

9.0 Electronic Data Interchange (EDI) Requirements

9.1 General Information

- The Company **requires** all vendors to exchange business documents via EDI. These documents include; purchase orders (850 PO), purchase order changes (860 POC – Buyer Initiated), advance shipment notices (856 Shipment Notice/Manifest), universal product codes (832 Price/Sales Catalog) and transaction acknowledgments (997 Functional Acknowledgement). The vendor can contact the Company in order to establish an EDI system for business to business communications. In some instances, specific vendors and/or merchandise types may be exempted from this requirement by the Company.
- All vendors must complete the Company's online EDI survey within 10 days from initial merchandise transaction by representatives of the Company and vendor personnel. Vendors can access the EDI survey using the Company's vendor website: <http://www.dswinc.com/vendors/EDI/Survey>. This information is crucial for the set up of EDI relationships between the Company and the vendor.
- The Company realizes that many of our vendors have existing EDI relationships with other customers. If there are any specific vendor EDI trading partner agreements ("TPA") outside of the survey, please contact DSW IT. The Company will work with the vendor to ensure that these requirements are maintained while meeting the Company's EDI objective.
- The Company will assist vendors in the development, testing, and transmission of EDI messages to and from the vendor and Company. Vendors in an EDI test status will process and ship Company merchandise using the hard copy PO. After successful EDI certification, vendors will process and/or ship Company merchandise using EDI generated documents only (i.e. 850, 856, 860, etc). The vendor **is not** to use faxed copies of the Company's PO for processing, routing, and shipping, merchandise. Any questions concerning a vendor's EDI status or use of emailed/faxed orders should be directed to either DSW IT or Merchandise Support departments (see Section 10).
- The Company utilizes electronic data interchange ("EDI"), VICS X12 Format standard version 4010 for the transmission and receipt of data using the following messages:
 - 832 (Price/Sales Catalog)
 - 850 (Purchase Order)
 - 856 (Shipment Notice/Manifest)
 - 860 (Purchase Order Change Request – Buyer Initiated)
 - 997 (Functional Acknowledgement)

9.1 General Information (cont'd)

- The Company processes vendor transmissions once an hour, 24 hrs/day, 7 days/week. Vendor files are posted to the Company's merchandise system upon successful receipt and processing.
- Vendors receiving a failed transaction notification pertaining to an **inbound** message (i.e. 850, 860,...) will need to submit a request, via e-mail, to IT for re-transmission of the failed file within 24 business hrs of the notification. If the failure concerns an **outbound** message (i.e. 856, 997,...) to the Company, please resend all new transmissions using a new Interchange Control Header ("ISA") number for the failed file. Message receipt failure notifications are transmitted by DSW IT via the 997 message with rejected "R" status.
- For vendors seeking to use a third party EDI service provider, a listing of EDI vendors currently exchanging data with the Company is located on our vendor website: http://www.dswinc.com/vendors_edi.jsp. Please use the attached link for details concerning EDI provider name and contact information.
- Going forward, additional EDI transaction messages will be included for exchange of information between the Company and its vendors. The following EDI transaction sets (not inclusive) are scheduled for development in the future:
 - 204 (Load Tender)
 - 210 (Freight Invoice)
 - 211 (Bill of Lading)
 - 212 (Trailer Manifest)
 - 214 (Shipment Status)
 - 215 (Motor Carrier Pick-Up Manifest)
 - 810 (Invoice)
 - 820 (Payment)
 - 852 (Inventory Movement/Product Activity)
 - 855 (Vendor PO)

9.2 Electronic UPC Catalog (832)

- The Company will establish a UPC data trading relationship with all UPC enabled vendors. Once this relationship is established, all orders sourced by the Company's buyers are to be labeled with the vendor's UPC tag. Shipments delivered missing the UPC tags may be subject to chargebacks specified in Section 11 of this guide.
- DSW uses 12 digit UPC codes only. Due to system limitations the company is unable to use the 13 digit EAN barcode.



- The Company uses the vendor's UPC catalog service provider (i.e. Open Text (GXS), InterTrade or QRS) to retrieve UPC codes for the entry, receipt and processing of vendor merchandise. DSW cannot load vendor UPC codes from any type of spreadsheet.
- All UPC data accessed by the Company must match item style descriptions contained on corresponding POs (hard copy or electronic).

9.2 Electronic UPC Catalog (832 cont'd)

- UPC enabled vendors are required to update their online UPC catalogs with all UPC codes related to PO items within **20 business days** from receipt of the Company's PO. Vendors will need to advise the Purchase Order Management Specialist of the vendor style name/number, NRF color codes, NRF size codes, and pack codes as well as confirm the UPC codes are available in the on-line catalogue (Open Text (GXS), InterTrade, or SPS). This information is used for entry of the vendor's item into the merchandise system and the completion of an approved PO. Items missing UPC codes and/or style, color, size, and pack code information will delay the entry and transmission of a PO (EDI PO or hard copy) and can be subject to chargebacks specified in Section 11. Vendors requesting exemption from this requirement will need to contact the Company's Merchandise Operations & EDI team (see Section 12). Incorrect or missing UPC codes at time of delivery of merchandise to the Company's DC are subject to chargebacks (per Section 11).
- The Company follows the VICS industry standard requiring a 30 month waiting period for fashion merchandise before reuse of existing UPC product codes. Any questions or concerns regarding this requirement should be directed to the Company's DSW IT or Merchandise Operations & EDI team (see Section 12). Additionally, DSW IT and Merchandise Operations & EDI personnel need to be notified via e-mail within **24 business hours** following the completion of the UPC update (see Section 12).

9.3 Electronic PO (850)

- The Company uses an 850-transaction set for the processing, routing, and shipping of merchandise. This message will not be generated until after receipt of the vendor's UPC (832) codes for corresponding PO items and entry into the Company's merchandise system. Missing or invalid UPC codes will delay the transmission of 850 messages
- Vendors are required to acknowledge the receipt of all DSW 850 transmissions, within **72 business hrs**, through the use of the electronic Functional Acknowledgement message ("997"). Any 850 transmissions not acknowledged by the vendor within the time frame may be subject to chargebacks specified in Section 9.
- The exact vendor style/color number and description contained in the 850 item data must be used when sending a corresponding 856 message to the Company.



- UPC data contained in the 850/860 item data must be used when sending a corresponding 856 message to the Company. Any missing/incorrect data or style/color substitutions may be subject to chargeback per Section 11 of the Guide.

9.3 Electronic PO (850 cont'd)

- Once a vendor has been placed in a “production” status for the 850, processing, routing, and shipping of Company merchandise needs to be initiated using the 850. Vendors in a **production** status for the 850 message are not to use copies of orders submitted via e-mail or fax unless approved by the Company. Any orders approved and submitted using one of the previously mentioned methods will need to be validated upon receipt of corresponding 850 messages.

9.4 Electronic Shipment Notice/Manifest (856)

- The Company uses an 856 transaction set for the receipt and processing of vendor merchandise. Additionally, an EDI-enabled vendor must also produce a hard copy representation of this message as part of the shipping documentation requirements..
- Vendor item style/color number and description contained in corresponding 850 or 860 transmissions **must** be used on the 856 message.
- Any 856 message transmitted to the Company which fails to validate when compared to corresponding 850/860 message may be subject to chargeback as specified in Section 11.
- 856 messages can be transmitted to the Company at any time during order fulfillment. The Company's requires all ASN transmissions to be sent **48** hrs prior to delivery of merchandise to the Company's facilities or named shipping point. Additionally, ASN messages can be transmitted at the time merchandise is released to transportation provider. Any 856 message received after delivery of merchandise to the Company's facilities or named ship point will be subject to the chargebacks specified in Section 11.
- An 856 transmission can reference multiple 850/860 transactions.
- The Company **requires** a single ASN per shipment and location. Any vendor shipping from multiple locations will need to create a corresponding ASN reflective of the shipment from a specific location.
- Upon successful translation of an 856 transmission, the vendor will receive the Company's Functional Acknowledgement message (“997”). Vendors failing to receive a 997 message from the Company will need to notify DSW IT.

9.5 Electronic PO Change Request – Buyer Initiated (860)

- The Company uses an 860 transaction set for the transmission of changes made to a previously transmitted 850 message. This message is generated upon modification and approval of the order in the Company's merchandise system. Vendors in a **production** EDI status for 860 transaction sets are not to accept any order changes submitted via e-mail, fax, or telephone unless authorized by the Company. Any changes approved and submitted using one of the previously mentioned methods will need to be validated upon receipt of corresponding 860 messages. .

9.5 Electronic PO Change Request – Buyer Initiated (860 cont'd)

- Vendors are required to acknowledge the receipt of all DSW 860 transmissions, within **72** business hrs, through the use of the electronic functional acknowledgement message (997). Vendors receiving a failure notice on any part of an 860 transmission need to contact IT immediately (see Section 10).
- An 860 message is the only approved method to change a valid production 850 message. Manually faxed change request messages are not to be used by an EDI-enabled vendor unless approved by the Company.

9.6 Functional Acknowledgment Message (997)

- The Company uses a 997 transaction set for the acknowledgement of vendor and Company EDI transmissions.
- Vendors will need to generate a 997 message for each Company inbound file received within **72** business hrs.
- The Company will generate a detailed 997 message for each vendor inbound file. All Company generated 997 messages need to be reconciled or researched (for rejection notices) within **24** business hrs.
- Vendors using a third party EDI service must ensure their selected provider is reviewing all 997 messages transmitted by DSW IT.
- Missing vendor inbound 997 messages may be subject to chargeback as specified in Section 9.
- Vendors failing to receive a Company 997 message must contact the Company's DSW IT personnel immediately (see Section 10).

9.7 EDI Message Formats

- Vendors can obtain copies of the Company's EDI message specifications as well as EDI survey form via e-mail or fax (see Section 12).
- Vendors can also obtain copies of these documents via the Company's vendor website:
<http://dswinc.com/Vendor-EDI.do>.