

ADDING OR DE-STOCKING ITEMS  
 AT THE MATERIALS DISTRIBUTION CENTER (MDC)

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1. GENERAL

- 1.01 This instruction provides information to be used by the Departmental Technical Staffs, Procurement Contracting, Procurement Central Maintenance Organization, and Procurement Inventory Management when stocking or de-stocking items at the Materials Distribution Center.
- 1.02 Whenever this practice is reissued the reason(s) for reissue will be indicated in this paragraph.
- 1.03 The objective of this instruction is to provide a means to:
  - a. Comply with overall policies of the company;
  - b. Provide the service level required by users;
  - c. Minimize system costs while providing the desired service level;
  - d. Deploy resources effectively;
  - e. Control the systems, SWIMS and CAPRI, and plan for future developments; and
  - f. Promote communications among the various organizations involved in the stocking/de-stocking process.
- 1.04 This practice is not intended for use for material processed through the Plug-In Inventory Control System/Detail Continuing Property Record (PICS/DCPR) system.

2. DEFINITIONS

- 2.01 The terms item/product/material are used synonymously throughout this document.
- 2.02 Definitions and acronyms used throughout this document are:
  - a. Approved for Purchase/Standard - This rating is granted to a product that has been studied by the General Headquarter's (GHQ) technical staff and has been determined to be technically suitable for use (see definition); the economics

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of the product have been evaluated; support documentation (practices, drawings, etc.) has been initiated or developed; sources of supply have been established; and the product has been formally so designated in accordance with the Schedule of Authorizations. Each product so designated is to be used only in the defined circumstances transmitted in the Purchasing Authorization Letter (PAL); therefore, any limited application of a product or specific restrictions in its use will be pointed out in the PAL. (Such limited application or restriction may be referred to as "conditional" approval for purchase). This category includes any product identified to be in use in the Company prior to the formalization of these policies and its continued purchase has been determined to be acceptable.

- b. Buyer User Reports Program (BURP) - An on-line system used by Procurement Contracting and Vendor Relations to identify material usage for both stock and non-stock situations.
- c. Central Office Equipment (COE) - Material stocked at the MDC to support Central Office switching, controlling, deriving, operating, conditioning, and testing communication channels. Also, digital loop electronics equipment, other than radio equipment and DDS, used in the local loop from a serving central office to the demarcation point on a customer premise, except for the equipment in a loop serving an IC Point of Termination.
- d. Computer Assisted Purchasing Receiving and Invoicing (CAPRI) - The mechanized system used to store vendor and historical purchasing data, generate purchase orders, and process vendor invoices.
- e. Departmental Technical Staffs - Persons who are subject matter experts within various departments of Southwestern Bell who evaluate products and determine whether those products should or should not be standardized for use by company personnel. They also make recommendations that standard items be stocked at the Materials Distribution Center.
- f. Disposition - Acting to remove from the MDC and to control a user's goods that are surplus, obsolete or scrap. Disposition can be accomplished by transferring, selling, or destroying the goods.

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- g. Keplist Dock Copy - A document produced daily to monitor and control keep levels of unrepaired material at the MDC.
- h. Local Purchasing Office (LPO) - Procurement purchasing offices which purchase non-stock material for users.
- i. Materials Distribution Center (MDC) - A Procurement operated centralized warehouse located in Lancaster, Texas from which stocked material is shipped to users/clients.
- j. Mechanized Sourcing System (MSS) - A mechanized system used by LPO personnel to track historical purchasing usage on items not loaded in the CAPRI system.\*

\*Note: During 1990 MSS will be incorporated into Procurement Order Management System (POMS). POMS will be used to track historical purchasing usage on items not loaded in the CAPRI system.

- k. Network Channel Terminating Equipment (NCTE) - Telecommunications equipment located on a customer premises that can be owned by either the customer or by the company. Telecommunications equipment located on a customer premises is used to connect the network facilities to the customer's equipment.
- l. Network Distribution Services (NDS) - Material stocked at the MDC to support communication services to customers outside Southwestern Bell Telephone Company operations. This involves construction, repairs, rearrangements and changes, testing and network distribution of telephone plant. Material includes such items as pole line hardware, cable, and aerial wire. Excluded is digital loop equipment, see paragraph c.
- m. Non-stock - Material that is not stored at the MDC. This material is not stocked for various reasons some of which include low volume, costs, not economical, non-standard, etc. This material is purchased via the Local Purchasing Office (LPO) by the various departments throughout the company.
- n. Official Company Services (OCS) - Material stocked at the MDC to support communications services of employees within Southwestern Bell Telephone Company operations. Items stocked include data and voice material.

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- o. Order Entry System (OES) - The "front-end" system accessed by users to order material from the Materials Distribution Center.
- p. Procurement Central Maintenance Organization (CMO) - The organization within Procurement Contracting and Vendor Relations responsible for updating table information in the Computer Assisted Purchasing Receiving and Invoicing system.
- q. Procurement Inventory Managers - Persons who manage stocked material for the Procurement operated MDC. They plan the overall levels of inventory that will be required making sure that the individual replenishment techniques execute overall inventory management policy. Their activities include forecasting, purchasing, investment control, repair and return, and other inventory control activities.
- r. Public Communications (Coin) - Material stocked at the MDC to support Coin operations.
- s. Purchasing Authorization Letter (PAL) - A document issued as needed by Procurement Contract Managers. The PAL contains the necessary information for identifying the application and any necessary conditions for application together with detailed purchasing/ordering information, training and repair/return procedures.
- t. Rapid Access Management Information System (RAMIS) - A software package used in Southwestern Inventory Management System to produce ad hoc reports to meet decision making needs of Procurement Inventory Management, MDC, and other organizations.
- u. Regional Bell Operating Company (RBOC) - Any of the former Bell System Operating Companies in existence providing telecommunication services: Ameritech, Bell Atlantic, NYNEX, Pacific Telesis, Bell South, Southwestern Bell, and U.S. West.
- v. Southwestern Inventory Management System (SWIMS) - The mechanized system used by Procurement to manage stocked inventory at the Materials Distribution Center.

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- w. Standard - This term should not apply to a product, but rather to a specification to which the product should conform; it has however come to be used to apply to the product. Products which meet the "standard" are determined to be technically suitable for use and may ultimately be approved for purchase. See Approved For Purchase.
- x. Standard Supply Item (SSI) - Material or services purchased on a frequent basis that are loaded in the CAPRI system and are identified by a nine digit product ID number. Material can be both stocked and non-stock. There may or may not be a contract.
- y. Stock - Material stored at the MDC for use by various departments throughout the company.
- z. Subject Matter Expert (SME) - The person or persons who have knowledge or proficiency in a particular area or function.
- aa. Technically Suitable For Use - This rating is granted to products which have been studied by the General Headquarters technical staff and determined to be suitable for use in SWBT based upon technical and feature considerations and for which support documentation (practices, drawings, etc.) has been initiated or developed. Procurement will then determine, based upon economic and service considerations, which of the technically suitable products will be approved for purchase.
- bb. User/Client - Any user of Procurement expertise or services. Includes the GHQ Technical Staff, subject matter experts, and any Southwestern Bell Telephone Company employee that places an order through Procurement.

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### 3. RESPONSIBILITIES

- 3.01 It is the responsibility of the Departmental Technical Staff, or authorized SME, to evaluate material and determine what items should be authorized as standard or approved for use within Southwestern Bell Telephone Company, and recommend such items for MDC stock as required. The Departmental Technical Staff initiates Form SW6538 CAPRI & SWIMS SSI UPDATE form in support of their users. Note: If there is no Departmental Technical Staff to support an item or group of items, Procurement Contract Managers can initiate Form SW6538 if there is a need to stock the item. The Departmental Technical Staff also evaluates requests from Procurement Inventory Management recommending that an item not be stocked at the MDC.
- 3.02 The Procurement Contracting organization is responsible for negotiating and obtaining agreements for the purchase of material from vendors. Procurement Contracting provides information via Form SW6538 CAPRI & SWIMS SSI UPDATE form to the Procurement Central Maintenance Organization (CMO) for the updating of Computer Assisted Purchasing Receiving and Invoicing system (CAPRI). If there is no Departmental Technical Staff to support an item or group of items, see paragraph 5.13 for exceptions. Procurement Contracting is also responsible for forwarding vendor complaint data to the Departmental Technical Staff.
- 3.03 The Procurement Central Maintenance Organization (CMO) is responsible for loading information into the CAPRI system. The CMO is also responsible for routing of the Form SW6538 CAPRI & SWIMS SSI UPDATE form to Corporate Accounting Methods/Business Research and to Procurement Inventory Management. The CMO ensures that the Procurement Catalog is updated and issued at appropriate intervals.
- 3.04 Procurement Inventory Management is responsible for loading Form SW6538 information into Southwestern Inventory Management System (SWIMS) and maintaining the integrity of that data. Procurement Inventory Management furnishes Departmental Technical Staff and Procurement Contracting with vendor complaint information. Procurement Inventory Management is also responsible for providing support data to the Departmental Technical Staff as needed. As a check and balance, Procurement Inventory Management also can agree

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or disagree with the Departmental Technical Staff that an item should be stocked at the MDC. If Procurement Inventory Management agrees an item should be stocked at the MDC, the item is loaded into SWIMS. If Procurement Inventory Management does not agree an item should be stocked at the MDC, it must provide supporting documentation to the Departmental Technical Staff to support its position.

- 3.05 It is essential that the integrity of all data bases be maintained. Employees within each department must maintain the highest legal and ethical standards as set forth in Southwestern Bell Telephone Company's booklet entitled A Code of Business Conduct. All functions within the stocking and de-stocking process must be performed with care and honesty for the successful management of the business.

#### 4. SOUTHWESTERN INVENTORY MANAGEMENT SYSTEM (SWIMS)

4.01 The Southwestern Inventory Management System is the mechanized system that is used by Procurement Inventory Management to manage inventory stocked at the MDC. The Order Entry System (OES) is accessed by users to order material from the MDC.

4.02 The features of SWIMS include:

- a. Inventory Management (forecasting, stock replenishment, investment control);
- b. Warehousing (receiving, storing, shipping);
- c. Management tracking reports; and
- d. Mechanized accounting and billing information.

4.03 The features of OES include:

- a. Easy access and user friendly ordering via Touch Tone phone;
- b. Mechanized order entry; and
- c. Security.

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5. ADDING ITEMS TO MDC STOCK

- 5.01 Material is stocked at the MDC to support the needs of various users within Southwestern Bell.
- 5.02 Recommendations for items to be stocked at the MDC may be made to the Departmental Technical Staff subject matter expert (SME) in the form of a letter by the following, (See Exhibit 1 for flow chart)\*:

\*Note: For Central Office Equipment (COE) items only, recommendations for items to be stocked at the MDC are made via the "Request For Stock And De-Stock At The MDC" form, (See Exhibit 2). The originator forwards the form to Procurement Contracting for logging purposes, and Procurement Contracting forwards the form to the COE Technical Staff SME.

- a. State committees;
  - b. Inventory Managers;
  - c. Contract Managers; and
  - d. Users.
- 5.03 All recommendations to the Departmental Technical Staff SME for items to be stocked at the MDC must be accompanied by the following information:
- a. Reason for stocking;
  - b. Accurate description of the item;
  - c. Vendor or vendors;
  - d. Past demand per month for replacement items; and
  - e. Forecast of expected usage for new items that have never been stocked.

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A. Departmental Technical Staff Responsibilities

5.04 The Departmental Technical Staff receives the request to stock an item at the MDC. The Departmental Technical Staff SME must research all available data pertinent to the item to make a calculated stocking decision. Decision criteria which may be used by the Departmental Technical Staff SME to determine an item(s) for MDC stock are, but not limited to, the following:

- a. Item must be approved by Departmental Technical Staff for use within SWB;
- b. Mathematical calculation, (See Exhibit 3);
- c. Review of "Material List-By Buyer Code" (CAPRI report) for repeat orders of non-stock items, (See Exhibit 4);
- d. Past demand information from Buyer User Reports Program (BURP) for specific items;
- e. Past demand or future forecast information from SWIMS for specific items;
- f. Other criteria include:
  1. Limited item availability,
  2. Consideration of the warehouse in regard to item size, weight, and packaging,
  3. Short delivery interval required (from MDC stock to end use points),
  4. Small quantity distribution (from MDC to end use points),
  5. Wide geographical distribution (to end use points),
  6. Bulk purchase (for MDC stock),
  7. Maintenance support stock,
  8. Long manufacturing interval vs. short demand interval,
  9. Regular usage pattern (indicated by repeat order study),
  10. Substitute for a manufacture discontinued item, and

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## 11. Number of orders placed for the item by users.

- 5.05 Each stocking recommendation received by the Departmental Technical Staff SME is evaluated according to internal procedures, and a decision is made by them to stock or not to stock the item.
- 5.06 Once the decision is made to stock an item at the MDC, the Departmental Technical Staff initiates Form SW6538, (See Exhibit 5), to begin the stocking process. (Note: For detailed instructions on how to fill out Form SW6538, see CAPRI/SWIMS SSI UPDATE FORM SW6538 Workbook.) The Departmental Technical Staff is the only entity recognized by Procurement Inventory Management as authorized to initiate Form SW6538 in support of its users. Also, the Departmental Technical Staff SME is responsible for the life cycle of the product once it has been established into the SWIMS system. However, in some instances there is no Technical Staff SME to support a particular product or group of products. In such instances the Procurement Contract Manager is authorized to initiate Form SW6538 stocking request if there is a legitimate need to stock the item at the MDC. It should be noted that the initiating party of the Form SW6538 is responsible for the support of the item during its life cycle once it has been established into the SWIMS system. Examples of such products are certain House Services items, fuses, and diodes.
- 5.07 Once the decision to stock an item at the MDC has been made, the Departmental Technical Staff SME must determine an appropriate technique to use to arrive at an accurate initial demand and monthly demand. Some of the techniques by which the Technical Staff determines initial demand are as follows:
- a. New Products:
1. Direct survey - Prospective users are asked what they intend to buy via sampling techniques. Sampling makes it possible to predict, with some degree of certainty, how the population will respond;
  2. Indirect survey - Another method of forecasting demand is by asking the various state committees what the users want. State Committees are in a position to know how the users will respond;
  3. Comparing with established products - At times the product under consideration for stock is comparable to an existing product, so actual demand figures from the old product can be used for the new product; and

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4. Limited field trial - Another method of forecasting demand for a new product is to try its use in a limited area under controlled conditions to see how well it is accepted by users.
  - b. Established products: Projection - This method is based upon the assumption that what has gone on before will continue. The relationship of actual demand with time can be projected ahead to determine what sales will be in the future.
- 5.08 The Departmental Technical Staff SME determines the initial demand, and monthly demand, based on data gathered from initial demand techniques. The initial demand is of key importance because it affects contract negotiations, warehouse space allocation, and service to users. Initial stock criteria may be based on information from the following sources:
- a. For new products, review of "Material List-By Buyer Code" (CAPRI report) for repeat orders;
  - b. For incumbent products, obtain historical data from Procurement Inventory Management SWIMS system, (See Exhibit 6);
  - c. For new or incumbent products, obtain information from Procurement Contracting BURP system;
  - d. For items not loaded in CAPRI, obtain information from Procurement Mechanized Sourcing System (MSS), (See Exhibit 7);
  - e. NDS Departmental Technical Staff form entitled "Criteria For Establishing Stock Levels", (See Exhibits 8A-8C);
  - f. Current budget considerations; and
  - g. Long range planning.
- 5.09 Upon completion of the Technical Staff portion of Form SW6538, the Technical Staff SME:
- a. Signs the form in the appropriate section;

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- b. Has District Manager-Technical Staff, or authorized delegate, sign the form in the appropriate section;
    - 1. Required for COE,
    - 2. Required for NCTE,
    - 3. Required for NDS,
    - 4. Optional for OCS,
  - c. Forward Form SW6538 to the appropriate Procurement Contract Manager.
- 5.10 In the event the Departmental Technical Staff SME decides an item should not be stocked at the MDC, the request to stock will be returned to the issuer, see paragraph 5.02, with supporting documentation as to why the item will not be stocked.
- B. Procurement Contract Manager Responsibilities
- 5.11 The role of the Procurement Contract Manager in the stocking process is that of negotiating and obtaining agreements for the purchase of material from vendors.
- 5.12 The Procurement Contract Manager receives Form SW6538 from the Departmental Technical Staff:
  - a. The Procurement Contract Manager reviews Form SW6538 for signatures of:
    - 1. Departmental Technical Staff SME; and
    - 2. District Manager-Technical Staff, as appropriate. See paragraph 5.09, item b.
  - b. If appropriate signatures are not present on Form SW6538, the Procurement Contract Manager will return the form to the originating Departmental Technical Staff SME for the proper signature(s).

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- c. If appropriate signatures are present on Form SW6538 the Procurement Contract Manager processes the form according to established internal Procurement Contracting Division routines, (See Exhibit 9). For detailed information regarding Form SW6538, refer to the CAPRI/SWIMS SSI Update Form SW6538 Workbook. For detailed information regarding contracting routines and activities for establishing arrangements for the purchase of material from vendors, refer to the Procurement Purchasing Manual. Some routines include but are not limited to:
    - 1. Coordination of material identification, markings, and packaging with the Technical Staff, Inventory Management, and MDC;
    - 2. Coordination of vendor standard package quantity and unit of measure with Technical Staff, Inventory Management, and MDC;
    - 3. Coordination of proper ordering and disbursement quantity and unit for CAPRI and SWIMS.
- 5.13 In some instances there is no Departmental Technical Staff SME support for certain products. In such instances the Procurement Contract Manager is authorized to initiate Form SW6538 if there is a legitimate need to stock the item at the MDC. It should be noted that the initiating party of Form SW6538 is responsible for the support of the item during its life cycle once it has been established into the SWIMS system.
- a. Every effort must be exhausted by the Procurement Contract Manager to identify a Departmental Technical Staff SME to support a product or group of products. This effort includes escalating the responsibility to higher levels of management up to and including District level. Non-support of a product or group of products by a Departmental Technical Staff SME should be a rare occurrence.
  - b. Examples of un-supported items include certain House Services items, fuses, and diodes.
- 5.14 Procurement Contract Managers are not authorized to initiate Form SW6538 at the verbal request of the Departmental Technical Staff or any other entity.

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- 5.15 The Procurement Contract Manager must review the Mechanized Sourcing System (MSS) report titled Repeat Order Study, and make recommendations to the Departmental Technical Staff which items, if any, would be candidates for stock at the MDC. Particular attention should be given to repeat orders that are occurring for more than one Local Purchasing Office (LPO). The report is administered by the Manager-Procurement Operations and forwarded to the appropriate Contract Manager monthly.
- 5.16 The Procurement Contract Manager is responsible for providing vendor performance information to the Departmental Technical Staff SME. One method is via local "Vendor Service Complaint" form. The "Vendor Service Complaint" form is originated by the Procurement Inventory Manager and is forwarded to the Procurement Contract Manager as needed.
- 5.17 Upon completion of the Contract Manager portion of Form SW6538, the Procurement Contract Manager prints his/her name on the form in the appropriate section. Form SW6538 is then forwarded to the Procurement Central Maintenance Organization.

C. Procurement Central Maintenance Organization Responsibilities

- 5.18 The CMO receives Form SW6538 from the Procurement Contract Manager:
- a. The CMO reviews Form SW6538 for proper source and approvals.
  - b. The CMO processes Form SW6538 according to established internal CMO routines. These routines include but are not limited to:
    1. Formats material description;
    2. Assigns nine digit Item ID;
    3. Forwards Form SW6538 to Corporate Accounting Methods/Business Research for assignment of Pattern Account, Accounting Identification code (AI), Expenditure Type Code (EXTC), and if required, a Material Identification Code (MIC)\*;

\*Note: Processing Form SW6538 through Corporate Accounting Methods/Business Research should not exceed two to three working days.

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4. Forwards a copy of the Material Safety Data Sheet (MSDS) to Area Manager-Safety & Security-Administration if it has been provided by the Procurement Contract Manager;
  5. CMO loads item(s) into the CAPRI data base; and
  6. CMO forwards Form SW6538 to Procurement Inventory Management.
- c. The CMO is responsible for editing and publishing the Procurement Catalog at the appropriate intervals. The Procurement Catalog is issued as a reference for ordering supplies from the MDC.
- d. Processing of Form SW6538 through the CMO process should not exceed five to seven working days.
- D. Procurement Inventory Management Responsibilities
- 5.19 Procurement Inventory Management receives the SW6538 from the CMO:
- a. The Procurement Inventory Manager reviews the SW6538 for:
    1. Signature of Departmental Technical Staff SME;
    2. Signature of District Manager-Technical Staff, refer to paragraph 5.09, item b for appropriate Technical Staff signatures;
    3. Printed name of Procurement Contract Manager;
    4. Completeness of information.
  - b. If appropriate signatures are not present on Form SW6538, the Procurement Inventory Manager will send the form back to the appropriate entity for completion of signatures. If appropriate signatures cannot be obtained the item should not be loaded into SWIMS.
  - c. If appropriate signatures are present on Form SW6538 the Procurement Inventory Manager processes Form SW6538 according to established internal Inventory Management routines. These routines include but are not limited to:

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1. Procurement Inventory Manager reviews Form SW6538 for completeness of data. If complete, the Procurement Inventory Manager signs the form and forwards it to District Manager-Inventory Management. If data is not complete, Procurement Inventory Manager contacts appropriate Departmental Technical Staff or Procurement Contract Manager for resolution of the discrepancy;
2. District Manager-Inventory Management reviews Form SW6538 and signs it;
3. Loading the item(s) into the appropriate SWIMS data bases:
  - a. Corporate Item (CS),
  - b. Inventory Activity (IA),
  - c. Inventory Controller (IC),
  - d. Forecasting (FB),
  - e. Manufacturing Management (MF);
4. Procurement Inventory Manager orders initial stock quantity as indicated by the Departmental Technical Staff on Form SW6538;
5. Procurement Inventory Manager forwards a completed copy of Form SW6538 to the following entities to acknowledge that the item has been loaded into SWIMS:
  - a. Area Manager-Safety and Security (copy),
  - b. Procurement Contract Manager (original),
  - c. Manager-Procurement Forecasting (copy),
  - d. Corporate Accounting, Methods/Business Research (copy),
  - e. Departmental Technical Staff SME (copy); The Departmental Technical Staff copy should not be forwarded until the material has been received into MDC stock,

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- f. For repairable items, Procurement Contract Manager-Repair (copy);
  - g. A report titled "Changes To Stock Item Records" JA327-002, is produced daily in SWIMS to acknowledge new stock items that were added to the SWIMS system.
- 5.20 Once the item has been established into the SWIMS system as an MDC stocked item, all subsequent file maintenance on this item will be communicated from the Departmental Technical Staff, or Procurement Contracting, to Procurement Inventory Management via Form SW6538. Accounting information and Substitution Chain information, which are not part of the Form SW6538, may be communicated via other means such as a letter. It is important to note that file maintenance changes must flow through Procurement Contracting and Procurement Inventory Management to keep CAPRI and SWIMS data bases properly updated.
- 5.21 Once an item has been established into the SWIMS system and is available for order by users, the users must be made aware of this fact in a timely manner. Various routines for this purpose are as follows:
- a. Procurement Contract Manager issues and distributes a Purchasing Authorization Letter (PAL);
  - b. Departmental Technical Staff issues a letter if the item is for a particular user group;
  - c. Procurement Inventory Management advertises the new item via Procurement News publication;
  - d. Procurement Inventory Management loads a substitution routine or information kit into SWIMS if the item is replacing an existing item;
  - e. CMO ensures new items are published in the Procurement Catalog, which is published at prescribed intervals. It should be noted that not all stocked items are printed in the catalog.

Use of all of these methods is not required in every instance. One or more of these methods may be used, however, as required.

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- 5.22 Often the Procurement Inventory Manager must order substitute material on a rush or emergency basis to fill user requirements. It must be noted that when ordering substitute items for stocked material, the Departmental Technical Staff SME must give the final limited purchase approval in writing. Substitute items must be technically suitable. Although many vendors offer similar substitute items, technical specifications can vary widely for the same item. Departmental Technical Staff approval can be in the form of a memo, letter, or facsimile. Refer to Bell System Practice SW010-522-900 for detailed information regarding limited purchase approvals.
- 5.23 During the course of job performance, Procurement Inventory Managers become aware of vendors who perform unsatisfactorily. This information should be reported to the appropriate Procurement Contract Manager via local "Vendor Service Complaint" form, (See Exhibit 10), for the purpose of:
- a. Educating vendors on how we expect them to perform; and
  - b. Avoid making agreements or contracts with vendors who do not perform satisfactorily over a period of time.
- 5.24 The Procurement Inventory Manager must review the Mechanized Sourcing System (MSS) report titled Repeat Order Study, and make recommendations to Procurement Contracting and the Departmental Technical Staff for which items, if any, would be candidates for stock at the MDC. Particular attention should be paid to repeat orders that are occurring for more than one LPO.
- 5.25 Processing of Form SW6538 through the Procurement Inventory Management process should not exceed five to seven working days.

## 6. DE-STOCKING ITEMS FROM MDC STOCK

- 6.01 Material is stocked at the MDC for the specific purpose of meeting the needs of users. Every effort should be made to maintain appropriate levels of stock to support their needs. As items near the end, or reach the end, of their product life cycles, they become candidates for de-stock from the MDC.
- 6.02 Reasons for de-stocking items from the MDC include but are not limited to:
- a. No/low usage;

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- b. Obsolescence;
  - c. New technology;
  - d. Unsatisfactory product; and
  - e. Change in product approval status to non-standard.
- 6.03 Recommendations for items to be de-stocked from MDC stock may be made to the Departmental Technical Staff SME by the following, (See Exhibit 11 for flow)\*:
- \*Note: For COE items only, recommendations for items to be de-stocked at the MDC are made to the Departmental Technical Staff SME via the "Request For Stock And De-Stock At The MDC" form. The originator initiates the form with pertinent documentation attached and forwards it to Procurement Contracting. Procurement Contracting forwards the form to the COE Technical Staff SME.
- a. State committees;
  - b. Inventory Managers;
  - c. Contract Managers; and
  - d. Users.
- 6.04 The organization making recommendations for items to be de-stocked from MDC stock must provide the Departmental Technical Staff with the following information:
- a. Nine digit Item ID;
  - b. Accurate description of the item;
  - c. Quantity;
  - d. Unit, i.e., each, pack, coil, etc.;
  - e. Reason for de-stocking including supporting documentation;
  - f. Number of months stock on hand;

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- g. Dollar value of quantity on hand;
- h. Replacement or substitute item, if any; and
- i. Vendor or vendors.

A. Procurement Inventory Management Responsibilities

- 6.05 A major source for recommendations to de-stock items from MDC stock is, but not limited to, Procurement Inventory Management.
- 6.06 In the event that material stocked at the MDC is no longer in demand by users, each Procurement Inventory Manager is responsible for determining what these items are, and communicating this information to the appropriate Departmental Technical Staff SME via "Disposing Material From The MDC" form. (See Exhibit 12).
- 6.07 Procurement Inventory Managers identify candidates for de-stocking using one or more of the following reports generated from SWIMS data:
  - a. Select Frequency Analysis, (RAMIS: MMIBIROO);
    - 1. As a general guideline, if an item has twelve or less selects in a twelve month period, the item is a candidate for de-stock. If an item has greater than twelve selects within a 12 month period, then the item should remain stocked at the MDC. It should be noted that for some product lines twelve or less selects within a twelve month period may be too high, therefore, Procurement Inventory Manager discretion with Departmental Technical Staff SME consultation, is advised.
  - b. Actual Demand From Forecasting, (RAMIS: MMFCST20);
  - c. Overstock Report, (SWIMS: JA314-ALL);
  - d. Inactive Material Report, (SWIMS: RIA272-R01).

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6.08 Procurement Inventory Managers should identify candidates for de-stocking on a regular basis. Once identified, the Procurement Inventory Manager fills out "Disposing Material From The MDC" form and attaches the last thirty-six months' actual demand from SWIMS Forecast data base\*. Items on the "Disposing Material From The MDC" form should be grouped by Departmental Technical Staff SME, or segmented by product line. Departmental Technical Staff SME will respond with disposition within thirty working days of receipt of the "Disposing Material From The MDC" form.

\*Note: For COE items only, the "Request For Stock And De-Stock At The MDC" form must be filled out in addition to the "Disposing Material From The MDC" form. The last thirty-six months' actual demand from SWIMS Forecast data base will also be attached.

6.09 Reporting candidates for de-stocking to the Departmental Technical Staff for high dollar value items should be performed early in the year by Procurement Inventory Managers. This is done to avoid de-stocking high dollar value items at the end of the year. De-stocking high dollar value items at the end of the year adversely affects state budgets and should be avoided.

6.10 An item can be in the process of being de-stocked from the MDC, but new and unused field returns may be put into stock on a regular basis. It is the responsibility of the Procurement Inventory Manager to notify the MDC that an item is being de-stocked:

- a. Notify the MDC Information Center via written correspondence that the item is going to be de-stocked;
- b. Change the Keeplist Dock Copy to a keep quantity of zero if the item being de-stocked is a SWIMS unrepaired item.

6.11 Candidates for de-stock are routed to Manager-Specialized Sales of the Procurement Logistics Services to be advertised for sale to other Regional Bell Operating Companies (RBOCs).

6.12 Candidates for de-stock can be advertised to Users via the Procurement News publication to stimulate usage prior to de-stocking.

6.13 The Procurement Inventory Manager should maintain a file of items that have been discontinued from MDC stock with supporting documentation to avoid inadvertently setting the item up for MDC stock at a later date.

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- 6.14 As the need arises, the Procurement Inventory Manager must furnish the Departmental Technical Staff SME with additional information from which to support a de-stocking decision.
- 6.15 The Procurement Inventory Manager must change the SWIMS Catalog Publication Indicator to "N" to keep the candidate for de-stocked from printing in the Procurement Catalog.
- 6.16 Once the item has been completely de-stocked at the MDC and removed from SWIMS, the Procurement Inventory Manager must notify the Departmental Technical Staff SME that the de-stocking process is complete via written correspondence such as "Disposing Material From The MDC" form, or Form SW6538.
- B. Departmental Technical Staff Responsibilities
- 6.17 The decision to de-stock an item from MDC stock rests with the Departmental Technical Staff SME. Each de-stocking recommendation received is evaluated by the Departmental Technical Staff SME according to internal procedures. The Departmental Technical Staff SME should coordinate the de-stocking effort with Procurement Contracting to address vendor contract or agreement issues. The decision to de-stock should be made within thirty working days.
- 6.18 Once the decision to de-stock an item has been made, the Departmental Technical Staff initiates Form SW6538 to begin the de-stocking process. The Departmental Technical Staff is the only entity recognized by Procurement Inventory Management as authorized to initiate form SW6538 to de-stock an item from the MDC. However, in some instances there is no Departmental Technical Staff SME to support a particular product or group of products. In such instances the Procurement Contract Manager is authorized to initiate Form SW6538 as a de-stocking request if there is a need to de-stock the item at the MDC. It should be noted that the initiating party of Form SW6538 is responsible for the support of the de-stocking process. Examples of such products are House Services items, certain fuses, certain diodes. Some Technical Staffs prefer to initiate Form "Disposing Material From The MDC" along with Form SW6538 for greater continuity within the de-stocking process. Appropriate account codes and disposition must be included.

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- 6.19 The criteria used by the Departmental Technical Staff SME to decide if an item is a candidate for de-stock from the MDC is, but not limited to, the following:
- a. Obsolescence;
  - b. New technology;
  - c. Declining usage;
  - d. Unsatisfactory product;
  - e. Change in product approval status to non-standard;
  - f. Economic reasons.
- 6.20 Additional information required by the Departmental Technical Staff SME is the initial load information from Form SW6538, if available, and the last 36 months' actual demand from the SWIMS Forecasting data base. The initial Form SW6538 is advised because it contains decision making data such as who authorized the item for MDC stock, initial demand, monthly demand, and other pertinent data. This information can be provided by the Procurement Inventory Manager.
- 6.21 The Departmental Technical Staff SME will inform the Procurement Inventory Manager of disposition of items to be de-stocked from the MDC via Form SW6538. The Departmental Technical Staff coordinates disposition with Procurement Contracting and Procurement Inventory Management. Disposition includes but is not limited to:
- a. Use material until MDC stock is exhausted;
    - 1. There is a six month time limit for the "use until exhausted" situation. The Procurement Inventory Manager should review these items for activity during this time frame and report the status to the Departmental Technical Staff on a monthly basis. At the end of the six month time period, the Procurement Inventory Manager should contact the Departmental Technical Staff SME for disposition.
  - b. Junk a partial amount of the material and use the remaining MDC stock until it is exhausted;

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- c. Junk all material;
  - d. Return material to the vendor.
- 6.22 In the event that a single product to be junked is greater than or equal to \$100,000.00, the District Manager-Inventory Management and District Manager-Technical Staff must be notified\*. The District Manager-Technical Staff will communicate to the states the effect of junking large dollar value items on state budgets.

\*Note: For COE items only, the District Manager-Inventory Management will coordinate with the District Manager-Current Planning and Asset Management.

C. Procurement Contract Manager Responsibilities

- 6.23 The role of Procurement Contract Management in the de-stocking process is to assess the impact of a proposed de-stocking decision on the contract or vendor and coordinate information noted with the Departmental Technical staff. BURP can be utilized as a tool to provide additional information for making a de-stocking decision.
- 6.24 Upon notification that an item will be de-stocked from the MDC, the Procurement Contract Manager coordinates with the Departmental Technical Staff SME and a joint decision is made as to the disposition of the material. This decision is placed on Form SW6538 by the Departmental Technical Staff SME.
- a. Possible disposition includes but is not limited to:
    - 1. Use material until MDC stock is exhausted. There is a six month time limit for the "use until exhausted" situation. The Procurement Inventory Manager should review these items for activity during this time frame and report the status to the Departmental Technical Staff on a monthly basis;
    - 2. Junk a partial amount of the material and use the remaining MDC stock until it is exhausted;
    - 3. Junk all material (transfer material to Procurement Logistics Services for disposition);
    - 4. Return material to the vendor.

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- 6.25 In some instances there is no Departmental Technical Staff SME support for certain products. In such cases the Procurement Contract Manager is authorized to initiate Form SW6538 to de-stock an item from the MDC, and to manage the process including the following:
- a. Determine disposition of remaining product;
  - b. Determine the account code to be used;
  - c. Coordinate with State Committees and Users;
  - d. Coordinate with Procurement Inventory Management.
- 6.26 The Procurement Contract Manager forwards the SW6538 to the CMO.
- D. Procurement Central Maintenance Organization Responsibilities
- 6.27 The role of the CMO in the de-stocking process is that of assuring the CAPRI data base is updated to reflect the de-stocking activity.
- 6.28 The CMO reviews Form SW6538 and determines what action to take based on:
- a. Is the item to be junked or de-stocked at zero?
  - b. Is the item to be non-stock or is it to be deleted from CAPRI?
    - 1. If the item is to be de-stocked at zero and will be classified as non-stock, the CMO will do nothing until the MDC balance is zero.
    - 2. If the item is to be deleted from CAPRI, change the approval code to 04, and change the buyer code to 92222.
- 6.29 The Procurement CMO coordinates with the Procurement Inventory Manager, if required, when an item is to be removed from the Procurement Catalog.
- 6.30 The CMO forwards Form SW6538 to Procurement Inventory Management.

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E. Materials Distribution Center Responsibilities

- 6.31 Procurement Inventory Manager forwards "Disposing Material From The MDC" form to MDC with a cover letter specifying junk date.
- 6.32 MDC disposes of material based on internal procedures and time frames.
- 6.33 MDC forwards a copy of junking disposition to Procurement Inventory Manager for record.

7. DE-STOCKING PRORATE EXPENSE

- 7.01 No/low usage material often remains in MDC stock after efforts have been made by the Departmental Technical Staff, Procurement Contracting, and Procurement Inventory Management to stimulate usage during the de-stocking process. This material is disposed of by junking for salvage value or resale through Procurement Logistics Services.
- 7.02 When material is de-stocked from the MDC, the de-stocking expense must be equitably prorated to each state for material that is junked. Credit is given at the state level for material that is re-sold.
- 7.03 A report is produced on a quarterly basis by Area Manager-Procurement Systems & Accounting to determine shipments by final account to each state for Public Communications, OCS, and NDS material. Based on these shipments a prorate factor (%) is calculated. When an item is junked for a particular state the prorate factor (%) is applied to the item for that particular state, (See Exhibit 13).
- 7.04 The Procurement Inventory Manager is responsible for providing the prorate data to the Departmental Technical Staff, or Procurement Contract Manager, via the "Disposing Material From The MDC" form.
- 7.05 In rare instances, material may be junked and the expense is charged to a Departmental Technical Staff, Procurement Inventory Management, Procurement Contracting, or MDC expense. A joint decision should be agreed upon by the affected organizations as to the cause of the junking expense and who is responsible before the transaction takes place. Refer to Responsibility Code Charged (RC-C) Opinion No. 48.

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7.06 For detailed accounting information concerning account codes or function codes for items junked from the MDC consult the "Accounting Handbook Telephone Plant" Section V27.602.1.

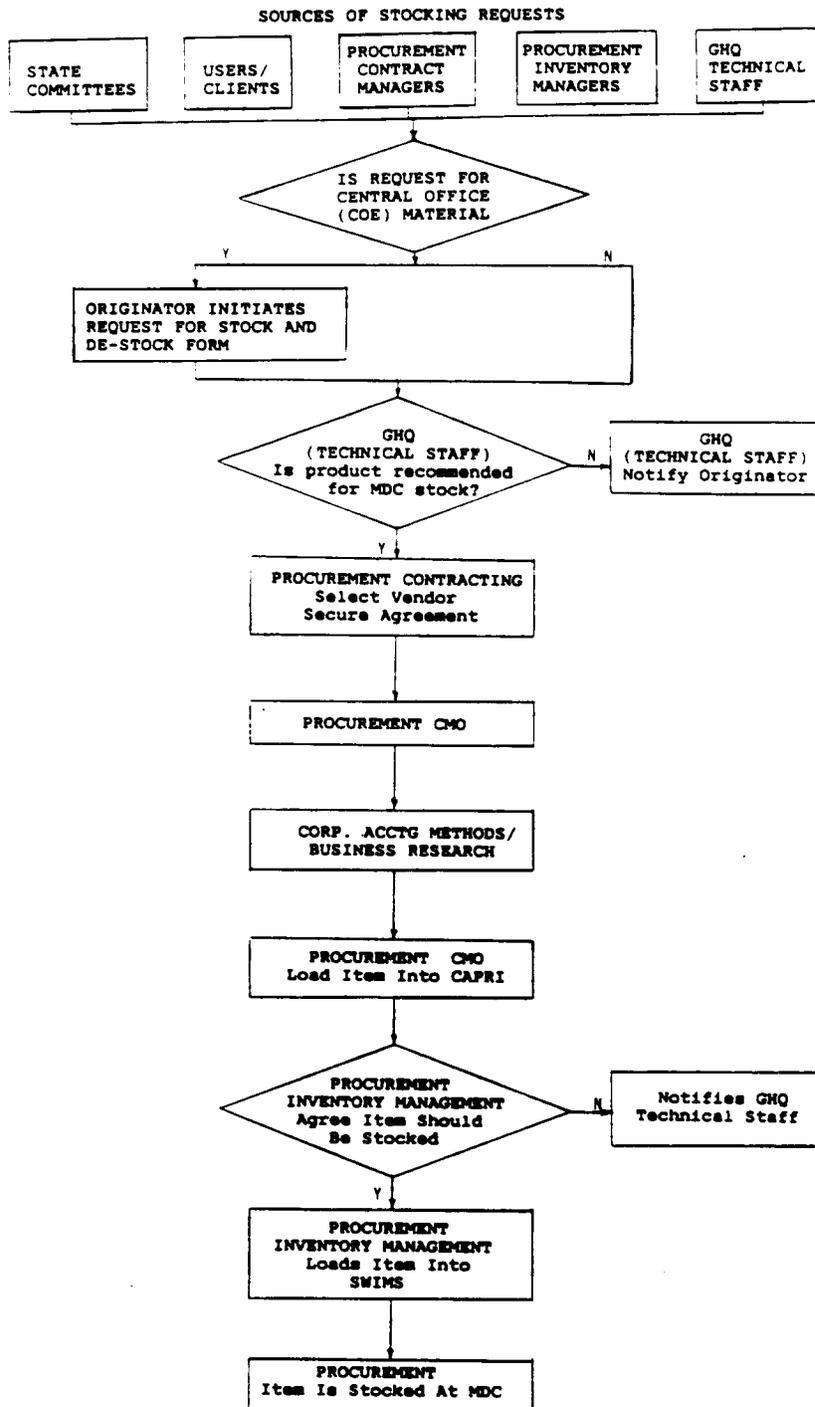
8. RELATED DOCUMENTATION

- 8.01 CAPRI/SWIMS SSI Update Form SW6538 Workbook.
- 8.02 Disposing Stock Material From The MDC, Procurement Logistics Instruction (PLI) No. 60.2. (MDC local instruction).
- 8.03 Disposition Services Policy And Procedures, Joint Practice No. 123.
- 8.04 Procurement Purchasing Manual.
- 8.05 Product Selection Process, SW010-522-900.
- 8.06 Purchasing Policies and Procedures, Joint Practice No. 112.
- 8.07 Sales Of Company Property Outside Of Southwestern Bell Telephone Company, SW747-100-901.

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EXHIBIT 1  
FLOW OF ADDING ITEMS TO MDC STOCK



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EXHIBIT 2  
REQUEST FOR STOCK AND DE-STOCK AT THE MDC  
For Central Office Equipment (COE) only

	<b>Southwestern Bell Telephone Co.</b>	SW-748-100-900 (REV. 1/90)
<b>REQUEST FOR STOCK AND DE-STOCK AT THE MDC</b>		
LOG NUMBER _____ APPROVAL NUMBER _____		
1. ORIGINATOR:	NAME _____ TITLE _____	DATE _____
2. PRODUCT FUNCTION:	_____	
3. IDENTIFIED MANUFACTURER(S):	NAME _____ MODEL _____	
4. DESCRIBE IN DETAIL THE NEED TO HAVE PRODUCT STOCKED OR DE-STOCKED:	_____ _____ _____ _____ _____	
5. FORECAST:	FIRST YEAR _____	SUBSEQUENT ANNUAL _____
6. PAST ANNUAL DEMAND FOR IDENTIFIED ITEMS:	_____	
7. FIELD CONTACT:	NAME _____ TITLE _____	DATE _____
8. RECOMMENDED BY:	NAME _____ TITLE _____	DATE _____
9. CONTRACT MANAGER:	NAME _____ TITLE _____	DATE _____
FOR GENERAL HEADQUARTERS TECHNICAL STAFF USE		
10. APPROVAL	_____	DISAPPROVAL _____
	TECHNICAL STAFF REPRESENTATIVE _____	DATE _____
	DISTRICT MANAGER- TRANS. EQPT. ENGR. CHAIRMAN-TRANSPORT PRODUCT PANEL _____	DATE _____

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EXHIBIT 3  
STOCK/NON-STOCK DECISION GUIDELINE

NON-STOCK/STOCK DECISION GUIDELINE			
<b>NON-STOCK (LPO)</b>			
Purchase Order	(46.19) X (No. of Purchase Orders per month)	=	_____
	(46.19) X ( )	=	_____
Trans- portation	(.03) X (Item cost) X (Monthly demand)	=	_____
	(.03) X ( ) X ( )	=	_____
Tax	(.06) X (Item cost) X (Monthly demand)	=	_____
	(.06) X ( ) X ( )	=	_____
1. Quantity Discount	(Item cost) X (Quantity ordered)	=	_____
	( ) X ( )	=	_____
2. Minimum Order Quantity	If qty. needed is < min. ord. qty. or \$ amt. Then: (Item cost) X (Qty ordered) + (Amt up to min)	=	_____
	( ) X ( ) + ( )	=	_____
	OR		
	If qty. needed is > min. ord. qty. or \$ amt. then: (Item cost) X (Quantity ordered)	=	_____
	( ) X ( )	=	_____
		** SUBTOTAL:	_____
<b>STOCK (MDC)</b>			
Purchase Order	(\$17.70) X (No. of Purch. Orders per month)	=	_____
	(\$17.70) X ( )	=	_____
Trans- portation	(.03) X (Item cost) X (Monthly demand)	=	_____
	(.03) X ( ) X ( )	=	_____
Tax	(.06) X (Item Cost) X (Monthly demand)	=	_____
	(.06) X ( ) X ( )	=	_____
Warehouse Cost	(\$6.08) X (No. of selects per month)	=	_____
	(\$6.08) X ( )	=	_____
Shrinkage/ Obsolescence	(Shrinkage factor) X (Item cost) X (Monthly demand)	=	_____
	( ) X ( ) X ( )	=	_____
	[Factors: OCS: COE: Other: ]		
	[ Pub Svc: Dist Svc: ]		
		** SUBTOTAL:	_____
NOTE: This form is intended as a guideline for making non-stock/stock decisions only. It is not intended, or valid, for any other purpose.			

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EXHIBIT 4  
MATERIAL LIST - BY BUYER CODE

REPORT - CBH84015-B		MATERIAL LIST - BY BUYER CODE							PAGE - 4			
REF - SWBT DP CENTER- ST. LOUIS		FOR BUYER CODE 77777							RUN DATE- 04/29/89			
		SORTED BY TOTAL \$ SPENT							RETENTION- 90 DAYS			
		CAPRI DATA AS OF 043089										
ITEMID	ITEM DESCRIPTION						TOTAL USAGE	TOTAL \$ TO DATE				
		CONTRACT #	EXP DATE	VENDOR NUMBER	VENDOR PART #	PRICE	C M	P I	SHIP INT	STK MSTK	USAGE	\$ TO DATE
700091564	AIR,PRESSURIZED CAM 70PSI										353.00	2,931.68
	MC01074	73109	5215			4.60000	E	1	14	N	353.00	2,931.68
701007064	CLAMP,SADDLE 2.7										90.00	2,003.30
	CM01223	53109	513000	2.7		31.35000	E		7	N	90.00	2,003.30
701019911	HEAD,MAGNETIC CK14652 L2										76.00	2,000.60
	CM01071	13190	132050	996043420		30.95000	E	1	42	N	28.00	1,090.60
	MC01071	72200	132050	996043420		30.95000	E	2	42	N	48.00	1,709.00
701012205	BIN,STORAGE 14 3/4 X 8 1/4 X 7										633.00	2,040.50
	MC01075	63009	905670	230-200		4.50000	E	1	14	N	633.00	2,040.50
701010011	LIGHT,PEL BRITE SAFETY 32IN 20W 25FT CRD										27.00	2,739.00
	CM01074	13190	220075	0-2025		105.00000	E	1	7	N	27.00	2,739.00
701009243	SENSOR,HUMIDITY 1205 3.5%										90.00	2,652.00
	MC01074	73109	419750	1205		40.00000	E	1	14	N	90.00	2,652.00
701003345	RIBBON,PRINTER GEMICOM 44A503637-615										41.00	2,460.00
	CM01072	03009	369350	44A503637-615		13.00000	E		14	N	41.00	2,460.00
701017105	ADAPTER,PRESSURE READING 142-1 -1MOUNT										601.00	2,350.25
	CM01223	63009	513000	142-1		3.05000	E	1	2	N	601.00	2,350.25
700062425	STRAP,REPLACEMENT GROUND TG-10										695.00	2,250.75
	CM01221	63009	030400	TG-10		3.25000	E	1	2	N	695.00	2,250.75

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EXHIBIT 6  
FORECAST MASTER MAINTENANCE

FORECAST MASTER MAINTENANCE AS OF 08/89 06/25/89							
QUANTITIES IN NATIVE UNITS				LEVEL: 1 ACTION: INQUIRY			
RECORD-KEY: 400541744 01 CLA				DATA: HIST. DEMAND + F/C DATA			
DESCRIPTION: REDUCER STRD B 6M-10M CAB516							
PER/ YEAR	ACTUAL DEMAND	ADJUSTED DEMAND	DMD IND	SYSTEM-P FORECAST	SYSTEM FORECAST	RESULT FORECAST	SEAS FACTOR
09/88	0	0	0	94	76	89	100.0
10/88	0	0	0	91	77	96	100.0
11/88	0	0	0	99	119	103	100.0
12/88	0	0	0	105	117	111	100.0
21/89	0	0	0	114	126	117	100.0
02/89	0	0	0	120	120	109	100.0
23/89	0	0	0	110	139	109	100.0
04/89	0	0	0	111	96	111	100.0
25/89	0	0	0	114	95	79	100.0
25/89	104	104	0	81	90	0	100.0
27/89	2	2	0	0	0	0	100.0
08/89	49	49	0	0	0	0	100.0
TOTAL	155	155		1029	1025	925	
AVERAGE PERCENT ERROR:				94%	93%	100%	
						CMD:	

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EXHIBIT 7  
MECHANIZED SOURCE SYSTEM REPEAT ORDER STUDY

REPORT - REPEATORDERS  
REF - CONTRACTING  
SOURCE - PROCUREMENT NETWORK

MECHANIZED SOURCE SYSTEM  
REPEAT ORDER STUDY

PAGE - 1  
RUN DATE - 09/05/03  
RETENTION - 90 DAYS

HOWR DESCRIPTION: ADAPTER 254A

SIC: 1111

PRODUCT CODE:

VENDOR NAME	DATE ORDERED	QUANTITY ORDERED	UNIT	UNIT PRICE	ORDER CODE	LPO CODE	QTY REQUIRED	ITEM ID
ATT	03/13/89	3	EA	162.40	01022	02	0	
ATT	02/13/89	4	EA	162.40	01026	01	0	
ATT	12/20/88	1	EA	114.40	01022	01	0	
ATT	12/21/88	2	EA	114.40	01022	02	0	
ATT	12/15/88	2	EA	114.40	01022	02	0	
ATT	11/20/88	1	EA	114.40	01022	01	0	
ATT	11/06/88	2	EA	114.40	01075	03	0	
ATT	02/16/89	6	EA	162.40	01026	01	0	
ATT	11/06/88	16	EA	114.40	01026	01	0	
ATT	12/29/88	6	EA	114.40	01026	01	0	
ATT	04/24/89	20	EA	162.40	01016	01	0	
ATT	04/11/89	4	EA	162.40	01022	02	0	

TOTAL ORDERED: 12  
TOTAL QUANTITY OF ITEMS ORDERED: 67  
TOTAL VALUE OF ITEMS ORDERED: 89,440.80

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NO ORDER	02	01
NO ORDER	05	01
NO ORDER	07	01
NO ORDER	11	01
NO ORDER	04 17	01
ORDERED DATE		
NO		

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EXHIBIT 8 A  
CRITERIA FOR ESTABLISHING STOCK LEVELS

<u>CRITERIA FOR ESTABLISHING STOCK LEVELS</u>	
<u>Constant</u>	
# of OSP Technicians	_____
# of Splicing Technicians	_____
# of Repair Technicians	_____
# of Installation Technicians	_____
# of NDS Supervisors	_____
# of Central Office Technicians	_____
# of Special Services Technicians	_____
# of Coin Technicians	_____
# of OCS Technicians	_____
# of Distribution Services Vehicles	_____
# of C.O., S.S., Coin, and OCS Vehicles	_____

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EXHIBIT 8 B  
CRITERIA FOR ESTABLISHING STOCK LEVELS

Variables

1. New product/replacement for incumbent:
2. Usage on incumbent product/BURP and Repeat Order Studies for new products, etc.
3. Will product be used by other departments, i.e., OCS, Coin?
4. Applications in all states?
5. Will product be on every truck?
6. Will product be required or is it optional?
7. Tool or material?
8. Major or minor?
9. Will every technician use the product?
10. Is the product very popular?
11. Political/emotional?
12. Seasonal or year-round usage?
13. Will product be single-sourced, or are there multiple sources?
14. If replacing an incumbent product, how long will it take to deplete existing stock?
15. Life expectancy of product?
16. Turnover rate/consumable product?

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EXHIBIT 8 C  
CRITERIA FOR ESTABLISHING STOCK LEVELS

QUANTITATIVE ANALYSIS

1. Will product be used on repair dispatches? \_\_\_\_\_  
(i.e., # of Network Interface terminating troubles)
2. Will product be used on new installations? \_\_\_\_\_  
(i.e., # of new installations - buried vs. aerial)
3. Will product be used on rehab work? \_\_\_\_\_  
(i.e., # of ready access terminals rehabbed)

To obtain historical data contact the appropriate SME responsible for the following data bases:

- \* Repair Dispatches - Southwestern Trouble Analysis and Tracking (STAT)
- \* New Installations - Statistical Management Analysis Report Tracking System (SMARTS)
- \* Rehab - Cable Repair Analysis System (CRAS)

Example:

STEP 1

New product will primarily be used on new installations and repair dispatches involving buried service wire.

STEP 2

Obtain past results from STAT and SMARTS on repair dispatches and new installations involving buried drops.

STEP 3

The combined actuals from STAT and SMARTS represent the potential usage requirements for the new product.

STEP 4

Adjust potential usage figures based on variables.

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EXHIBIT 9  
CAPRI & SWIMS SSI UPDATE FORM



CAPRI & SWIMS SSI UPDATE

SW-6538  
(Rev. 11-89)

Retain 1 year, until \_\_\_\_\_  
Date \_\_\_\_--\_\_\_\_--\_\_\_\_

- NEW ITEM     ADDITIONAL VENDOR     CHANGE     DELETE ITEM FROM  
 REINSTATE     DELETE CONTRACT     NSTK TO STK     SWIMS    REASON:  
 STK TO NSTK     CAPRI

Reference:  
BCP010-522-900

C/M/D	ITEM ID _____	DESCRIPTION _____	STK/NON STK <input type="checkbox"/>
	KEYED BY _____	_____	DISP UNIT _____
	DATE _____	_____	_____
BUYER	BUYER NAME _____	PHONE # _____	DELETE CONTRACT # _____
	INVOICING UNIT _____	APPROV <input type="checkbox"/> GCC _____	ECC _____ CAT PRT _____ BUYER CD _____ INSP <input type="checkbox"/> HAZ <input type="checkbox"/>
	CONTRACT # _____	TYPE <input type="checkbox"/> START _____	EXPIRE _____ VENDOR CD _____ LOC CD <input type="checkbox"/> ML <input type="checkbox"/>
	COMMITMENT QTY _____	AMOUNT _____	LOW LIMIT _____
	MIN STOCK _____	MAX STOCK _____	ALLOC _____ MECH RCD _____
	AUTH LEAD TIME <input type="checkbox"/>	PO ATTACHMENT <input type="checkbox"/>	PRIORITY IND <input type="checkbox"/> VENDOR TERMS _____
	FOB: QUAL <input type="checkbox"/>	MTHD PAY <input type="checkbox"/>	CITY _____ STATE <input type="checkbox"/> ZIP _____ CTRY <input type="checkbox"/>
	VPN _____	_____	_____
	PO REMARKS _____	_____	_____
	MIN ORD QTY _____	MAX ORD QTY _____	STD PKG _____ SHIP INT(DAYS) _____
FUTURE PRICE EFF DATE _____	MISC CHARGES: CODE 1 _____ RATE _____	CODE 2 _____ RATE _____ TRADE DISC% _____	
PRICE BREAK QTY _____	PRICE MULT <input type="checkbox"/>	PRICE BREAK AMOUNT _____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
LPO(S) _____	CATALOG NARRATIVE _____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	

COMPTROLLERS	
P/A _____	AI Code _____
EXTC _____	
MIC _____	

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(SEE REVERSE)

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EXHIBIT 10  
VENDOR SERVICE COMPLAINT

DATE \_\_\_\_/\_\_\_\_/\_\_\_\_

VENDOR SERVICE COMPLAINT

TO: \_\_\_\_\_ BUYER CODE \_\_\_\_\_ FROM: \_\_\_\_\_  
(Contract Buyer) (Inventory Manager)

PHONE: \_\_\_\_\_

RE: \_\_\_\_\_

SHIP INTERVAL CAPRI: \_\_\_\_\_

VENDOR: \_\_\_\_\_ CONTRACT NO.: \_\_\_\_\_

ITEM DESCRIPTION: \_\_\_\_\_ PID: \_\_\_\_\_

PROBLEM: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

VENDOR CONTACT: \_\_\_\_\_ PURCHASE ORDER NO.: \_\_\_\_\_

SUMMARY OF ACTION TAKEN: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CC: \_\_\_\_\_

SIGNED: \_\_\_\_\_

DATE RESPONSE FROM CONTRACTING \_\_\_\_/\_\_\_\_/\_\_\_\_

RESPONSE: \_\_\_\_\_

\_\_\_\_\_

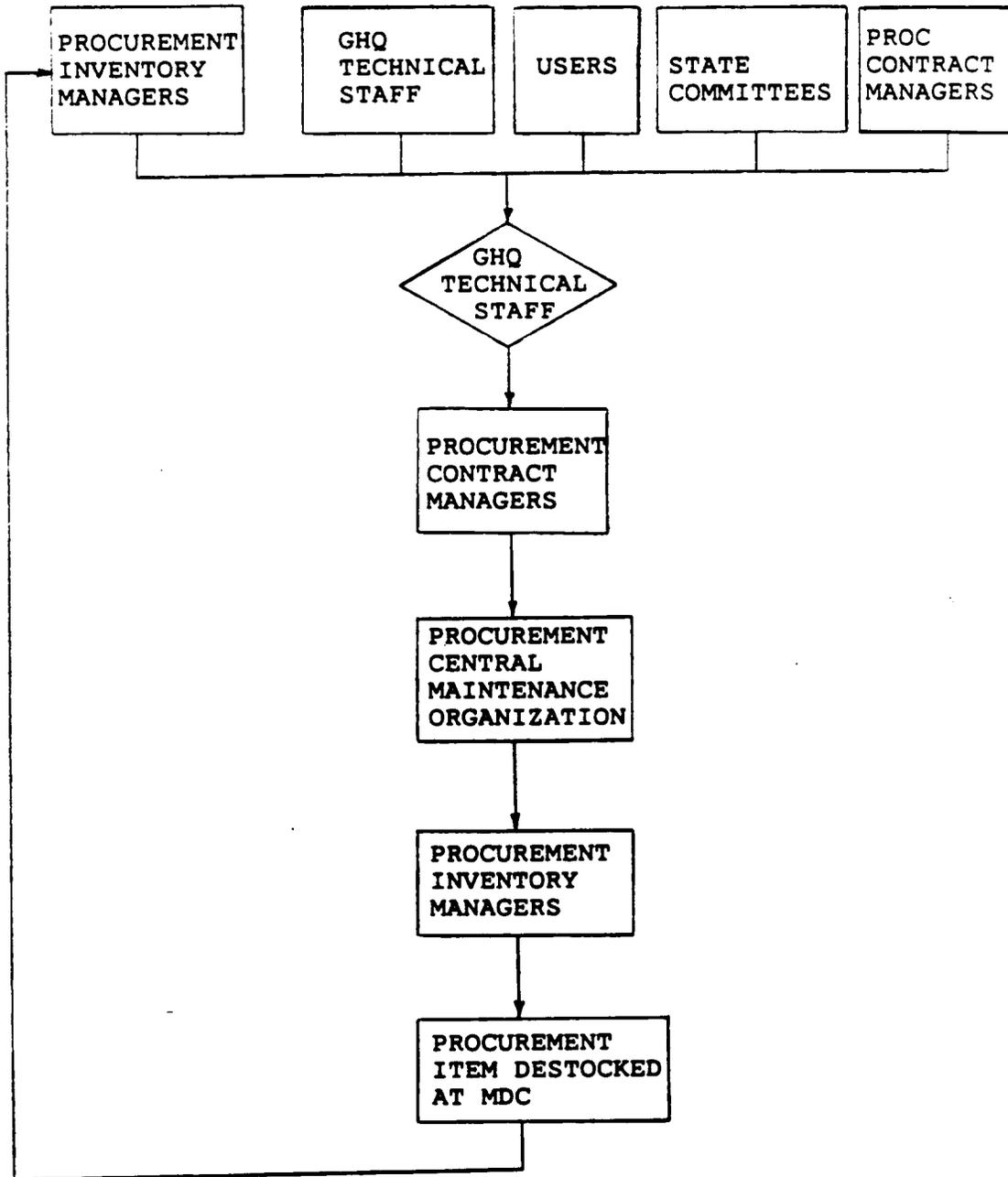
PHONE: \_\_\_\_\_ WRITTEN: \_\_\_\_\_

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EXHIBIT 11  
FLOW OF DE-STOCKING ITEMS FROM MDC STOCK

SOURCES OF DE-STOCKING REQUESTS



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EXHIBIT 13  
ALLOCATION DE-STOCK FACTORS [% BY STATE]

SOUTHWESTERN BELL TELEPHONE COMPANY ALLOCATION DESTOCK FACTORS (% BY STATE) AUGUST 1989										INITIAL REPORT
CATEGORY (PATTERN ACCOUNT #)	GHO	MO	ARK	KS	OKL	DLS	HTN	SAN ANTO	TOTAL TX	
<b>TOOLS (&amp; OTH WORK EQUIP)</b>										
- *CAPITAL (PA 29)	0.0%	21.3%	10.7%	23.8%	9.8%	7.4%	0.0%	27.0%	34.4%	
- EXPENSE (PA 08, 32)	0.1%	19.4%	7.5%	12.3%	10.3%	19.2%	13.7%	17.5%	50.4%	
<b>O C S</b>										
- CAPITAL (PA 03,04,05,14)	0.0%	9.9%	12.7%	7.1%	11.8%	25.3%	16.7%	16.5%	58.5%	
- EXPENSE (PA 07,10,12,21,30,82)	0.3%	27.3%	6.4%	6.9%	10.3%	17.4%	15.4%	16.0%	48.8%	
<b>MAJOR MATERIALS</b>										
- NONEXEMPT (PA 01)	0.0%	16.2%	8.8%	11.5%	10.6%	14.4%	10.9%	27.7%	53.0%	
<b>MINOR MATERIALS</b>										
- EXEMPT (PA 02,06,16,17,19,41)	0.0%	18.1%	7.5%	9.2%	11.3%	15.8%	13.9%	24.2%	53.9%	
<b>COIN</b>										
- CAPITAL (PA 52,53,54,55)	0.0%	27.4%	5.8%	18.8%	10.1%	5.0%	18.7%	14.2%	37.9%	
- EXPENSE (PA 56,57,58,59)	0.0%	19.4%	10.4%	6.7%	16.4%	15.0%	14.5%	17.6%	47.1%	
* ACTUALS REFLECT ZERO ORDERS FOR HOUSTON FROM WAREHOUSE.										
PROCUREMENT PROCUREMENT ADMINISTRATION	REFER QUESTIONS TO: STEVE GUINN 314-235-6470							FILE:DSTOCKRT.WK1 17-Oct-89		
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