

PPAI Recommended Guidelines For Suppliers

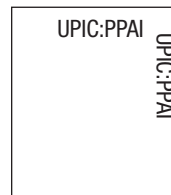
The Promotional Products Association International's purpose in publishing these guidelines is to promote communication between suppliers and their distributor customers and help them build profitable and successful businesses.

The ability to correctly handle the specific details of orders sent from distributors to suppliers relies strongly on simple but specific descriptions of the products, policies and pricing information that comes from suppliers. This is most commonly accomplished through the distribution of supplier catalogs, brochures and other materials mailed to the distributor network of each supplier. These guidelines should be carefully and specifically adhered to when producing these materials.

GENERAL CATALOG RECOMMENDATIONS

- **Catalog Size:** Catalogs and supplemental sheets should be 8 1/2 by 11 inches and three-hole punched with 5/16-inch diameter holes
- **Catalog Binding:** Catalogs should be bound on the 11" side; saddle-stitched or perfect bond binding is preferred. Avoid spiral or ring binding, if possible.
- **Catalog Issuance and Dates:** Catalogs should be issued annually, if possible. The date range for which the catalog is valid should be clearly stated on the front cover.
- **Catalog Font Size:** It is suggested that regardless of font styles used, font size should not be less than six point and, preferably, not less than eight point in size. If less than eight-point font size is required, consider a "bold" font to enhance readability.
- **Catalog Images:** Suppliers should have high-resolution images for all products shown in a catalog.
- **Catalog Index:** On extensive supplier product lines, a catalog index by product name or product style numbers and page numbers is desirable. The index listing should preferably be on the inside front cover.
- **Industry Identification Number(s)** All industry identifiers (i.e., UPIC, PPAI, ASI, SAGE, etc.) should be printed on the front cover in the upper right-hand corner, both horizontally and vertically, for easy filing reference. Catalogs are frequently filed sideways as well as upright.

Note: Such numbers might also be placed on supplier stationery, envelopes, and separate brochures, as illustrated.



- **Distributor "Identification" Space:** A clear area should be made available on front or back cover of the catalog for distributors to be able to stamp or sticker their firm's name and information.
- **Product Sources:** It is advantageous for suppliers with products made in the USA to indicate "Made in USA" in their catalogs.
- **Union Label:** It is desirable that Union Label availability be shown on catalogs with union-made products.
- **Mailing Practices:** On bulk mailings, one copy of the catalog, plus any "confidential" information, separate price sheets, promotion sheets, etc., can be mailed to each distributor initially. Mark the outside of the envelope "Confidential." Distributors wishing more catalogs will request them.
- **Distributor Catalog Requests:** Distributors will request catalogs by phone, fax, e-mail or at tradeshow. Requests will come throughout the year. To avoid excessive duplication, keep a record of all catalog orders filled.
- **Charging For Catalogs:** Many distributors will not buy catalogs. Better distribution will be obtained if catalogs can be sent at no charge. However, suppliers may specify a "limit" on the number of free copies. Most distributor catalog requests will say, "If there is a charge for catalogs, please advise before sending," or "Send maximum number available at No Charge." Those requests should be honored.

- **Catalog Identification:** Supplier firm name, address, phone, fax, web or e-mail address information is **not** desirable in catalogs. Suppliers may use a “line” name for identification, instead of their corporate name.
- **Catalogs "Fax" Ready:** Avoid using dark backgrounds behind illustrations, copy text or price schedules. Such pages are not legible when sent over fax machines, a service frequently requested by distributor clients.
- **Electronic catalogs:** All online or electronic catalogs should be end-user friendly and adhere to the same guidelines as printed catalogs where applicable. Downloadable low-res and hi-res images, sales sheets and layouts are very beneficial to distributors. Password-protected websites provide the distributor an option to see nets rather than doing calculations. Freight quote features are helpful to both suppliers and distributors.
- **Individual Product Pages:** The following information should be provided for all products:
 - Brief product description
 - Product name
 - Product number
 - Imprint space dimensions and locations
 - Standard packaging
 - Method of imprinting, if not identical on all products
 - Size, content and weight of basic shipping container
 - Product dimensions for each quantity bracket
 - Quantity list prices of each product and discount symbol

Random Imprints: Don't include in any catalog or printed material photographs of products imprinted with a distributor's logo or copy.

CONFIDENTIAL INFORMATION GUIDELINES

The following details should **not** be printed in regular catalogs and should **not** normally be mailed with catalogs to distributors' salespeople. Send these details separately, marked “confidential,” and only to the distributor or those salespeople designated by the distributor as “buyers.”

- Distributor Net Prices
- Supplier Phone, Fax, Website, E-Mail, Street Address or P.O. Box
- Credit Policy & Payment Terms (including Credit Card details)
- Sample Prices & Sample Descriptions
- Sample Rebate Policy
- Volume Rebate Policy
- “Speculative” Sample Policy
- Returned Merchandise Policy
- “Restocking” Charges On Returned Merchandise
- Names Or Pictures Of Supplier Personnel

GENERAL INFORMATION GUIDELINES

“General Information” details should be located in a prominent page location in the supplier's catalog. Inside front cover, inside back cover, on center spread or on back cover are all excellent locations. This information is for the benefit of the distributor salespeople selling from the catalog.

Each topic should be included, even if there is no added cost involved.

Each topic should be headlined and its policy outlined as briefly, yet concisely, as possible. Topics should be in alphabetical order. All items with a cost involved should show the cost and discount code involved. Suggested topics to include are:

- **Acknowledgments:** Policy on providing acknowledgments of receipt of distributor orders, artwork, proof approval and scheduled delivery dates.
- **Artwork:** Standards and cost of “factory provided” artwork.

- **Electronic Art:** Formats accepted by supplier.
- **Artwork Return:** Policy on holding and returning distributor-furnished artwork.
- **Cancellations:** Policy and cost of order cancellations.
- **C.O.D. Shipments:** Policy and costs of shipping COD.
- **Combined Product Pricing:** Pricing policy for an order with more than one product style involved.
- **Color Copy Changes:** Minimum amount per change and total cost of changes.
- **Copy Changes:** Minimum amount per copy change, and varying cost charges involved.
- **Copy Corrections:** Costs per correction on order before and during production.
- **Disclaimer:** Advise that designs and logos illustrated in catalog are not endorsements of your products by the owners, but are simply to indicate factory imprinting capabilities.
- **Drop-Shipments:** Cost per each destination after original.
- **Exact Quantity Orders:** Advise if you allow exact quantity orders and if there are any associated costs.
- **Faxed Orders:** Advise if they are not acceptable for artwork use.
- **FOB:** State FOB point.
- **Foreign Orders:** Policy and cost on foreign documents/orders.
- **Guarantees:** Product and quality guarantees, if any.
- **Increased Order Size:** Policy on orders increased in size after production has begun.
- **Intermediate Quantity Pricing:** Policy on pricing orders for quantities between catalog quantity columns.
- **No-Copy/Non-Imprint Orders:** Pricing policy on orders without imprint.
- **Over-Catalog Quantity Orders:** Policy for obtaining pricing.
- **Overruns and Underruns:** Percentage ratio and pricing policy on possible overrun or underrun quantities on orders. If you ship exact quantities and bill exact quantities, state so.
- **Phone Orders:** Written confirmation follow-up policy, if any.
- **"PMS" Color Matching:** Cost of matching specific PMS imprint colors.
- **Production Time:** Indicate "normal" production time in business days or weeks after receiving full artwork or after proof acceptance.
- **Proofs:** Costs for each of the following:
 - Paper Proofs: Black and White
 - Paper Proofs: Color
 - Preproduction Proofs
 - Digital/virtual proofs
- **"Repeat" Orders:** Special offers or charges on exact repeat orders.
- **Returns and Allowances:** Policy on returns.
- **Rush Orders:** Policy on costs and acceptance of rush orders.
- **Setup Charges:** Setup costs for each available imprint method (i.e., die charges, embroidery tapes, screen charges, plate charges, etc.)
- **Shipping Method:** Normal shipping methods unless otherwise required or requested.
- **Split Shipments:** Cost of each future shipment on a single order, after original shipment.
- **Standard Imprint Colors:** "PMS" number of the stock imprint colors.
- **Union Label:** Union label availability.
- **Vacation Time:** Normal factory annual vacation period.
- **Verbal Orders:** Order must be received in writing before production will begin.

STATEMENTS NOT RECOMMENDED FOR CATALOG INSERTION

"Prices Subject To Change Without Notice": While prices may change at uncertain intervals, it is important that distributors get reasonable advance notice, so they may protect orders currently in negotiation or production.

"Substitutions of Equal or Better Value May Be Made, If Necessary": Substitutions should never be made, regardless of value, without the prior written consent of the distributor.

ELECTRONIC AND FAX MARKETING GUIDELINES:

It is the supplier's responsibility to be informed and up-to-date on all anti-spamming legislation. Before contacting by e-mail, ensure that distributors have elected to receive communication via this medium, and always provide an "opt-out" option. Generally, one to two e-mails per month is acceptable. Ensure that any offers presented are current (i.e., make certain that any deadline dates have not passed) and that no duplication of offers is presented. Fax marketing is discouraged.

SHIPPING POLICIES

It is not recommended that the supplier's line name appear on any shipping labels or packing slips of orders shipped directly to the distributor's customer. Suggested methods:

- Shipping Labels:** Use distributor firm name as "shipper," but use the supplier address in the event shipment has to be returned.
- Packing Slip:** Leave supplier name off packing slips. Simply show quantity of contents and distributor purchase order number as directed.

SUPPLIER RESPONSIBILITY

Supplier should accept responsibility if:

- Shipment arrives late because supplier missed deadline date.
- Supplier fails to meet order specifications as submitted, in writing, by distributor.
- Supplier substituted merchandise without prior notice to the distributor and customer refuses order.
- Supplier increased price without prior notice to distributor and distributor refuses to pay excess amount.
- Supplier shipped merchandise to incorrect destination.

INVOICING PROCEDURES

Supplier should generate and mail invoices within 24 hours of order shipment. Invoices should include the following information:

- Distributor name, address and purchase order number.
- Shipping destination of order.
- Product number and quantity of product.
- Net unit price.
- Net unit price of product multiplied by quantity shipped.
- Net price of any additional services.
- Freight cost—include freight bill copy, if requested by distributor.
- Total cost of order.
- Supplier company name, address, phone, fax number and e-mail address.
- Shipper's tracking number for each carton shipped.
- Payment terms (For example, Net 30.)

ORDER ACKNOWLEDGMENT PROCEDURE

Supplier should **always** advise distributor that his/her merchandise order has been received. The distributor wants to know if the supplier received it and the answers to any questions asked on the order.

- Fax or e-mail to distributor a copy of the actual order as received. Answer any questions asked on the order.
- Order changes made after original acknowledgment should be acknowledged in the same manner as original order, or the distributor should be advised if order changes cannot be met.
- If suppliers **can't** meet order requirements, **the supplier should phone, fax or e-mail the distributor immediately.**
- Acknowledge receipt of artwork, proof approval and scheduled ship date, if possible.

WRITTEN PRICE QUOTATION POLICY

When distributors ask for price quotation on quantities above the catalog-listed quantities, supplier should submit a written quotation, good for at least 30 days. Both the supplier and the distributor should have a written record of the quote to avoid future discrepancies.

CREDIT POLICIES

A supplier dealing with a “first time” order from an unlisted or unknown distributor has several payment options to consider:

- Use UPIC, other credit services or ask for credit references from other suppliers for possible “open account” terms.
- Ask for partial payment in advance of production. May be paid by credit card or company check.
- Ask for “letter of credit” payable on shipment.
- Ask for full payment in advance. **Special note:** If requiring prepayment, and that prepayment exceeds final invoice amount, issue the distributor their refund within 48 hours of invoicing by the same method prepayment was received.
- C.O.D. shipment for all, or part of, the order value.

DISPUTE RESOLUTION

In the event of a dispute regarding an order, or other business matters between a distributor and supplier where they are at an impasse, PPAI provides a DISPUTE ADVISORY SERVICE. For further information, contact PPAI at 972-258-3043.

OVERRUN & UNDERRUN PROCEDURES

The normal acceptable percentage of overruns or underruns is 5% of the requested order amount. Supplier may only invoice for actual quantity shipped. However, overruns on very large orders should be kept as close as possible to original order quantity. Also, overruns on slow production or “handmade” products may not be acceptable. Contact distributor before production if situation is in doubt.

LIMITED TIME PROMOTIONAL OFFERS

Promotional offers available for only a short span of time should not be permanently printed in the annual catalog. Instead, put the offer on a separate brochure or flyer and insert it in the catalog before mailing. Such offers might include special pricing, product sizes or colors, closeouts and specific holiday or event merchandise. The promotional offer should include the expiration dates and any “ship by” dates.

SAMPLES

Stock/Random Samples: Usually samples printed with supplier identification information—may be available individually or in packaged “kits.” Supplier usually offers distributor a special price on samples shown to prospective buyers. Samples may be shown and priced on a separate “confidential” brochure. Never use a distributor’s logo or copy on stock or random samples.

Speculative Samples: Usually “speculative” samples are created by the supplier for a distributor in order to help close a sale. Some suppliers charge for speculative samples, some provide speculative samples for free and others rebate the charge with placement of a following order.

SM@RT ARTWORK GUIDELINES

The sm@rt Artwork Guidelines define the quality criteria that determine the readiness of each of four common artwork formats. The guidelines cover both vector and raster art files, as well as instructions to avoid errors related to fonts and images.

Vector Artwork Files

- Must be saved in the Postscript™ format and contain no Postscript errors, stray points or colors assigned inconsistently to the supplier's published requirements.
- All type that has been set must be converted to outlines (curves). If future changes to the text will be necessary, the original font file must be supplied with the art file for use on the supplier's specified computer platform (Mac or PC).
- All design elements in the file must meet the supplier's published minimums for line thickness. Failure to do so may compromise the final imprint quality.
- If the vector file contains any linked (placed) raster images, these images must meet the supplier's minimum requirement for resolution when rendered at 100% actual imprint size and must be submitted with the original vector file.

Raster Artwork Files

- All raster elements and art files must be sized to 100% or larger than the actual imprint size.
- All raster images must meet or exceed the supplier's published minimum resolution (pixels-per-inch) when rendered at the actual imprint size.
- All raster elements must be submitted in the proper color space (RGB or CMYK) as published by the supplier.

Page Layout Documents

- Page layout documents must be prepared to render the artwork and all of its elements at 100% of actual imprint size.
- In addition to submitting the page layout documents, all vector and/or raster files that are referenced by the page layout document must also be included.
- Include any fonts that were used in the production of the page layout document or use on the supplier's specified computer platform (Mac or PC).

Acrobat (PDF) Files

- PDF files created from vector files must retain the editing capabilities of the program that was used to create them (e.g. Illustrator® or Freehand®).
- PDF files that contain raster elements must meet the minimum requirements for raster art files as outlined by the supplier.
- PDF files that contain vector elements must meet the minimum requirements for vector art files as outlined by the supplier.
- PDF files created from page layout documents should be submitted with the source documents, fonts and all supporting files.

Proofs

- No matter what the format or transfer method, artwork should NEVER be submitted without either a hard copy proof or the electronic equivalent. Properly prepared PDF files are often suitable as proofs.

Fonts

- Any fonts used in the production of art files should be converted to curves (outlines) prior to submission. If future typesetting will be required, the original font files must be included with the artwork file to be used on the supplier's specific computer platform (Mac or PC).

Other Than Above

- Only professional software packages may be used to produce artwork. Although programs like Microsoft Word and Publisher are useful tools, they are not capable of producing art files of a quality necessary for imprinting purposes.

SM@RT CODES

sm@rt Codes are located on a supplier's catalog right next to an item's price, photo and features, and immediately convey the supplier's artwork requirement for that particular product and imprint process. sm@rt Codes consist of a combination of one number and one letter.

The first character in the sm@rt Code is a number that describes the format (vector vs. raster) necessary for artwork readiness. Because vector images can easily be converted to raster images, not vice versa, most properly prepared vector files can be used for artwork in categories 1-5.

Code		Minimum Resolution **	Description
1	Vector Image	n/a	File contains only vector elements.
2	Raster Image*	72 DPI	File may also contain vector elements.
3	Raster Image*	150 DPI	File may also contain vector elements.
4	Raster Image*	300 DPI	File may also contain vector elements.
5	Raster Image*	600 DPI	File may also contain vector elements.

* "Raster Image" means grayscale or color file. Bitmaps (1 bit raster files) must be 1200 dpi.

** Minimum resolution is for raster image at finished imprint size.

The second character in the sm@rt Code is a letter that describes the color space necessary for artwork readiness.

Code		Minimum requirements
S	Spot Color (only)	All colors in file must be specified using either a known library, e.g. Pantone®, or the supplier's standard colors. Colors printed on product may or may not match colors assigned in file, (e.g. black-and-white art used for color imprint.)
X	Colorless Decorating	File colors are used to convey image features only. Decoration does not show file color. Used for engraving, embossing, etching, etc.
C	CMYK Color (only)	File may also contain vector elements for spot colors.
R	RGB Color (only)	File may also contain vector elements for spot colors.

Remember: sm@rt Codes are not a substitute for reading a supplier's general artwork and imprinting information, such as software programs, imprint areas, printing processes or business policies. Rather, sm@rt Codes exist to avoid errors by answering questions about the graphic requirements that apply to specific products.

Useful Terms

Vector Artwork: Artwork that stores mathematical information about shapes and lines is called vectors. They can be scaled easily without producing the "stair-step" edges you will see in pixel-based (raster) images. They adapt to the resolution of any output device and are considered to be resolution independent. They are produced by programs like Illustrator®, FreeHand® and CorelDRAW®.

Raster Artwork: Artwork and images that are defined by a checkerboard pattern, similar to viewing mosaic tiles. Raster images are limited by the number of pixels and cannot be enlarged without producing noticeably jagged, stair-stepped edges. They are produced by digital cameras, scanners, and can also be created by programs like PhotoShop and PHOTO-PAINT (among others).

Spot Color: Solid, generally flat fields of color. Used for silk-screening where a printer can lay down several solid areas of color to produce multicolored artwork; also used to identify additional colors in a four-color process file or print job.

Color Space: Refers to the use of color in an imprint or graphic file. Defined for our purposes as spot color, no color, RGB or CMYK.

RGB: Colors defined as a combination of three colors red, green and blue to produce millions of other colors.

CMYK: Colors defined using a combination of four colors cyan, magenta, yellow and black to produce millions of other colors; often referred to as four-color process.

Resolution: The measurement of quality (pixel-per-inch in file or dots-per-inch in output). Low-resolution images may be as low as 72 dpi (or less). High-resolution images may be as high as 600 dpi (or more).

INDUSTRY TRADESHOWS

There are numerous industry tradeshows each year, where suppliers exhibit their products to distributors and distributor personnel visit suppliers for information. These shows may be national, local, regional or even international in scope. PPAI's website at www.ppa.org hosts a tradeshow database for specific show information.

EDUCATIONAL PROGRAMS

PPAI offers numerous educational programs on industry policies and practices. Contact PPAI for details.

UPIC

The Universal Promotional Identification Code (UPIC) is the industry's comprehensive identification system upon which the UPIC Directory (www.upic.org) is based. It is an electronic identifier that recognizes your business as a legitimate industry company and allows you to easily reference other industry companies.

If you do not have your free UPIC identifier, apply for it today at www.upic.org.

VOLUNTEER OPPORTUNITIES

There are numerous committees, task forces, regional associations, etc., in the industry that depend on volunteers from both supplier and distributor firms. One of the fastest ways to obtain exposure to potential future business is to volunteer and get involved. Contact PPAI for more information on volunteer opportunities.

For additional copies or information on PPAI membership, contact:



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