



 supplypike

Deductions vs. Compliance Fines



Meet Your Hosts



Melodie Hays

VP of Marketing



Stacy Tan

VP of Retail Insights





Agenda:

Overview	11:00 AM – 11:10 AM
Disputing Walmart AP Deductions	11:10 AM – 11:20 AM
Disputing OTIF Fines	11:20 AM – 11:30 AM
Disputing SQEP Fines	11:30 AM – 11:40 AM
Disputing Examples	11:40 AM – 11:50 AM
Q + A with Melodie and Stacy	11:50 AM – 12:00 PM
Bonus: Product Preview of OTIF Radar	12:00 PM - 12:05 PM





FAQ's

Will we get a copy of this slide deck?

Yes! We will send the slide deck and recording to your inbox in 3-4 business days.

What's the best way to ask a question?

The Q+A tab on Zoom is the easiest way for us to see your question. The chat is the best way to engage with the whole group or share helpful information!



Who is SupplyPike?

We create cloud-based tools to help CPGs **reduce revenue loss** by automatically detecting and resolving retailer compliance issues.

Trusted by **400+** CPGs representing **\$25B+** in Retail Impact across **50+** Product Categories

BLACKSTONE

Purell

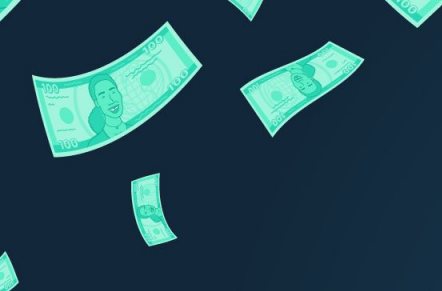
Simmons

BISSELL

BUTTERBALL

LAND O LAKES

e.l.f.

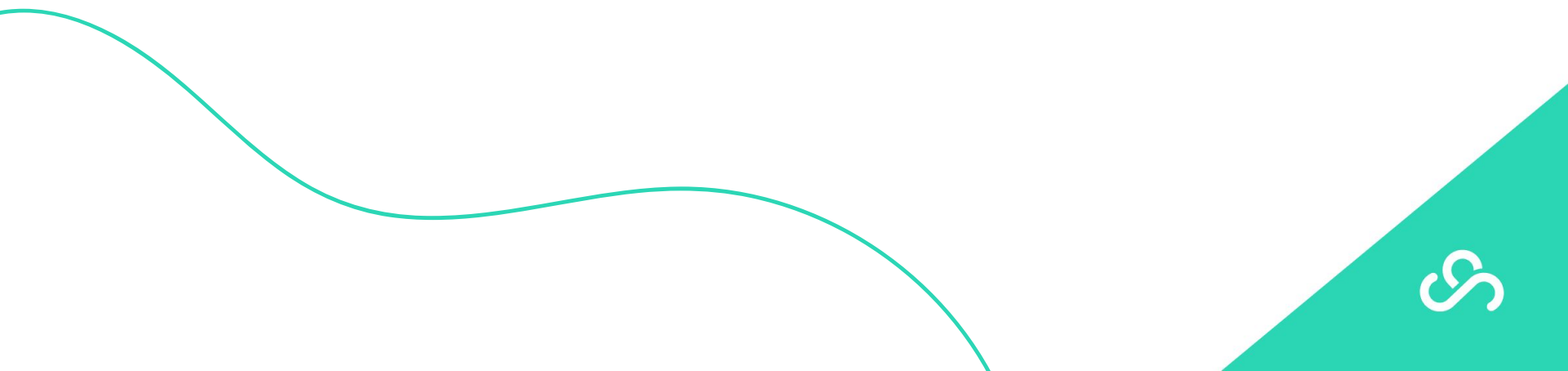


Overview





What's the Difference Between these Walmart Chargebacks?

1. **Deductions** — Code-based deductions removed from supplier invoices.
 2. **Compliance Fines** — Walmart initiatives designed to increase productivity or reduce inefficiencies in their supply chain.
- 



Deductions



— Your payment from Walmart

Compliance Fines



+ What you already owe Walmart





What Do These Chargebacks Entail?

Deductions

Allowance
Codes

Pricing
Codes

Merchandise
Codes

Shipping
Codes

Compliance Fines

OTIF

SQEP





Walmart's Chargeback Programs Initiatives

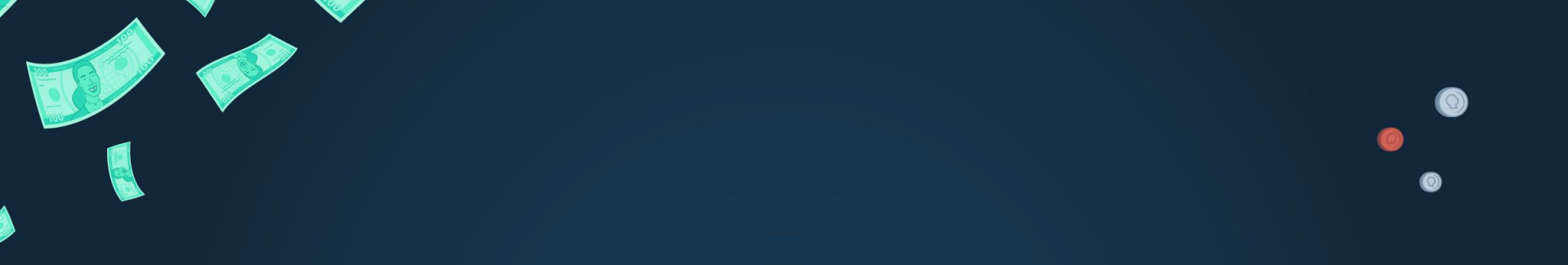
The Difference Between Deductions and Compliance Fines at Walmart

Deductions

- AP deductions come off the check
- Invalid deductions can be disputed and won with the right documentation
- EX: Code 22, Code 25
- **Disputed through APDP**

Compliance Fines

- Invoices will be deducted for each defect or invoices will be sent directly to the supplier
- SQEP fines are **packaging compliance fines**; OTIF fines are **different from** shortage deductions
- Multiple **SQEP and OTIF fines can stack** on each other and other fines or deductions
- Disputed in **HighRadius** and/or with **a buyer**



Disputing Walmart AP Deductions





The AP Tool Landscape in Retail Link

Accounting Scorecard

- Temperature Check of Invoices
- Measures invoice accuracy through invoice match and EDI accuracy

APIS

- Invoice and Claims Information Storage
- View and pull payment, invoice, checks, and claims information

APDP

- Execution for Deductions
- Dispute portal for deductions



What Do I Need to Dispute an AP Deduction?

This list varies dramatically depending on the specific kind of deduction code, but these items are generally vital to any AP dispute process.

- Relevant POD or BOL
- A copy of the invoice (EDI 810)
- Purchase Order (EDI 850)
- Supplier agreement





Information from the Claim

- **Claim #**
 - For deductions related to an invoice, the claim # = the invoice #.
- **Claim Date**
 - Often confused for the invoice date or the check date; this is the specific date from the claim.
- **Dispute Type**
 - Calculated from store/division number on the deduction check line and location type.





Information from the Claim

- **Claim Code**

- Within a given claim, you should always group like claim codes and dispute them together.

- **Disputed Amount**

- Dispute the full claim amount, even if you are only due part of it.
- Walmart usually rejects disputes when the dispute amount does not match the claim amount.





Other Information

- **Supplier #**
 - The 6 digit supplier number on the dispute must match the supplier number from the claim.
- **Purchase Order #**
- **Freight Carrier**
 - Optional. The individuals reviewing disputes rarely reference this.





Other Information

- **Location**

- Required depending on type of dispute. This is the location (store/DC) where the claim originated (found on check line, and usually the claim document).

- **Shipping Method**

- Required. Choose Collect if unknown.

- **Description**

- Optional. Short and sweet is best – the individuals reviewing disputes rarely reference this.





Shipping Documents

Why You Need This:

Proving that items on the invoice were picked up and/or delivered in full.

Type of shipping document depends on shipping method for the order:

- **Collect:** Bill of Lading
- **Prepaid:** Proof of Delivery/Drop Trailer Stamp



Shipping Documents

- **Bill of Lading**

- Ship-To Address
- Purchase Order number
- Basic item information (# cases, weight)
- Carrier signature showing picked up in full

	The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.
	Shipper Signature
ted:	CARRIER SIGNATURE / PICKUP DATE
r	Carrier acknowledges receipt of packages and required placards. Carrier certifies emergency response information was made available and/or carrier has the DOT emergency response guidebook or equivalent documentation in the vehicle.
pallets said to	<i>[Signature]</i> 1-11-21
Pieces	<i>[Signature]</i> SLC
	<i>Property described above is received in good order, except as noted.</i>



Shipping Documents

- **Proof of Delivery**

- Ship-To Address
- Purchase Order number
- Basic item information (# cases, weight)
- Warehouse/store stamp showing received in full
- Drop Trailer Stamp if POD not available

WEIGHT POUNDS	RATE TARIF	AMOUNT MONTANT
60063		
NO. # 9250862279	DATE 02/24/20	
TR. # 538089		
TOYCS RECEIVED 227		
RECEIVED BY 94241		
RECEIVED BY SOUTHERN EXPRESS		
TE EXPRESS		
0362979		
EC20		
EC20		
017 00201 017		
8-15-2020		





Invoice

Why You Need This:

Proving that the invoice was transmitted for the correct **items** with the correct **quantities, cost, and allowances**.

While not absolutely necessary for some deductions, it is always a best practice to provide a copy of the invoice for any deduction related to a specific invoice.

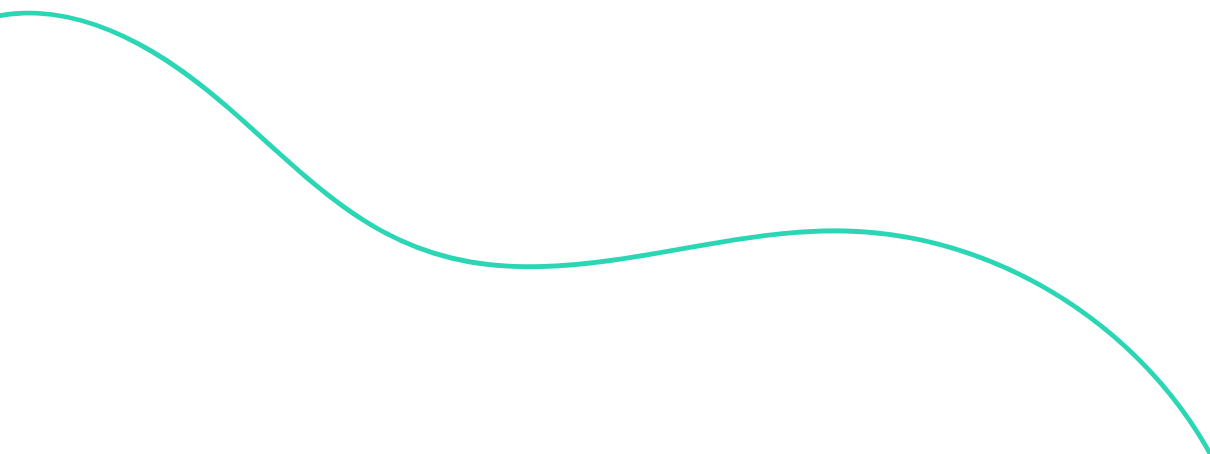




Purchase Order

Why You Need This:

Not usually necessary, but helps prove that the invoice matches what was ordered.



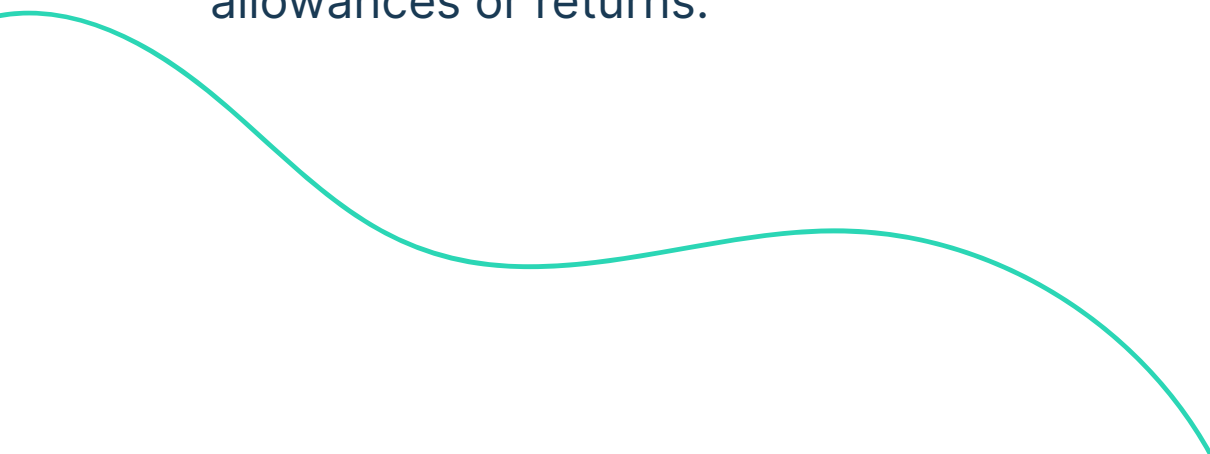


Supplier Agreement

Why You Need This:

Proving that the deduction in question is not valid based on the terms of your Supplier Agreement.

Most commonly used when disputing deductions related to allowances or returns.







Other Proof Documentation

- **Claim Document**
 - Not proof, but a best practice to include when disputing
- **Packing Slips**
- **Reports from Retail Link**
 - Inventory Received
 - Returns Info
- **Buyer Approval**





Talking to Your Buyer

- All retailers view the supplier/buyer relationship differently, and there is, of course, no one-size-fits-all rule for the kind of impact buyers can have on the dispute process.
 - However, cultivating a positive relationship with your buyer, when possible, is always helpful.
- 
- 



Disputing OTIF Fines

With Your Buyer





OTIF Fines Updates

Walmart changed their OTIF statement in January 2022.

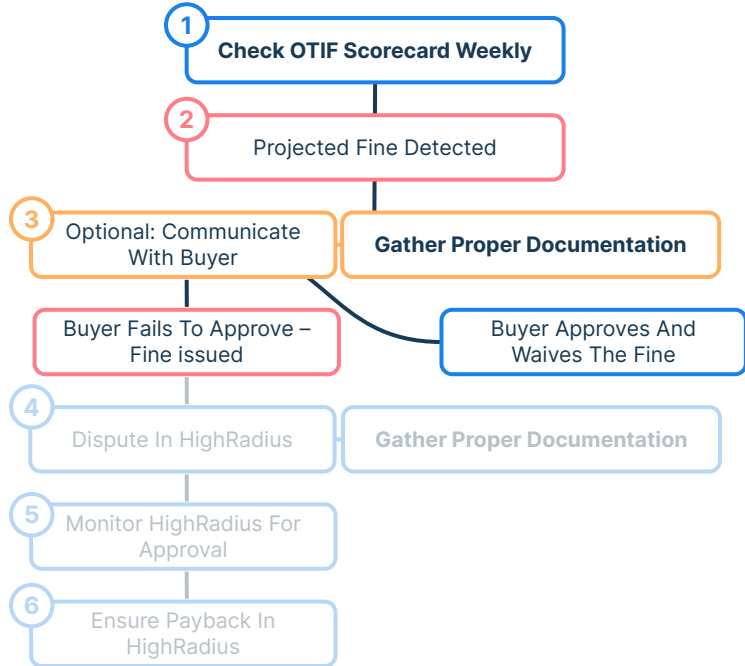
- OTIF fines are now disputable after being invoiced **but** process is still undefined.

	
Are OTIF Charges disputable?	To file a Dispute please use High Radius: High Radius Supplier Link - https://walmart.highradius.com



OTIF Process - With Your Buyer

- Walmart prefers for suppliers to let the fine hit before disputing (with or without buyer approval) in HighRadius.
- Some suppliers have still found success getting some projected OTIF fines exempted by their buyers beforehand.
- Talk to buyer before a projected fine hits your OTIF scorecard.
 - If you do talk to your buyer, usually 1-2 weeks before expected invoice date is ideal.





Starting the Dispute Process

In an email to your buyer include:

- PO Number(s) being disputed
- Supporting documentation and detailed dispute reasoning to back up dispute case
- Amount being requested to be waived from fines





Disputing OTIF Fines

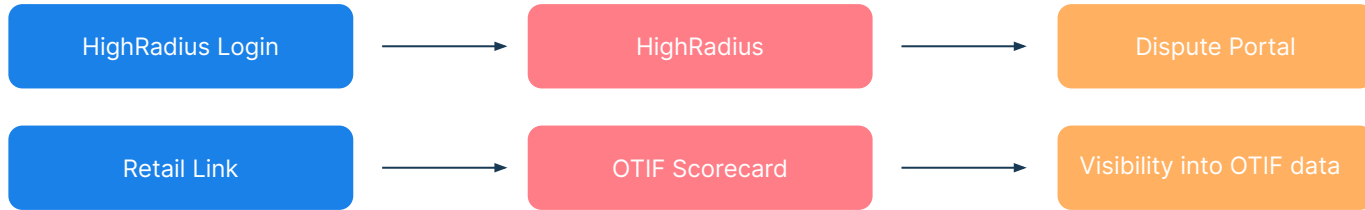
On HighRadius





OTIF Tools

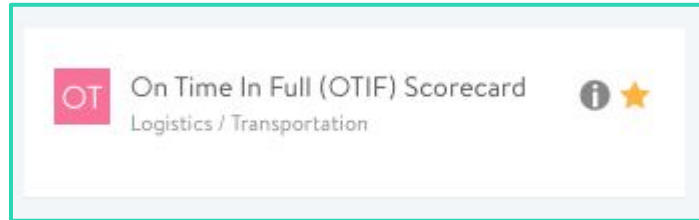
- Walmart's Portal for OTIF are visible and disputable in two different places.





How to Find the OTIF Scorecard

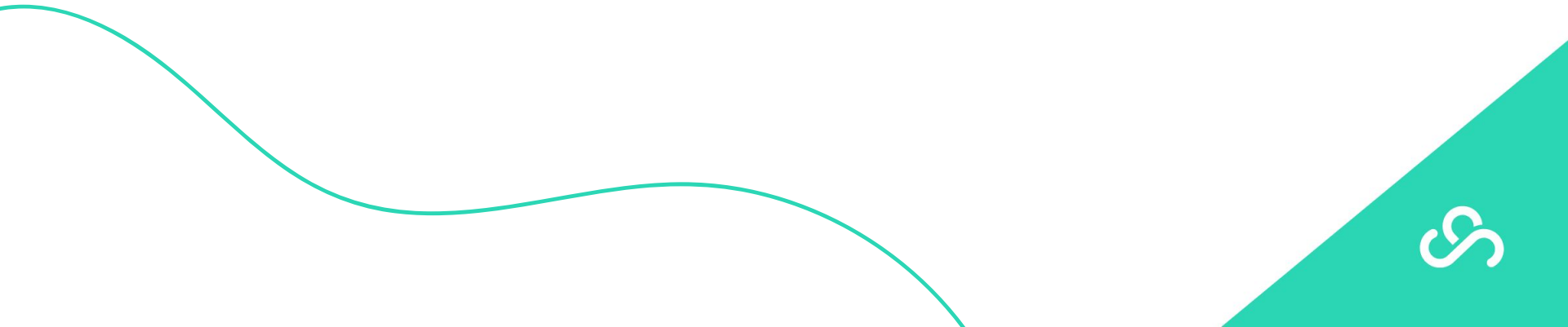
- Open a browser window.
- Clear the cache, cookies, and internet history to ensure the latest version of Retail Link will be viewable.
- Log into Retail Link.
- Click on "Apps" at the top and click on "OTIF Scorecard."





OTIF Scorecard in Action

The data in the OTIF scorecard can be used when:

- Reviewing ownership of OTIF compliance issues.
 - Creating a root cause analysis for OTIF compliance issues.
 - Discussing compliance issues with your 3PL.
 - Disputing OTIF fines.
- 



Using HighRadius to Dispute

HighRadius is a customer-facing tool that provides accessibility to accounts receivables balances and monies due payable to Walmart.

The screenshot displays the HighRadius interface with a table of bills and a column selection menu. The table has columns for Sales Invoice PDF, Customer Name, Customer Number, Invoice Number, Document Type, Reference Document Number, Reference Key 1, and Country Key. The 'Reference Key 1' column is highlighted with a blue box, and a dropdown menu is open, showing options for sorting and columns. The 'Columns' option is highlighted with a blue box. The column selection menu on the right is also highlighted with a blue box and contains the following items:

- Customer Number
- Invoice Number
- Document Type
- Reference Document Number
- Reference Key 1
- Country Key
- Parent Doc Doc Type
- Company Code
- Document Number
- No Line Item Acct
- Parent Doc#
- Fiscal Year

<input type="checkbox"/>	Sales Invoice PDF	Customer Name	Customer Number	Invoice Number	Document Type	Reference Document Number	Reference Key 1	Country Key	P	D
<input type="checkbox"/>	View	ONE TIME CUSTOMER	9999999999	700022055	YI	PR TENANT RENT	93424142	Sort Ascending		
<input type="checkbox"/>	View	ONE TIME CUSTOMER	9999999999	7000352323	YX	11-05082-290	93331010	Sort Descending		
<input type="checkbox"/>	View	ONE TIME CUSTOMER	9999999999	7000352326	YX	11-03265-234	93329999			
<input type="checkbox"/>	View	ONE TIME CUSTOMER	9999999999	7000352325	YX	11-01551-238	93329650	Columns		
<input type="checkbox"/>	View	ONE TIME CUSTOMER	9999999999	7000352324	YX	11-03349-238	93328790	US		
<input type="checkbox"/>	View	ONE TIME CUSTOMER	9999999999	7000352327	YX	11-05265-234	93330362	US		
<input checked="" type="checkbox"/>		ONE TIME CUSTOMER	9999999999	6501361607	DA			US		
<input type="checkbox"/>		ONE TIME CUSTOMER	9999999999	6501361607	DA			US		
<input type="checkbox"/>		ONE TIME CUSTOMER	9999999999	6501361607	DA			US		
<input type="checkbox"/>		ONE TIME CUSTOMER	9999999999	6501361607	DA			US		



Tips for Disputing in HighRadius

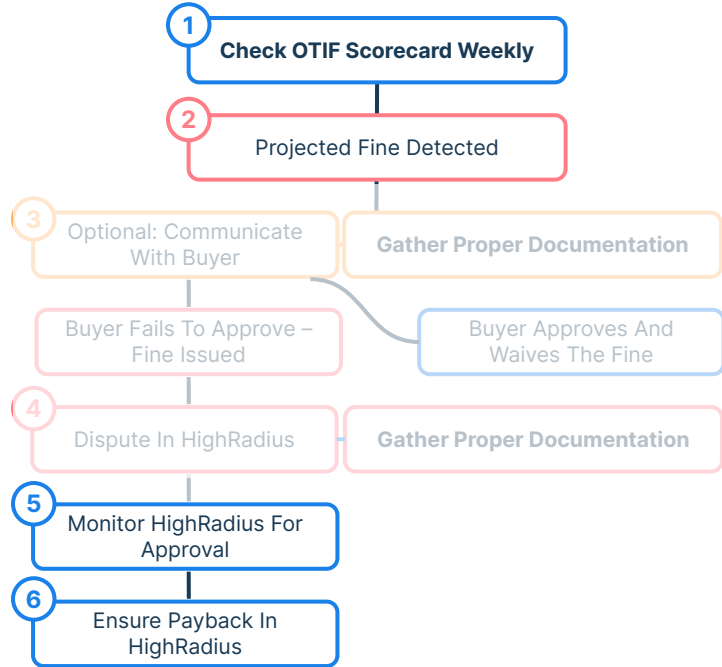


- You can dispute OTIF fines and SQEP Fines in HighRadius using the **Dispute** button.
- Fines are disputed in a **1-month** batch.
- You have a **13 month window** to dispute invoiced fines.

Create Dispute							
Invoice Number	Open Amount	Currency	Debit Credit Indicator	Dispute Reason	Amount to be Disputed	Comments	Attachment
		USD	Debit	<input type="text"/>	<input type="text"/>	<input type="text"/>	Upload

OTIF Process in HighRadius

- Even if fine is disputed in HighRadius, OTIF scorecard will not change.





What Do You Need to Dispute?

The additional evidence recommended to include in HighRadius from the OTIF FAQ document:

- Screenshots
- Documentation
- Research
- Communication with Walmart Partners





New Step in OTIF Dispute Process

If you have buyer approval, ensure they have filled out the **OTIF Buyer Payback Template** and this is included in your dispute.

OTIF BUYER PAYBACK REQUEST
Please Complete ALL fields

Buyer: _____

Date: _____

The Above Supplier is Requesting Payback of The Items Listed Below:

COMMENTS

A) On Time Prepaid Charges **

B) On Time Collect Ready Charges **

C) In Full Charges **

Buyer Business Reason for Approval Required

Notes:

Walmart- Buyer, DMM or CMM approval is required for all paybacks.
Buyer Approval Required \$0.01 - \$999,999.00
DMM Approval Required - Greater \$1 Million

** Merchant teams your email approval along with this form must be submitted by your supplier for a payback to be approved by OTIF disputes

	Amount	Payback	
		Yes	No
_____	<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="text"/>	<input type="checkbox"/>	<input type="checkbox"/>





What Info is Needed for a Successful HighRadius Dispute?

- The 6-digit supplier number
- The HOST PO numbers being disputed
- The item numbers that were charged on the disputed HOST PO numbers
- The charge type: in full, collect ready, pre-paid on time, etc.
- Charge amount, which is listed in the charge type column





What Info is Needed for a Successful HighRadius Dispute? *(cont.)*

- MABD
- If disputing collect ready charges, the collect ready cases need to be included, late routing cases, and supplier ship point cases columns
- The delivery window if the dispute is for time-related charges
- Any PO change/cancel reason codes listed on the scorecard



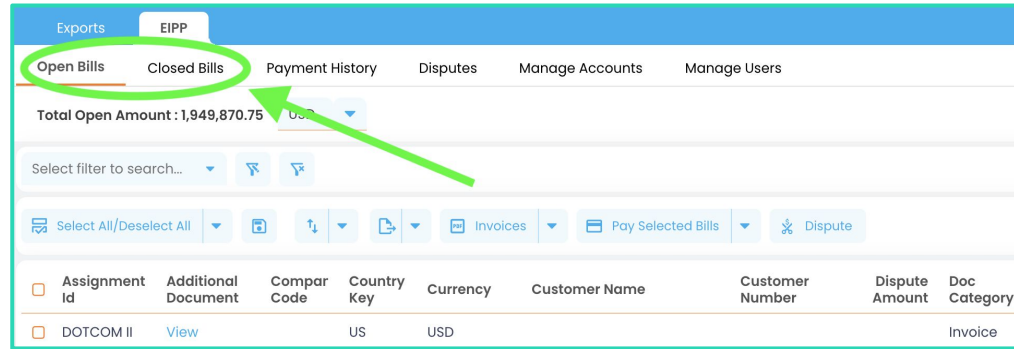


Disputing On HighRadius

OTIF and SQEP



HighRadius Dispute: Open and Closed Bills



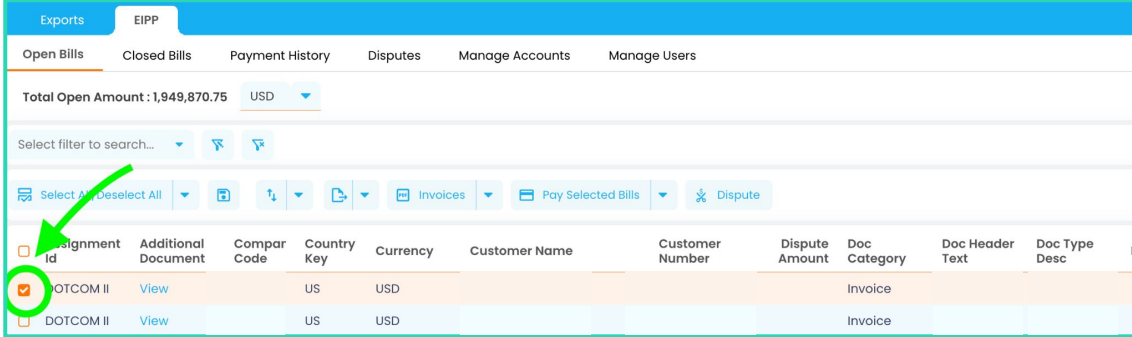
The screenshot displays the HighRadius EIPP interface. At the top, there are tabs for 'Open Bills' and 'Closed Bills', both of which are circled in green. Below the tabs, the 'Total Open Amount' is shown as 1,949,870.75 USD. A search filter is available, and a toolbar contains buttons for 'Select All/Deselect All', 'Invoices', 'Pay Selected Bills', and 'Dispute'. A green arrow points to the 'Dispute' button. Below the toolbar is a table with the following columns: Assignment Id, Additional Document, Compar Code, Country Key, Currency, Customer Name, Customer Number, Dispute Amount, and Doc Category.

Assignment Id	Additional Document	Compar Code	Country Key	Currency	Customer Name	Customer Number	Dispute Amount	Doc Category
<input type="checkbox"/>	DOTCOM II	View	US	USD				Invoice

- Bills that have not been paid off/matched with the transactions are Open Bills. After matching those bills are marked as Closed
- **Both** can be disputed



HighRadius Dispute: Selecting Charge



The screenshot shows the HighRadius EIPP interface. At the top, there are tabs for 'Exports' and 'EIPP'. Below that, there are navigation tabs: 'Open Bills', 'Closed Bills', 'Payment History', 'Disputes', 'Manage Accounts', and 'Manage Users'. The 'Open Bills' tab is active. Below the navigation tabs, there is a summary bar showing 'Total Open Amount : 1,949,870.75 USD'. Below the summary bar, there is a search filter 'Select filter to search...' and a toolbar with buttons for 'Select All', 'Deselect All', 'Invoices', 'Pay Selected Bills', and 'Dispute'. Below the toolbar is a table with columns: 'Assignment Id', 'Additional Document', 'Compar Code', 'Country Key', 'Currency', 'Customer Name', 'Customer Number', 'Dispute Amount', 'Doc Category', 'Doc Header Text', 'Doc Type Desc', and 'Re'. The first row of the table is highlighted in orange and has a red checkmark in the 'Assignment Id' column. A red arrow points to this checkmark. The second row is not highlighted and has an unchecked checkbox in the 'Assignment Id' column.

Assignment Id	Additional Document	Compar Code	Country Key	Currency	Customer Name	Customer Number	Dispute Amount	Doc Category	Doc Header Text	Doc Type Desc	Re
<input checked="" type="checkbox"/>	DOTCOM II View		US	USD				Invoice			
<input type="checkbox"/>	DOTCOM II View		US	USD				Invoice			

- Select the charge that you would like to dispute by clicking the box
- You can select and dispute more than one at a time
- Click the Dispute button



HighRadius Dispute: Filing Dispute

Fill in the information for

- “Dispute Reason,”
- “Amount to be Disputed,”
- “Comments” (if applicable)
- “Attachment” for relevant documents

Invoice Number	Open Amount	Currency	Debit/Credit Indicator	Payment Amount	Dispute Reason	Amount to be Disputed	Comments	Attachment
		USD	Debit		<input type="text"/>	<input type="text"/>		Upload



HighRadius Dispute: Disputing

After you've populated the necessary boxes, click Save in the bottom right corner, and your dispute will be filed.

Invoice Number	Open Amount	Currency	Debit Credit Indicator	Payment Amount	Dispute Reason	Amount to be Disputed	Comments	Attachment
<input type="text"/>	<input type="text"/>	USD	Debit	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="Upload"/>

DISPUTE 1 of 1

Cancel Save



HighRadius Dispute: Following Up

The screenshot displays the HighRadius Disputes management interface. The 'Disputes' tab is highlighted with a red circle and a red arrow. The interface shows a navigation bar with 'Exports' and 'EIPP' tabs, and a menu with 'Open Bills', 'Closed Bills', 'Payment History', 'Disputes', 'Manage Accounts', 'Manage Users', and '7000660583 - Invoice Details'. Below the menu is a search bar and a toolbar with various icons and a 'Withdraw Dispute' button. A table with columns for Deduction Id, Invoice Number, Document Number, Payer Name, Payer Number, Dispute Amount, Deduction Notes, and Creation Comment is visible. The first row of the table is highlighted in yellow.

<input type="checkbox"/>	Deduction Id	Invoice Number	Document Number	Payer Name	Payer Number	Dispute Amount	Deduction Notes	Creation Comment
<input type="checkbox"/>								InvalidPO is highlighted in yellow c.

- To follow up on and edit disputes already saved, click on the “Disputes” tab on your home screen





Disputing Examples





Scenarios of Invalid Fines

- DCs being full for prepaid delivery
- WM missed pickups for collect orders
- Discrepancies in Walmart's internal systems
- Unpredictable inclement weather



Communicate issues with WM team as they come up





Disputing OTIF Chargebacks

Examples of Dispute Cases

Walmart Issues

Documentation is key. Providing communications and efforts to address issues as they come along will go a long way.





Disputing OTIF Chargebacks

Examples of Dispute Cases

Extenuating Circumstances

Weather or unforeseeable significant events with documentation may be enough to make singular cases.





Disputing OTIF Chargebacks

Partially Approved OTIF Dispute

- Supplier X disputed \$3,333 in Not In Full fines in HighRadius
 - \$941 was approved, \$2,393 was not

Potential Dispute Scenario

When the DSS app reflects a PO as received, but OTIF Scorecard shows the PO as Not In Full with a fine, use this discrepancy and data to dispute.



Walmart applications don't always communicate with each other. Make sure to call out these discrepancies with your buyer.



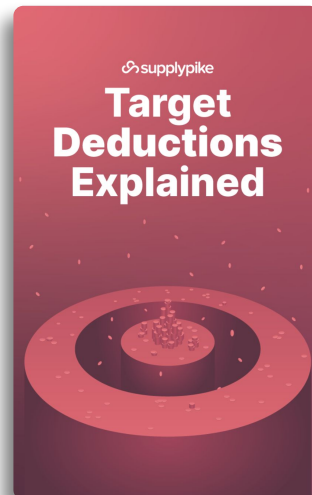
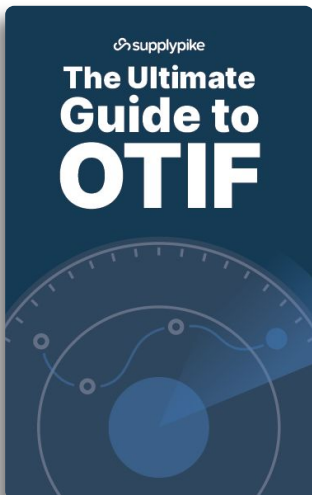
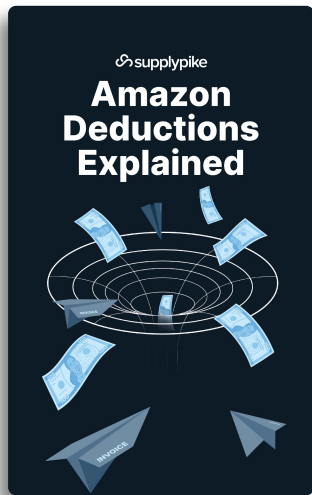
Live Q+A





SupplierWiki Resources

We build relevant, **always-free** resources for CPG suppliers.



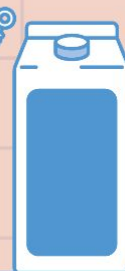
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| FREE EVENT

Retail Link Recipes Live with Tim Carey

February 22, 2023 8:30-10:30 AM CT

@ *The Supply Chain Hall of Fame*



Contact Us!



Stacy Tan

VP of Retail Insights
stacy.tan@supplypike.com



Melodie Hays

VP of Marketing
melodie@supplypike.com

Or find us at

supplypike.com





**Now, let's take a look at
OTIF Radar!**

