NEDA

National Electronic Distributors Association

Recommended Technical Standards

For

Point-of-Sale Reports

September 2006 Revision

POLICY STATEMENT
POINT-OF-SALE REPORTING

The National Electronic Distributors Association and its distributor members endorse the following policy concerning the ownership and use of the proprietary information furnished by distributors to their suppliers in a Point-of-Sale Report:

> The proprietary information furnished in a Point-of-Sale Report constitutes confidential trade secrets that are and shall remain the property of the reporting distributor.
>
> This proprietary information is furnished to the suppliers for their internal use only (including suppliers' agents) and for the limited purposes of paying commissions to their sales representatives and studying their markets.
>
> Suppliers and their representatives are expected to keep and maintain the proprietary information in a manner that will prevent its disclosure to any outside party. This obligation to prevent disclosure remains in effect after the termination of the distributorship arrangement by the distributor, manufacturer, or independent sales representative, for any reason whatsoever.
>
> The proprietary information in a Point-of-Sale Report shall not be used by any of the supplier's personnel, agents or by any of the supplier's other authorized distributors to the detriment, or damage, of the distributor or the distributor's sales of any products to any of its customers.

This policy regarding the ownership and use of proprietary Point-of-Sale information should be incorporated into the distributor agreement between the distributor and manufacturer (including the independent sales representatives) whenever a Point-of-Sale Report is required.

Changes Included in September 2006 Revision

This update to the POS report is primarily to include the Design Registration Number. As it becomes increasingly more difficult to track production of design wins, the addition of this field to the POS report will add an opportunity to better track the design registration process.

1. Changes to field length:
    a. Distributor Name/ID
    b. Manufacturer Name/ID
    c. Branch ID
    d. Customer ID
    e. Customer Name
    f. Customer city
    g. Customer State/Province
    h. Part Number
    i. Other Entity Name
    j. End Customer Part Number
2. Changes to Field Name
    a. Customer ID to Ship to Customer ID
    b. Customer Name to Ship to Customer Name
    c. Customer City to Ship to Customer City
    d. Customer State to Ship to customer State/Province
    e. Customer Zip Code to Ship to Customer Zip Code
3. New field Additions
    a. Design Registration Number
    b. Length of Production
    c. Bill to Customer ID
    d. Bill to Customer Name
    e. Bill to Customer City
    f. Bill to Customer State/Province
    g. Bill to Customer Zip Code

CHANGES INCLUDED IN July 2002 REVISION

1. **Addition of Sub-detail record:** The Sub-Detail record is used to include additional partner address information besides the ship-to customer address that is covered on the Detail record. The Sub-Detail record provides flexibility in the Point of Sale reporting process to cover emerging business tracking requirements. The presence of contract manufacturers and other non-end customer intermediaries may necessitate the identification of not only direct customers but also the end customer for the product. The Sub-Detail record has been added to support this and other requirements. Allowing the same record to be used to identify various partners in the supply chain creates flexibility. A two-character identifier code is used to describe the type of partner the address is for, i.e. BT for bill-to customer address.
2. **Changes to field length:**
    a. Branch ID
    b. Customer City
3. **Addition of Global Product Classification Code:** This code will allow companies to add product classification codes to the POS reporting data. This code can be an internally assigned code or the United Nations Standard Part and Service Code.
4. **Addition of Country Code:** This is the ISO standard country identification code.

RECOMMENDED TECHNICAL STANDARDS
FOR
POINT-OF-SALE (POS) REPORT

The Point-of-Sale Report addresses the electronic distribution community's need for a standardized methodology of reporting distributor sales information to manufacturers.

This technical standard is inclusive of data elements that are potentially required by trading partners. When implementing the standard, it should not be interpreted that all fields are required to be completed. Trading partners should concur as to which are to be included in the report when they develop their distributor/manufacturer agreements.

A Point-of-Sale Report is based on three main principles: the standardization of reporting formats, media, and data flow. Format and media specifications can vary from organization to organization, requiring the distributor to customize reporting. Information would be collected by the distributor, furnished directly to the manufacturer, who in turn would use the information to compensate their representatives and analyze their markets. Utilizing the Point-of Sale checklist, contained in the standard, trading partners would agree upon the specific information required in the report. Other fields would be left blank. Distributors would no longer be required to generate and distribute multiple copies of reports, with a variety of formats, media and information requirements. Manufacturers would be able to receive information in a single format, compile and sort data and provide comprehensive sales data to both branches and representatives.

Adoption of the Point-of-Sale Technical Standard will increase both the efficiency and accuracy of the supplied data and help to protect the confidentiality of the information.

Point-of-Sale Information Guidelines

Introduction

In order to utilize the Point-of-Sale standards, trading partners must agree upon the parameters of reporting, including the selection of required fields of information and the medium to be used in communicating sales data from the distributor to the manufacturer. Decisions should be based on the computing capabilities of each organization, following the format specified in the Point-of-Sale standard.

Report Layout

Each Point-of-Sale file consists of four types of variable length records which together identify the trading partners involved and provide the necessary Point-of-Sale information.

Header Record: This identifies the distributor and the manufacturer as well as the reporting period ending date.

Detail Record: This record identifies the customer and ship-to location, part number, quantity, invoice number and date, unit cost, resale price and extension.

Sub-Detail Record: This identifies additional partner information besides the ship to customer. Emerging business tracking requirements call for distributors to identify not only their direct customers but frequently to identify the end customer as well. Allowing the same record to be used to identify various partners in the supply chain creates flexibility.

Summary Record: This record identifies the total number of detail records included.

How Standardization Could Save Time and Money for All

The streamlining of the Point-of-Sale (POS) reporting process through the computerized standardization of the reporting format can save time for everyone – manufacturers, distributors and reps. If a single format can be adopted by all partners: distributors could prepare all reports uniformly; and manufacturers could sort the data automatically and issue their reports more promptly, thus eliminating the need for representatives to seek "courtesy" reports from distributors. Representatives would not have to rekey their principals' Point-of-Sale data for their own use.