



**Vendor
Updates/Letters/E-
Mails/Policies**

TO: Goody's EDI Vendor Partners

FROM: Goody's Vendor Relations

SUBJECT: Required EDI Ship Completion/Limited Ship Window

DATE: March 15, 2006

Effective April 1, 2006, those vendors that sell Goody's "Basic/Replenish"* merchandise via store specific EDI will be required to:

- Minimum of 90% Fulfillment Rate (at the 'line-level'); and
- Must ship this Purchase Order with 4 working days of EDI Purchase Order generation. Example: EDI PO Generation date: Friday, March 10, 2006. The vendor will receive a Purchase Order (s) with a March 13, 2006 start date and a March 16, 2006 cancel date.
- Vendors can make only 1 shipment against these types of Purchase Orders.
- Any remaining balances (following this one & only shipment) will be automatically CANCELED.

It is important to note the following:

- Purchase Order extensions will NOT be granted.
- This requirement applies to only those SPECIFIC Purchase Orders where the vendor is selling "Basic/Replenish" merchandise via store specific EDI. Non-"Basic/Replenish"-type merchandise, i.e. EDI Purchase Orders of 1 delivery 'fashion' merchandise are not bound by the above requirements!
- Due to the timing of this specific type of "Basic/Replenish" merchandise Purchase Orders, 48-hour routing requirement waivers will be automatically granted. However, the vendor MUST still request routing (as outlined in the Goody's Vendor Relations Manual) and be able to ship the ordered merchandise no later than the cancel date stated on the Purchase Order(s) itself.

Failure To Comply:

- Vendors that cannot ship a minimum of 90% complete (at the line-level) on these specific "Basic/Replenishment" Purchase Orders will be assessed a FR-31 Offset Expense chargeback. (This is a NEW Offset Expense chargeback.)
- This FR-31 Offset Expense is assessed at the rate of \$250.00 per short line PLUS 20% cost allowance calculated on the amount short.
- The current UC-4, UC-5, and UC-6 Offset Expense chargebacks can be assessed in those cases where the vendor attempts/actually ships a Purchase Order passed the stipulated cancel date.

GOODY'S

FAMILY CLOTHING

The purpose of this notification is to make certain that Goody's remains 'in stock' on these critical "Basic/Replenish" styles. It is also critical that you- the vendor- work closely with your merchant to make certain that the merchant's plans for this "Basic/Replenish" merchandise are properly implemented within your organization.

As always, if you have any questions regarding this or any other Vendor Relations directive, feel free to contact this office directly at 865-966-2000, ext 1676 or 1267.

Thank you for your continued help and support of Vendor Relations at Goody's!

Sincerely,

Goody's Vendor Relations

(*) = Basic/Replenish merchandise is defined by the merchant for your specific product. Example: A specific denim style that the buyer wants to be 'in stock' at all times could be considered a 'basic' item. If so, the buyer will so designate and a purchase plan will be negotiated between the vendor and Goody's to assure that merchandise will be able to ship per this above requirement.