

Dear Supplier

**July 2016**

### **New Product Process in Summary**

All new products & line extensions are to be presented to the relevant New Product Owner **at least eight weeks prior to the product launch date.**

Internal Ranging Committee meetings take place fortnightly each Thursday. At these meetings the Category Services team present their findings and recommendations to the banner groups & other representatives from the business.

All committee members then discuss the opportunity, and the banner groups make the final decision.

*The Category Services Team communicate all ranging decisions, via email, to suppliers the Thursday after each meeting. Not all decisions are final immediately after the committee meetings, and further detail may be requested, so please do not request ranging results earlier.*

### **Presentation Requirements**

To assist in managing workloads we ask that new product presentation meetings be no longer than half an hour and the presentations themselves must be no more than 10 slides in length.

Please ensure that your presentation includes all of the following:

#### Product Information

- What the product is, unique attributes, product images, reason for the new product, suggested deletions & relevant category information to back your recommendation\*, cost, margin & suggested pricing

*\*Recommended deletions are an important inclusion when presenting new products, as they ensure that sku count is managed within a defined space. Recommended deletions should be fully category focused*

#### Product Support

- All marketing support both product & brand specific, including above/below the line detail and spend amounts
- All sales support (including store frequency) for the product or brand

#### Promotional Support

- An idea of the level of promotional activity given to the product – this is for information only & does not need to be specific to dates. A full product promotional plan will still need to be submitted, on product codes set up, to Promotions Owners. **Please note: It is expected that any new products accepted for PAK'nSAVE be promoted on TPR within the first 8 weeks of sale**

#### Sales Information

- Evidence of current distribution within New Zealand & South Island including level of success & predicted category growth

#### Supplier Ranking

- Details of preferred ranking for the specific range of product being presented, and also for your full portfolio within the category being presented

As well as the presentation requirements, we also need the following:

- New product information form (*Please include all relevant trade terms on the New Line Form*)
- Product samples
- All product details to be loaded via
  - GS1 ProductFlow; or
  - Foodstuffs Data eXpress (DEX)

*Your products must be loaded to one of the previously mentioned systems prior to your new product meeting. If products are not loaded we will not be able to take your products to the ranging committee until they are.*

## **Product Classifications**

**New World** - Products presented and accepted will be classified as A, B or C. We recommend A products should be ranged by all New World stores, then where category space allows Bs & followed by Cs. Products classified as C are generally not warehoused but some exceptions may be made at the discretion of the Category & Procurement team.

**PAK'nSAVE** - Products presented and accepted will be classified as A and should be ranged by all PAK'nSAVE stores.

**Four Square** - Products presented and accepted as A range for New World are initially assigned an A classification for Four Square. It is then the Banner Groups responsibility for maintaining and/or extending the range as they deem appropriate.

**Declined products** - Products may also be declined for any of the banner groups. The reason for decline will be given via email after the ranging committee has made its final decision.

## **Product Review**

As part of the new product range acceptance, expected distribution & unit targets are provided. It is our expectation that all suppliers are working to the best of their ability to achieve these targets.

All newly ranged products will be reviewed after 13 weeks in relation to the previously set targets.

*Due to the volume of new products presented to the Category Team and the fast paced nature of the industry, products could, depending on performance, be reclassified or removed from range at any time without prior notice.*

## **New Product Ranging Committee**

The ranging committee is a collaboration of Category Services, Promotions Procurement and selected representatives from other areas of the business

- The Promotions Teams look after all promotional responsibilities for their relevant banner group
- The Category Services Team look after all new products, space planning, store relays & range reviews from a retail perspective. The Category Services Team do not have any promotional responsibilities
- The Procurement Team is responsible for ordering and distribution requirements, supplier terms of trade and new product reviews to ensure articles are meeting warehousing hurdle rates.

Thank you for your cooperation and support and we look forward to working with you for continued future success.