

## MANDATORY REQUIREMENTS

1. Each supplier must have or obtain a Resale Ordering Agreement (ROA) prior to the implementation of this program. The ROA shall be used as the contractual instrument for ordering, receiving and payment. This agreement must have a start date of no later than August 1, 2006, and be established in sufficient time to allow for the stores to initiate orders under this program. The supplier must have the ability to transmit electronic price quotes to DeCA using the EDI 879 transaction set. Failure to meet this requirement shall be cause for removal of the supplier from further consideration under this program. Provide the ROA Number for Random Grocery \_\_\_\_\_.

2. Under this proposed acquisition, Delivery Ticket Invoicing (DTI), Electronic Funds Transfer (EFT), Central Contractor Registration (CCR), and EDI Pricing are all required.

3. DeCA has 24 pricing periods. Prices shall be provided for 1<sup>st</sup>-15<sup>th</sup> and 16<sup>th</sup> through end of month. All pricing will be based on the date of delivery.

4. Supplier will provide promotions based on 1<sup>st</sup>-15<sup>th</sup> and 16<sup>th</sup> through end of month. There will be a minimum of two voluntary price reductions (VPR) on each core item during the 1-year duration of the program. The VPR program will be part of the grading criteria and should be annotated on attachment 3. This attachment should be included in your presentation proposal.

5. Vendor stocker support is required. Vendor stocker shall be available to stock cases from opening to closing. Chicken display cases MUST be fully stocked with fresh product at least 2 hours before store opening.

6. During the initial program implementation period, supplier will provide weekly updates on program status for the first 3 weeks. At the end of each month, two monthly reports will be forwarded to the MBU, Attention: Deputy Director of Sales.

7. First Report: Monthly business review to the MBU and to the specific Region must include update on the stores' participation in the program. This report shall include the following:

### Marketing Sales Area

Item Number	Regular Price	VPR Price	Total Lbs Sold	Total Dollars Sold	Coupon Amount
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8. Second Report: Monthly report will provide commercial retail prices versus DeCA core item prices for the same pricing period for locations utilizing Attachment 4.

9. The "immediate previous week" Wednesday Georgia/Los Angeles Dock will be used in determining the net selling price.

10. Attachment 5, column f1, identifies the store class, DODAACs and days of operation for each store by Marketing Area. Column f2 identifies the minimum number of deliveries required per store, per week.
11. Supplier will provide summarized sales data and current patron savings upon request by the category manager.
12. The number of hours each supplier shall allow to adjust previously ordered product shall be no more than 48 hours prior to delivery to increase or decrease an order.
13. Supplier will provide professional retail POS material for day-to-day image enhancement.
14. Supplier will deliver ordered product no later than 84 hours from the date/time of the order. This time period shall apply to each individual order placed, and shall apply for each commissary in each region, excluding Sundays.
15. Supplier will provide company name(s), address(es), fax number(s), e-mail address(es), and phone number(s) of headquarters and region account managers who serve as points of contact for this program.
16. When applicable, provide DeCA an opportunity to take advantage of any over produced product at lower VPR prices.
17. All deliveries must have a minimum of 50 percent shelf life remaining on the product at time of delivery to the commissary.
18. Provide your company's fresh chicken "Brand Name" tonnage of products sold in each commercial retail outlet and provide this with your original presentation. List the tonnage by retail outlet.
19. All suppliers for this program must have a 100 percent guaranteed buy-back program for all unsold chicken products. Suppliers may markdown product a minimum of 25 percent starting at 3 days prior to the "sell by date". DeCA encourages suppliers to utilize instant redeemable on pack coupons to facilitate the sale of this product, and to reduce the need for Vendor Credit Memorandums (VCM's).
20. All packages of chicken will have an "open code sell by date" or a "use or freeze by date." Ensure all products are labeled "fresh". No product will be accepted without proper labeling.
21. All suppliers will have a marketing program of their own in place to promote their products during commissary special events and grand openings.
22. All 10 core items are required to bear the USDA Grade A label. This includes all sizes of the Core items. Discretionary items may bear the USDA Grade A label but it is not a requirement. Discretionary items must be of a quality that is equivalent to USDA Grade A standards.

23. Skinless boneless breast products ONLY may be enhanced up to 15 percent. Enhanced product must meet the certification guidelines of the American Heart Association.

24. Georgia/Los Angeles Dock prices - Suppliers price increases shall not exceed \$0.04 per pound when adjusting up to the next tier price.

25. All deliveries must be made in temperature controlled vehicles capable of maintaining proper temperatures as specified in the ROA Terms & Conditions, Section XII, Inspection Requirements. Poultry and poultry products shall be purchased as "fresh" (delivery temperature 27 to 32 degrees F). Vehicles must be capable of meeting all sanitation requirements.