

Vendor Management It is your responsibility

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Presented by

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Prime Contractor Vendor Mgmt Suggested Best Practices

- ◆ Supplier selection process
- ◆ During solicitation review
- ◆ After award
- ◆ Managing supplier database
 - In-house software
 - External resources (beware)
 - Certifications – self certify, ORCA, hardcopy

Selection Process

Spectrum Brands Expectations of our Suppliers

- 100% on time, in spec and in full.**
- We will align ourselves with world-class suppliers offering world-class products backed up with world-class support.**
- We expect consistent high-quality and high-performance materials from our suppliers.**
- We must have immediate reaction and participation from our suppliers of any quality concerns that may arise. All concerns must be driven to a complete conclusion and resolution.**
- We must have the best pricing.**
- We must be a strategic account for our suppliers, with full support and commitment by their executive management.**
- We expect our suppliers to be proactive in finding and generating cost reduction methods throughout the supply chain and within Spectrum Brands.**

Selection Process (cont.)

Spectrum Brands Supplier Advantage

For those suppliers who rise up to meet these challenges, Spectrum Brands offers a lucrative business potential

Suppliers that meet these challenges will be recognized for their desires and capabilities.

- Major share of business volume
- Long term supply agreements
- Access to long range planning horizons
- Preferential position with respect to new product development

Suppliers who meet these challenges also get another key benefit: greater sales and greater sales growth from supporting the fastest growing consumer products company in the world.

To become a Spectrum Brands Supplier:

Read the [Spectrum Brands TERMS AND CONDITIONS OF PURCHASE](#)

Please complete the [UNITED STATES SUPPLIER MASTER FORM](#)

note: In submitting your supplier information to us, you are agreeing to the "[Spectrum Brands TERMS AND CONDITIONS OF PURCHASE](#)" in the event you become a preferred supplier to Spectrum Brands.

Supplier Database

Vendor Edit Goto Extras Environment System Help

SAP

Display Vendor: Accounting information Accounting

Vendor: 1000280 EPC-EAST TROY EAST TROY
Company Code: 1000 Spectrum Brands, Inc.

Accounting information

| | | | | |
|-----------------|---------|------------------|-----------|-----------------|
| Recon. account | 3100000 | Sort key | Z02 | Vendor Standard |
| Head office | | Subsidy indic. | | |
| Authentication | | Cash mgmnt group | V-CRITINV | CRIT INV |
| Minority indic. | Z07 | Release group | | |
| | | Certificatn date | | |

Interest calculation

| | | | |
|-----------------|---|-------------------|--|
| Interest indic. | | Last key date | |
| Interest freq. | 0 | Last interest run | |

Withholding tax

| | | | |
|----------------|--|------------------|--|
| W. Tax Code | | Exemption number | |
| WH Tax Country | | Valid until | |
| Recipient type | | Exmpt.authority | |

Reference data

| | | | |
|---------------|------------|------------------|---|
| Prev.acct no. | P000077129 | Personnel number | 0 |
|---------------|------------|------------------|---|

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Prime Contractor Vendor Mgmt Suggested Best Practices

- ◆ Contract Negotiations – R&D
 - Payment schedules
- ◆ Purchase Order verbiage
 - Flowdown clauses
- ◆ Penalties
 - Product quality
 - Late deliveries
- ◆ Indirect Material Vendors Opportunities and Data Management
 - MRO
 - Procurement Credit Card

Govt. Contracts – terms

Government Contracts; Affirmative Action Requirements. **If a Government Contract Number is shown on the face of this Purchase Order**, the goods or portions thereof purchased by this order will be used in the performance of either a prime contract with the United States Government or a subcontract or purchase order there under. In any such event, Seller shall comply with any equal opportunity obligations under Executive Order 11246, as amended, the Vietnam Era Veterans Readjustment Assistance Act of 1974, the Rehabilitation Act of 1973, and the regulations promulgated under those orders or statutes, that would apply to it because work is performed as a government contractor under this Purchase Order, and **make a good faith effort on any subcontracting work, if the amount is \$10,000 or more, to utilize Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals** as set forth in Armed Services Procurement Regulations #7-104, 14(a). Further, in connection with the performance of such work, the Seller shall comply with, (a) the Affirmative Action clause for the Utilization of Women Owned Business concerns set forth in Armed Services Procurement Regulation #7-104.52; (b) The Equal Opportunity clause set forth in 41 C.F.R. #60-1.4 on contracts exceeding \$10,000; (c) the Affirmative Action clause for Disabled Veterans and Veterans of the Vietnam Era set forth at 41 C.F.R. #60-250.4 on contracts of \$10,000 or more, and (d) the Affirmative Action clause for Handicapped Workers set forth at 41 C.F.R. #60-741.4 on contracts of \$2,500 or more.

Sample PO

Spectrum Brands, Inc.



Purchase Order No. and Line No. must appear on all Packages, Packing Slips, Shipping Paper, Bill of Lading, Invoices and Correspondence.

To: [REDACTED]

Change to Purchase order
PO number/date
4500793318 / 07/23/2009
Contact person/Telephone
Mike Padesky/608-275-4934
Our fax number
608-288-4463
Our e-mail address
padesky@rayovac.com

Your vendor number with us
1007460

Print Date/Time: 04/06/2010 14:25:50

Your person responsible
[REDACTED]

Please deliver to:
SPECTRUM BRANDS - NAHQ
630 FORWARD DRIVE
MADISON WI 53711-2497

Deliv. terms: FOB DESTINATION
Payt. terms: Within 60 days Due net Currency USD

| Item | Material | Unit | Description | Price per unit | Net value |
|--|----------|-----------------|----------------|----------------|-----------|
| 00001 | | 20.000 Kilogram | [REDACTED] CF* | 225.00 | 4,500.00 |
| US GOVERNMENT CONTRACT CONTRACT # [REDACTED] PRIORITY DOA7. *** Text changed *** *** Item completely delivered *** | | | | | |
| Total Net Value Excluding tax USD | | | | | 4,500.00 |

- Please Note :**
1. Evaluated Receipt Settlement suppliers will create an invoice when receipt is entered at receiving location, otherwise invoice to Spectrum Brands, Inc. P.O. Box 44960, Madison, WI 53744-4960 on ship date.
 2. Original Bill of Lading or Express Receipt must be attached to the original invoice.
 3. Packages and Bundles must be securely wrapped and marked showing contents, Part Number, Purchase Order Number, and Line Number.

4. All Goods are subject to our inspection and test upon arrival, notwithstanding prior payment to obtain discount.
5. This order must not be billed at prices higher than previously invoiced without our permission.
6. Spectrum Brands, Inc. terms and conditions of purchase apply.
7. Vendor agrees to notify Spectrum Brands, Inc. before making changes in the physical characteristics, manufacturing process or chemical composition of the product.



Prime Contractor Vendor Mgmt Suggested Best Practices

◆ Internal program support

- Upper Management
- All departments involved – Purchasing, Sales, Engineering, Manufacturing, Accounting, IT, etc.

◆ Recognition

- Contract Program Manager Competition
- Vendor Awards

Contact Information

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