stock or on backorder must be cancelled.

Order cancellations:

- Once a line is in *"shipped"* status, Rithum doesn't allow cancellations.

- Customers are notified when the 'Out-of-Stock', 'Product Has Been Discontinued' or 'Cancelled by Merchant Request' cancel reasons are used.

- Canceled POs are in a final state. HD Supply is <u>not</u> liable for the invoice of an order that is canceled in Rithum.

- Unit Cost cannot be changed. Suppliers must reject the PO due to 'invalid unit cost' and provide the correct cost in the acknowledgment. Upon approval of the cost change, a replacement PO will be issued. Otherwise, Suppliers must use the unit cost sent by HD Supply.

Invoicing:

- Rithum will *accept* an invoice that is *lower* than the cost on the PO , however, Rithum <u>*cannot*</u> accept an invoice that is <u>*higher*</u> than the cost on the PO. Also, Rithum will only accept one invoice per line.

- HD Supply does not charge our Customer until the Supplier submits the invoice through Rithum.

STOCK OPERATOINS

EXPECTATIONS & BEST
PRACTICES

INBOUND STOCK & SPECIAL ORDERS OPS- LOGICBROKER

Logicbroker is an order management platform that Suppliers must partner with to receive stock and special orders from HD Supply. Suppliers can onboard to this platform using EDI, API or a manual web-browser connection. This connection can be upgraded at any time.

Existing Suppliers receiving orders through a traditional EDI connection, Redwave, e-mail, or fax must partner with Logicbroker to continue receiving orders from HD Supply . Suppliers that are non-compliant may have their product assortment deactivated until there is an active connection to Logicbroker in place.

Key Benefits:

- Completely free for HD Supply vendors

- Improved order accuracy and forecasting

- HD Supply has visibility to Supplier on-hand quantity levels

- Suppliers have visibility to stock and special order data

- Inventory visibility will streamline receiving for our DCs

- Allow product to flow through our network with fewer delays

Required Tasks to Complete Onboarding:

- Register and activate Logicbroker account

- Select connection type

- Complete test cases (855, 856, 997, 810)

- Review product data and correct discrepancies

- Acknowledge business expectations

- Schedule a "go-live" date to begin receiving stock and special orders

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LOGICBROKER

Knowledge Base: https://hdsupply.zendesk.com/hc/en-us

- Step-by-step onboarding guide

- Download EDI mapping specs

Learn Logicbroker: https://learn.logicbroker.com/

- View video tutorials on how to complete order management tasks in Logicbroker. Tutorials are not the same as testing.

- Suppliers must have their Logicbroker accounts activated to access these resources.

Logicbroker Support Email: HDSupplySupport@logicbroker.com

- Logicbroker's Support Team can address any technical or training questions and concerns.

- Please submit one ticket at a time to avoid losing your place in line. Turnaround time for responses is 1 business day.

Once onboarding is complete, Suppliers will be introduced to the B2B Operations Specialist assigned to their Logicbroker account. For questions regarding an order received in Logicbroker, contact HDSVendorSupport@hdsupply.com.

STOCK HIGH LEVEL EXPECTATIONS – REPORTING TOOLS

Screenshot of Supplier's performance metrics in the Logicbroker portal.

BEST PRACTICES WHEN USING LOGICBROKER

Accessing the platform:

- Regardless of connection type, more than one person on your team should have access to Logicbroker.

Backorders and order cancellations:

- Suppliers can backorder, partially ship, and partially invoice a line item or the entire stock PO. If there's a stock item that's on backorder, do <u>not</u> cancel the PO. Instead, Suppliers should provide an expected ship date on the PO acknowledgement.

- Suppliers should <u>never</u> cancel or reject a stock order due to incorrect costs. Suppliers must update the cost on the PO acknowledgement.

- If the Supplier has a sizable number of updates, the Advanced Export and Import Tool is available in Logicbroker.

Invoicing:

- If the cost on the PO acknowledgment doesn't match the cost on the invoice, it will cause the invoice to fail. As a rule of thumb, the cost on the invoice should always match the cost accepted on the PO.

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PRODUCT DATA HUB-ENTERWORKS

Maintaining Operational Excellence

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ENTERWORKS

HD Supply's new tool for product creation!

It will improve the quality of data visible to customers, move products to market faster, and provide better visibility to the status of item setup. It includes a dashboard for easy navigation and is compatible with both PCs and Mac computers.

After the Supplier's ID is created, there is a 4-step process to onboard to the product data hub, Enterworks:

1. Contact Validation

2. Credential Release

3. Supplier must watch a webinar video

4. Supplier must register and attend a White Glove (One-on-One) Training Session
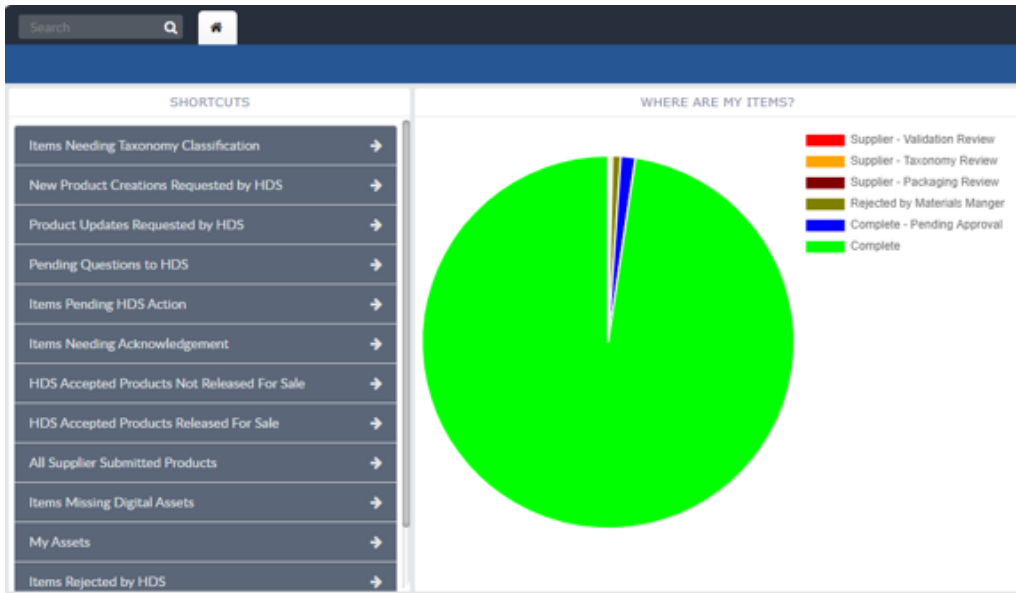
If you have any questions about item setup using this platform, please reach out to your Merchandising team or the Product Data team directly: HDSDataPortalCommunications@hdsupply.com

DATA STANDARDS – ECOMMERCE

Goal: To collect digital assets from Suppliers to enhance our Customer experience online.

Multiple Images

Category Enrichment

Attribute Continuity

Digital Asset Verification
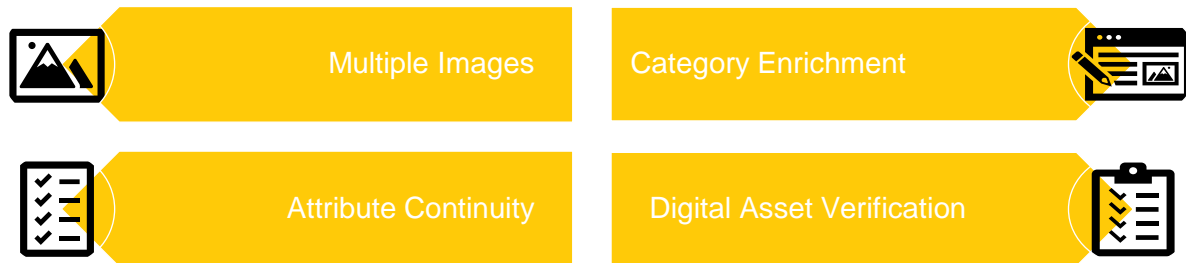
Why is HD Supply requiring this data?

Ecommerce Experience
- Increased SEO Hits
- Left Navigation Cleanup

Informed Purchasing
- Better Decision Making
- Effective Marketing Tools

Customer Acquisition
- Increased SEO Conversion
- Less abandoned carts

DATA STANDARDS – SUPPLY CHAIN

Goal: To collect supply chain and packaging level data on HD Supply products from Suppliers.

Packaging Level	Quantity Multiplier	UPC/ GTIN	Dimensions
Each		X	X
Package	X	X	X
Case	X	X	X
Pallet	X	X	X

Why is HD Supply requiring this data?

Operational Efficiency
- More Scanning = Increased Productivity
- Receiving
- Put-Away
- Shipping

Smoother Transactions
- PO's cut at correct levels
- Less reconciliation and translation

Increased Customer Experience
- Customer notification and tracking
- Clarity on purchase quantity

TRANSPORTATION

Maintaining Operational Excellence

HD SUPPLY

GENERAL SHIPPING GUIDELINES

To be compliant, Suppliers shipping Destination Collect or Origin Collect must log their shipments in our transportation management system(TMS), MercuryGate.

During Phase 1, an onboarding Specialist will help facilitate TMS account setup with the Transportation department. To create the account, the Supplier must provide the full address for each of their shipping locations, along with contact information to assign login credentials and exchange bills of lading (BOLs).

Best Practices:

- Suppliers shipping to HD Supply and/or The Home Depot Pro must manage their shipments using the MercuryGate system.

- Suppliers shipping LTL and TL orders are required to use our "core carriers." Core carriers have daily standing appointments at our distribution centers.

- HD Supply will assign the carrier and get it tendered to their team. It's the Supplier's responsibility to reach out to the carrier's local terminal to schedule pickup.

Billing Address

HD Supply Vendor Ops

3400 Cumberland Blvd
Atlanta, GA 30339

HD Supply Core Carriers

- AAA Cooper Transportation
- Estes Express Lines
- R & L Carriers
- SAIA Motor Freight Lines

GENERAL SHIPPING GUIDELINES

NORTHEAST

CENTRAL NORTH

WEST

SOUTHEAST

CENTRAL SOUTH

Northeast Analyst

HDSTransportationNortheast@hdsupply.com

Chris Miller
Christopher.Miller@hdsupply.com

Austin Tyler
Austin.Tyler@hdsupply.com

Central North Analyst

HDSTransportationCentral@hdsupply.com

Meili Estep
Meili.Estep@hdsupply.com

Southeast Analyst

HDSTransportationSoutheast@hdsupply.com

Luke Printz
Luke.Printz@hdsupply.com

West Analyst

HDSTransportationWest@hdsupply.com

Catherine Kuras
Catherine.Kuras@hdsupply.com

Central South Analyst

HDSTransportationCentral@hdsupply.com

Dejwaun Harris
Dejwaun.Harris2@hdsupply.com

Escalation Contact

1st - Breijanna.Dyke@hdsupply.com

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CONTACT US

Maintaining Operational Excellence

HD SUPPLY

CONTACTS

General Onboarding: VendorOnboarding@hdsupply.com

Rithum:

- B2B Specialists for HD Supply orders: VendorData@hdsupply.com
- B2B Specialists for Home Depot Pro orders: HDSPro.IRT@hdsupply.com
- Technical questions during onboarding: PartnerSetup@commercehub.com – 1-518-810-0700
- Technical questions after go-live: CustomerSupport@commercehub.com – 1-844-HUB-HELP (482-4357)

Logicbroker:

- B2B Specialists for HD Supply orders: HDSVendorSupport@hdsupply.com
- Technical questions: HDSupplySupport@logicbroker.com

IBM Web Forms & Traditional EDI (for Home Depot Pro):

- Technical questions during onboarding: B2B_Testing@homedepot.com
- Technical questions after go-live: B2B_production_support@homedepot.com
- Technical questions about IBM Sterling Web Forms: Webforms_Support@us.ibm

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